DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

THIRD SESSION—FOURTEENTH PARLIAMENT

14-15 GEORGE V, 1924

IN SIX VOLUMES

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VOLUME CLXIV

COMPRISING THE PERIOD FROM THE FOURTH DAY OF JULY TO THE NINETEENTH DAY OF JULY, 1924, INCLUSIVE

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1924

HOUSE OF COMMONS

DEBATES

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Friday, July 4, 1924.

The House met at three o'clock.

BANKING AND COMMERCE COMMITTEE

Mr. VIEN (Translation) presented the twelfth report of the Select Standing Committee on Banking and Commerce.

Your committee recommend that the government should study and consider the practicability of laying before parliament at a subsequent date the establishment in the chartered banks of Canada, of an additional class of savings accounts whereby all holders of deposits, who may place their money in such class of accounts, in any one bank or branch thereof, shall be protected against loss up to the sum of $3,000 by the establishment of a fund on an insurance basis, the premiums of which will be contributed by the depositor and the bank in such proportion as may be determined and that the government work out the details and actuarial data necessary for the establishment of the said proposal and upon conference with the banking institutions of Canada, that legislation may be enacted to carry out the results of the said conference and such scheme as may be evolved.

CONVENTION OF COMMERCE—BELGIUM AND LUXEMBOURG

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to lay on the Table a copy of a Convention of Commerce between Canada and the Economic Union of Belgium and Luxembourg, signed at Ottawa on the third day of July, 1924.

I move that 1,000 copies of the Convention of Commerce between Canada and the Economic Union of Belgium and Luxembourg, signed at Ottawa on the third day of July, 1924, be printed forthwith, and that rule 74 in relation thereto be suspended.

Mr. SPEAKER: The Convention is in both languages. Therefore it is not necessary to print 1,000 copies in each language.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 220 (from the Senate), for the relief of Malcolm Middleton—Mr. Jacobs.

Bill No. 221 (from the Senate), for the relief of Clara Louise Kinnear.—Mr. Boys.

Bill No. 222 (from the Senate), for the relief of Allan Thomas Easson.—Mr. Speakman.

Bill No. 223 (from the Senate), for the relief of Henry Irwin Claxton.—Mr. Martell.

Bill No. 224 (from the Senate), for the relief of John Henry Smith.—Mr. Duncan.

Bill No. 225 (from the Senate), for the relief of Bertha May Roy.—Mr. Boys.

Bill No. 226 (from the Senate, for the relief of Lunetta Elmina Hay.—Mr. Boys.

FISHERIES ACT, 1914, AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the Fisheries Act, 1914, and to provide:

1. Except as otherwise provided in the act, no one shall engage in the manufacture of fish meal, fertilizer, oil, glue or products of a similar character from fish, fish offal or marine animals, except under license from the minister.

2. That the annual fee on a license for the operation of an establishment for dry-salting herring in British Columbia shall be twenty-five cents on each ton or fraction thereof of dry-salted herring put up in the establishment during the season.

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.

TARIFF ADVISORY BOARD

On the Orders of the Day:

Mr. W. D. EULER (North Waterloo): I would like to ask whether the government can give any information to the House as to when we may expect the appointment of a tariff board as intimated by the Prime Minister in his speech on the budget?

Mr. BUREAU: Tariff board? Never.

Mr. EULER: Yes, something of that nature.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think what my hon. friend refers to is the appointment of certain advisers to the Minister of Finance with respect to tariff matters. The government contemplates making appointments after an appropriation has passed parliament for the purpose. The appointments will be made after the session.

INTER-ALLIED CONFERENCE ON DAWES REPORT

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): Is it true, as reported in the press, that the government has received an invitation to send a delegate to the Inter-Allied Conference which is being called to deal with the Dawes report. If so, has the Acting Minister of Finance been selected to represent Canada? Will he take the House into his confidence before he attends? And will an opportunity be afforded for discussion by this House?

Right Hon. W. L. MACKENZIE KING: (Prime Minister): The government has not received an invitation to send a delegate to the conference but it has received a request to have a representative at a preliminary conference which is to be held in London next week to consider the matter of representation at the forthcoming conference which opens, I understand, on the 16th. The government is considering at the moment whom it will ask to represent Canada at the preliminary conference, which is a conference between His Majesty's government of Great Britain and representatives of the several self-governing Dominions and India.

BUSINESS OF THE HOUSE

MORNING SITTINGS

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): Is the government in a position to give any information as to when morning sittings will be held?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I hope it may be possible by Monday to bring before the House the Redistribution Bill and also to place on the Table the Supplementary Estimates. If that hope is realized I should like on Monday to suggest that the House begin morning sittings on Tuesday. The suggestion will be contingent on both the matters referred to.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Will the government have all their proposed legislation down by Monday, including the Supplementary Estimates? If not it will be very objectionable to hold morning sittings.

Mr. MACKENZIE KING: I have already intimated the legislation the government contemplates bringing down. There may be other legislation that at the moment is unforeseen, but I do not think I can make any intimation further than that already made.

[Mr. Mackenzie King.]

Mr. MEIGHEN: It is not an intimation I am speaking of. Will the actual legislation be down by Monday, because it should be presented to the House before morning sittings are undertaken?

Mr. MACKENZIE KING: My right hon. friend realizes that if legislation is likely to arise out of the reports of committees of the House the government will have to wait until those committees have reported. Do I understand that my right hon. friend is taking exception to morning sittings before that?

Mr. MEIGHEN: I know that if we go through the formality of referring matters to committees first, the government will likely have to wait until those committees report. Until they do report—if such action be necessary—and the government's legislation is down, we should not be asked to sit in the mornings.

Mr. H. E. SPENCER (Battle River): I should like to ask the government if it would not be wise to refrain from holding morning sittings until the committees of the House have finished their business. I know the Banking and Commerce committee has several important sessions ahead of it, and many of its members would like to be present in the House when some of the subjects mentioned by the Prime Minister are being discussed. I would therefore ask the government not to have morning sittings until the work of the committees is finished.

Mr. MACKENZIE KING: The government will be pleased to consider what my hon. friend has said. Perhaps on Monday I shall be able to make a fuller statement in regard to the matter.

PRIVILEGE—Mr. GOOD

On the Orders of the Day:

Mr. W. C. GOOD (Brant): Two days ago I made an observation in the House that might seem to reflect on the conduct of one of the hon. members of the Upper Chamber, and with your permission, Mr. Speaker, I should like to be afforded the opportunity of making an explanation and an apology. Have I your permission, Mr. Speaker?

Mr. SPEAKER: It is quite open to the hon. member to rise to a question of privilege.

Mr. GOOD: The words I used, and which will be found on page 3948 of Hansard are as follows:

> And the hon. gentleman in the other House who was responsible for writing this pamphlet was granted an honorarium of $10,000.

Now while there may be differing interpretations of the words "was responsible for" I wish to state that my understanding at the time was that the gentleman in question did write this pamphlet. I have since discovered that such is not the fact. I may say that the pamphlet in question, which I now hold in my hand, is entitled "Banks and Banking." It was issued last year with the compliments of the Canadian Bankers' Association but the author's name does not appear. However, I was told by a newspaper man from western Canada about that time that it was written by the Hon. Smeaton White, but during the last twenty-four hours I have learned that this is erroneous. The facts of the situation are these and they will probably enable the House to realize just how the mistake has occurred. The full name of the hon. member of the other House is Richard Smeaton White, Senator, and, I believe, proprietor of the Montreal Gazette. The editor of the Montreal Gazette is Robert Smeaton White, a cousin of the proprietor, I understand, and it appears that the honorarium of $10,000 was granted to the editor and not to the proprietor. A confusion in the names is responsible for the misunderstanding. It now appears that it is Robert Smeaton White who wrote the pamphlet and secured the honorarium, and that the Hon. Senator White is quite guiltless in the matter.

CANADIAN NATIONAL RAILWAYS—BRANCH LINES

GRANDE FRESNIERE—RINFRET JUNCTION

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 31, respecting the construction of a Canadian National Railway line between Grande Fresniere and Rinfret Junction, in the province of Quebec.

He said: The amendment is merely an addition to the provision in the bill which requires information to be furnished to parliament. It calls for any other information that the minister may require.

Motion agreed to; amendment read the second time and concurred in.

PEEBLES SOUTHERLY

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 41, respecting the construction of a Canadian National Railway line from Peebles southerly in the province of Saskatchewan.

Motion agreed to; amendment read the second time and concurred in.

GRAVELBOURG—NEIDPATH

Mr. GRAHAM (Minister of Railways) moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 42, respecting the construction of a Canadian National Railway line extending the Gravelbourg Branch to Neidpath, in the province of Saskatchewan.

Motion agreed to, amendment read the second time and concurred in.

STE. ROSE DU LAC—RORKETON

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 43, respecting the construction of a Canadian National Railway line extending the Ste. Rose du Lac branch to Rorketon, in the province of Manitoba.

Motion agreed to, amendment read the second time and concurred in.

PRINCE ALBERT—PADDOCKWOOD

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 51, respecting the construction of a Canadian National Railway line from Prince Albert to near Paddockwood in the province of Saskatchewan.

Motion agreed to, amendment read the second time and concurred in.

EYRE—ACADIA VALLEY

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 52, respecting the construction of a Canadian National Railway line between Eyre, in the province of Saskatchewan, and Acadia Valley, in the province of Alberta.

Motion agreed to, amendment read the second time and concurred in.

ESTON—WHITE BEAR

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 53, respecting the construction of a Canadian National Railway line between Eston and White Bear, in the province of Saskatchewan.

Motion agreed to, amendment read the second time and concurred in.

ST. PAUL SOUTHEASTERLY

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 55, respecting the

construction of a Canadian National Railway line from St. Paul, in the province of Alberta, southeasterly 21 miles.

Mr. SPENCER: May I ask what the amendment is?

Mr. GRAHAM: The amendment has been included on all these bills. In the original bill there was provision for information to be given to the House at each session. This is merely to add the words: "And all other information as the minister may direct."

Motion agreed to; amendment read the second time and concurred in.

COWICHAN BAY

Mr. GRAHAM moved the second reading of and concurrence in the amendment made by the Senate to Bill No. 34, respecting the construction of a Canadian National Railway line to Cowichan Bay, on Vancouver Island.

Motion agreed to; amendment read the second time and concurred in.

VANCOUVER ISLAND—MILE 100

Mr. GRAHAM moved the second reading of and concurrence in the amendments made by the Senate to Bill No. 35, respecting the construction of a Canadian National Railway line to Mile 100 Vancouver Island.

He said: There are two amendments to this bill, the one just referred to, which was placed in the other bills, and the other one is an amendment to the schedule which I believe shortens the mileage. The mileage previously was to Mile 100. This substitutes for Mile 100 the name Cottonwood Creek.

Sir HENRY DRAYTON: It cuts the mileage in two. The old mileage was 20 miles and the new mileage would be 10 miles. As I read the amendment the railway is given a little more money.

Motion agreed to; amendments read the second time and concurred in.

PINE FALLS

Mr. GRAHAM moved the second reading of and concurrence in the amendments made by the Senate to Bill No. 62, respecting the construction of a Canadian National Railway line to Pine Falls, in the province of Manitoba.

He said: The amendments to this bill are more extensive. They provide that a certain contingency must occur namely, the construction of a pulp mill, before the company will be authorized to build a line. Then the mileage direction, I think is somewhat changed, to make it more direct. I would rather have had the original bill, but if we cannot have it, I prefer accepting the amendment.

Sir HENRY DRAYTON: The more important part of the amendment is to reduce to writing the wishes of the management. The management did not desire to undertake the construction of this line unless this pulp mill was built. There would be no business there unless the pulp mill was constructed, and the Senate made the erection of the pulp mill conditional on the building of the line. By this amendment they are merely giving effect to the representations of the management itself. And the Senate has gone a little further; it provides that if the pulp mill be not built out at the country point where it was thought it would be built, but in Winnipeg or at a point near Winnipeg, the line may nevertheless be built, the idea doubtless being that the line would bring in the raw materials to the pulp mill in Winnipeg. The whole effect of the amendment is to reduce to concrete form the business proposition of the management.

Motion agreed to, amendments read the second time, and concurred in.

LOCKEPORT STATION—TOWN OF LOCKEPORT

Mr. GRAHAM moved the second reading of and concurrence in the amendments made by the Senate to Bill No. 63, respecting the construction of a Canadian National Railway line between Lockeport Station and the town of Lockeport, in the province of Nova Scotia.

He said: There are two amendments to this bill. One of them is stated in all the other bills, and the other is an amendment to the schedule which provides that this line is to be constructed to Lockeport for freight purposes only. I am inclined to ask the House to accept the amendment. If it is found that there is a probability of developing a passenger traffic, it will not be difficult to come back and get an amendment to the bill.

Sir HENRY DRAYTON: In this instance, it is again, as I understand the matter, supplementing the wishes of the management. The situation was that the line stopped short of Lockeport and the management, recognizing that a great deal of teaming had to be done in order to carry goods to and from the station, thought that was an unfair burden upon the business interests of Lockeport. On the other hand, if passenger facilities were to be extended to that point, that would mean another station, another agent and a great

deal of expense without getting any business at all, and the management thought this was the proper thing to do. This is merely putting into black and white what was thought to be the business solution of the question.

Motion agreed to; amendments read the second time and concurred in.

HANNA-WARDEN

Mr. GRAHAM moved the second reading of and concurrence in amendments made by the Senate to Bill No. 44, respecting the construction of a Canadian National Railway line between Hanna and Warden, in the province of Alberta.

Motion agreed to; amendments read the second time and concurred in.

LOVERNA EXTENSION

Mr. GRAHAM (Minister of Railways and Canals) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 45, respecting the construction of a Canadian National Railway line from Loverna westerly in the province of Alberta.

Motion agreed to; amendments read the second time and concurred in.

DUNBLANE-MAWER

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 49, respecting the construction of a Canadian National Railway line between Dunblane and Mawer or a point west thereof, in the province of Saskatchewan.

Motion agreed to; amendments read the second time and concurred in.

ROSEDALE SOUTHEASTERLY

Mr. GRAHAM moved the second reading of and concurrence in amendments made by the Senate to Bill No. 61, respecting the construction of a Canadian National Railway line, being a joint section from Rosedale southeasterly in the province of Alberta.

Mr. SPENCER: I notice that 26 railway bills passed this House and only sixteen are coming back from the Senate. What has been the fate of the balance?

Mr. GRAHAM: One cannot yet tell as to them all. Several of them have been rejected by the Senate. The others are still under consideration.

Motion agreed to; amendments read the second time and concurred in.

CUSTOMS ACT AMENDMENT

Hon. JACQUES BUREAU (Minister of Customs and Excise) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Customs Act, Revised Statutes, 1906, chapter 48, by providing that in estimating the damage by breakage upon brittle goods, such as crockery, china, glass and glassware, under the provisions of the said act, such allowance or damage shall only be made and allowed for the amount of loss in excess of fifteen per cent of the whole quantity damaged, and a period of fourteen days from date of entry or arrival of such goods shall be allowed within which to claim abatement for damage.

He said: In the Customs Act there is a provision for abatement of duty on imported goods damaged in transit. I do not know the reason, but as regards all goods imported except perishable goods, fourteen days are allowed in which claims can be made. Section 79 of the Customs Act reads:

An allowance may be made for deterioration by natural decay during the voyage of importation upon perishable articles, such as green fruits and vegetables, imported into Canada; but in assessing the same and in estimating the damage—

Then all of a sudden you come upon:

—by breakage upon brittle goods, such as crockery, china, glass and glassware.

We have had representations made that glass importations especially are very bulky. Sometimes large cases of plate glass are at the back of the shed and it is five or six days before the cases can be got at. If they find a breakage, they have to go to the treasury board and make an application for a refund This takes a long while. We are putting crockery and glassware in the same category as other goods as regards which fourteen days are allowed to bring in the appraiser and make application for abatement of duty when any damage is done.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Sir HENRY DRAYTON: As I understand from the minister we are doing two things in connection with the proposed change, we are putting crockery and other fragile articles in the same class as articles perishable per se—

Mr. BUREAU: No; we are taking them away from that class, because as regards goods in that class only three days are allowed for making claims, whereas as regards all the others, fourteen days are allowed.

Sir HENRY DRAYTON: We are putting them in the general class as regards

which fourteen days are allowed, and we are also making it a matter that the Customs department can deal with instead of making the application for a rebate go through the Treasury Board.

Mr. BUREAU: We are not making it. They generally do it through the board.

Sir HENRY DRAYTON: It would become a matter of customs administration and would be sent to the Treasury Board?

Mr. BUREAU: Yes.

Sir HENRY DRAYTON: That, I think, would be a good thing. I do not understand this question of "15 per cent of the whole quantity". How can we have a loss greater than the whole?

Mr. BUREAU: That is the law as it stands now.

Sir HENRY DRAYTON: It may be, but I was asking how that can be.

Mr. BUREAU: I did not go into the reasons for that being inserted, but it is the law as it stands now. All I wanted to do by this was to extend the period, within which the whole procedure that my hon. friend speaks about could be gone through, to fourteen days instead of three days.

Sir HENRY DRAYTON: How is it that a shipper can collect damages to an amount 15 per cent greater than the whole? Why should there be a premium on breaking crockery? Do you get $1.15 for a dollar's worth if you break the goods?

Mr. BUREAU: No. That means that if there is only 20 per cent of a loss, the shipper will get 5 per cent. The section reads:

Such allowance or damage shall only be made and allowed for the amount of loss in excess of 15 per cent of the whole quantity damaged.

If the damage amounts to 18 per cent, the importer will be given credit for 3 per cent.

Sir HENRY DRAYTON: I understand it now. In other words, the country has the benefit of 15 per cent free breakage, so to speak.

Mr. BUREAU: Yes, and that has been the provision of the law for some time.

Sir HENRY DRAYTON: That is not what it looks like at first blush.

Mr. BUREAU: This is the existing language and I dare not touch it lest my grammar and my knowledge of English be unequal to the task.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: I don't know about that.

Mr. COOTE: Why should the importer not be given some allowance if the damage amounts to, say, 14 per cent? It seems to me you are treating the importers rather harshly in giving them credit for damage only above 15 per cent. I would point out to the minister that damage up to that percentage is a very serious item in the cost of the goods to the importer.

Mr. BUREAU: As I have just explained to the ex-Minister of Finance (Sir Henry Drayton), this has been the law for years and there has been no petition nor request to the department to change it. All that we have been asked to do is to remove from the class of perishable goods, such as fruits and vegetables, such articles as brittle ware, crockery, glassware, and so on.

Mr. COOTE: Does the 15 per cent apply to perishable goods as well as to breakable articles?

Mr. BUREAU: It applies to all goods.

Resolution reported, read the second time and concurred in. Mr. Bureau thereupon moved for leave to introduce Bill No. 236 to amend the Customs Act.

Motion agreed to and bill read the first time.

Mr. BUREAU: I move that the bill be read the second time. We shall go into committee at the next sitting.

Motion agreed to and bill read the second time.

DEPARTMENT OF CUSTOMS AND EXCISE ACT AMENDMENT

Hon. JACQUES BUREAU (Minister of Customs) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend The Department of Customs and Excise Act and to place the administration of The Business Profits War Tax Act, 1916, and amendments, and The Income War Tax Act, 1917, and amendments, under the Department of Customs and Excise, and to provide for the constitution of an Advisory Board to investigate and study various modes of taxation with a view to simplifying and improving the existing systems.

He said: The bill seeks to do three things. We are amending the Customs and Excise Act, Chapter 26, XI and XII George V., and we propose in the first amendment to substitute the words "deputy minister" for the word "commissioner" in order to designate the position which corresponds to that of the deputy

minister in the Department of Customs and Excise. So that, instead of saying "Commissioner of Customs" and "Assistant Commissioner of Customs," the bill will use the terms "Deputy Minister of Customs" and "Assistant Deputy Minister of Customs." With regard to the second amendment, in the schedule to the act respecting the Department of Customs and Excise—the act relating to the two departments of Inland Revenue and of Customs after their fusion—it is provided that the Department of Customs and Excise should, under the various acts concerning taxation, assume the control and management of the collection of customs duties as well as the control of all matters incident thereto. These various matters comprise the collection of the duties of excise and stamp duties, the preparation and issue of stamps and stamp papers, except postage stamps, and all internal taxes, not including income tax. We are asking now that the words "not including income tax" be stricken from the schedule so that henceforth all internal taxes shall be collected by the Department of Customs and Excise. Of course, all taxes having reference to postage, such as the stamps that are put on letters or post cards, are collected by the Post Office Department. The 1 per cent on circulation is collected by the Department of Finance and could not very well come under our control; and the same thing applies to insurance, which is collected by the Department of Insurance, which is a branch of the Finance department. If I remember rightly, the trust and loan companies are also under the control of the Department of Finance. The object of this legislation is to obtain if possible the same results that were achieved when the departments of Customs and Inland Revenue were merged. Before the fusion of these two departments there were in every port two distinct sets of officers: There were a Collector of Customs and a Collector of Inland Revenue and a Deputy Collector of Customs and a Deputy Collector of Inland Revenue. The change was inaugurated in 1921, and it was only last year or possibly this year that the machinery has begun to run smoothly. It is hoped, not without good reason as I believe, that a considerable economy will be effected.

The income tax and the war profits tax—the latter is no longer in operation but there is a lot of money to be collected yet under it—are different propositions, as I shall explain. Let us take for convenience sake the ports in the province of Quebec, which province is better known to me. In the province of Quebec we pay income tax at two centres. The province is divided into the eastern and the western sections, and from the St. Maurice river or Three Rivers, the district I have the honour to represent in this House, we pay in Montreal, while east of the St. Maurice all payments are made in Quebec city. Let us take the St. Maurice region including Three Rivers; there is a port at Three Rivers itself, one at Shawinigan Falls and one at the city of Grand Mere. The idea is to train the customs and excise officers in these places, —just as we have already trained the inland revenue men—in the inland revenue business, and vice versa; the object being to subdivide the work and so make it more economical. We want these officers also to become better acquainted with the people who are infringing or attempting to infringe the law. It seemed to me when discussing the matter with the officials of the department that men residing at Three Rivers would naturally have a better knowledge of the income which any man would enjoy at that place than could men who were employed in either Quebec or Montreal and who would not know local conditions.

The Department of Customs and Excise has auditors who go around and examine the books of those who are liable to sales tax to ascertain whether or not they have paid the tax. The Department of Finance also has auditors who go around and examine the books of men who pay income tax to ascertain whether or not they are paying their full share of the tax. We think that one set of auditors could do this work.

Third, we seek the creation of a board, the purpose of which will be to act as advisers and as investigators to try to simplify, if possible, the system of taxation and the system of collecting taxation. Until the war the taxes we paid were not visualized as they are to-day, when we have to write out a cheque for sales tax or income tax. In those days we paid our taxation by way of customs duties collected at the border and included in the price of the goods we purchased; similarly excise duties on spirits or tobacco were paid at the bonded warehouse and included in the selling price of the article. But since the war we have to pay the stamp tax, the sales tax, the income tax, the business profits tax and so on. We are constantly receiving complaints from taxpayers who think that we are not following the proper principle in imposing and collecting these taxes that have been imposed to meet the war debt. We propose to have this board inquire into all systems of taxation, to make a study of how taxes affect the individual, industry and the

country generally, and to advise the Minister of Finance and the Minister of Customs the best way of taxation and the best way of collection, so that the least inconvenience may be caused to the citizen and to business generally in Canada.

Mr. O. R. GOULD (Assiniboia): I suggest to the minister that the whole question of taxation has been decided by the people of Canada, and the question to-day is whether the principle of direct or of indirect taxation is the better. I think it would be wise for the government themselves to make a positive declaration that they believe in the principle of direct taxation. To my mind, there is no question whatever that it is much more expensive to collect indirect taxes. I do not believe in throwing my hat in the air for the abolition of the sales tax that its place may be taken by an indirect tax in the perpetuation of tariff duties. I am very strongly in favour of direct taxation, for I want to know the amount of taxes I am paying, and if the principle is wrong I think the people may be trusted to find it out and protest against it in good time. I do not wish to oppose the creation of an advisory board, but I should like to see it composed of men who are not biased to begin with. I think the government might consult with the various groups in this House as to the constitution of the board, not merely as to its number but as to its personnel. I have come to the conclusion that men who collect taxes in the form of customs duties have lived in an atmosphere of protection for such a long period that they are sometimes biased as to the form which taxation should take. From an advisory board such as is suggested I am sure these officers would receive proper instruction, provided the members of the board were of the right type, that is, men with an open mind with respect to the relative merits of direct and indirect taxation.

Mr. JOS. T. SHAW (West Calgary): Mr. Speaker, may I ask the minister if the proposed board will be empowered to investigate and study only existing systems of taxation, or all systems, with a view to the application of the best possible system to Canada?

Mr. SPEAKER: I do not wish to curtail the discussion, but in order to give the minister in charge of the bill an opportunity to speak more than once, it will be better if the motion be facilitated so that the resolution may be considered in committee of the Whole. Is it the pleasure of the House to adopt the motion?

[Mr. Bureau.]

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

Mr. SHAW: May I now address my question to the minister?

Mr. BUREAU: My hon. friend wants to know if the proposed investigation will apply only to the existing system of taxation in Canada. No. The idea is that the board shall make a world-wide investigation in an effort to simplify and improve our system of taxation and our system of collection; that is, as to how taxation can be levied with the least inconvenience both to industry and to the citizen. If the purpose of the proposed board was only to investigate the existing system, I think we could handle the matter ourselves. But complaints come to us from various quarters, and these will be dealt with by the board, for our officials hardly have the necessary time to take such complaints into consideration and investigate them fully. And the board will have authority to investigate and study any system of taxation with a view to finding those that bear with the least hardship on the taxpayer.

4 p.m.

Mr. GOOD: Mr. Chairman, I am very favourably and forcibly impressed by this resolution. Of course, I do not know just what the bill will contain, or what the personnel of the board will be, but it strikes me that in the two matters dealt with the proposal is a very excellent one indeed. I take it that the first proposal looks to the coordination, to a greater extent than has been attempted in the past, of the various revenue-collecting agencies. This is very desirable. I think hon. members will recall the series of articles that were published in MacLean's Magazine some time ago, written by one of the men in the press gallery, dealing with the waste in the Civil Service, and one of the suggestions he made was the consolidation of some of our departments or sub-departments. This is something in that direction, and it does seem to me logical and desirable that the various methods of collecting revenue should, so far as is practicable and feasible, be centralized and consolidated. I think that part of the resolution is entirely proper and wise.

The second part, which has to do with the appointment of an advisory board to study various modes of taxation, seems to me to be of far-reaching importance. As hon. members know, I have striven to bring before the House on several occasions the desirability of

looking into very different systems of taxation from those we have been following in the past, and as I now understand the minister to state most distinctly that this board is not to confine its efforts and its studies to existing systems alone, but is to study all systems that may be in force in various parts of the world or that may be suggested, with a view to securing and applying to Canada the very best possible systems of taxation, it does appeal to me as being one of the most important and useful steps that could possibly be taken. Everything will depend, of course, upon the constitution of this board. It is possible that the board will be selected so that its findings, I was going to say will be a foregone conclusion. I hope not.

Mr. BUREAU: It is hardly fair to insinuate that.

Mr. GOOD: I am not making any insinuations, Mr. Chairman. I am simply saying there is a danger of that happening. I think that sort of thing has happened in the past, and I only wish to point out the danger in order that we may all take precautions against it. I certainly do not wish to insinuate that the Minister of Customs has it in his mind to appoint to this board certain persons with certain definite views, but I do think that past history has indicated very clearly the danger of selecting people whose minds are closed to the reception of new ideas in matters of this sort, and my only thought in mentioning the matter is to emphasize the need of getting people of an open mind, people who perhaps are representative of different types. It has been said in respect to some of the suggestions that I have made from time to time—it was suggested last year in the Banking and Commerce committee when I recommended that a certain witness be called: Oh, this man is not a practical man, he has only an academic knowledge. That is just the point I want to raise, as to whether in the constitution of a board of this sort it would not be wise to get people who have different points of view, so that we would have a really representative board to study this matter. I think the suggestion in that respect made by the hon. member for Assiniboia (Mr. Gould) is entirely in order. I do not wish to say anything further at the moment, Mr. Chairman, but to commend the resolution very highly indeed in its general principles.

Mr. GOULD: The investigational board which will be erected as a result of this legislation will, I presume, be a permanent board. Will the board have an annual programme provided, different phases of taxation to work on annually?

Mr. BUREAU: The only qualifications that we have discussed so far is that the man shall have the best possible knowledge of different systems of taxation. We want the best man we can get. I do not believe the group method will suit me at all. I want a broad-minded man who understands business conditions, who knows something about taxation in other countries, and who can alleviate the present burden of taxation by suggesting better taxation methods and better ways of collection.

My hon. friends need not worry about my creating a job for a friend. I have nobody in mind, and I think that to get a man with the qualifications I should like him to have we shall have to look around quite a bit, because I suppose these men to-day have world-wide obligations and occupations. The object of the government, as suggested by the department, is to get the best possible man, the man who in the judgment of the government will be best able to fill the position.

Mr. GOOD: Does the minister suggest the appointment of a single man?

Mr. GRAHAM: He might be married.

Mr. GOOD: Is the board to be composed of one man?

Mr. BUREAU: If the hon. gentleman will allow me to amend my phrase I will use the word "men" instead of "man."

Sir HENRY DRAYTON: I do not know that I have anything to say in connection with the first part of this resolution, that is, the change of the name "commissioner" to "deputy minister." There is no reason in the world why that should not be done.

There are some features of the present situation which recommend to me very strongly the adoption of the second part of the resolution. We had a query the other day in connection with the bill as to employment at sea, whether the term "children at sea" would apply to the government. It was not exactly admitted, although there was no strong dissent to the suggestion. I admit that so far as taxation and the present mess we are in is concerned, the government very sadly require advice, and I suppose the only advice they would take would be from an advisory board of their own manufacture. But, never mind where it comes from, I entirely agree that the government are sadly in need of advice, and that an advisory board could be given very useful functions.

I am going to point out what I mean as to the necessity of something being done. I am going to point to the multiplicity of rulings and the confusion that to-day exists in connection, for example, with the stamps on cheques—the spectacle that the House has seen of ministers in charge of portfolios not knowing what their own laws mean. I do not blame them. We have some thirty-five different rulings as to when stamps are and are not to be put on cheques. There is a very useful field at once for an advisory board—to try to see that the incidence of that particular taxation is understood by everybody, and that the law is made so that a man of ordinary intelligence can understand what is meant, and certainly so that a cabinet minister making the law can understand what it means.

We have the same position in connection with the sales tax. Why, during the present session of the House it is within the immediate recollection of every gentleman present that the hon. minister presenting the budget could not answer a simple question as to what the regulation read to him in connection with the sales tax meant. He said it would need an expert in lumber to understand it, and he was right. It is perfectly ridiculous to have our taxation laws in such shape. We need an advisory board. The government needs one badly, and I would like to help the government in getting some information.

Of course, an awful lot depends upon how the advisory board is chosen. The government has within its immediate control now men in the service who are pretty well posted on the collection of taxes, the machinery for taxation, and the like. They would be useful; at least, I think they would be useful if they were given an opportunity to go ahead and deal with the thing apart from political considerations, not wondering whether this particular class of the community would object, or whether that particular class would be pleased. If that were done we might get some simplification of these different laws. But we shall not accomplish very much if the appointments to this board are of a purely political nature. If a lot of outsiders, possibly erstwhile politicians, such as we had to investigate ocean rates, are called in, it will mean the expenditure of a lot of money without any good being accomplished.

I point out to the government that they are now creating another board which will mean getting rid of further sums of money. If they are wise they will not make use of the board for any such purpose. I point out to them that they were eleven millions behind last year and that expenses are creeping up. And while the expenditures are growing the revenue is falling. Therefore I suggest to the government, with great humility, that there should be a recognition even though tardy, of the rights of the taxpayers here, and that this shall not be made an expensive board. I hope it is not going to be a travelling board. I hope this board will not be utilized as an excuse for junketing trips here there and everywhere. It ought to be an administrative board, and its work ought to be done in its office very largely. At present we have the grain board, running around the country and taking evidence, with expensive counsel, and other employees. As a result of that we shall have a big bill to pay but we shall not get any practical results. I submit to the government that it should be made clear what this board is going to cost. My hon. friend now proposes to amalgamate the income tax and the business war profits tax machinery with the Customs department. That may be a good thing, and then again it may be a very bad thing. If he pursues the course adopted by the former administration in connection with customs and excise, if he cuts out a department, if he prevents duplication of service, this policy is going to be a good thing. If, however, he does what was professed to be done in connection with the elimination of the navy it will be something very different;—there was no elimination in that case so far as the staff was concerned. The so-called elimination did not effect the reduction of one minister, it brought about practically no reduction of the expenditure upon office staff. It is true that some action was taken with respect to the navy and we are now down to three trawlers, but so far as the office expenditure is concerned there has been no saving at all.

Mr. GRAHAM: There is only one deputy now and formerly there were two.

Sir HENRY DRAYTON: Is my hon. friend right in that? There were two.

Mr. GRAHAM: There is only one deputy now.

Sir HENRY DRAYTON: Then I am wrong in so far as the deputy is concerned. When did that change take effect? I know that at one time Mr. Desbarats was taken over and made another deputy.

Mr. GRAHAM: No, Mr. Desbarats was made controller of the department and acting deputy minister until the retirement of General Fiset took effect. Since that time Mr.

Desbarats has been made the Deputy Minister of the Department of National Defence.

Sir HENRY DRAYTON: Then my hon. friend is right. We have only got one deputy, and it is a good thing to that extent. I think my hon. friend (Mr. Bureau) ought to get some practical results out of a close co-operation between the officials that collect the income tax and those that collect the sales tax. On the other hand a large amount of money can be thrown away if he multiplies the income tax machinery all over the country. There are a great many customs ports throughout Canada. If my hon. friend's idea is to turn every single customs port into a place where income taxes are to be collected I tell him frankly he will be making a very great mistake. It is a difficult task to collect these taxes—to arrive at the amount and get the money in. My hon. friend will have a great deal of educational work training his officials and even then the collecting will not be properly done. If the duties in connection with taxation were co-ordinated in such a way that there would be a common knowledge which would be applied in the case of both the income tax and the sales tax it would be very helpful. The Income Tax department to-day could save the Sales Tax Collection department a tremendous amount of money immediately. They know, or practically ought to know, the approximate amount which should be paid in sales taxes. They know this from the information which is contained in the income tax return, and that information has always been available. If it were made use of, it would be quite possible for us to know what the arrears were, what the rebates were, and the like. When we had the discussion on the question of the sales tax it was pointed out that the House could not get this information because the department had not got it. But when we have the two branches working together there ought to be co-ordination with the most satisfactory results.

Mr. GOULD: In the Speech from the Throne the creation of a board of this kind was announced, but I had inferred that its operations would be much wider in scope than is likely to be the case. Furthermore, during the budget debate we gathered the impression from a statement made by the Acting Minister of Finance that through this board investigations might be made of watered stock, in connection with industrial enterprises. From my reading of the present resolution I doubt very much whether this board could conduct investigations of that nature and yet there is involved a very close relation to the principle of taxation. Like my hon. friend from West York (Sir Henry Drayton) I believe that we should not set up a board that is going to be unduly expensive to the country. And yet if that board, by its investigations, vindicates the hopes we entertain with respect to it the expense may well be justified. While the hon. member for West York was enlarging on the subject of expenditure and warning the government against plunging into costly undertakings there occurred to my mind certain expenditures which he himself was largely responsible for. There was, for example, the Tariff commission under the late government which cost Canada a considerable amount of money.

I am also thinking at the present moment of the Price-Waterhouse report, which came in at the same time, which was likewise almost pigeon-holed. So that I do not know whether we need fear any more about this government spending money recklessly. We have likewise the charge that the present Royal Grain Inquiry Commission will not bring in a report that will be beneficial to the people. It is my firm belief that if the Royal Grain Inquiry Commission make their report they will not get across the floor of the House quite as easily as did the Price-Waterhouse report, which was brought in during the regime of my hon. friend. I am fully in favour of this board, but I do not think it should be composed of one individual, it should be composed of at least three; and the members of the board should be appointed with the consent of the whole of parliament, and not by the government alone. I simply make that recommendation and hope that when the bill is presented to the House it will incorporate some of these provisions.

Mr. HOEY: How many members will there be on the board?

Mr. BUREAU: Three. That is the intention now.

Sir HENRY DRAYTON: Will the board be appointed through the Civil Service Commission?

Mr. BUREAU: The bill will provide that the board shall be appointed by the Governor General in Council, notwithstanding anything in the Civil Service Act to the contrary. That is my idea. This board may require the services of expert men for a week, or two or three weeks; and it seems to me that if we have to wait six weeks or six months before you can get them together, it will hardly be

doing justice to the board and will not contribute to the effectiveness or efficiency of the board.

Mr. GOOD: Is it the minister's plan or suggestion that this board should be employed continuously, or that they should be employed for stated periods only?

Mr. BUREAU: As long as they are efficient, and their services are required. There is not in the bill that will be presented to the House any limit of time.

Mr. GOOD: They are to give their full time to the work?

Mr. BUREAU: Absolutely.

Mr. MANION: Will this board be something akin to the Advisory Tariff Commission of the United States?

Mr. BUREAU: They will receive instruction and will act under the directions of the Governor General in Council, and will have all the necessary powers given to them. These matters can be discussed in committee. It is the intention to get the best men available, men with a knowledge of taxation, who can suggest or advise, and they themselves may suggest what they think they ought properly to do, subject always to the regulations of the Governor in Council. That will be in the bill.

Mr. MANION: Has the government decided as to the personnel of the board, assuming that the bill goes through? Have they decided as to the qualifications necessary for the personnel? For example, have they decided that they might have one manufacturer, one farmer and one labour man appointed? Perhaps the minister will say that they have not decided on the personnel.

Mr. BUREAU: I have no one in sight, and my colleagues have not suggested anyone. We want men with the proper qualifications and whether a man is a manufacturer, a farmer, a Grit, a Tory or Progressive, will not weigh in the balance at all. My hon. friend from West York (Sir Henry Drayton) may laugh. Of course, we are always apt to measure others by our own yardstick; but that is my intention, and I am going to carry it out. Produce the man, and if he is qualified he will get the position.

Mr. MANION: The reason I ask is that in 1912 a resolution was brought into the House, I think by one of the late finance ministers.

Mr. BUREAU: Sir Thomas White. That was the tariff board.

[Mr. Bureau]

Mr. MANION: Yes. My hon. friend is not guilty in that matter. The resolution was passed by this House and turned down in the Upper Chamber.

Mr. BUREAU: Yes.

Mr. MANION: Personally I have on two or three occasions in speeches on the budget supported the idea of an advisory tariff commission to thoroughly look into the tariff question with regard to each individual industry, and to advise the government; but since that time I have been told by some of those who supported the appointment of the board that later they changed their minds on the ground that when this board was suggested, there was a demand from so many different classes of people, urging that they be represented on the board, that it was thought the board would become practically useless. They said that the farmers and the manufacturers and the labour people all claimed that they must have a representative. So that, instead of having members appointed who would thoroughly go into the tariff question, or who are capable and able from their natural ability to go into the whole matter, they were requested to appoint a class board, if I might use that term. That is why I asked as to class representation on that board. If it be finally decided by the House that the board should be appointed and the government finally appoint a board, I think the best men from the standpoint of knowledge should be appointed, if possible. We require not only men who have had political training—that might even be forgotten—but we want men who have had training in tariff matters and questions of taxation.

Mr. BUREAU: Generally such men have no strong political leanings.

Mr. MANION: I agree with that. I think that if the appointments are finally made, these appointments should be based more on the ability of the men than on any consideration of their political leanings or of their class.

Mr. BUREAU: Yes, solely and absolutely.

Mr. GOOD: If this board is to become a board to sit in judgment upon the claims of various industrial classes for special privileges, I think they will soon get lost in a hopeless morass. I would be very much opposed to any board that would confine itself largely to the consideration of such matters. I do not think it is the intention of the government to constitute a board of that kind. Incidentally I suppose they might consider the

claims of certain large classes of industry as certain systems of taxation affect such classes, but to constitute a tariff board such as has been discussed to deal with tariff schedules I think would be a great mistake.

Mr. BUREAU: There is no question of a tariff board. That is not contemplated at all. I have stated my case and it is before the House.

Mr. GOOD: I am glad to have this assurance. I only wanted to make sure the suggestion made by my hon. friend from Fort William (Mr. Manion) was not in the mind of the government. I am very glad now the minister has given us this assurance.

Sir HENRY DRAYTON: I do not remember any such suggestion from my hon. friend from Fort William. I thought it was merely a question. The minister says it is not a tariff board. It is just the same board, as it strikes me, as the board recommended by Sir Thomas White, which was voted against by my hon. friend, with this addition: That besides being a board, advising on one method of taxation, this board is also going to advise as to sales tax, stamp taxes, bank taxes and all the rest of it. Surely this board will have every power in connection with the field of taxation, that the advisory board of Sir Thomas White had. Could my hon. friend point out any difference?

Mr. BUREAU: Yes. I will tell my hon. friend why I voted against that board. When the question came before the House, if I remember correctly the question came, up as suggested by an hon. member from this side of the House—and my hon. friend from Fort William (Mr. Manion) will remember the circumstance—"Who are you going to appoint on the board? Your political friends?" The answer was, "They shall be given a fair chance and more than a fair chance." That is quite different from the answer I give, "If you produce men of ability, let them come forward." I objected at the time the former board was appointed, because I thought it was a party question.

Sir HENRY DRAYTON: The minister is very disingenuous. Is there any distinction, except in name, between the tariff board now proposed and the tariff board proposed by Sir Thomas White, with this exception: that the former tariff board was to advise upon the one question which was our only measure of taxation, but as the field of taxation has been now increased, this tariff board covers more ground,—is there any other difference?

Mr. GOOD: Why call it a tariff board?

Mr. BUREAU: I do not call it a tariff board.

Sir HENRY DRAYTON Then call it a taxation board—any name you like; the name does not make the slightest difference as to what their duties are. My hon. friend gives me the assurance about politics. I am afraid nothing in the world would ever convince my hon. friend that a mere Tory or a promising Progressive ever knew anything which would entitle either one of them to an appointment.

Mr. BUREAU: That is not based on facts as regards my past conduct. Whenever I have had a chance to favour a Liberal on even chances, I have done it and I will do it again—conditions being even.

Sir HENRY DRAYTON: That is like the fact and we know it. I do not blame my hon. friend. He was not himself when a moment ago he was giving voice to the "paper" sentiments he did. He tells us now what the real truth is.

Mr. BUREAU: Conditions being even, I said.

Sir HENRY DRAYTON: He would get the best of it all.

Mr. BUREAU: No, he would not; he would not get more than a fair chance.

Mr. BOYS: Will the minister promise us one out of three?

Mr. BUREAU: Not even that.

Sir HENRY DRAYTON: That would never do. How much of the appropriation is for salaries and how much is the whole appropriation to be?

Mr. BUREAU: I cannot tell offhand. The salary of the chairman will not be over $10,000, and the salaries of the members will not be over $7,500. I think the whole appropriation for the board for the eight or nine months after it is appointed—because July will be well gone and we might be here in August—will be $28,000—I am speaking subject to correction.

Mr. HOEY: Is it the intention of the government to hold a joint conference with the provinces this year to study the whole subject of taxation, and if so, at what time do they propose to hold that conference?

Mr. BUREAU: I do not know that this would bring up that question.

Mr. HOEY: I do not think it does, but I should like to have the information.

Mr. BUREAU: I have not heard any discussion about it and I would not be in a position to answer my hon. friend.

Mr. MACKENZIE KING: There is some correspondence between the federal and provincial governments on this proposal. If the board is appointed under this legislation, the chances are that we would wait until the board was appointed before holding a conference.

Mr. GOULD: Would the government obligate themselves to lay the report of this board before the House within fifteen days after the opening of parliament?

Mr. BUREAU: I will not obligate myself or the government to anything that is not in the bill or anywhere else. We do not know whether the board will make any report. They may make suggestions. They will have meetings with the Minister of Finance and his advisers, and the same as regards the Department of Customs. The resolution will be supplemented by legislation. If my hon. friends have anything to add to or to strike out of the bill, the proper time to do so will be when the bill is before the House. If they object to the principle of the resolution, all right; let us discuss it, and if they still object to it, let us take a vote and see whether the House wants it.

Mr. MEIGHEN: I have not been able to hear all the discussion, and no doubt there is a difference of view as to the wisdom of appointing this new advisory board. I note the government has rather shifted its term from "commission" to "board." The "commission" term was played out; it got so common that the public were somewhat nauseated with it, so that the word "board" is now more appropriate. I see, also that the word "advisory" is used instead of "tariff." I am not enthusiastic as to the whole proposal, but I think what the government really has in mind is a tariff commission. Remembering, however, as they do, how the whole party fought it tooth and nail in 1912, denouncing it as merely a method of making permanent the protective system—a bulwark of protection—to see that the big privileged interests were always privileged, always secure against attack—they decided to seek security in a new name, and they devised this scheme of "advisory board."

I believe thoroughly in having tariff decisions reached on a business basis. Until we are old and strong enough to do that, we are not going to have very much of a country. Until the United States learned their lesson, the Democratic party as well as the other, and admitted in action as well as in speech the soundness of the protective principle there, they did not get very far. For many years they have framed their tariff upon this, taking the advice of experts, the best advice they could get, used their committees and put their tariff on what they believed to be a business basis.

The government intends to use this new board as a shield to maintain the protective system while advocating something else. That is really what the government has in mind. They want always to be able to hold up the opinions and the report of this advisory board as confirming them in what they are doing and shielding them from attack much in the same fashion as the Civil Service Commission is used to-day. I do not know that they have anybody particularly in mind for the appointment. So far as I know all their closest friends are now provided for. What they really want is something to stand between them and this constant attack for failure in office to implement the doctrines preached in opposition, and the advisory board is to serve that purpose. They also hope that it will be something in the nature of a consolation to those business interests of the country who are now much disturbed, who have utterly lost faith in them, who took their promises and found they were broken reeds. They hope by this advisory board they will stir up, as it were, once again the flickering flame of confidence in the administration that even after two or three years they are now coming back to fidelity to those more or less secret pledges by which they secured the support of the business interests in our country. That is what the government has in mind, so that it is not very much wonder that I am not very enthusiastic about it. I suppose, however, we ought to abandon all consideration of what is really moving the government in the matter and rest in the hope that, if they get a tariff board, at least we shall have something steadier in the country in the way of tariff policy even though we have nothing steadier in the way of tariff profession.

Mr. MACKENZIE KING: I do not want to take up the time of the committee by adding anything to the discussion that has taken place, but I do not think I ought to let pass the remarks of my right hon. friend creating the implication that this is intended as a tariff board. It is not intended as anything of the kind. It is expected to be precisely what the resolution states, a board to investigate and study various modes of

taxation with a view to simplifying and improving existing systems. As hon. members know, since the war the amount that has to be raised in taxation has vastly increased, and any government that is in office in this country will find it difficult to know what methods are best to raise the revenues necessary to carry on the business of the country. Direct taxation is being resorted to in a larger measure than ever before. It ought to be possible, out of the experience of different countries in the world, to get something that would be of real value to our country in throwing light on methods of taxation, simplifying existing methods, suggesting new methods, and, with respect to methods that we have already, suggesting possible modifications.

Mr. MEIGHEN: Is it intended that this board shall advise on tariff schedules?

Mr. MACKENZIE KING: No; this board is not intended to do that. The government intends to appoint, in connection with the Department of Finance which has to do with tariff matters, one or two expert advisers to the minister of that department to deal with tariff questions. This has relation to modes of taxation. I think my right hon. friend has had in mind the other suggestion that has been made, and has assumed that this board relates thereto. That is not so; the present board is to deal with modes of taxation and to study methods of simplifying and improving the existing system.

Mr. MEIGHEN: My enthusiasm is waning rapidly.

Mr. MACKENZIE KING: Yes, I thought so.

Mr. BUREAU: It naturally would.

Mr. MEIGHEN: I thought at first that this was what was promised in the budget debate but I see there is to be another board to carry that out.

Mr. BUREAU: It was promised in the Speech from the Throne.

Mr. MEIGHEN: It seems to me that we are going to be so "boarded" in that we shall not be able to live.

Mr. BUREAU: We want to have at least some boards that will enable the country to expand.

Mr. MEIGHEN: We shall not expand much by paying so many ten-thousand-dollar salaries. These boards and commissions and what not are multiplying rapidly and every existing institution is adding to the burden it already imposes upon the country. Why in the world should we need a board to delve into taxation systems of other countries for the purpose of seeing whether we cannot find further means of taxing the people here? I cannot see any reason for this board. The Minister of Finance with the assistants around him who have grown up in the department should constitute just about as good a protection in this matter as the country could have, and as good a leadership too. I had not heard the debate and possibly I might have got other information if I had. But I do not know of any country which has a board headed by ten-thousand-dollar officials advising departments of government as to how to tax. I know of countries which have boards on expert matters such as tariff schedules and which offer advice as to the incidence and the effect of tariff taxation; but a general advisory board advising as to how to tax the people, and looking into taxation methods in other countries and that sort of thing, is something I cannot understand. Why, $28,000 will be a bagatelle; it will be merely a little nest egg out of which an awful brood will grow. If the minister stays in the department—I understand he does not intend to, but if he does—he will find himself providing in the estimates before very long a tremendous sum to keep up some of the new institutions which have been created and which are of very doubtful value. My judgment upon this matter is that the board is unnecessary; I do not see the necessity for it. And when we do come to the tariff board I hope that hon. gentlemen to my left will not become too intoxicated with the prospects, for I venture to warn them that there will not be very many of their tariff profession who will obtain well-paying jobs on that board.

Sir HENRY DRAYTON: We learn now that we are to have two more experts appointed; the Prime Minister (Mr. Mackenzie King) has been kind enough to tell us that. These men I understand will do the same work for the Minister of Finance as this advisory board is to do for the Minister of Customs. The underlying principle of this resolution was to bring together the different taxing and collecting departments of government, but we are acting absolutely at variance with that principle if we have one set of people to advise the Minister of Customs as to how to extract the maximum amount of money with the minimum of pain and as quietly as possible from the pockets of the taxpayers, and another set to advise the Minister of Finance

as to how he can make the operation just as pleasant as possible. Why have we not got the two soporific agencies together? If the idea is to have unification of service why can we not have some unification of experts? Of all the ridiculous ideas that have been mooted this seems to be the richest; we are going to do something that is indeed absurd. Here we have two branches of taxation which, according to the ministers, neither of them, confessedly, can look after; they both need instruction and advice. And we are to have a separate set of experts for each. Is it the policy of the government, I should like to know, to appoint experts, let us say, to advise the Minister of Trade and Commerce how to carry on?

Mr. MACKENZIE KING: Possibly.

Sir HENRY DRAYTON: Possibly, says the Prime Minister; and I think that answer is appropriate, for to-day anything is possible. It seems that any proposition is possible from the government benches so long as it involves the expenditure of money. Of course, it is possible for the government to admit candidly that its ministers are inefficient; they need experts to enter the departments and tell them what to do and be well paid for giving that advice. But I think we should get some idea of the cost. What for example is to be the cost of two experts in the Department of Finance?

Mr. BUREAU: The leader of the opposition (Mr. Meighen) apparently fails to distinguish between the board here suggested and a tariff commission. He declares that I am anxious to have a tariff commission, which I deny. The object of this board has been explained, but hon. gentlemen opposite, if we are to judge by the remarks they have made, simply want to put up a line of straw men for the pleasure of knocking them down. That is all right, but do not let us get away from the point; this is not a tariff commission and much as I should like to please my right hon. friend, I do not see how anybody can regard it as such. This is a taxation board, the object of which is not to touch by any means the duties that existed before the war, but to deal with new taxes which, in the economy of my hon. friends opposite when they were in power, were brought into being. We have to meet the situation as it exists now and we must find ways of paying the public debt. And, as my hon. friend (Sir Henry Drayton) suggests, naturally we desire that the method shall be as painless as possible to the taxpayer who is bearing the burden. Hon. gentlemen opposite may call us fools if they like, or they may dilate upon our ignorance. But that has nothing to do with the matter. To the best of my ability I am going to try to reach the goal that is before us in spite of anything which my hon. friends may do to deter us. Whether I am ridiculed or belittled, or not, I am going to go ahead if I feel that I am right, as I think I am; I intend to carry the thing through and obtain results—to the great disappointment of hon. gentlemen. I should be glad to please my hon. friends, but I certainly do not want to do so at the expense of increased suffering to the taxpayers of the country.

Mr. MEIGHEN: I wish to go on record as opposed to the proposal. I did not know that what the minister had in mind was a new advisory board as to taxation and another advisory board in regard to the tariff.

Mr. BUREAU: It must be a new board since we are asking for permission to create it.

Mr. MEIGHEN: I did not know that until recently in the debate. I do not think that this board is at all necessary; I do not believe that with all the advisory boards possible at salaries of $10,000 we should have been able to avoid one error which we have not avoided up to now in taking care of our financial obligations. One must learn by experience, and the experience of one country necessarily differs from that of another, inasmuch as there is a difference in geography, in occupation and in many physical characteristics. These advisory boards may pretend to be very busy and may have bulletins, reports to parliament, blue books, and all the rest of it; but all the good which will accrue to the country can be held in the hollow of your hand.

Mr. BUREAU: That is your opinion.

Mr. MEIGHEN: Yes, it is decidedly my opinion; my opinion is that we are over-boarded now with one commission after another. We were over-boarded when this government came in and now it is worse. You will not pay the debt of the country by any accumulation of boards; you will not pay the debt incurred for war by any new debt incurred for places.

Mr. EVANS: Without reading the resolution I took it that this was a tariff commission purely and simply, but according to the last explanation of the minister, it is to be a new board, and I cannot see what purpose it will serve; it is not worth while. We have been collecting war taxes for some years now and the experts in the department should surely be capable of advising the minister concern-

ing the business. In view of the last explanation the minister has made I cannot see any place for this advisory board; in fact I think it is an unnecessary expense entirely.

Mr. GOOD: I spoke some time ago strongly in favour of this resolution, but in view of the objections expressed by my right hon. friend (Mr. Meighen) and of the remarks just made by the member for Saskatoon (Mr. Evans) I deem it desirable to add to what I then stated. I do not suppose many will agree with me, but I think the main advantage of such a board would be that it would study the systems of taxation that we now have or that we may have, and try to work out the application of a system which would be less onerous to the country and less objectionable to industry generally than is our present system of taxation. As hon. members are aware, I have on two occasions presented to the House the desirability of taxation of land values, which I think is an absolutely fundamental and just system of taxation. I presume that such a matter would come under the consideration of this board. While I object as much as anybody to the expenditure of money uselessly, I do think that at the present time there is need for a board of investigation to look into this particular matter. I endorse the proposition because it will not concern itself with tariff schedules, but, so far as I am informed, will concern itself with the more fundamental matters of taxation—as to whether or not, for instance, the tariff system is preferable to some other system of taxation. I might remark to my right hon. friend (Mr. Meighen) that if this board is composed of really first-class people, it may eventually result in the total, or almost total, abolition of customs and tariff boards. I have always looked on that beautiful building on the other side of the Chateau Laurier as a horrible waste of money, as at present used, for it is occupied by numerous officials laboriously collecting revenue under a bad system. I hope to see the time when that building will be given over to other purposes entirely, and when nearly all our customs machinery may be discarded. I suppose it will be some time before we reach that desirable state of affairs, and I must not be too hopeful. But this proposition appeals to me because I have at least some hope that the government will appoint really first-class people to the board. I think the minister said he would suggest three members.

Mr. BUREAU: That is what the bill will provide for.

Mr. GOOD: It occurred to me, when the minister made that statement, that we might appoint a representative of the tax-collecting officials, a representative of the ordinary taxpayers, and an economist, a man who has made a study of the subject from the standpoint of political economy. Then you would have a fairly well rounded out board. That is only a suggestion which occurred to me on the spur of the moment, and possibly it might be better to have the board somewhat differently constituted. I sincerely hope that the objection raised, very naturally, by my hon. friend from Saskatoon will be withdrawn, at all events until we get a little further on with the bill.

Mr. MANION: I expressed a few opinions before the Prime Minister came into the House, but I must confess that he has given a different interpretation to the whole proposition. I took it for granted that the board was to be mainly a tariff board. The Prime Minister states that it is to be a board to investigate different methods of taxation.

Mr. MACKENZIE KING: May I draw my hon. friend's attention to a clause in the Speech from the Throne relating to this very matter? It is this:

> Legislation will be introduced making provision for consolidation of the revenue collecting services of the government under one administrative head. With a view to simplifying and improving the existing system, it is also proposed to constitute a board to investigate and study the various modes of taxation.

This bill is for the purpose of implementing that clause.

Mr. MANION: I must confess that I had forgotten what the Speech from the Throne said. I had drawn the conclusion, which I think most members had, until the Prime Minister spoke, that this was to be an advisory board to deal with tariff as well as other forms of taxation. Although probably I do not agree altogether with my right hon. leader in this, I have for a long time felt that a tariff board to advise whatever government is in power as to the necessity for so much or so little duty upon certain lines of goods, similar to the tariff board in the United States, would be a very good thing. However, the idea of appointing a permanent board to investigate taxation is something which I do not understand. It might not be unreasonable to appoint a board for five or six months to make a thorough investigation of the various methods of taxation in different

5 p.m.

countries, but it would not appear to me to be necessary to make the appointment permanent.

Mr. BUREAU: I explained just now that the duration of the board would be limited by the order in council.

Mr. MANION: I did not hear the minister explain that. I think the time should be very limited, because if we appoint a board to look into the various methods of taxation it should be for only a limited period of time, six months at the utmost. Certainly I do not see any reason to appoint a permanent board for this purpose. I have not heard of any country in the world attempting such a thing. We have the experience of various countries as to taxation, and we as well as they have made mistakes because the conditions of today have never been upon the world before. But I do not see any reason for appointing a board to go into matters of taxation, and then appoint as well a tariff board from the Finance department. If this method is to be adopted the minister should state the length of time for which these men will be appointed and when they will be expected to make their report.

Mr. BUREAU: It would be rather presumptuous for me to state the length of time. I do not know how long such a board will take to do its work. We want the work done thoroughly. The length of time will be regulated by the order in council.

Mr. MANION: My hon. friend has given the salaries by the year; therefore the board is apparently going to be in existence for some years at any rate. If it was to be a board, we will say, such as the travelling pensions board, or the pulpwood board, the appointment would be temporary. I do not think we pay the members of those boards by the year.

Mr. BUREAU: It may have to become a permanent board for all I know. It will depend on how matters develop. I may say $10,000 here, but that does not mean that the board will continue for ten years. The members will be paid for the time that their services are required.

Mr. LADNER: The appointment of a new board means an additional expense to the country, whether considered provincially or federally. For many years past it has been noticeable that one government after another has continued to add to its employees, to its commissions and to its boards, until the expense is accumulating to an alarming extent. We are over-commissioned, and they say we are over-governed. In view of the obligations that face this country at the present time, no matter what the merit of this proposal may be, it seems to me that this experiment could be deferred until some other time. This is not the time for the government with one hand to create ten-thousand-dollar jobs while with the other they cut down the salaries of government employees in various portions of the country. The public do not understand the need for that. Since the time of confederation we have been raising our revenue, devising ways and means of taxation from our experience, with the help of highly paid officials in the department, who come in actual contact with the public and the business interests of the country, and with boards of trade and other public bodies, giving their best efforts to the study of this question. It seems to me that if, with the employees and the facilities which we have had in this country for so many years we have been able to reach this point without adding to our overhead, we could very well at this particular moment, in view of our financial position, defer until some later day this experimenting with new ideas, involving an increase of expenditure and ten-thousand-dollar jobs. As one member from the West, who has seen something of the work of commissions under provincial governments, and knows something of public opinion, especially as reflected in the press—may I say that one of our local papers, the Vancouver Sun, wrote a very forceful editorial on government by commission, aiming its advice at the present government, and I think that advice could very well be taken at the present moment—as one of the far-western members, without any feeling in the matter, and considering solely the merits of this proposal and the conditions which face the country, I think the government is taking a step here which will not commend itself to the public nor be to the advantage of the taxpayer.

Mr. CHURCH: This resolution is contrary to the expressed intention of the Acting Minister of Finance (Mr. Robb) when his resolutions were before the House about a month ago. At that time there was considerable discussion of the Business Profits War Tax Act and of the Income Tax Act, and of how the Income Tax Act came in conflict with the taxation of the provinces and municipalities. Furthermore, this proposal for an advisory board seems to conflict with the proposal of the Acting Minister of Finance for a conference on taxation be-

tween the provinces, the municipalities and the Dominion. Instead of considering it expedient to transfer the administration of the Business Profits War Tax Act and the Income Tax Act to the Department of Customs and create a new advisory board, I think it would be more expedient to reduce taxation.

I would remind hon. gentlemen to my left that one of the principal planks in the platform of the United Farmers of Ontario was retrenchment in expenditure, all along the line, and the reduction of taxation, capital expenditure, maintenance, income tax, and everything like that; but after four years of administration the United Farmers raised the debt of the province from $97,000,000 to $247,000,000. I hope hon. gentlemen to my left will have something to say about this resolution, because the country is staggering under a heavy load of taxation to-day, and there is an insistent demand, not for the transfer of the Income Tax Act or its amalgamation with the Business Profits War Tax Act under the administration of the Department of Customs, but for its complete abolition. In imposing the income tax this legislation has invaded the field which has been held as exclusively municipal ever since confederation. But now we have income tax imposed by the municipalities and by the parliament of Canada; it is a double-header, and the tax falls on the toiler and the man of moderate means and the man with a fixed salary for the bigger men seem to escape.

I think there should also be some modification of the business profits tax. That tax should be reduced, if not altogether abolished. That would be far more expedient than to do what this resolution proposes. They are doing that to-day in England, the United States, and France. According to the speech of the Chancellor of the Exchequer in England, their budget shows a surplus of £100,000,000. The French Chamber has also adopted a report to balance their budget. They have an estimated surplus, and they are eliminating this form of taxation. A similar condition prevails in the United States, where they have reduced their taxation, balanced their budget, and are going to eliminate these forms of war taxation. It was announced in the papers last Tuesday morning that the "nuisance" taxes, as they call this form of taxation in the United States, are being repealed. The despatch is as follows:

> 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, stilettos, smoking stands, hunting garments, etc.
>
> The nuisance taxes repealed in the Revenue Act of 1924, which did not go out of existence immediately, will pass on with the rest of the war history at 12.01 a.m. Wednesday. Various of these taxes were repealed thirty days after the Revenue Act became law, which was at 4.01 p.m., June 2nd. The revenue bureau figures that thirty days hence will be midnight July 1.
>
> Changes in the automobile tax are effective Wednesday, as are alterations in the jewellery tax. The five per cent jewellery tax will not apply to sales or leases on musical instruments, silver plated flat table ware, articles for religious purposes, or to articles sold for not more than $30, or watches sold for not more that $60. The stamp tax of 2 cents on each $100 of drafts and promissory notes is repealed, effective after midnight of July 1.

So hon. gentlemen will see what is being done in the United States, in England and in France to give some relief to the taxpayer from business and income taxes and many other forms of so called war taxation. What are we doing in Canada? It was estimated by the Acting Minister of Finance that we had a surplus of $30,000,000, although this side of the House estimated that our budget, when the railway deficits are taken into consideration, would show a deficit of from $60,000,000 to $80,000,000, and yet in spite of that surplus which the Acting Minister of Finance reports, what is the government doing to-day to reduce taxation? They are appointing an advisory board to look over unexplored, unknown fields to create new forms of taxation, and will probably bring down legislation for the purpose next session. Is that what this country is expecting? I say no and hon. gentlemen to my left are not fulfilling the plank in their platform when they do not protest against the continuation of this form of taxation of business and incomes. Instead of asking for the transfer of the administration of these two acts they should be asking for their abolition so that we will not have the duplicate and triplicate taxes which we have at the present time. When this matter came up a month ago it was pointed out to the Acting Minister of Finance that it was very questionable whether the provinces had the right to impose certain forms of taxation for militia and defence, that that field belonged to the federal legislature. It was pointed out that the provinces have an amusement tax which is of doubtful legality. That tax is based on a clause related to Militia and Defence, section 91 of the British North America Act. The province of Ontario has had an amusement tax for seven years, and it is doubtful if it is constitutional, doubtful also if it does not invade the field of federal jurisdiction. That tax is illegal. The minister said there was to be a conference held upon the subject

of taxation in the recess between the provinces, the Dominion and municipalities so that the various phases or systems of taxation now in vogue throughout the country would be taken up, considered and co-ordinated with a view to seeing what could be continued and what should be eliminated. I do not see of what value such a proposed conference will be if the government now appoint an advisory board. I have this to say about the present Minister of Customs and Excise. The business men of Toronto tell me that he is a most zealous and faithful administrator and has always given satisfaction when complaints were made by the board of trade or other interests. I give the minister credit for that; I believe that when he has received complaints he has looked into them very carefully and the same remarks equally apply to the acting finance minister. But it is time that we made a change so far as our methods of taxation are concerned. We ought to try and copy the example of the people in England, France and the United States—who are paying a far greater amount of war taxation than we are—in reducing expenditure and eliminating unnecessary methods of war taxation. The board proposed to be appointed here are to investigate and study taxation matters with a view to simplifying and improving the existing systems. I have my own idea of what will result from this. I venture to say that when the report of that board comes before us next session it will be found to have evolved new means and new ways of imposing additional taxes upon the people of this country who are overburdened as it is. Something should be done to free the working classes of the burdens they now labour under; something should be done, as between the Dominion and the various legislatures, to co-ordinate systems of taxation and abolish certain burdensome and vexatious forms of taxation. Why do we not follow the example of the United States Congress and cut down the taxation? Under the Mellon plan there has been a great reduction in income and other forms of taxation, in fact a reduction of taxation all along the line on the city and town man who pays most of the taxes in this country. We should be acting very wisely if we followed the example of the United States.

Mr. WOODS: The hon. member for North Toronto (Mr. Church) has told us there is a great demand for the abolition of the income tax, the business profits tax, and other taxes of the kind. That remark may be true as regards the large moneyed interests in the great cities; it cannot be said of the constituents of hon. gentlemen who sit in this quarter of the House. So far as I am aware no farmers are demanding the abolition of the income tax, the business profits tax or the amusement tax. This is attributable to three good and sufficient reasons. The first is that farmers do not earn sufficient income to be taxed, speaking as a general rule. In the second place their operations are not sufficiently extensive to bring them under the operations of the business profits tax. As regards amusement quite frequently we derive our amusement from forking hay, gripping the plough handles, and engaging in manual labour of various descriptions. I have heard no demand from the farmers whatever for the abolition of these taxes.

Mr. FORKE: With the right hon. leader of the opposition I view with some suspicion the multiplication of boards of inquiry into various matters. However there may possibly be room for some inquiry in the direction contemplated. It seems to me, though, that if we knew the personnel of this board, what its true position would be, and the period over which its operations were to extend we could come to a better conclusion as to the propriety of its creation. I feel that the resolution should be allowed to pass, but that when the bill which is to be based on it comes down we ought to carefully scrutinize its provisions. The hon. member for North Toronto (Mr. Church) almost made an argument in favour of appointing a board of this kind because he spoke of the many methods of taxation and the many changes that are being made. That would seem to indicate the necessity for an inquiry. In Manitoba a few years ago—perhaps six or seven years ago—a board of this kind was created to inquire into provincial methods of taxation. I happened to be a member of that board, and its personnel was not highly paid, but it functioned intermittently for about two years. I think that any one who examines that report carefully will admit that the board did good work in connection with assessments and taxation in the province of Manitoba. I think there is a field of inquiry for this board if the investigation were properly undertaken. Of course, there is a possibility of abuses happening in connection with such a board. On the other hand, so many difficulties arise in connection with taxation matters—for example the hon. member for North Toronto referred to the overlapping which occurs in connection with Dominion, provincial and municipal taxation—that there

seems to be many matters which should be carefully looked into and examined, and something along this line ought to be done in the very near future. The Prime Minister stated that this board will have nothing to do with the tariff. I do not see how any board, if it is to investigate taxation in this country, can avoid looking into the tariff question. We derive a large amount of our revenue from the tariff, and consequently the matter is one that would come under the scrutiny and examination of a board such as this. Taxation is becoming very heavy in the respective spheres of the Dominion, the provinces and the municipalities. But the taxes have got to be paid and money for this purpose must be raised. It is very necessary at this time that those should pay who are able to pay. Probably a board such as is proposed may be able to give us some light on this matter. Although I cannot regard the proposition with any great enthusiasm I am willing to wait until I can examine the provisions of the bill before I come to a determination. I can only hope that some good may result from the government's proposition. From the personnel of the board we can in some degree gauge the probable measure of its success. For instance if a member from this part of the House and a member from hon. gentlemen to my right were appointed to this board the opinion in regard to it might be entirely different.

Mr. MANION: What about hon. gentlemen opposite?

Mr. FORKE: As to that I do not know exactly.

Mr. MEIGHEN: No one knows what their opinions are.

Mr. FORKE: I would not go the length of saying that, but I think everyone will admit that the personnel of the board will have a great deal to do with the advice which will be given the government in regard to matters of taxation. However, I am willing to wait until the bill is brought down and we have a further opportunity of discussing this matter.

Mr. MEIGHEN: I am going to make a last appeal to the minister to drop this thing. Really there is nothing in it, and I know that if he ponders over the matter long enough he will come to the same conclusion. It is not the province of a permanent commission to advise as to taxation; that is the work of the parliament of Canada. That is distinctly and fundamentally our work, and why should we always be farming out what we ought to do ourselves?

Mr. HOEY: That argument would apply to a tariff commission.

Mr. MEIGHEN: I will come to that: It is not pertinent just now. The province of a department is administrative; its duty is not to determine the policy or the principle. Its work is administrative and administrative alone. Does anybody imagine, for example, that the report of any commission, if it lived a hundred years and delved into every phase of economics and brought down a report to this House as to whether we ought to have a protective tariff or not, would have the slightest influence on the determination of a policy in Canada? It would not have any. Now, we in this Dominion have tried out our taxation methods. We nave had to devise new ones, and devise them pretty rapidly to meet the exigencies of a world situation unprecedented in history. In devising new ones we necessarily made errors. If we had a hundred commissions to advise us we would in my judgment make just a hundred times the errors. The commissions could not possibly have been of any assistance to us at all. The errors were cured in the main by experience. I do not think the people of Canada to-day are greatly agitated because of the nature of our taxation. I do not think for example that there is any strong body of sentiment against an income tax or against the system of income tax which we have, nor is there any great body of sentiment against our sales tax or our tariff tax. There is none as to the principle which any commission on earth will ever solve. What sentiment in Canada is ranged against is the amount of the tax. The people of Canada want it cut down just as rapidly as possible, but they are not at all worried because there may be some other tax that will by some alchemy, or some unknown system of science, extract the money from us easier than any we have to-day, and if there were, they would expect the parliament of Canada to find it out, and not appoint commissions at tens of thousands a year to do the work of parliament. Go to the United States: where is the taxation commission there advising the government of the United States on taxation? It does not exist.

Mr. FORKE: They have state boards. They had one in Wisconsin.

Mr. MEIGHEN: They may have a state investigation into some specific question of taxation. That is all they have anywhere. But the United States government is the great taxing power of the United States. They have 110 million people. They have twenty-five times the wealth of this country, but their

legislative bodies do that work. They do not call in an expensive commission to try to do it for them. Look at Great Britain; where is the taxation commission over there? The parliament of Great Britain is burdened down with labours far and beyond any that we have to suffer; that parliament has to do the work of our provincial and federal governments, and has to do it multiplied many times over because the responsibilities of that country are infinitely greater than ours and yet that parliament does the work of taxation without the assistance of a taxation commission. Why are we, sitting here responsible for a tax which is peculiarly our own, putting our hand in the treasury and paying other people to tell us how to do it? The advising on questions of policy, the framing of principles, the determination of the amount we take in taxation are the problems of parliament. They are not matters for any permanent commission; nor is there any field at the present time for even a temporary commission on that subject. When you come to the tariff it is different, and I will venture to say a few words on that when we come to it. In that matter the function of a commission would be administrative. I will say a word on that now, so that I will not be charged with evading anything. The function of a commission would be necessarily administrative; that is the function of any department of the government or of any government. But it is for parliament itself to determine the principle upon which we are going to act. Let parliament determine the protective principle or some other principle, then the commission can decide as to the working out of that principle, as to how the incidence of taxation on the protective principle here will affect this industry or that industry. That is the proper function of a commission. I do not say that I am enthusiastic as to the government appointing a commission on tariff taxation which professes to be against the protective principle. I cannot see much sense in it. But assuming the principle, I can see work for a commission.

Mr. FORKE: There is a great deal of difference as to the field of taxation having reference to provincial, Dominion and municipal taxation, succession duties and income tax. Does the hon. member not think a commission might give advice in this direction?

Mr. MEIGHEN: I am glad the hon. member has mentioned that matter, because I had it in mind to speak of that but almost forgot it. Necessarily, or rather unfortunately, under our constitution, the division of taxation powers is not distinct, nor is the power of taxation in any field confined to the Dominion alone or to the provinces alone. There is overlapping and there is, by reason of that overlapping, difficulty, but what in the world a commission could do to solve it I do not know. We all know the facts. We know what the provinces can do. We know what we can do. We know what the province is doing, and we know what we are doing; and if you have a commission, I do not care if you pay them at the rate of Rockefeller's income, they will only report to us that that is a matter to be solved by a change of the constitution, or by an arrangement with the provinces. Now I wonder whether the members of any commission are better able to arrange with the provinces than the government of Canada. Will they not be dealing with the governments of the provinces? Can the governments of the provinces be asked to negotiate with a commission acting for us while they negotiate with us? If this is ever to be solved, it is to be solved by getting together of the heads of the governments of the provinces on the one hand and the Dominion on the other with a conciliatory spirit on both sides; and then by joint representations securing amendment to the constitution accordingly. By that means and that alone can there ever be a permanent solution, and I see very little value in a temporary solution. To imagine that along that line lies any work for a commission seems to me purely visionary. There is exactly a field where a commission would be utterly powerless.

Mr. GOOD: I would like to dissent very definitely from what my right hon. friend has said as to the people of Canada being chiefly concerned with the amount of taxation, and not with the incidence. I contend that it is just the reverse—that it is not the amount but the incidence of taxation that concerns us. If the people of Canada do not hold to my view, they will soon find it is the incidence of taxation rather than the amount which is the vital matter.

Mr. MEIGHEN: Is the hon. gentleman aware that the only new method he suggested or new incidence was a land tax?

Mr. GOOD: Not a land tax.

Mr. MEIGHEN: The commission to which the leader of the Progressive party referred, on which he served, investigated the subject and reported against any land tax.

Mr. GOOD: This is not the time to discuss the taxation of land-values or a land

tax, or any other tax. I mentioned the former only by way of illustration, but I do want to point out and emphasize that it is the incidence of taxation at the present time in Canada which I think is wrong, and that is a matter the investigating commission ought to attend to.

Mr. MEIGHEN: What are we here for?

Mr. GOOD: To sit in judgment, it may be upon a report of an investigating commission and to decide; but we are not necessarily here to make all original investigations. I contend that, after all, democracy has got to make use of experts in all kinds of directions. We do it individually. We go to the doctor and to the lawyer and others who make particular studies in special fields, and I think the people collectively have to do the same thing. It has been said that we are shirking responsibility. Let me give a bit of history. Last year the government appointed Dr. Tory of the University of Alberta to make a special study of the rural credit situation, and he did so. He gathered together a lot of interesting information that it would have been very difficult for each of us to have gathered independently, and would have entailed a lot of work. Of course if we had the time it would be profitable to us. Some of us have made independent study along that particular line. But Dr. Tory gathered that information in a convenient form and presented it to hon. members, and we have it before us. Now we can decide on the basis of the information supplied to us by experts, and that is what I would expect this commission to do. It would not be a commission to determine policy, but a commission to obtain information and to submit information to us in a convenient and accessible form, and then it would be up to parliament to decide as to policy. I think perhaps the term "investigating" would be a little better than "advisory," but I am willing to let it stand, and I contend that this commission could be of great service if the personnel were right. As to the permanency of the board, that raises a very large question. I think, perhaps, the hon. member for Brandon (Mr. Forke) is right in intimating that it might not be necessary to have this a permanent board. But why raise the question now? We do not know exactly how long the work will take. If the appropriation is made for one year, the work might be done at the end of the first year or it might take a second year. Therefore, this question can well be left in abeyance until we get at least the first report from the proposed board.

Mr. ANDERSON: I should think it was not necessary to appoint a board to look after taxation. I think we have the experts in the department.

Mr. GOOD: No.

Mr. ANDERSON: We should have the experts in the Department of Finance and in the Department of Customs and Excise, and if there is in Canada anybody who should know about taxation, it should be those experts. The Minister of Customs and Excise is at the head of his department with his experts to look after taxation. More expense is being placed upon this country by appointing an outside commission that may not know anything more about taxation than the experts already in the departments. If the minister himself and his experts in the department are not expert enough to revise the forms of taxation that we have in this country, he and his departmental heads should resign and the proposed board be put in their place so that this extra expense may not be placed upon the country.

Mr. BUREAU: I will submit my hon. friend's suggestion to the heads of the departments that they should resign, and then I will consider what I shall do.

Resolution reported, read the second time and concurred in. Mr. Bureau thereupon moved for leave to introduce Bill No. 237, to amend the Department of Customs and Excise Act.

Motion agreed to and bill read the first time.

CIVIL SERVICE SUPERANNUATION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the third reading of Bill No. 122, to provide for the superannuation of civil servants.

Motion agreed to and bill read the third time and passed.

IMMIGRATION ACT AMENDMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the third reading of Bill No. 195, to amend the Immigration Act.

Mr. MEIGHEN: I would ask the government to hold this until Monday. It is not on the list of those mentioned for to-day.

Motion stands.

SUPPLY

PUBLIC WORKS

The House in committee of Supply, Mr. Marcil (Bonaventure) in the chair.

Public Works chargeable to income—harbours and rivers—Nova Scotia—Yarmouth harbour dredging, $22,000.

The CHAIRMAN (Mr. Marcil, Bonaventure): The whole list of harbours and rivers for Nova Scotia included in this item has been passed with the exception of the last item, Yarmouth harbour.

Sir HENRY DRAYTON: As regards "appropriations not required for 1924-25, $338,-134.60," how much of that represents work done and how much represents lapsed votes?

Hon. J. H. KING (Kootenay, Minister of Public Works): $273,973 represents work done.

Sir HENRY DRAYTON: What do the appropriations consist of for work not done?

Mr. KING (Kootenay): I will hand the list to my hon. friend.

Sir HENRY DRAYTON: I want to see what lapses there have been, because it is really necessary that we should have that information if we are to study the effect of the estimates. My hon. friend gives me a list of harbours in Nova Scotia chargeable to income and that list shows the amount of expenditure and the amount of appropriation. It is a long list and the best thing would be to put it on Hansard, but I hestiate to do so. Take for instance Portugese Cove; there was an appropriation of $5,000 for a breakwater there and only $10.50 was spent. I take it that the work was abandoned.

Mr. KING (Kootenay): I presume that the work was abandoned and the expenditure was therefore unnecessary. I shall inquire.

Sir HENRY DRAYTON: I just wanted to find out why only $10.50 was spent, but the obvious inference is that the work was abandoned. In the other instances I presume the difference between the expenditure and the amount voted is a mere matter of valuation. Take Bear River for instance: there was an appropriation of $13,350 for the rebuilding of a warping pier and only $7,313.68 was spent. What is the explanation of the difference?

Mr. KING (Kootenay): The sum of $7,000 odd was spent in rebuilding warping piers at the highway bridge both upstream and down and the difference is due to a decrease in the cost of material and the fact that the work was not as extensive as had been anticipated.

Sir HENRY DRAYTON: Then take the next item, Chimney Corner, where there was an appropriation of $13,400 for the completion of a wharf. Only $11,885.39 was spent.

Mr. Meighen.]

Mr. KING (Kootenay): We had a better tender than we expected .

Sir HENRY DRAYTON: That is the work that was destroyed by the storm?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: And we are doing it over this year?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: How do you account for the difference between $15,100 of an appropriation and $11,157.22 expended in dredging at Digby?

Mr. KING (Kootenay): There was less earth excavated than was anticipated. The estimated extent of the excavation involved was 13,000 cubic yards whereas the actual quantity removed was 10,522.

Sir HENRY DRAYTON: We are not going to do that this year?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: The next item is "Ecum Secum—Completing wharf and building road." We appropriated $6,100 and no expenditure has been made. I take it that the work was found unnecessary.

Mr. KING (Kootenay): The question has not been decided as to the proper location for the wharf and no expenditure has been made.

Sir HENRY DRAYTON: At Point Aconi for the breakwater there was an appropriation of $10,000 but only $39.55 was spent. We cannot build a breakwater for $39. I suppose it was found that this was all they would spend for the time being.

Mr. KING (Kootenay): The price of material was too high and no expenditure was made.

Sir HENRY DRAYTON: And no vote is asked for this year?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: At Ship Harbour for wharf repairs we voted $4,200. That item has been dropped. Has that been otherwise looked after or is it dropped altogether in this year's estimates?

Mr. KING (Kootenay): As I stated the other night, there was an error in the wording of the vote last year, but the minister in explaining the estimate to the House indicated what it was for. However, the Auditor General took exception to the wording of the vote, and that is why we are now asking for a re-vote.

Sir HENRY DRAYTON: I have several times been trying to make these figures jibe—I am not merely speaking of votes of the hon. minister's department, but of other departments too—as to the expenditures on the one hand which we vote and lapsed votes on the other. As a matter of fact, we have an item of $4,200 for Ship Harbour in this year's estimates, yet the appropriation last year of $4,100 is treated as lapsed. If this be the case it seems to me there should only be $100 here and not $4,200, in order to make this jibe.

Mr. KING (Kootenay): As I have tried to explain, when this vote was before the House last session there was an error in the wording, but the minister in explaining the estimate to the committee indicated what the vote was for. The department went on and constructed the work. The Auditor General took exception to our having spent the money on that work, and we are asking for a vote this year. The money has not been paid, although it is owing on the work.

Sir HENRY DRAYTON: I understand that. But what I point out—and perhaps it is just the result of what the Auditor General has done there—we have in our list of moneys not required $3,338 of this vote of $4,200, while as a matter of fact it is required. It should be all down as a re-vote if we are going to keep proper track of our estimates.

Mr. KING (Kootenay): It has to be a new item.

Sir HENRY DRAYTON: What is the wording?

Mr. KING (Kootenay): Last year, wharf repairs; this year, wharf.

Sir HENRY DRAYTON: Let us take another one. South Lake, we had a vote of $5,000 with an expenditure of $401.09, which made practically an appropriation lapse of $4,600. What has become of that?

Mr. KING (Kootenay): The amount expended is $401.09. This appropriation was made for a 130-foot extension to the southern breakwater, but as it was subsequently discovered that beach protection would better accomplish the desired purpose the project of building the extension was abandoned. The expenditure shown above was made for emergent repairs to the southern breakwater, embracing the renewal of the covering for a distance of 70 feet from the outer end inwards and the replacing of 10 cubic yards of ballast.

Sir HENRY DRAYTON: That would be perfectly right, for there we have the whole vote, we have $401.09 outwards and the balance lapses for the reasons given by the minister, that the work could be done in a cheaper way by letting nature do it.

Mr. GRAHAM: Let nature take its course.

Sir HENRY DRAYTON: If we could let nature work a little more for us instead of her taking away these works it would be all the more to the credit side.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

UNITED CHURCH OF CANADA

Mr. R. A. HOEY (Springfield) (for Mr. Forke) moved the third reading of Bill No. 47, to incorporate the United Church of Canada.

Mr. FRED STORK (Skeena) I move:

That the said bill be not now read a third time, but that it be referred back to the Committee of the Whole House to amend section 2 as passed by the Committee of the Whole House on June 17th, by adding the following words immediately after the words "the 10th of December, 1924," the following:

Provided that as respects the Presbyterian Church in Canada, the provisions of this act shall apply only when all doubt has been removed as to the power of the General Assembly of the Presbyterian Church in Canada, under its constitution and rules, to agree to a union of the Presbyterian Church in Canada with the Methodist and Congregational churches upon the basis of union as set out in Schedule "A" of this act; provided further, that this question shall be submitted for decision to the Supreme Court of Canada by a reference by the Minister of Justice.

Amendment negatived, on division.

Mr. SPEAKER: The question is on the main motion.

Mr. WILLIAM DUFF (Lunenburg): I move:

That the said bill be not now read a third time, but that it be referred back to the Committee of the Whole House for the purpose of making the following amendment:

By striking out of section 10 (a) the words "of the persons present at such meeting and entitled to vote thereat" in lines 32 and 33, and by substituting therefor the words "of the persons entitled to vote in such congregation by a vote taken by ballot under the provisions of Schedule "D," and further amend the said bill by adding thereto as Schedule "D" the following:

Schedule "D"

Regulations for vote by Ballot provided for in section 9 (a):

1. The ballot to be used in taking the vote provided for by section 10 (a) and following of the act shall be printed in black type on white paper of good quality at the diligence of the Clerk of Session or Recording

Steward of the Quarterly Board, or should there be no such official in office then by the minister for the time being in charge of the congregation.

2. The ballot shall be in the form following or to the same general effect:—

Presbyterian Church

The (or as the case may be)

Are you in favour of this Congregation entering the United Church of Canada?	Yes.
	No.

N.B.—Voter should mark an X opposite the answer which he or she wishes to give to the question submitted and sign this ballot in the presence of a witness and return to the Clerk of Session (or as the case may be) on or before the day of , 19 , when the vote will be closed.

Witness..... Signature.....

3. The said Clerk of Session or Recording Steward or Minister of any Congregation in which a vote is to be held shall personally deliver a copy of said ballot to each member of said Congregation entitled to vote, or shall mail a copy of such ballot to each such member, postage prepaid, and addressed to the last known post office address of such member at least two weeks before the day for the closing of said vote, and the said Clerk of Session or Recording Steward or Minister shall keep an accurate list of the names of all persons to whom such ballots are delivered and of the names and addresses of all persons to whom such ballots are mailed, and shall verify the accuracy of said list by solemn declaration.

4. The said Clerk of Session or Recording Steward or Minister shall likewise deliver or mail at the same time to each said voter an envelope addressed to himself in which the said ballot may be returned to him and upon which the words "ballot paper" shall be printed for purposes of identification.

5. Should any person entitled to vote not receive his ballot in due course he shall be entitled to personally require the said Clerk of Session or Recording Steward or Minister to deliver him a ballot at any time before the close of said poll.

6. Should any ballot of a voter or the envelope for the return thereof be lost, defaced or destroyed before having been deposited, the voter, on establishing said fact by affidavit or solemn declaration, shall be entitled to a new ballot or envelope at any time before the closing of said vote.

7. The said ballots shall be signed by those entitled to vote in the presence of a witness, and shall thereupon be returned in the envelope aforesaid properly sealed to the said Clerk of Session or Recording Steward or Minister either by personal delivery or by mail with postage prepaid.

8. At 8 o'clock in the evening of the day mentioned on said ballot, which shall be not sooner than two weeks from the said date of mailing or delivery, the said vote by ballot shall be closed and the Clerk of Session or Recording Steward or Minister shall thereupon cause to be summoned a meeting of said Session or Quarterly Board without delay for the purpose of verifying the result of said vote.

9. To this meeting of Session or Quarterly Board when convened the said Clerk of Session or Recording Steward or Minister shall produce all said envelopes containing the ballots received by him before the closing of the vote and shall verify the accuracy of this fact by solemn declaration.

10. At said meeting of Session or Quarterly Board the said Session or Quarterly Board or a sub-committee thereof of not less than five members appointed for the purpose shall open the said envelopes and verify and count the said ballots, and shall determine and declare the result of said vote, and shall prepare a list containing the names of all voters who may have cast a vote upon said ballot and showing whether said voters have answered the questions submitted Yes or No.

11. The result of said vote by ballot as so determined shall thereupon be certified by the Minister in charge and by the Clerk of Session or Recording Steward of the Quarterly Board (if any) of said Congregation, and any person who may have cast a ballot upon said vote shall be entitled to obtain upon request from said officers a copy of said certificate.

12. On the two Sabbaths following the verification of the result of said vote by ballot as aforesaid the Minister presiding at all diets of worship then held shall announce from the Pulpit the result of said vote, and a copy of the certificate of the result of said vote as aforesaid shall be posted at or near the entrance to the church edifice, and a copy of said certificate shall be forthwith deposited with the Clerk of Presbytery or Secretary of the Conference having jurisdiction over such Congregation, and also to the Clerk of the General Assembly of the Presbyterian Church in Canada or to the Secretary of the General Conference of the Methodist Church or to the Secretary of the Congregational Union and/or to the Secretary of the General Council of the United Church as the case may be.

13. All ballots cast upon said vote shall be retained in the possession of the said Clerk of Session or Recording Steward or Minister, as the case may be, for one month following the close of said vote, and the said ballots and/or the list of votes cast may be examined in the presence of said officers by any member who may have cast or been qualified to cast a ballot upon said vote.

14. Failure or omission to strictly observe any of the detailed requirements of these regulations shall not entail the nullity of the vote in the congregation in question, provided that the Superior or County Court of the Province having jurisdiction over such congregation shall decide, if appealed to within thirty days from the first public declaration of the result of said vote, that said vote has been taken substantially in accordance with these regulations and that no such failure or omission has materially affected the result of such vote.

Mr. SPEAKER: The question is on the amendment.

Mr. T. W. CALDWELL (Victoria and Carleton): Before you put the amendment, Mr. Speaker, I rise to a point of order. I submit that the amendment is not in order as the House has already voted on an amendment having the same purpose as this one.

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

Mr. SPEAKER: The amendment differs from the previous one but, in my judgment, not materially, though I think in justice to the minority they should have the right to test the feeling of the House.

Mr. J. L. BROWN (Lisgar): Have the rules of the House been complied with in the matter of giving notice?

Mr. SPEAKER: I notice there is a clause in the amendment that it be referred back to

the committee. It could not be so referred without giving notice. The hon. member will have to delete the clause calling for a reference back to the committee.

Mr. GRAHAM: Let us vote on the amendment.

Mr. DUFF: Is it desired to keep the discussion going until nine o'clock?

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

Some hon. MEMBERS: Yes.

Some hon. MEMBERS: No.

Mr. SPEAKER: Decidely the nays have it. I declare the amendment lost on division. The question now is on the third reading of the bill. Is it the pleasure of the House to adopt the motion?

Some hon. MEMBERS: Carried.

Mr. DUFF: Carried on division.

Mr. SPEAKER: The motion is carried on division. Moved by Mr. Forke, seconded by Mr. Brown, that the said bill do now pass and that the title be as on the order paper.

Some hon. MEMBERS: Carried.

Mr. SPEAKER: Carried on division.

PRIVATE BILLS

SHANTUNG CHRISTIAN UNIVERSITY

The House in committee on Bill No. 199 to incorporate Shantung Christian University.—Mr. Ryckman.

Mr. MEIGHEN: Whose bill is this?

The CHAIRMAN: The bill is in the name of Mr. Ryckman.

Mr. MEIGHEN: It is not a government order then?

On section 2—Authority for university in China.

The CHAIRMAN: Shall the clause carry?

Mr. MEIGHEN: We have not had time to get to China yet.

Mr. CALDWELL: Has the bill been printed and distributed?

The CHAIRMAN: Yes.

Mr. NEILL: I do not think the bill has been printed. It certainly has not been distributed.

The CHAIRMAN: It was distributed some weeks ago.

Mr. MEIGHEN: May I ask if the Justice department has been looking into the bill? There is no representative of the Justice department here so I will appeal to the legal lore of the Secretary of State. I draw his attention to section 2 just to see if this is within the purview of the government. It establishes a university in the republic of China.

Mr. COPP: I have no knowledge of the bill whatever. My hon. friend from East Toronto (Mr. Ryckman) is the promoter of the bill. I cannot say whether it has been submitted to the Department of Justice or not.

Mr. MEIGHEN: Does anyone know whether the bill has passed the Justice department?

Section agreed to.

On section 10—Granting of degrees.

Mr. WOODSWORTH: I should like to ask for information. We are giving power to confer degrees. Are these degrees given in China or are they given in Canada? Is this a Canadian university or is it a Chinese university? I think there ought to be some further information given as to what it involves.

The CHAIRMAN: According to clause 10 the degrees are to be in accordance with the laws of China.

Mr. WOODSWORTH: We do not know what the laws of China are. It seems to me there should be some explanation as to what relation this university will bear to our Canadian universities.

The CHAIRMAN: Is there any objection to clause 10?

Mr. WOODSWORTH: I think we should know something further about this matter It is an unprecedented thing that Canada should incorporate a university in China. We do not know whether the university is incorporated under the laws of China or not; we do not know whether or not these people will pass examinations in China, and we do not know whether they would have degrees which would be recognized in Canada.

Mr. COPP: Section 2 does not give any direct authority to this parliament. It is put conditionally in this way:

> The university may, in so far as authority from the parliament of Canada deems requisite for such purpose.

It does not say we have the power. We are not confirming anything.

Mr. WOODSWORTH: I should like to know how far we have power to establish a university in China.

Mr. COPP: I am not in charge of the bill, nor am I the promoter of it; but we are not doing anything which we have not power to do. We are passing this measure just so far as our power goes.

Mr. WOODSWORTH: We should hold this section until some hon. member is present who can tell us something about it.

Section agreed to.

On section 11—Affiliation.

Mr. WOODSWORTH: I object to passing this clause which deals with a matter concerning which we have no information whatever. We need not be over zealous in regard to Canadian universities or institutions; but here we are chartering an institution that undoubtedly will have a certain standing in Canada, as soon as it is given a charter. We have no information as to the academic standing they propose to maintain. I remember about a year ago an institution in Canada called the Frontier College came to this parliament asking for a charter which would give it university standing. The bill was referred to the Private Bills committee, and the request was refused after a very full discussion. Here we have an institution concerning which we know very little and which seems to be in rather an anomalous position.

Mr. NEILL: Unless some hon. member will sponsor the bill, I will move, if the hon. member will second it, that the committee rise, report progress, and ask leave to sit again.

Mr. MEIGHEN: I think a member of the Justice department should be here to assure us that the bill has passed the department, in so far as the competence of parliament is concerned. With respect to the objection raised by the hon. member, speaking only within my own experience and information, it is not uncommon for the parliament of Canada to incorporate institutions to carry on their labours or their enterprises in other countries. Canada indeed has to-day business companies who are carrying on great undertakings in South America, Mexico and even in Spain, I believe. It is not an unusual thing. As to incorporating a university for purposes of work mainly in China, I presume it is merely for the purpose of putting into concrete form the activities of these religious bodies in respect to missionary and educational work in China. It merely gives them the advantage of a corporate body here as their means of organization in this country. Beyond this purpose I do not know of any purpose that is served. Consequently, I see no reason why the bill should not proceed; but I think someone should be here to assure us that in all respects it has passed the Justice department.

Progress reported.

CONSIDERED IN COMMITTEE—
THIRD READINGS

Bill No. 184, for the relief of Gordon Allingham.—Mr. Chew.

Bill No. 193, for the relief of Alfred Edward Briggs.—Mr. Simpson.

Bill No. 194, for the relief of Louisa Elizabeth Smith.—Mr. Martell.

Bill No. 196, for the relief of Annie Thirde.—Mr. Hocken.

Bill No. 200, for the relief of Florence Castle.—Mr. Duff.

Bill No. 201, for the relief of Francis Hadenka.—Mr. Duff.

Bill No. 202, for the relief of Louis Powell.—Sir Henry Drayton.

Bill No. 203, for the relief of Margaret Johnston.—Mr. Hocken.

Bill No. 204, for the relief of Hilda Girdler.—Mr. Harris.

Bill No. 205, for the relief of Janet Ferguson.—Mr. Ross (Kingston).

Bill No. 206, for the relief of Charles Whittaker.—Mr. Duff.

Bill No. 207, for the relief of Arthur Robert Ascough.—Mr. Preston.

Bill No. 208, for the relief of Albert Joseph Phillips.—Mr. Harris.

Bill No. 209, for the relief of Patience Oldfield.—Mr. Duff.

Bill No. 210, for the relief of Elizabeth Atkinson.—Mr. Duff.

SECOND READING

Bill No. 211, for the relief of Gerald Arthur Johnson.—Mr. Chew.

SUPPLY

PUBLIC WORKS

The House again in committee of Supply, Mr. Gordon in the chair.

Public works—Yarmouth harbour—Dredging, $22,000.

Mr. STEVENS: Will the minister explain this item?

Mr. KING (Kootenay): This is to complete the removal of 14,251 cubic yards at a cost of $1.45 a yard and it is the completion of a contract entered into a year ago.

Mr. STEVENS: Was any work done last year?

Mr. KING (Kootenay): Yes. The expenditure last year was $64,364 and we are re-voting $22,000.

Mr. MANION: Will this complete the work?

Mr. KING (Kootenay): Yes.

Item agreed to.

Harbours and rivers—Prince Edward Island, $84,100.

The CHAIRMAN: Is it the pleasure of the committee that the items in this vote be taken individually?

Some hon. MEMBERS: Yes.

Mr. KING (Kootenay): It might be convenient if that were done.

Alberton—Wharf repairs, $1,100.

Mr. LEWIS: Perhaps the minister would save trouble by giving some information in regard to each item.

Mr. KING (Kootenay): Most of the items in this vote are for repairs. These works have been reported upon by the district engineer and his recommendations are now before the committee for consideration. There are one or two items which may require further explanation and I shall be glad to give the information in regard to any to which my attention is called.

Item agreed to.

Beach Point—Wharf, $9,300.

Mr. STEVENS: An hon. member has already asked the minister to be good enough to give us a brief statement in regard to each item.

Mr. KING (Kootenay): This is for the construction of a cribwork wharf of 238 feet, with an approach of 208 feet, the structure being 20 feet wide with a head block 30 feet square. The work is under contract with H. J. Phillips, of Charlottetown.

Mr. STEVENS: Was it let last year?

Mr. KING (Kootenay): It was let in October, 1923.

Item agreed to.

Belle River—Breakwater extension, $9,000.

Mr. LEWIS: Was any work done under this item last year?

Mr. KING (Kootenay): No. It is proposed to construct an extension of 204 feet by 15 feet to the southern breakwater. This is under contract with Messrs. Compton & Ross of Flat River, Prince Edward Island. The amount of the contract is $7,828 and the contract was let on September 29, 1923.

Mr. LEWIS: No work has been commenced yet?

Mr. KING (Kootenay): No; it is under way now.

Mr. STEVENS: How many tenders were called for?

Mr. KING (Kootenay): There were two tenders, one from William Compton and Alexander J. Ross, and the second from Henry J. Phillips.

Mr. STEVENS: This is Belle River but it is not the same Belle River which we had under discussion on a previous occasion. In connection with the vote for Belle River, Ontario, I understand that the government has under contemplation the expenditure of a considerable sum in dredging there supplementary to the construction of a $30,000 wharf or something of that kind. What is the programme?

Mr. KING (Kootenay): We are dredging the channel and an expenditure of $30,000 is contemplated. The work is under way now.

Mr. STEVENS: Is that being done by contract? I understood the department was limited to $5,000.

Mr. KING (Kootenay): The work is being done by departmental plant.

Mr. STEVENS: Is it contemplated that the total expenditure to make that channel navigable for the class of vessels mentioned in the original presentation of the case will cost in the neighbourhood of $100,000? I am referring to the dredging of the channel which is necessary to make it suitable for navigation by boats such as it was reported would run from Detroit and Windsor to the place where this $30,000 wharf or breakwater, or whatever it may be, is being built.

Mr. KING (Kootenay): That situation was thoroughly canvassed a few nights ago when I stated that it was not the intention of the government to suggest further expenditures at the present time.

Mr. STEVENS: Some information has come to me directly quite recently that in order to carry out the intentions of the government in regard to the channel, which would warrant the construction of this $30,000 work, it would be necessary to expend

some $100,000 on dredging. While the government may not intend to do this at present is this a programme which will be carried out next year, the year following, or at some future time.

Mr. KING (Kootenay): My hon. friend is not properly instructed. There was a suggestion from the engineering department that to secure the channel it would be wise to build another retaining wall on the other side of the harbour. It is not our purpose to go on with that at the present time. We hope that with the dredging now being done the present retaining wall will give sufficient accommodation.

Mr. ANDERSON: What are the dimensions of the breakwater?

Mr. KING (Kootenay): It is about 600 feet in length. This is an extension 204 feet long by 15 feet wide.

Item agreed to.

Georgetown—Reconstruction of Canadian National Railway wharf, $15,000.

Mr. LEWIS: What is the reason for the increase in expenditure?

Mr. KING (Kootenay): We are taking over a wharf which was formerly owned by the Railway department. Last year we expended $11,000 odd in repairs. This vote is to complete the work.

Mr. ANDERSON: What is the policy of the department in letting contracts of this nature?

Mr. KING (Kootenay): It depends largely on the character of the work. Very often the engineering department will advise that repair work be done under competent officials of the department rather than by tender. My hon. friend will understand that it is very difficult to prepare specifications for repairs to an old structure, especially structures of this kind; one does not know just how extensive the repairs will be until the work is begun.

Mr. ANDERSON: Is any provision made for employment of local labour when the government does the work under its own engineer?

Mr. KING (Kootenay): Yes.

Item agreed to.

Harbours and rivers generally—Repairs and improvements, $10,000.

Mr. LEWIS: Is this a general estimate of small repairs?

[Mr. Stevens.]

Mr. KING (Kootenay): Yes.

Mr. STEVENS: What will be done in regard to that vote generally?

Mr. KING (Kootenay): It is very difficult to say. This is a vote which the departmental official will use from time to time as he finds necessary. We have no requests for expenditures out of this vote at present, but I have no doubt that as the season advances and inspections are made there will be local repairs made.

Item agreed to.

Kier's Shore—Wharf repairs, $7,000.

Mr. DOUCET: What is the need for the increase this year?

Mr. KING (Kootenay): We spent $1,468 last year in repairs. This year it is proposed to reconstruct the upper portion of the approach for a length of 900 feet by 20 to 24 feet in width; also to repair and strengthen the pierhead, 125 feet long by 40 feet wide.

Mr. DOUCET: Will that be let by contract?

Mr. KING (Kootenay): No, it will probably be done under the supervision of the departmental officers.

Item agreed to.

Naufrage harbour—Repairs to breakwaters, $3,600.

Mr. KING (Kootenay): To re-ballast the outer 150 feet of north breakwater, repair the stringers and covering on both the north and south breakwaters and make up settlement at inner end of beach protection for a length of about 50 feet.

Mr. STEVENS: This is a new item.

Item agreed to.

Rustico harbour—Breakwater and beach protection, repairs and reconstruction, $7,000.

Mr. ANDERSON: How many harbours are there in Prince Edward Island?

Mr. MacLEAN (Prince): Five hundred.

Mr. King (Kootenay): I have no information.

Mr. ANDERSON: They are all here?

Mr. KING (Kootenay): No, I think not.

Mr. STEVENS: Is this work to be done by tender or by the department?

Mr. KING (Kootenay): It is recommended that the work be done by day labour. It is to reconstruct the beach protection, 544 feet long by 10 feet wide, and to repair and strengthen the inner end of the breakwaters.

Mr. STEVENS: The general understanding is that a maximum of $5,000 shall be allowed for

work done by the department; that is, it is not obligatory on the department to do the work by day labour when the expenditure does not exceed that maximum, but if it is thought in rare cases that it can be done more conveniently or expeditiously by day labour, then the minister may, up to $5,000, make such arrangements. But it would appear to me that the tendency is to do as much as possible by day labour. I would deprecate such a tendency for I think it is an error in policy, whether it be done by this or any other government. I think the department itself as a matter of continuity of practice should be kept as closely as possible to the contract system. We have just passed two or three of these votes in the last few minutes indicating a tendency to do the work by day labour. It may be that the minister is spending only a part of this particular vote, but all we have before us is this item of $7,000 to be spent by day labour. If the minister can make some further explanation which will correct that impression, we will be glad to receive it.

9 p.m.

Mr. KING (Kootenay): My explanation will be the same as for the previous item. In the repairing of these structures—and most members have a knowledge of their character—we find that as a matter of practice it is very difficult to prepare specifications unless the structure is in ruins and has to be removed and reconstructed; but where the engineer finds timbers decayed here and there he makes up his mind that for, say, $7,000 or $8,000 he can effect the necessary repairs, the work is carried on by day labour. The experience of the department is that it is more economical to do such work under the direction of its officials rather than call for tenders and pay the contractor's profit. A contractor figuring on work of this character will fully protect himself in regard to his price. He will take into consideration every contingency that may occur, and his price will be one that he thinks will pay the cost of reconstruction and give him a profit. Now that is saved under a proper organization, and we have officials in the various districts who are carrying on very properly. It has been the experience of the department that the work can be done more economically in this way.

Mr. STEVENS: I appreciate the minister's explanation, but I do not agree with him, and I will explain why. I am going to discuss the question of policy; I think we might as well have a frank discussion of that matter. Let me just draw the minister's attention to the item. I have not before me, of course, as he has, exactly what is required for this work, but it is for a breakwater, beach protection, repairs and reconstruction. The breakwater, for instance, may require the bringing into place of scowloads of rock; I presume it would. Now my point is this: Where a job like that is required to be done, tenders should be called for if that portion of the work costs only one or two thousand dollars out of the seven. The work will also require a considerable amount of piling to be driven. You should get a crew there with a piledriver to do that work, but when you have men doing the work by day labour, they are going to drive very few piles. If you give a couple of contractors the chance to tender for the driving of one or two hundred piles—I am merely taking that figure because I have not before me just what is required, but it will apply in a general way—they will drive those piles far more cheaply than will the day crew hired by the department, and my point is that the department is exhibiting a tendency to drift away from the very sound policy of competitive bids.

Another point which I wish to bring to the attention of the minister and the committee is this: Wherever it is thought desirable to do the work by day labour or on the estimate of the department's engineer, I think the engineer ought to bid against the contractor, on his own estimate. That is a course that is followed very often in connection with very large works in municipalities. It is followed in the city of Vancouver. The engineer bids against the contractors, and if he does not come within his own estimate he would be subject to reprimand or possibly dismissal for incompetence. Now it is no protection to the government, it is no protection to the party who pays out the money, whether it is the government or a private individual, merely to say to the engineer: Here is a job; do the best you can with it. There ought to be some check, some safeguard on the expenditure of these funds. I have had some experience on this class of business, and I know from my experience that you can waste more time on this particular class of work than perhaps on any other class of construction and not have it discovered, not be able to bring it home to anyone. Let the engineer of the department, no matter how efficient he may be, but turn his back and the work will slow up. A good deal of it is under water, and the engineer may have a general idea of what is going on, but he is not able to put his finger on the weak spot. So I again point out that, to my mind, at least, we should have a rigid adherence to the policy of asking for tenders for every conceivable piece of work where it

is at all possible to do so, restricting the privilege to letting the work by day labour up to $5,000 only to cases where the conditions are extraordinary.

Mr. SINCLAIR (Queens): I might explain to the committee that the theory of the hon. member for Vancouver Centre would apply very well in provinces where contracts are let for larger works, but when you look over the list for repair works that are necessary around the province of Prince Edward Island, you will see that the highest is only $9,000, and when you call for tenders for repairs of those works you get so little competition that in almost every case you have to pay about twice as much as it would cost to do it by day labour. While it is said that the work is done by day labour, I might point out to the committee that under this system the district engineer is authorized by the minister to take quotations and let out different classes of the work by contract. Contracts are given for piecework on different classes of construction, and in that way you can save about one-half of what it would cost if you let the whole work by contract, for the simple reason that we have very few people taking large contracts of this kind around the shores.

In regard to this special item, Rustico breakwater and beach protection, they are two different works in the same harbour. The breakwater is situated a little differently from the beach protection, so they are really two different works in the same place. We are suffering by not having had the estimates passed earlier in the session. The people of the locality can supply the timber, providing they have sufficient notice to get it out before their spring work begins, and to delay the estimate has a tendency to increase a little bit the cost of supplying the timber. North Rustico is a very important fishing station. I think it is one of the two most important harbours on the north side of the province. There are about sixty fishing boats going in and out between the port and the fishing grounds every day during the whole summer season. It is very important that this work be done during the present season, and I feel sure that if the conditions were known to the committee they would readily realize that the method followed by the department saves a considerable amount of what would be expended if contracts were insisted on for the whole work.

Mr. MEIGHEN: Does it not seem very strange to the minister that with as much work going on as is provided here in the estimates, there would not be enough people in that province to make a good competitive tender? The minister would take a long while to convince me of that.

[Mr. Stevens.]

Mr. SINCLAIR (Queens): I did not say that it was for lack of a number of people.

Mr. MEIGHEN: It is not work that requires a tremendous plant, and I would have thought the people there would have been very glad to tender on this work. The people of Prince Edward Island are certainly able and enterprising, and why they should not be ready to tender for $84,000 worth of work provided for in the main estimates, to say nothing of provincial works, and to say nothing of competitive tenders from Nova Scotia and New Brunswick, only a very short distance away, I cannot see. There is no reason why a separate system should be applied to Prince Edward Island. Does nobody in Nova Scotia come over and take business in Prince Edward Island? I do not think they hold each other in such reverence as that.

Mr. SINCLAIR (Queens): The further they come the more they will have to get for doing the work. The point I made was that if the department followed the principle of letting the work by tender, it would cost about double as much as when you give the engineer the right of taking quotations and dividing the work into smaller contracts, and getting the work done by the people in the district.

Mr. MEIGHEN: I think the "twice" is the other way about. I have never yet seen the other way fail. I have tried it myself and seen it tried by the government. These excuses for getting away from the tender system always arouse in my mind a very large interrogation point.

Mr. KING (Kootenay): My right hon. friend says there will be no tenders called for. In order that there may be no misunderstanding let me say that in this work a very considerable proportion of the expenditure, in fact the largest portion, will be for lumber, and the district engineer will call for tenders. There are 250 team loads of brush needed. That may be done by day labour or by contract. I am not sure as to that; it will depend upon what the engineer thinks best. Then there is the yardage of ballast or stone. That may be contracted for locally. In all works of this character, renewals and repairs, or at any rate in many cases, where you are uncertain as to the extent of the repairs necessary the best policy is to act upon the engineer's recommendation. If that is done the department saves money.

Mr. MEIGHEN: I am afraid my hon. friend is pushing the tender system overboard.

Item agreed to.

St. Peters Bay—Breakwater and beach protection, repairs and reconstruction, $4,800.

Mr. MEIGHEN: This is new work too; what is the estimated cost? Was there anything in last year's estimates? What is the reason for the work this year? Economy?

Mr. KING (Kootenay): This is to reconstruct the middle section of the breakwater for a length of 104 feet from 20 to 24 feet wide, and strengthen the seaward side 111 feet long with piling. Also to reconstruct cribwork protection 230 feet in length and 7 feet in width adjoining inner end of breakwater. This is recommended by the district engineer.

Mr. STEVENS: This is another item of $4,800. It is a case of day labour again, I suppose?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: I so protest because this is evidence to me of a departure.

Mr. KING (Kootenay): It is not a departure.

Mr. STEVENS: I am not objecting so much to the item, I do not know whether it is necessary or not, but I am objecting to this departure from principle. This parliament took years to establish the principle of calling for tenders in the case of work of this kind, and there has always been criticism when that principle has been departed from—there was criticism of the previous government on occasions. But matters came to a point when the policy of calling for tenders was generally adopted, and now we are reversing it. I will admit there is not an entire abandonment of the principle of calling for tenders, but there is every evidence that we are reversing that very sound policy and we find ourselves faced with the fact that when there is to be a large expenditure, comparatively speaking, it will be done without calling for tenders. I do not agree at all with the hon. member who made quite a lengthy explanation on the previous item. It does not matter whether it is local men or contractors who are doing the work. I am quite aware that you could not get a big contracting firm from the city of Halifax, or from Quebec or Montreal to go out and tender for these jobs—I am not so innocent of business matters as to suppose that for a moment. But you have, for instance, brush wood. Now, I happen to be very familiar with work of that character; I have seen any amount of it done. It is a sort of work that lends itself very suitably to contracts. That is to say you may have a score of settlers in the neighbourhood of where the work is to be done, or within a measureable distance of it, who know enough to cut brush, make brush mattresses, and haul them to the desired point. It is the simplest kind of job, labour work of the most ordinary character, and there is no reason in the world why such work should not be done by tender. Furthermore, take the question of piling that my hon. friend mentioned a moment ago, or the question of depositing rocks. A great many of these breakwaters consist simply of piling, but some brush is required where there is a current or a tide and it is filled in with rock usually. Brush must be sunk by rock piles invariably—that is the practice followed. All that class of work lends itself peculiarly to the tender system. It does not matter if the work only costs a thousand dollars, it should be done in that way. If the minister is following the advice of his colleague from Prince Edward Island (Mr. Sinclair) what does it mean? In referring to these expenditures I am not limiting myself to Prince Edward Island; or any particular section at all. We have a page of small items of that kind here. The people living in the neighbourhood where these works are contemplated will be very quickly advised of the expenditures and the intentions of the government by local members, to say nothing of the press—and they will say "Here is a chance for us to get some government work." Now, it is no reflection on my part on the citizens of any of these districts to say that they are not going to apply themselves to this work with the energy that they would display if there was a contract for which they had to bid. Take the matter of brush mattresses. Suppose the minister's officials go down to St. Peter's Bay and invite the farmers, and others in the neighbourhood, to cut brush, make mattresses, and haul them down with their own teams to the beach to be put into place. Does the minister imagine for a moment that he is going to get the work done as cheaply as if his officers said "We have so many brush mattresses to make of such dimensions and such a character, and we want bids for making them?" I want to bring as strongly as I can to the attention of the committee this tendency to depart from the well recognized principle of doing public work by tender. That principle holds good not only now but in the future so far as I am concerned. I have often expressed the same opinion in the past, not only here but in other places. I have always stood for that principle and I

believe it is a sound one. I believe further that it is impossible—whether it is a municipal government or the federal government that is concerned—to get the work done as cheaply and as efficiently by day labour. That has been proven, I think, from experience, and it is a mere waste of time to give reasons or to argue about it. That has been demonstrated often, and I am very critical of the tendency of the department and of the minister to pass item after item without that understanding. I protest as heartily as I can against it.

Mr. HUGHES: The hon. member has told us that he has had very considerable experience in work of this kind but I think I shall have to doubt the hon. gentleman's word.

Mr. STEVENS: I do not care whether my hon. friend doubts my word or not; it is a matter of supreme indifference to me.

Mr. HUGHES: I am quite convinced from the remarks of my hon. friend that he has had no experience in this class of work. Now to begin with, it would be very difficult indeed for any engineer to tell what repairs are needed until the old part of the work is taken down. He must take down part of the structure in order to draw the plans, so that the contractor could work from these plans. He has to do the best he can, looking at the work, to estimate the extent of the injury. When the money is voted he has to employ men to open up the work and he may find it will require less repairs than he expected. He may find more work in good condition than he anticipated or he may find himself obliged to make more entensive repairs than at first appeared necessary. My hon. friend will agree with me in that.

Mr. STEVENS: I never even affirmed anything different from what the hon. member has stated. I stated that where there was work of this character requiring different operations, such as the teaming of rock, the making of brush mattresses and the driving of piles, they should call for tenders for these different things. I have not the specification oefore me, but I might mention several things that are necessary in connection with wharves and breakwaters.

Mr. HUGHES: To show the fallacy of the method suggested by the hon. gentleman, I have just to mention that in the province of Prince Edward Island and along the sea coast last autumn we had an unprecedented storm, which did a great deal of damage to breakwaters and wharves. These repairs must be made before the fall season this year, or there is great danger of the storms taking structures away altogether. The money is only being voted to-day. If we called for tenders it would be at least two months before those tenders could be let. The time for doing the work would be past. It could not be done in the fall of the year when storms are frequent. It must be done at this season of the year or not at all. The whole scheme outlined by the member for Vancouver Centre would be impracticable. The resident engineer who knows the conditions and the circumstances under which the contractor has to work has recommended this method, because he could not recommend anything else, and the statement made by the hon. member that the members from the province of Prince Edward Island approached the department, approached the minister and approached the engineers, to influence them to have the work done this way, is a pure assumption, a pure fabrication, and has no foundation in fact. I have not spoken to the engineer in regard to any method he might follow in regard to this work, and I think I can say the same for the other members from Prince Edward Island. I have not spoken to the minister in regard to any method that should be followed, and I am quite sure that the other members from Prince Edward Island have not done so. The hon. member for Vancouver Centre says that the work could be done by putting it into several divisions, and tenders could be asked for each small part of the work. Well, well, that statement of itself is sufficient to show that the hon. member does not understand it at all.

Mr. MEIGHEN: The minister just stated he was doing it that way.

Mr. HUGHES: If the minister sees fit he can do it by asking tenders from the local people.

Mr. STEVENS: Would the engineer not know what he was talking about?

Mr. HUGHES: Yes, and it is left entirely to his discretion and judgment. Being a capable man he sees that he gets value for the work performed and if more discretion were left to the engineer better results would be obtained. There is too much red tape in the letting of contracts, particularly in the matter of repairs. Engineers are too much tied down. In the olden days, when there was more latitude and competent engineers were on these jobs, better and cheaper work was done. The material was purchased at

the proper time. Years ago the engineers were allowed to purchase ahead materials that they thought they might require; they would get it at a time of year when it was cheap, and store it up for future use. They cannot do that to-day. They are more hampered by restrictions, and in consequence the country is paying more.

Mr. STEVENS: The hon. gentleman is certainly working himself into an excited condition and an awkward position. He says that here is certain work, and if it is not started almost immediately and something done in connection with it there will be great losses possibly on account of the fall storms. He tells us that he has not said a word about it—

Mr. HUGHES: Not a word in regard to the method in which the work was to be done.

Mr. STEVENS: I know that he and his colleagues have been sitting in this House for four months and have never opened their mouths about the precarious condition in Prince Edward Island. Now he comes before the committee and says, "Oh you must let this work at once, willy nilly, any way you like; get it done at once, because if you do not you are going to lose hundreds of thousands of dollars by the destruction of work elsewhere". The position is preposterous. The minister has been before the committee three months with his estimates. We passed numerous estimates presented by the minister which he has no notion of using this year; in some cases he tells us the work will not go on this year, but he is providing for contingencies in the future. Why did not the hon. gentleman point out that these works in question were in jeopardy? Why did he not ask the minister and the committee to provide for this work? If he can show that there is an emergent situation calling for prompt action to save public property, he will find a very willing supporter in me in getting the estimates passed. The hon. member and his colleagues from that province have been attending this session for four months and have never opened their months, never said a word about this matter, and now, about the last week of the session, he asks us to recklessly endorse a policy which is a complete departure from that towards which we have been working for years. The minister shakes his head. What position is he in? The hon. member says that the policy of letting the contract by tenders takes too long and should be departed from. The minister shakes his head and says no. I suggest that they get together and settle that difference themselves. So far as I am concerned I am going to tell my hon. friend, whether it is agreeable to him or not, that I stand for the principle of calling for tenders. Let me repeat what I said a moment ago—

An hon. MEMBER: Oh no, no.

Mr. STEVENS: I will go over it again, and the hon. member for Belle River is not going to make me depart from it. We will give him a session on Belle River, Ontario if he is not very careful about it.

Mr. HEALY: I will go through with it.

Mr. STEVENS: We will use Belle River, Ontario, as an illustration in this matter.

The CHAIRMAN (Mr. Marcil, Bonaventure): I think we had better limit ourselves to the item under discussion.

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

Mr. STEVENS: We could use Belle River as an illustration, but I am not going into that just now.

Mr. LEADER: I hope we can avoid a political controversy to-night.

Mr. STEVENS: I want to thank my hon. friend for his pious interjection.

Mr. LEADER: I hope it will do the hon. member good.

Mr. STEVENS: I might have a retort, but I do not want to be unkind. Sometimes it is well to suppress these things. By the way, seeing that we are talking about revetment work and rivers and protections, my hon. friend would not have called it a waste of time discussing the difficulties that arose at Portage la Prairie last year or the year before. On that occasion floods occurred calling for an emergent action, and he was very willing to have it discussed.

Mr. LEADER: We got over that difficulty.

Mr. STEVENS: He delayed the committee of the House, and quite properly so, but here to-night we have an emergency condition arising. The hon. member for Kings (Mr. Hughes) tells us that a large extent of public property down there is about to be wiped out of existence if we do not act to-night. I am going back to where I was a moment ago when I do not think he was in his seat. I pointed out that we have passed in Prince Edward Island alone a dozen items and in other provinces many more, where the minister is going to do the work by day labour without calling for tenders. I pointed out

to the committee—and I am going to do so again—that a limitation of $5,000 was fixed by order in council, if I am not mistaken. That has been adopted for years as a policy and as the limit to which we should go in doing public work by day labour. Now the minister tells the committee in connection with item after item that he is going to do the work by day labour. I have just cited one for $7,000 which I protested against. There was another item above that for $7,000. I protested against that or the hon. member to my left did, and I protested against this one of $4,800. I am not going to be diverted from doing my duty, because it is a duty devolving upon hon. members, by the criticisms and small sneers of the hon. member for Kings. The minister is going back to an old system where an engineer, in conjunction with those who may influence the government to undertake the work, will go to a district and say: Here, we are going to repair this wharf; we do not know what it is going to cost until we tear it down; but we are going to tear it down; we want you to haul brush, haul rocks, drive piles and so on, and we are going to do the work by day labour. Will anybody suggest for a moment that that system is better than the system which I have been advocating of calling for public tenders for these works? My hon. friend cannnot escape by simply saying that he discovers evidence of ignorance on my part of this class of work. I am not here nor am I called upon to give credentials to my hon. friend on that score. I am willing to assume my responsibility in that regard. I insist again on protesting against this departure from the long adopted policy of this country.

Mr. LEADER: I do not contend that I know anything about repairing or building wharves, nor do I rise to take issue particularly with the hon. member for Vancouver Centre (Mr. Stevens). But I should like to say a word in support of day labour under certain conditions and in certain circumstances. I have had a little experience in municipal work on a very small scale and have found that it was better done by day labour in many cases. Because there is an old tradition that parliament must call for tenders for any work costing over $5,000 seems to me no reason why we should retain it if it is not a proper way to expend public money. As an instance, I might cite a local condition in my riding where we repaired the dykes on the Assiniboine river. The estimate of the department was forty cents a yard for this work, but the government did it by day labour and I believe the job was well done for at least half that estimate. I should like to take this occasion to say that under certain circumstances I believe it is a proper course to follow to perform this work by day labour.

Item agreed to.

South Rustico (Oyster bed bridge)—Wharf reconstruction, $2,500.

Mr. MURDOCK: I move that this item be struck out.

Mr. MEIGHEN: I welcome the support of the Minister of Labour. I am glad there is a check on the minister from some quarter anyway.

Mr. GRAHAM: Is anybody going to retard this motion?

Motion agreed to.

Tignish harbour—Repairs to breakwaters, $7,400.

Mr. DOUCET: How is it that there was an item of $2,700 last year for repairs and this year an item of $7,400 for repairs?

Mr. STEVENS: Is this the extra because of day labour?

Mr. KING (Kootenay): Some two thousand dollars odd were expended last year on urgent repairs, and a further sum is required this year to repair the north breakwater, consisting of renewal of flooring, stringers and covering, also strengthening channel face with piling. It will also be necessary to rebuild the top portion of the south breakwater a length of a hundred feet. The damage that is to be repaired this year was caused by the storm of last October.

Mr. LEWIS: Is this to be done by contract?

Mr. KING (Kootenay): No, by day labour. I tried to make clear to the committee a few moments ago that on an item like this more than two-thirds of the expenditure will be for materials which will be obtained by competitive bids. The suggestion that the department are adopting new methods is not right, or at least I am so advised by my officials. The policy that is being carried on to-day is the policy that has been carried on for years in this department. A large portion of the expenditure is for lumber in one form or another, and competitive bids are asked for in connection with that material.

Mr. MEIGHEN: How are the competitive bids asked for? Who supplies the names? The secretary of the Liberal Association?

Mr. KING (Kootenay): No, I think not. The specifications are sent by the engineer

to Ottawa and the purchasing agent asks for bids from dealers in that locality.

Mr. MEIGHEN: From a list?

Mr. KING (Kootenay): The thing may be advertised or the names may be taken from a list depending upon the extent of the work.

Mr. SHAW: Who is the purchasing agent to whom the minister refers?

Mr. KING (Kootenay): The purchasing agent of the department.

Mr. SHAW: Does the Public Works department have a separate purchasing subdivision or does it come under the committee of the cabinet that has to do with purchasing?

Mr. KING (Kootenay): Under the committee of the cabinet, but we have an organization within the department.

Mr. SHAW: I understand from the minister that they call for tenders for the material, and then have the balance of the work done by day labour?

Mr. KING (Kootenay): Yes.

Mr. SHAW: In my opinion, as far as possible tenders should be called for covering the entire work, because it is not susceptible to any improper action in that event.

Mr. KING (Kootenay): I agree with my hon. friend that for new work that is quite proper.

Mr. MEIGHEN: The minister thoroughly agrees with the principle so long as he never puts it into practice.

Mr. SHAW: I want it put into practice.

Mr. MEIGHEN: The glories of the day labour system came out in the minister's last reply. The system he follows is this: Here is $10,400 worth of work to be done; our engineer is sent down there; he is in charge of engaging the men; his instructions we can take for granted as to whom he employs, whose advice he takes as to whom he employs and who are his superintendents. Then tenders or rather competitive bids are asked for to supply the lumber. The patronage list in the department is used to see where the competitive bids are to come from.

Mr. GRAHAM: Do you expect us to use the one that was there?

Mr. MEIGHEN: The minister would have a hard job to find it. Then the work proceeds. If a by-election comes along, as at Portage la Prairie at the time that notorious work was done that cost $65,000 or $70,000 to repair the damage—

Mr. HUGHES: The right hon. member is thinking of the dry dock at Victoria.

Mr. MEIGHEN: The superintendent keeps the men well corralled, bringing them up in closed caravans to vote and so forth. These are all the fruits of the day labour system, and the penalty, of course, the taxpayer ultimately pays. There is all the difference in the world between it and the tender system, and the minister knows it. You can apply the tender system to almost anything; and of course, on the other hand, you can find an excuse for not applying it, and usually as well the excuser. But the strong minister applies the tender system and he does not find it necessary to offer very many excuses.

Item agreed to.

New Brunswick—Bay du Vin—Wharf repairs, $1,600.

Mr. MEIGHEN: This is a new repair; is it due to the October storm?

Mr. KING (Kootenay): No; it is to rebuild decayed stringers, flooring and caps for that part of the wharf between the earth-filled approach and the pier head itself. It consists of 4 blocks of spans of a total length of 194 feet.

Mr. MEIGHEN: What county?

Mr. KING (Kootenay): Northumberland.

Mr. MEIGHEN: How many wharves are there in Northumberland?

Mr. KING (Kootenay): I do not know.

Mr. MEIGHEN: The deputy can tell.

Mr. KING (Kootenay): I do not think so.

Mr. MEIGHEN: Has the minister no adding machines? From whom did the representations come that the wharf needed repairs?

Mr. KING (Kootenay): From the district engineer.

Mr. MEIGHEN: Who is he?

Mr. KING (Kootenay): Mr. Stead.

Mr. MEIGHEN: Where is he stationed?

Mr. KING (Kootenay): St. John, New Brunswick.

Mr. MEIGHEN: How would he know about the wharf at this particular place?

Mr. KING (Kootenay): That is his business.

Mr. MEIGHEN: He travels around?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: It is his business to travel around inspecting wharves?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: When did he report on this?

Mr. KING (Kootenay): In the months of October and November last when the annual reports were being made up.

Mr. MEIGHEN: When was the work repaired last?

Mr. KING (Kootenay): I have not the information.

Mr. MEIGHEN: How much has been spent on it to date?

Mr. KING (Kootenay): The sum of $18,790.

Mr. MEIGHEN: Has the minister any information as to how much traffic is carried over that wharf annually and what it consists of?

Mr. KING (Kootenay): The wharf serves a population of 120 families and a number of transient summer people. The annual value of the fish catch is about $30,000 or $40,000, the production consisting of salmon, bass, herring, and so forth. In addition there is about $50,000 worth of merchandise and $2,000 in farm produce. All this traffic passes over the wharf.

Item agreed to.

Bayside—Wharf repairs, $1,250.

Mr. MEIGHEN: Where is this wharf?

Mr. KING (Kootenay): In Charlotte county.

Mr. GRIMMER: Is this wharf under the control of the government?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: How much has it cost to date?

Mr. KING (Kootenay): So far, $650. This wharf was transferred to the department in September of last year.

Mr. MEIGHEN: From whom?

Mr. KING (Kootenay): From the Bayside Wharf Company.

Mr. MEIGHEN: Under what policy did the government take it over?

Mr. KING (Kootenay): Upon request of the residents of Bayside.

Mr. MEIGHEN: What is the general policy of the government regarding the taking-over of wharves? Are they always taken over when request comes to the government?

Mr. KING (Kootenay): No. If the public interest is to be served and it is thought necessary the wharf is taken over.

Mr. MEIGHEN: They have not always been taken over. Towns and cities used to have wharves of their own, and business institutions maintained wharves. Some of the larger ones doing a considerable business were taken over on certain terms. What is the department's policy now as to taking over wharves either from municipalities or from private owners?

Mr. KING (Kootenay: Each case is dealt with on its merits, Sometimes it is more economical to take over a wharf than to construct a new one and the policy followed depends upon the recommendations of the engineer who has seen the conditions. It depends too of course on the decision that a public wharf is required at the particular point.

Mr. GOULD: Is this company engaged in wharf construction in various places in the province?

Mr. KING (Kootenay): No, it is not a construction company.

Item agreed to.

Black's Harbour—Reconstruction of wharf approach, $3,500.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): This is in Charlotte county.

Mr. MEIGHEN: How long has the government had this wharf?

Mr. GRIMMER: What is the nature of reconstruction work here?

Mr. KING (Kootenay): This item is for the construction of a cribwork approach to the pier head, 149 feet by 16 feet.

Mr. GRIMMER: There was nothing in the estimates last year in regard to this?

Mr. KING (Kootenay): There was no special vote last year but there was an expenditure from the general vote of $809.

Mr. GRIMMER: This wharf I believe is used in the handling of the sardines which are packed by the factory at that place. I want to call the attention of the minister to certain representations I made last year. During the election campaign of 1921 several promises were made by representatives of the Liberal party to the effect that if they were returned to power they would proceed immediately with the construction of breakwaters

and other necessary works which were being asked for by the people on the island of Grand Manan, and at Campobello and Deer island. Then I asked the minister as to whether any representations had been made by the people for any works on these islands. A few days later he informed me that certain representations had been made to the department for the construction of breakwaters at Cummings Cove, Stuart Town (Deer Island), Fairhaven (Deer Island), Castalia, Ingall's Head, Grand Harbour, Woodwards Cove (Grand Manan Island) and Gull Cove and Whitehead Cove (Whitehead Island). Now I ask, do the government propose to pay the price and undertake any of the works that were promised to the people at the last election and keep faith with those who worked so earnestly in their behalf?

Mr. ROSS (Kingston) When was money last spent on this?

Mr. KING (Kootenay): We expended $809 last year.

Mr. ROSS (Kingston): Was there not a contract for the wharf extension?

Mr. KING (Kootenay): No, it was just repairs.

Item agreed to.

Cape Bald—Breakwater repairs, $3,200.

Mr. DOUCET: This is also a re-vote. Last year the vote was $6,500, and this year there is another item of $3,200. Is this for a continuation of the same work?

Mr. KING (Kootenay): No, the storm of last October did considerable damage to the structure, and this vote is for the necessary repairs.

Mr. MEIGHEN: Did it damage the new work?

Mr. KING (Kootenay): During the storm practically all the covering was washed away from the breakwater. It is proposed to replace that by this expenditure.

Mr. MEIGHEN: Was that covering work done last year?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: What was done last year with the $6,500?

Mr. KING (Kootenay): A section of the inner face of the breakwater, 360 feet long by 10 feet high, was covered with gunite, the surface first being prepared by chipping off the old bad material and placing wire reinforcement. A space 7 feet wide and 20 feet long behind No. 5 caisson outside the pierhead was refilled with stone and capped with cement. One large caisson, 20 feet long and 5 to 8 feet wide and 10 feet high was built, and it, together with one built in 1921-22, was placed at the northeast corner of the pierhead to protect the breakwater.

Item agreed to.

Caraquet—Rebuilding wharf, $27,500.

Mr. LEWIS: Is this being done by contract?

Mr. KING (Kootenay): Yes, it is contracted for now.

Mr. ANDERSON: Did the minister call for tenders for the expenditure of this money?

Mr. KING (Kootenay): Yes, and the lowest tender was accepted.

Mr. ANDERSON: How many tenders were received?

Mr. KING (Kootenay): Seven.

Mr. LEWIS: Advertised?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: Is this a new wharf, or an old wharf taken over from some friends?

Mr. KING (Kootenay): This is to rebuild the approach to the wharf formerly owned by the provincial government.

Mr. MEIGHEN: I thought that was it. How did the provincial government persuade this government to take over the wharf and spend all this money?

Mr. KING (Kootenay): Each province should be treated in the same manner in the matter of wharf construction.

Mr. MEIGHEN: Are you going to take over all provincial wharves?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: This is a provincial wharf.

Mr. KING (Kootenay): I know, and it has been maintained by the provincial government. We are doing here what was done in British Columbia at the time the government of my right hon. friend was in power. The government of that day took over wharves which were owned by the provincial government.

Mr. MEIGHEN: What wharves?

Mr. KING (Kootenay): Many of them in British Columbia.

Mr. MEIGHEN: Can the minister give us the name of any one of those wharves?

Mr. KING (Kootenay): Yes, a dozen. All the wharves on the Okanagan lakes, practically all the wharves on the coast line on the various islands out of Victoria—thirty or forty in all I would say. We are doing the same with New Brunswick. The wharves in Prince Edward Island are owned and maintained by the Dominion to-day, the same is true of Nova Scotia, of Quebec and of Ontario, but in New Brunswick and British Columbia that has not been the case, and we are now treating those two provinces in the same way as the others have been treated.

Mr. MEIGHEN: How much have we spent on this wharf up to date? And what river is it on?

Mr. KING (Kootenay): This wharf is in Caraquet harbour on the bay of Chaleur. This is our first expenditure, the contract having been let this spring.

Mr. MEIGHEN: I do not know anything about this wharf, but when I was driving through there my attention was repeatedly drawn to wharves which I was told were built in 1905, 1909, 1910 and there had never been any boats docked at them up to that time. So I would think that under such conditions the minister should be slow in relieving others of wharves which they have been maintaining.

10 p.m.

Mr. KING (Kootenay): We are making a very careful selection.

Mr. MEIGHEN: Of course, where new country is opening up wharves have to be provided to accommodate trade as it develops.

Item agreed to.

Cocagne Cape—Wharf, $14,000.

Mr. DOUCET: Part of this is a re-vote of last year. Has the minister called for tenders?

Mr. KING (Kootenay): Tenders were called for and a contract let.

Mr. DOUCET: How many tenders were received?

Mr. KING (Kootenay): Four in all.

Mr. DOUCET: Who were the tenderers and what were their figures?

Mr. KING (Kootenay): The lowest tender was $12,910 and was received from John W. McManus Co., Ltd. The highest tender was $17,107.50. The other tenderers were Bruce L. Simmons, F. L. Boone—G. S. Macdonald, and James E. Kane.

Mr. DOUCET: The contract was awarded last fall?

Mr. KING (Kootenay): December 26, 1923.

Mr. DOUCET: The vote of course was put through in June. This is a much needed wharf, and it is unfortunate that the money voted last year could not have been expended before now. That wharf was not built. This session we have passed estimates that could very well have waited until later on in the session, while the Public Works estimates were not brought down until last week. I quite realize that if the estimates go through only in the last week of June or the first week of July, it is very difficult for the department to get out their plans and specifications, call for tenders, award the contract, and get the work done before the fall. The estimates for these very necessary works, to my mind, should be the very first to be brought down in the House, and at the very beginning of the session. We had a very severe storm in October, 1923, and very much of the repair work now needed in Prince Edward Island is due to that storm. If we do not get the estimates through until the last week in June or the first week in July it is very doubtful if the work can be completed before the fall storm is again upon us in October. If the work is not completed by that time, we may be subject to a recurrence of what has already taken place in many parts of Cape Breton, which was visited by a severe storm last October that washed away much of the work under construction. I submit that the estimates of the Public Works department, in so far as they relate to repairs to breakwaters and wharves occasioned by damage done in the former season, should be put through the House in the early part of the session, so that the work can be gone on with and completed before we have the fall storm again upon us.

Mr. STEVENS: Is this a new work? It merely says: "wharf."

Mr. KING (Kootenay): It is a new work, to construct a wharf 610 feet long and 16 to 50 feet wide, consisting of an earth embankment 180 feet long, and 16 feet wide on top. A contract for this work was let in December of last year. I would be surprised if the work is not pretty well advanced by now.

Mr. STEVENS: Is it going on now? One-third of the vote has already been passed.

Mr. KING (Kootenay): Yes.

Mr. DOUCET: Yes, the work is proceeding, but I do not think it is very far advanced as yet. Would the minister explain why the contract was not awarded before November when the vote was put through in the second or third week of June of last year? Was the contract awarded in November because of a certain happening in that locality?

Mr. KING (Kootenay): Each district engineer prepares his plans as the work is required, and these are sent forward. In the case of new work, plans and specifications are prepared and tenders called for. I imagine this work was like many others. It arrived at the stage when tenders were called for in August, September, October or November, depending, of course, upon when the plans were ready.

Mr. MEIGHEN: But in view of the by-election November would be a very good time to have the tenders received. I must confess that more progress was made after their reception than was made in the case of the Halifax elevator.

Item agreed to.

Dipper Harbour—Breakwater repairs, $4,000.

Mr. STEVENS: What is this for?

Mr. KING (Kootenay): This is to reconstruct the outer face of the breakwater, approximately 65 feet long and 8 to 14 feet high.

Mr. STEVENS: What has been spent on this up to date, and what is the estimate for completion?

Mr. KING (Kootenay): This is the estimate for the work under construction now. The expenditure up to date amounts to $106,-545.

Mr. STEVENS: The minister qualifies his statement, I notice, with the words "up to date". We may reasonably infer that in future there may be some very, very large expenditures contemplated. I noticed in connection with the famous Belle river item, the minister persisted in using the qualifying words "at present", and I think he was very wise in doing so, because if later on further demands are made, justifying our criticism, he will then be able to say "I pointed out this vote was only for the present". I suppose we can say the same about this vote. There has been expended already $106,000, and there is a vote of $4,000 this year. What we would like to know in connection with this and other works is what the ultimate expenditure will be. Will the minister be good enough to tell us that?

Mr. KING (Kootenay): Dipper Harbour is a very old settlement, and apparently there has been a harbour work at that point for many years. The expenditure for construction amounts to about $80,000, and for dredging $26,000. That is the total expenditure up to the present.

Mr. STEVENS: Is there much traffic there?

Mr. KING (Kootenay): It is a fishing harbour, and harbour of refuge on the bay of Fundy, 22 miles west of St. John and 3 miles east of Point Lepreaux. The population engaged in fishing is 140. In addition, it serves the surrounding territory.

Mr. STEVENS: Only 140 people?

Mr. KING (Kootenay): That is the number of fishermen at that point, but Dipper Harbour serves a larger community than that.

Mr. STEVENS: We have spent $106,000 at a point where there are only 140 people.

Mr. KING (Kootenay): The work has been going on for a number of years

Item agreed to.

Gage town—Wharf repairs, $1,000.

Mr. STEVENS: What is this for?

Mr. KING (Kootenay): This is for repairs.

Item agreed to.

Harbours and rivers generally—Repairs and improvements, $45,000.

Mr. DOUCET: Would the minister tell us if there has been any work done at Kouchibouguac, in Kent county?

Mr. KING (Kootenay): I have no record of any expenditure there last year. There was nothing in the general vote evidently.

Mr. DOUCET: While I have not the supplementaries here for last year, I believe there was a vote in the supplementaries, but no expenditure has been made, and I was wondering why the vote had been dropped.

Mr. KING (Kootenay): I do not think there was any vote last year.

Mr. DOUCET: Not in the supplementaries?

Mr. KING (Kootenay): I think not. I have no record of it here.

Mr. DOUCET: I can take that matter up with the minister again. During the term of my predecessor I know it was intended to put a vote in for work at this point, and if it was justified last year there would not be any excuse for dropping the vote this year, unless it was an oversight on the part of the department.

Has the minister seriously considered the representations that were made to him as to a construction at Maillet's Gully, Buctouche bay? The matter has been under consideration for a number of years and representations with respect to it have been made to the minister on various occasions. I believe the minister is anxious to place a sum in the supplementary estimates for the purpose of carrying out this improvement at Maillet Gully, and in order to strengthen his hands I shall lay before the committee some facts that were gathered from the local population and from the assistant engineer who went there and collected information himself. Maillet Gully is seven miles north of Buctouche and nine miles south of Richibucto, and there is no place of shelter convenient in this long distance of sixteen miles. About fifty families are located within a radius of about two miles around Maillet Gully and derive their support from the fishing industry. Over forty large gasoline boats are employed in working for the seven lobster canneries located in that section of the country, the work being performed in the fall of the year. In the spring there are forty small boats engaged in the herring fishing industry. I may say that the operations in connection with the seven lobster canneries represent an expenditure of something like $50,000 a year. The catches in the herring industry represent between five and six thousand barrels of herring annually. In the interval between the herring and lobster season the cod fishing industry occupies the attention of the fishermen. During the fall of 1921, fifteen of the larger boats were damaged or destroyed owing to a fall storm; and in the severe storm which occurred on the first and second days of October, 1923, practically all the boats operating within the radius of two miles which I have mentioned —boats owned by the fifteen families alluded to whose sole means of occupation is the fishing industry—were damaged. I submit that it is of the utmost importance in the interest of the preservation of that fishing fleet and in order to enable those fishermen to earn a livelihood, that something should be done to give them protection. The necessary work will not require a very large amount of money. The minister is already in possession of the report of the engineer. I believe he also has an estimate of what the required protective works would cost. I trust that after this explanation and in view of the correspondence with the department the minister will see his way clear to place an item in the supplementaries to give the protection which is so badly needed at Maillet Gully. I may say that my predecessor at successive sessions in 1921, 1922 and 1923 urged upon the government the importance of carrying out this work. I have no doubt that had he been spared to represent the county at the present session he would have made further recommendations on the matter.

The CHAIRMAN (Mr. Marcil, Bonaventure): Shall the item carry?

Mr. MEIGHEN: Surely the minister will not leave the hon. member's recommendations unanswered.

Mr. KING (Kootenay): I will be very glad to give the matter consideration.

Mr. DOUCET: I urge the minister to consider it seriously.

Mr. KING (Kootenay): Yes, serious consideration.

Item agreed to.

Miscou Harbour—Wharf reconstruction, $5,500.

Mr. STEVENS: Will the minister please give an explanation? This is a new item which should be explained.

Mr. KING (Kootenay): This vote is for the purpose of reconstructing the wharf by removing the cap, covering, stringers and three tiers of face-timbers from the inner section, 418 feet long, of the block and span wharf; filling in eight spans with cribwork; rebuilding the tops of the blocks; and completing the section from the shore to the ninth span—420 feet—with an earth and gravel covering. Beyond this one block is to be retopped and two spans replaced, and a new cap is to be placed over the whole of the old section of the wharf, 875 feet long. The completed work will be 1.5 feet lower than its present height.

Mr. STEVENS: Is this work all to be done by day labour?

Mr. KING (Kootenay): Yes, on the recommendation of the chief engineer.

Mr. STEVENS: I wish to record again my former objection to this, and numerous other works, being carried out without tenders. It

is simply nothing short of a distribution of patronage. That is, I think, putting it pretty mildly.

Mr. KING (Kootenay): I think my hon. friend's statement is unfair. The work is being done in this way on the recommendation and advice of the departmental officers who consider day labour to be the proper method to pursue in such a case. It is a system that has been followed in the department for years. I think I have given a fair explanation, and I am sure those members of the committee who have knowledge and experience of this class of work will admit that it can be better done in this way.

Mr. STEVENS: I have already covered the ground two or three times, and I do not wish to repeat my criticisms, but I cannot accept the minister's explanation. It would be satisfactory if it were only being done in one or two cases or in response to an emergency, but what I am trying to impress upon the minister is that it is the preponderating number of such cases that I am objecting to. It is an indication of a change of policy, a retrograde movement back to what we have been fighting for years to get away from. I appreciate the difficulties the minister has to face, and the pressure he is subjected to, but that does not alter the facts of the case, nor does not lessen the objection to this departure from a well recognized policy.

Mr. MEIGHEN: There is a great difference between the reconstruction of a wharf and its repair. Were these only trivial repairs one might justify the employment of day labour, but when it is the reconstruction of a wharf what justification is there? Can the minister give us any?

Mr. KING (Kootenay): I have already given an explanation of these items and repeated them a great many times. In this case I read the information as set out in the report of the officials of the department.

Mr. MEIGHEN: In this case?

Mr. KING (Kootenay): Yes. I have explained that it was to reconstruct this wharf by removing the cap, covering, stringers and three tiers of face timbers from the inner section, and so on.

Mr. MEIGHEN: Does not the minister see that there is more or less of a specification in that very statement? What is to hinder tenders being called for there?

Mr. STEVENS: A moment ago when the minister was replying to me on the item of $4,800 he said it was a breakwater and repairs. The minister argued again that in connection with repairs it was impossible to get sufficiently definite specifications to call for tenders, but he says in constructing new work or reconstruction—

Mr. KING (Kootenay): Yes, where the old work is being demolished.

Mr. STEVENS: We come to an item calling for wharf reconstruction, and now he argues in the same way as in the previous item.

Mr. KING (Kootenay): In reconstruction, where the old work was demolished and the new work was going to be built, but it does not apply to this case. There is reconstruction in certain portions of the work.

Mr. STEVENS: He has taken off the top of the wharf, the caps and the piling, he is going to put on a new cap and new piling, so that it is a new job so far as it goes.

Mr. KING (Kootenay): No, not piling.

Mr. STEVENS: It is down to the caps. I know what caps are. Down to the caps it is new work.

Mr. KING (Kootenay): As the work goes on they may find some stringers which it is not necessary to remove at all.

Item agreed to.

Pointe du Chene—Repairs to breakwaters, $2,400.

Mr. STEVENS: Is this a new item?

Mr. KING (Kootenay): No, this item is for rebuilding from high water up, the north face of the protecting block at the northeast corner of the breakwater; recovering the same with 4 inch plank; placing large stone blocks on the old breakwater where the stringers and covering have been washed off; filling the north face of the wharf with stone ballast to replace that recently washed out and driving 15 piles across this face. This was necessitated on account of the damage done to the wharf last fall by the severe storms.

Mr. STEVENS: I would like to compliment the engineer on the exactness of the specifications, showing how convenient it would be to call for tenders in many of these items.

Item agreed to.

Robichaud's (Savoy's) Landing—Wharf, $11,000.

Mr. STEVENS: This is a large vote. Will the minister give an explanation of it?

Mr. KING (Kootenay): This is to construct a cribwork wharf 310 feet in length consisting of an approach 211 feet long and 15

feet wide and a pierhead 99 feet long and 13 feet to 25 feet wide, with ferry slip and a single guard pier. It is under contract. The contract was made in April, 1924.

Mr. STEVENS: Would the minister tell us the number of tenders received, the price, and the contractor?

Mr. KING (Kootenay): There were eight tenders in all. The successful tenderers were Arcade Landry and Frank T. Landry, $9,814. The tenders varied from that figure up to $18,123.

Mr. STEVENS: How much is spent and what is the additional money?

Mr. KING (Kootenay): Our tenders fortunately are lower than the estimate as prepared and placed in the estimates on the advice of the engineer.

Mr. STEVENS: You could reduce the estimate.

Mr. KING (Kootenay): No, I do not think so.

Shediac island—Wharf repairs, $1,000.

Mr. STEVENS: What is that?

Mr. KING (Kootenay): Rebuilding, from half tide up, three blocks displaced by the storm of October 1, 1923; and placing a strip of 2 inch plank 9 feet wide along the centre of the covering, which is decayed and is in places dangerous.

Item agreed to.

Shippigan Gully—Repairs to breakwaters, $1,000.

Mr. DOUCET: There was a vote in 1922-23 of $4,000 for this work, a vote of $1,000 last year, and this is a different vote of $1,000. Could the minister give us an explanation of what work is being done, or if it is necessary to have the repairs carried on?

Mr. KING (Kootenay): This is for close piling the channel side of a section of the east breakwater 70 feet long; placing a quantity of brush in the breast work east of this breakwater; and placing a bulkhead of close piles across the west breakwater at the end of the ell or inside extension.

Item agreed to.

Stonehaven—Rebuilding protection block, $1,000.

Mr. STEVENS: Before these items are disposed of, I want to ask a general question about all the items of this vote. We have a vote of $123,850. Last year there was a vote of $249,900. Can the minister inform us how much of the $249,900 has been expended, and give us in a brief and concise form the disposition of the vote of last year?

Mr. KING (Kootenay): My hon. friend would like a detailed statement of the amounts expended, or the total?

Mr. STEVENS: What was expended?

Mr. KING (Kootenay): The amount was, $41,993.97.

Mr. STEVENS: I quoted the wrong figure. I see it was about $40,000.

Mr. KING (Kootenay): Yes.

Mr. STEVENS: May I point out, not in criticism of the items, but in regard to the amounts; we have a vote now passed, or about to be passed finally, of $123,000 as against $40,000 last year. This is a very substantial increase, about 300 per cent. Does the minister consider that the needs warrant this large increase? This is only typical of some other votes.

Mr. LEWIS: How does the minister explain the statement that only $41,000 was spent when there was this $249,000 voted last year; and only this small amount to be re-voted.

Mr. KING (Kootenay): We were very careful in our expenditures last year, and I hope we will be careful this year. The vote asked for last year was $249,000, and this year we are asking for $123,850, being a very considerable reduction on the amount asked for last year. I do not think we should put in a less amount, with the information we have.

Mr. STEVENS: Would the minister agree to the suggestion that perhaps there might be an election in sight; and in consequence the estimates show a large number of Christmas gifts, which might have a valuable and sustaining influence in favour of government condidates. My hon. friend from Three Rivers (Mr. Bureau) appreciates the wisdom of this suggestion. There is an increase from $40,000 to $123,000. I know the political intent of the Minister of Customs leads him at once to recognize the value of it. Of course, the Minister of Public Works perhaps did not notice it when these items were pressed upon him. Would the minister agree that that would be the explanation?

Mr. KING (Kootenay): No, I would not agree.

Item agreed to.

Harbours and rivers—Quebec—Anse à Beaufils—Repairs to jetties, $2,250.

Mr. MEIGHEN: Were the jetties in the storm too?

Mr. KING (Kootenay): This is to complete the rebuilding of the east berth for a length of 135 feet, to renew the six-inch spreaders on the easterly face of the east jetty and to replace 100 yards of ballast on the west jetty. It is recommended by the engineer in charge.

Item agreed to.

Anse à la Barbe—Breakwaters, $1,500.

Mr. LEWIS: If the minister would just give us a little information about each item as it comes along, that would save a great deal of questioning.

Mr. KING (Kootenay): This is to build two small breakwaters, one on each side of the mouth of the river, 145 and 150 feet in length by a width of 12 feet, of round timber, ballasted with stone. It is recommended by the engineer. This is an important fishing station and these breakwaters are required for the protection of the fishing fleet.

Item agreed to.

Anse au Griffon—Wharf extension, $2,200.

Mr. KING (Kootenay): This is an expenditure to complete the construction of the open face crib work extension of round timber 100 feet long by 20 feet wide, well ballasted with stone and sheathed with deal. It is recommended by the engineer.

Mr. LEWIS: Is the deterioration in this woodwork due to the action of the water or storms or decay?

Mr. KING (Kootenay): It is due to storms and decay.

Mr. LEWIS: Is the lumber creosoted on all repairs?

Mr. KING (Kootenay): We use native timber there.

Mr. LADNER: Was the wharf of considerable value in its original construction?

Mr. KING (Kootenay): Yes.

Mr. LEWIS: It seems to me, considering that we are passing items year after year for repair work in connection with deterioration, it would be a good policy for the government to adopt that all timber work should be creosoted before it is placed on any wharf or embankment.

Mr. KING (Kootenay): That would be pretty expensive.

Mr. LEWIS: But it is not so expensive as deterioration and having the work repaired every year or two.

Mr. KING (Kootenay): In fresh water, the native timber stands pretty well for many years.

Mr. STEVENS: This is not affected by the teredo insect.

Mr. KING (Kootenay): I understand not.

Mr. STEVENS: Of course, where the teredo is, piling or crib work lasts sometimes less than a year. I have known it to decay completely in six months, being eaten away —a most extraordinary condition. This is a completely new work, just like a new wharf. Is this to be done by tender or day labour?

Mr. KING (Kootenay): I have not the recommendation before me, but the amount is comparatively small. The question whether the work will be done by day labour or contract will probably come up later.

Mr. STEVENS: What is the minister's opinion on this?

Mr. KING (Kootenay): This is a very small work. I do not know whether there are capable contractors in the vicinity. If it can be contracted for and competitive prices received, I would be in favour of contracting.

Item agreed to.

Anse St. Jean—Wharf repairs, $3,300.

Mr. KING (Kootenay): This is to improve the slip and hoisting apparatus, renewing ten by twelve stringers and ten by ten cross-ties, and three-inch flooring, 15,000 feet. These repairs are required for the maintenance of the structure in good condition. Boats of the Canada Steamship line are scheduled to call four times weekly, but they have passed many times without stopping on account of the wharf being too small for their accommodation. Small schooners call there occasionally.

Mr. LADNER: Were any improvements made last year?

Mr. KING (Kootenay): I think not.

Mr. ROSS (Kingston): When was the last money spent on this?

Mr. KING (Kootenay): I have not the information.

Item agreed to.

Bagotville (St. Alphonse)—Wharf repairs and improvements, $1,850.

Mr. KING (Kootenay): This is for urgent renewals to cribwork face—timbers, cross-ties, stringers and flooring, and to complete a new freight shed.

Mr. LEWIS: Is that completing the work that was done last year?

Mr. KING (Kootenay): Yes, practically.

Mr. LADNER: Was the appropriation of last year supposed to cover the entire repairs and improvements?

Mr. KING (Kootenay): No.

Mr. LADNER: What work was deferred?

Mr. KING (Kootenay): Last year's work consisted of construction of freight shed and renewing part of crib work under the old shed to a height of four feet.

Mr. LADNER: Is this in the nature of extension?

Mr. KING (Kootenay): It will be a continuation. It might be said to be new repair work. Then there is some expenditure to complete the work on the shed that was undertaken last year.

Mr. STEWART (Leeds): Was the work last year done by contract or day labour?

Mr. KING (Kootenay): I should think it would be day labour, yes.

Mr. STEWART (Leeds): Last year?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: Here we have a striking example bearing out the criticisms I have been offering. Last year parliament passed a vote of $8,500 in good faith thinking that it would be used to do certain work. The minister builds a warehouse for the housing of goods landed at a wharf—one of the most suitable things for a contract that one can imagine. A simple contract with a carpenter, any number of whom can be found in any neighbourhood, could have accomplished this work; it is carpentering of the simplest sort. The minister however comes back this year and asks for $1,850 more. What does he want that extra money for? Last year his engineers told him that the work could be done for $8,500 but he says now that no tenders were called for. This is bearing out my criticism that the department has been departing from a general principle which it is most desirable that the government should scrupulously observe. I am not at all criticising the item; I am not suggesting that it is unnecessary nor that the work should not be done. But I do insist that this is a matter which should seriously engage the attention of the committee. We are now in the last days of the session and hon. members are all anxious to get the work of parliament completed. And in this period of rush we are being asked to put the stamp of approval on a violation of principle to which I am positively opposed, as I am sure the committee and parliament would be also if the matter were given proper consideration. The minister at least owes it to the committee to explain this particular item. Invariably these votes include contingencies; I would call to witness the item of $11,000 passed a few minutes ago in a previous vote. In that instance the minister told us that he required only $9,000 of the $11,000 and when I suggested, not very vigorously I admit, that the vote should be reduced the minister replied that he did not think it would be desirable to reduce it inasmuch as it was always necessary to provide against contingencies. I agree with him in that respect; I certainly think that contingencies should be taken into account. But that was the very reason why we voted $8,500 last year; I remember that that sum was represented as covering contingencies. Instead of calling for tenders however for an ordinary piece of work like this, the minister has had it done by day labour under the control of the officers of the department; and he comes back to us now to have another vote of $1,800 passed. If we wanted any proof of the folly of departing from the principle of tenders and contract work, we have it right here. I want an explanation from the minister. As a matter of fact there is no explanation that can remedy the thing, but the minister might make some statement approaching an argument to justify a course which the government apparently is bent on pursuing. The vote last year was for $8,500, and I would remind the committee of the principle which has been respected for so many years of regarding $5,000 as the absolute limit up to which work of this nature might be done without contract. That principle has been ignored in this case.

Mr. KING (Kootenay): The point is not well taken. The hon. gentleman says that this shed should have been built by contract. Well, we are not only constructing a new shed but we are taking care of the cribwork of the old structure; we are renewing some of the cross ties, the stringers, the flooring and so on. In other words, you have a partial renewal with a new construction.

Mr. STEVENS: What has the new shed cost?

Mr. KING (Kootenay): I cannot state that definitely; it is not set out. To complete the shed this year there will be required altogether $150.

Mr. STEVENS: Surely the minister can give us the information in regard to the vote of last year. I complimented his engineer a moment ago on having given us the details, and that is a splendid thing. Surely he must have the information in regard to the $8,500.

Mr. KING (Kootenay): I have not the details here. It has not been the custom to bring in the explanations of items passed the previous year. I have just the totals showing the expenditures, but I shall be glad to supply the details later.

Mr. STEVENS: If the minister will admit the principle I have stated I can dispense with the details. But in the absence of that information he attempts to justify the building of this shed by day labour. Will he not admit that a shed which must be superimposed on a wharf and is not necessarily a part of that structure is something that could be done by tender?

Mr. KING (Kootenay): There is heavy traffic over the wharf and as the foundation would unquestionably be disturbed I can quite understand the engineer advising that the work be done by the department.

Mr. STEVENS: That, then, would apply to all these things.

Mr. KING (Kootenay): No.

Mr. STEVENS: Apparently it would apply to every item I have touched.

Mr. LEWIS: This discussion comes up every little while and probably rightly so; but if the minister could tell us what the policy is in regard to these particular works the one explanation would be sufficient to cover all cases. Before I came to this country I was a building expert and I have been employed by the government in connection with certain buildings. My experience in the Old Land may be entirely different from the experience of builders here, but I know that we found that on repair work contractors were very cautious where the work could not be seen or was not clearly specified. Under these conditions we always found it much better to do the work departmentally, and the same thing may possibly be true in regard to the present and similar cases. If, however, there is a recognized principle that works of over $5,000 should be done by contract there would seem to be some necessity for an explanation from the engineer or from the minister as to why the rule has not been observed in this case. If that explanation were given it would obviate detailed discussion upon each item of this nature. Is the work done in this particular way in consequence of some report from the engineers that it could be more satisfactorily and efficiently performed by day labour?

Mr. KING (Kootenay): That is the recommendation, yes.

Mr. ROSS (Kingston): How much was spent last year on the wharf?

Mr. KING (Kootenay): In 1923-24 there was an expenditure of $8,693.80.

Mr. ROSS (Kingston): What was spent the year before?

Mr. KING (Kootenay): I have not that information.

Mr. ROSS (Kingston): I have been following half a dozen of these cases and I do not find in the Auditor General's report in any instance the same figures as given by the minister. Every second year there seems to be a difference of between $2,000 and $3,000.

Mr. BUREAU: Would it not be 1922-23?

Mr. ROSS (Kingston): It is for the year before.

Mr. BUREAU: The Auditor General's report would not cover the period up to March 31, 1924.

Mr. ROSS (Kingston): That is what I am saying. Every year there is expenditure on this wharf.

Mr. KING (Kootenay): It is a large work.

Item agreed to.

Baie des Rochers—Wharf improvements, $2,300.

Mr. STEWART (Leeds): Is this new work?

Mr. KING (Kootenay): It is to construct an extension 50 feet by 40 feet joining the inner side of the headblock with the shore, and to close up the span between the headblock and the approach with cribwork 25 feet by 12 feet, and some minor repairs.

Item agreed to.

Baie St. Paul—Wharf, $12,200.

Mr. KING (Kootenay): This is required to provide for the contract for construction of a

wharf having a frontage of 320 feet, consisting of cribwork 320 feet long by 8 feet wide at top, with back filling behind and rubble stone at each end. The amount of the contract is $11,068, inspection and contingencies, $1,131.

Mr. STEWART: How much has been spent?

Mr. KING (Kootenay): Last year we expended $640.

Mr. LADNER: Was there anything in the nature of a wharf at this place before?

Mr. KING (Kootenay): Oh yes.

Mr. LADNER: What is giving service in the meantime?

Mr. KING (Kootenay): No service is being given; it is new construction.

Mr. LADNER: How does the need arise now for a $12,000 wharf?

Mr. KING (Kootenay): The necessity of the proposed work is well proved. In fact the traffic which is done at present on a private wharf belonging to the Baie St. Paul Lumber Company is relatively heavy. It consists of three schooners calling regularly each week and many others calling occasionally. The imports consist of general merchandise, provisions and farm implements amounting in value to $60,000, and the exports consist of pulpwood, firewood, spindle wood, lumber, potatoes and hay to a value of $125,800.

Mr. LADNER: How have these things been handled in the past?

Mr. KING (Kootenay): Over the company's wharf.

Mr. LADNER: What was wrong with that wharf?

Mr. KING (Kootenay): I suppose it could not accommodate the traffic.

Mr. LADNER: This is duplicating the service.

Mr. KING (Kootenay): No, we are giving government service instead of leaving the people to pay tolls to the company.

Mr. LADNER: Has the minister any report?

Mr. KING (Kootenay): The report I have is that it is necessary to have a public wharf at this place.

Mr. LADNER: The government quite often proceeds to build a wharf where there is already a private wharf. Apparently in this case the private wharf was quite satisfactory.

Mr. BUREAU: A private wharf is quite satisfactory provided the owner does not extort money from the poor devil who is using it.

Mr. LADNER: That is no reason why the taxpayers should be burdened. Has the minister any record of objections to the private wharf?

Mr. KING (Kootenay): I will go further in my explanation: As previously stated, all this freight is handled on the company's wharf, an old slab construction which is rapidly worn by the traffic. The present government wharf at Cap au Corbeau, one and three-quarters miles distant, being in a very bad condition cannot be used. It is exposed to the strong seas, it is about four miles distant from the town by land, and the road connecting the two is almost impassable on account of steep hills. Therefore the people of Baie St. Paul have no other shipping facility by water than the Baie St. Paul Lumber Company's wharf, the use of which can be refused at any time.

Mr. STEVENS: I think we are entitled to an explanation of the expenditure. The minister says $600 was spent, and he is asking for a re-vote of $12,200; the vote last year was $15,250; which leaves $3,000 of expenditure unaccounted for.

Mr. KING (Kootenay): We have spent only $640 of last year's vote. The amount you speak of will lapse.

Mr. STEVENS: We are lessening the vote by $3,000?

Mr. KING (Kootenay): Yes.

Item agreed to.

Boischatel—Wharf repairs, $15,000.

Mr. ROBB: I beg to move that this item be amended by striking out the word "repairs." This is a new wharf.

Motion agreed to.

Mr. KING (Kootenay): This vote is required to complete the contract for the construction of a crib and span wharf 500 feet long by 20 feet wide, including an open faced cribwork headblock 100 feet long by 25 feet wide and 18 feet high at outer end. The amount of the contract is $20,053. The contract was let in November 1923.

Mr. STEVENS: How much was spent out of last year's vote?

Mr. KING (Kootenay): We spent $2,506.

Mr. STEVENS: How much has been spent altogether?

Mr. KING (Kootenay): Our expenditure will be $22,000 altogether.

Mr. STEVENS: There has been $2,500 spent, and the minister is asking for $15,000 this year, or a total of $17,500, while the contract is $22,000. Why should this work be extended over three years?

Mr. KING (Kootenay): The Citadel Brick Company is paying a portion of the contract.

Mr. STEVENS: Then the government's share is not $22,000?

Mr. KING (Kootenay): No, that will be the total cost.

Mr. LADNER: Have there been wharf facilities in this locality before?

Mr. KING (Kootenay): No. There is a very considerable industry there, and it is developing. The government are constructing the wharf and the Citadel Brick Company is contributing a portion of the cost.

Mr. LADNER: Are there any other industries?

Mr. KING (Kootenay): I think that is the main industry.

Mr. LADNER: What other purpose would the wharf serve?

Mr. KING (Kootenay): They are shipping about 12,000,000 brick annually. The local settlement would be served as well.

11 p.m. About 12,000 cords of pulpwood is shipped out, and a very considerable amount of coal and merchandise is shipped in.

Mr. LADNER: How was this handled before?

Mr. KING (Kootenay): I imagine it was not handled at all.

Mr. LADNER: Has the business all originated since 1923?

Mr. KING (Kootenay): I do not think so. Last year it was considered necessary to construct this wharf in the interests of the community.

Mr. LADNER: But the volume of traffic mentioned by the minister surely did not originate in a few weeks or months; it must have been handled in some other way before.

Mr. KING (Kootenay): I do not claim that the traffic originated this year or last year; it has been there for years. The company have been operating, and finally a public request was made for a wharf. Upon investigation a wharf was considered necessary.

Mr. LADNER: The point is, were there not wharf facilities there before to handle the existing business?

Mr. KING (Kootenay): No.

Mr. LADNER: Then how was it handled?

Mr. BUREAU: By gangways up to the schooners and wheelbarrows.

Mr. LADNER: Was pulpwood handled in that way?

Mr. BUREAU: They go alongside the schooner with small rafts. My hon. friend does not understand the situation there. These industries have settled around the coast, and at the start they had very primitive ways of handling their stuff. The schooner would lie there, and at low tide they would load the stuff on to the ship with wheelbarrows and carts, with a great deal of difficulty and at great loss to the shippers. That is a great handicap to the brickyard.

Mr. LADNER: Does the minister state that pulpwood and bricks are loaded by wheelbarrows on to the ship?

Mr. BUREAU: On the schooner. I have seen them.

Mr. KING (Kootenay): The company found they could not carry on their business successfully without better accommodation. It is a large industry, producing about 100,000 bricks per day. With this accommodation they expect to increase their capacity by 50 per cent, and to export brick by water to the American market.

Mr. LADNER: Then if it were not for the brick company the wharf would not be built?

Mr. KING (Kootenay): I would not think so. It is a large local industry.

Mr. LADNER: Actually the government is building the wharf for the brick company.

Mr. KING (Kootenay): I think my hon. friend is unfair.

Mr. ROBB: Who are we building wharves for in Vancouver?

Mr. LADNER: For a large number of people and the public generally. I observe that when Vancouver South wants public

works they remain under consideration for a very long time, although I am certain that many of them are far more urgent than the building of a new wharf at this place, to facilitate the business of one private enterprise.

Mr. PARENT: For the information of my hon. friend, I may tell him that for a number of years I have represented the constituency in which this particular wharf is situated. It was then in the county of Montmorency. For years I have made representations to the government at the request of the electors of this constituency, and particularly the people of this parish, recommending the construction of a wharf there for various purposes, the main one being for the accommodation of the smaller craft and sail boats which come there from all parts of the north shore of the St. Lawrence and which would have appreciated a shelter of some kind.

Mr. LADNER: Is this the same wharf as mentioned here?

Mr. PARENT: Yes. It is also necessary to accommodate the shipping of pulpwood, which comes away back from the mountains in the seigniory belonging to the Seminary of Quebec.

Mr. LADNER: How long has that been going on?

Mr. PARENT: Right up until the war started. The war was given as a reason for not going on with this wharf. Another reason given was that there was not sufficient industry in the district to justify its construction. Since then a big industry has started in that parish, employing about one hundred and fifty men, making high-grade bricks, and the people naturally want to see this industry developed. The industry undertook that if a wharf was built at this point they would increase their production by at least 50 per cent, and on the strength of this undertaking the government consented to build a wharf, provided the company would pay one-third of the cost. That has been done and construction is now being proceeded with. The wharf is pretty nearly completed now. Such is the information I have as a member representing an adjoining constituency.

Item agreed to.

Mr. MEIGHEN: Is the government proposing to take up more estimates to-night? This is Friday night, and we have sat late every night this week.

[Mr. Ladner.]

Mr. KING (Kootenay): Could we not clear up these few items?

Mr. MEIGHEN: We have carried an awful lot to-night.

Mr. KING (Kootenay): We are not making very much progress.

Mr. MEIGHEN: We have done a page and a half since private bills.

Mr. KING (Kootenay): Perhaps we can get through the Quebec items. They are mostly small repairs.

Mr. MEIGHEN: There is one here for $75,000.

Mr. KING (Kootenay): That is for general repairs. It is the only large item, I think.

Mr. MEIGHEN: There is all the next page.

Mr. KING (Kootenay): There has been a very substantial reduction in the vote this year.

Mr. MEIGHEN: On the next page there is an increase of about $75,000.

Mr. KING (Kootenay): Oh no, there is a considerable decrease.

Mr. MEIGHEN: I beg the minister's pardon. The totals are $623,000 as against $551,000 last year.

Mr. KING (Kootenay): You are wrong.

Mr. MEIGHEN: Look at the bottom of page 39.

Mr. KING (Kootenay): The total is $626,000 this year as against $1,027,000 last year.

Mr. MEIGHEN: That is on the following page again.

Mr. KING (Kootenay): There is nearly $400,000 less this year.

Mr. MEIGHEN: I have heard some rather startling rumours about supplementaries, but we will come to that later.

Mr. ROBB: I can give my hon. friend the assurance now that the supplementaries will not be—

Mr. MEIGHEN: Will not be what?

Mr. ROBB: Will not be large compared with the supplementaries my hon. friend himself brought down.

Mr. MEIGHEN: The minister is qualifying now. Is the minister not going to accede

to the request? I do not know how he expects us to sit to midnight again.

Mr. KING (Kootenay): We shall be through soon. It is only eleven o'clock.

Mr. MEIGHEN: The minister will not be through soon. He can make up his mind to that.

Mr. KING (Kootenay): I think we ought to get these estimates through. My hon. friend was complaining a few minutes ago that we had not gone on with these estimates.

Mr. MEIGHEN: Not at all. The point was raised that the minister had not time to call for tenders now, and we wanted to know why these estimates were not brought up long ago, instead of all sorts of material that certainly was in no hurry, and most of which had better not have been brought before the House at all.

Mr. KING (Kootenay): Could we not run through these few and let the rest stand?

Mr. MEIGHEN: Which few?

Mr. KING (Kootenay): The items pertaining to harbours and rivers, Quebec.

Mr. ROBB: If my hon. friend would consent to going through the Quebec items—

Mr. MEIGHEN: The minister wants to drive us past midnight every night. Last week we had two nights till nearly four o'clock. We have put through province after province, and the minister now wants to run through items totalling thousands of dollars at the end of the week, keeping us here past an hour when we should normally adjourn. There is no use being reasonable with the government if that is the attitude they assume.

Mr. ROBB: I admit we have worked very hard this week, but I am sure my hon. friend is as desirous as we all are to get through some time. We threshed out all these items in council, and spent two months getting them chopped down.

Mr. BUREAU: It is very unfortunate the axe should fall on Quebec.

Mr. MEIGHEN: Last time the minister rose in his seat it was to move that "repairs" should be struck out. The government had evidently put it in hoping that nobody behind would get jealous, and it turned out not to be repairs at all.

Mr. ROBB: We moved that the title of the item be changed.

Mr. MEIGHEN: It was not repairs at all. I am prepared to meet the government by proceeding to the bottom of the page.

Cacouna—Wharf repairs, $1,875.

Mr. STEVENS: What is the total expended on this up to date?

Mr. KING (Kootenay): $56,133. This is to lay a platform in 2 inch flooring for a length of 650 feet by 12 feet in width, and a platform in 3 inch flooring for a length of 50 feet by 15 feet.

Mr. BUREAU: It is one of the most fashionable watering places on the St. Lawrence.

Mr. MEIGHEN: What county is it in?

Mr. KING (Kootenay): Temiscouata.

Item agreed to.

Cannes des Roches—Breakwater extension, $3,500.

Mr. KING (Kootenay): This is in Gaspé county. It is a revote required to complete the contract for the construction of an open-faced cribwork extension 100 feet long by 20 feet wide.

Mr. STEVENS: This is a contract?

Mr. KING (Kootenay): Yes.

Cap à l'Aigle—Wharf improvements, $2,050.

Mr. MEIGHEN: This is an entirely new item, what is the reason for it.

Mr. KING (Kootenay): The vote is to renew the frame work of the hoisting apparatus, renew the movable slip, repair the coping and the steel plate at the southwest corner and construct a waiting room in the freight shed.

Mr. STEVENS: Does the minister consider that this item will finish what he has outlined, or is it simply the beginning—just to edge it in like a previous item of $1,875 where $56,000 has been already spent.

Mr. KING (Kootenay): That expenditure was from the date of the commencement of the work up to the present.

Mr. STEVENS: Is this starting something new or is the vote for the purpose of completing the work?

Mr. KING (Kootenay): I have already given the information as to what is to be done. The vote is to carry out the work I have described.

Item agreed to.

Cap Santé—Wharf repairs, $2,500.

Mr. KING (Kootenay): This is to renew the stringers, cap timber, flooring, and sheathing on all the surface of the wharf.

Mr. MEIGHEN: What county is Cap Santé in?

Mr. PARENT: In Portneuf county. It is about thirty miles from Quebec.

Mr. MEIGHEN: This is new work too?

Mr. KING (Kootenay): No. It is to renew the stringers and cap timbers, flooring and sheathing.

Item agreed to.

Cap St. Ignace—Wharf repairs, $2,300.

Mr. STEVENS: What work is to be done here?

Mr. KING (Kootenay): The vote is required to renew the flooring and stringers of the head block.

Mr. MEIGHEN: What was last year's vote for?

Mr. KING (Kootenay): We renewed a portion of the flooring and most of the stringers on an area of 5,000 square feet.

Mr. MEIGHEN: Are the floors and stringers on this work renewed every year?

Mr. KING (Kootenay): No, this year's vote is to renew the flooring and stringers of the head block, that is the outer portion of the wharf.

Mr. MEIGHEN: Shall we require any next year?

Mr. KING (Kootenay): That will depend upon whether any repairs are necessary.

Mr. STEVENS: The method adopted is to get somebody employed there and then each year give them a little work.

Mr. KING (Kootenay): I think not. I consider that remark of my hon. friend is also unfair.

Mr. STEVENS: Very unfair!

Mr. KING (Kootenay): Yes.

Mr. STEVENS: Well, now, that is too bad. I am very sorry. I tender my most sincere apologies to the government for my misjudging. Far be it from them to keep any of the people there employed on the job. I have a shrewd suspicion though, borne of a good many years' experience, as to the ingenuity of individuals in supplying themselves with a job and keeping themselves in it. I believe that these items we have here, so neatly explained by the minister, to put in a block here and shore up a head block somewhere else, oil up a slip somewhere else, put in a drift pin at one place and a new cap at some other place, mean that someone is on the job all the time who must have something which can be characterized as an occupation. I want to call the attention of the Minister of Customs, who is deeply interested, to this: If you look back to the preceding year, and even to the year before that, you will find the same men on the same job. I venture to say that if we traced back to confederation we would find that the members of that man's family—his father, his grandfather, and his great grandfather—had been all on that job down through all the years with possibly the variation of a Grit or a Tory.

Mr. BUREAU: Oh, no, they have too much of a spirit of adventure to stay on such a little bit of work.

Mr. STEVENS: I am very skeptical of the explanation of the minister.

Mr. BUREAU: I find that some of them even go out to Vancouver.

Mr. STEVENS: If ever they get out to the Pacific coast they stay there, that is true.

Mr. BUREAU: No, some of them come back.

Item agreed to.

Carleton—Wharf repairs, $1,025.

Mr. STEVENS: What is this for?

Mr. KING (Kootenay): For driving the sheet piling on both sides of the shore end of the wharf. This is an important point and these repairs are essential.

Mr. MEIGHEN: What county is it in?

Mr. KING (Kootenay): It is in Bonaventure county.

Mr. STEVENS: The amount in this case is quite small, and I want to compliment the Chairman on the fact that he did not have the hardihood to insist on this work being done by day labour. The Chairman ought to be selected for the commendation of this committee because this is evidence that he at least does not unduly press for patronage.

Item agreed to.

Caughnawaga—Wharf improvement, $2,500.

Mr. STEVENS: What is this for?

Mr. KING (Kootenay): For rip-rapping on the east side of the approach.

Mr. STEVENS: Last year the fellow employed here was content with $875. Now we have him going up to $2,500.

Mr. BUREAU: My hon. friend knows that Caughnawaga wharf is used by the tourists who come from the United States into the province of Quebec by Trout River and Malone. And if the tourist comes from Ottawa to Montreal he must pass through Caughnawaga and facilities must be provided for him. The wharf is in a very bad state of repair, and it needs to be put into good condition owing to the great amount of traffic.

Mr. MEIGHEN: What county is it in?

Mr. BUREAU: Laprairie.

Mr. LADNER: Why should there be this increase from $875 to $2,500?

Mr. KING (Kootenay): As I have already explained it is for rip rapping along the east side of the approach.

Mr. MEIGHEN: The member for Laprairie has been minding his own business here.

Mr. STEVENS: Does the minister collect any wharfage in connection with these numerous wharves?

Mr. KING (Kootenay): The Department of Public Works does not collect much wharfage. In some cases if there is wharfage collected the matter is handed over to the Marine department and they do the collecting. Generally speaking the Department of Public Works does not do much of that.

Progress reported.

On motion of Mr. Graham the House adjourned at 11.22 p.m.

Monday, July 7, 1924

The House met at three o'clock.

ROYAL GRAIN COMMISSION

Hon. GEORGE P. GRAHAM (Minister of Railways): I beg to lay on the Table a copy of the interim report of the Royal Grain Commission. I move:

That one thousand copies in English and five hundred copies in French of the report of the Royal Grain Commission be printed forthwith, and that rule 74 in relation thereto be suspended.

Motion agreed to.

AGRICULTURAL CONDITIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the portion of resolution passed in this House on June 26, 1923, for concurrence in the seventh report of the Special Committee to inquire into Agricultural Conditions recommending "that the Orders of Reference, reports, proceedings and the evidence given before the committee, together with a suitable synoptic index, to be prepared by the Clerk of the Committee, be subdivided under the subjects of:—

(a) Production;
(b) Transportation, Distributing and Marketing;
(c) Rural Credits;
(d) Relation of Prices obtained by the Agriculturists as Producers and paid by them as Consumers;

and printed in blue-book form for distribution," be rescinded.

Motion agreed to.

BANKRUPTCY ACT AMENDMENT—SOLICITORS

Hon. A. B. COPP (for the Minister of Justice) moved the first reading of Bill No. 228 (from the Senate), to amend the Bankruptcy Act (Employment of Solicitors by trustee).

Motion agreed to and bill read the first time.

BRITISH EMPIRE EXHIBITION—DELEGATION

On the Orders of the Day:

Mr. JOS. T. SHAW (West Calgary): Can the Prime Minister tell me if the personnel of the parliamentary delegation which is going to visit the Wembley exhibition has yet been agreed upon, and if so, would the Prime Minister furnish the names to the House?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Yes, the personnel has been agreed on. It includes the chief whip, Mr. Kyte; the assistant chief whip, Mr. Papineau, the whip of the Progressive party, Mr. Johnston, and the whip of the Conservative party, Mr. Boys. These gentlemen have been named commissioners to represent the government of Canada at the British Empire Exposition.

Mr. BOYS: Lest there should be a misunderstanding, I informed the ministry that I regretted my inability to go; I should add, for personal reasons. Certain alterations are being made in my home in the town of Barrie.

Mr. E. J. GARLAND (Bow River): I think it is but fair that I should notify the government, after the statement in reply to the hon. member for West Calgary (Mr. Shaw), that on the third reading of the Supply Bill I intend to move that it be referred back to the committee with a view to decreasing item 62 by $20,000.

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. M. N. CAMPBELL (Mackenzie): Is the government now in a position to state when Bill No. 128, dealing with the Alternative Vote, will be before the House?

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is before the House now. I cannot say when the next stage will be taken. That depends on the progress made with other measures.

INCOMPLETE RETURNS

NEW BRUNSWICK LOBSTER FISHERIES

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I desire to call the attention of the government, and through the government the attention of the House, to the character of certain returns which the government has submitted to parliament. On the 24th of March, this year, the following order was passed:

For a copy of all correspondence, letters, telegrams and other documents, exchanged between the Department of Marine and Fisheries and any person, persons or corporations, relative to the enforcement of the lobster fisheries regulations in New Brunswick, during the years 1920, 1921, 1922, 1923 and up to February 29, 1924.

The House will know how specific and restricted was the return moved for and passed by the House. The return was brought down on the 19th of June in answer to this order, but it is obviously defective, it is not a compliance with the order of the House in any sense. A letter dated 17th January, 1923, from the Department of Marine and Fisheries to the Royal Canadian Mounted Police is missing from the return. It is one of the most important letters that should have appeared on the file. The reason I know of the letter is that it is referred to in the subsequent reply by the Royal Canadian Mounted Police, which reply is on the file. It is very hard to explain why this very important letter should be omitted. Then, further, an order in council. which evidently was passed, making New Brunswick a separate district with respect to the enforcement of the lobster fisheries regulations, is also missing. Further, in relation to the same return, certain correspondence took place—a copy of a portion of which I have seen— with one Selime Robichaud, of Kent county, New Brunswick, and this correspondence is entirely missing. It relates to the remission of a fine imposed upon

[Mr. E. J. Garland.]

Robichaud for breach of the regulations. I need not add that a return of this sort is merely contempt of parliament. There should be no objection to bringing down the return, but if there were any objection it should be taken before the motion passed.

J. B. LEVESQUE

Mr. MEIGHEN: On the 19th of March last the following order was passed by the House:

For a copy of all correspondence exchanged between the Department of Marine and Fisheries and J. Bte. Levesque of Trois Pistoles, Quebec, during the year 1923, and also correspondence between the government and any department of the government of Quebec with respect to the said Levesque.

A letter from Mr. Levesque addressed to the Minister of Soldiers' Civil Re-establishment and the present Minister of Justice (Mr. Lapointe) by registered mail dated the 6th of October, respecting this subject, was omitted from the file.

ST. GEDEON POSTMASTERSHIP

Mr. MEIGHEN: On the 14th of April the following order was passed:

For a copy of all correspondence exchanged between the Postmaster General or the government of Canada, the Civil Service Commission or its employees, and all other persons since the 1st January, 1922, to date, on the subject of the dismissal of Thomas Lavoie, postmaster at St. Gedeon, Chicoutimi county, and the nomination of a new postmaster at St. Gedeon. Also copies of the investigation that was held on the said Thomas Lavoie, and of the report of the investigators, as well as copies of applications made to the Civil Service Commission for the position of postmaster at St. Gedeon, and all petitions and certificates given in favour of or against, any of the applicants.

The correspondence brought down itself shows that there are certain missing features. It shows that on investigation Epicier Coulond was reported as in class "C" in respect of qualifications, but character and integrity good. He was reported to the inspector as such. The inspector, after some intervening period, reported "character and integrity bad," but the correspondence that intervened showing why the change occurred is missing from the file. Other returns are in the same position, but when the explanation is given I will call the attention of the House to the remainder.

Hon. CHARLES STEWART (Argenteuil): (Acting Postmaster General): Will my hon. friend give me a memo of the return by the Post Office Department, in order that I may look into the matter of the missing letter in the return?

Mr. MEIGHEN: If there is anything that I could usefully add to what will appear in Hansard of my remarks to-day, I will supply it.

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): I will gladly read the remarks of the right hon. leader of the opposition in regard to the return from my department and will do the best I can to put matters right.

KOOTENAY FLATS

Mr. L. W. HUMPHREY (West Kootenay): On the 26th of May the following order of the House was issued:

For a copy of all letters, telegrams, memoranda, orders in council, and other documents in the possession or under the control of the government of Canada or any department thereof, of date subsequent to April 12, 1922, relating to the proposed reclamation of the area in the province of British Columbia and the state of Idaho known as the Kootenay Flats.

Hon. CHARLES STEWART (Argenteuil) (Minister of the Interior): I will make inquiry and see what is causing the delay in bringing down the correspondence.

PRIVATE BILLS

SHANTUNG CHRISTIAN UNIVERSITY

On the Order:

The House in committee on Bill No. 199, to incorporate Shantung Christian University.—Mr. Ryckman.

Mr. SPEAKER: I do not see the hon. member for East Toronto (Mr. Ryckman). The other day I noticed there was a query made by the leader of the opposition (Mr. Meighen), whether somebody could give the explanations.

Mr. MEIGHEN: In this case I can give them myself.

On motion of Mr. Meighen the House went into committee on the bill, Mr. Gordon in the chair.

On section 11—Affiliation.

Mr. WOODSWORTH: I asked the other day if we could have some further information with regard to the bill.

Mr. MEIGHEN: I asked also for a statement from the Department of Justice why the bill, from a constitutional or legal standpoint, was necessary and whether it did not transcend our powers. I have not had any statement from the department, but I do not think there is in the bill anything transcending our powers. I think it just corresponds to an act of parliament in relation to commercial enterprises which are contemplated to operate in other countries. The necessity arises, I believe, from this fact, that this university has been conducted for some years by various religious denominations acting together. Other universities there are in a better position, though, inasmuch as they enjoy the advantage that flows from corporate entity. This advantage is desired in this case. A more specific reason for the necessity of this legislation is that under the law of China an alien cannot hold real estate, but a corporation may. It is impossible for the university authorities to hold real estate essential for the prosecution of the work until they place their activities in corporate form. These are the basic reasons for the bill. I understand that the university itself is a highly creditable one; that the professors of the faculty are drawn from the strongest universities of the world; and that the degrees are very carefully supervised.

Mr. WOODSWORTH: If a university is incorporated in Canada is such incorporation recognized for the purpose of holding property in China?

Mr. MEIGHEN: I understand that to be the law.

Section agreed to.

Bill reported, read the third time and passed.

FIRST READINGS

Bill No. 229 (from the Senate), to incorporate L'Institut des Frères de Saint-Gabriel au Canada.—Mr. Casgrain.

Bill No. 230 (from the Senate), for the relief of Eva Laura Bell.—Mr. Rankin.

Bill No. 231 (from the Senate), for the relief of Peter Alexander Fawcett.—Mr. Duff.

Bill No. 232 (from the Senate), for the relief of James Henry Cooke.—Mr. Duff.

Bill No. 233 (from the Senate), for the relief of Beatrice Ella Mastron.—Mr. Martell.

Bill No. 234 (from the Senate), for the relief of Herman Kleinsteuber.—Mr. Guthrie.

Bill No. 235 (from the Senate), for the releef of Mary Ann Hastings.—Mr. Hocken.

SECOND READINGS

Bill No. 220, for the relief of Malcolm Middleton.—Mr. Jacobs.

Bill No. 221, for the relief of Clara Louise Kinnear.—Mr. Boys.

Bill No. 222, for the relief of Allan Thomas Easson.—Mr. Speakman.

Bill No. 223, for the relief of Henry Irwin Claxton.—Mr. Martell.

Bill No. 224, for the relief of John Henry Smith.—Mr. Duncan.

Bill No. 225, for the relief of Bertha May Roy.—Mr. Boys.

Bill No. 226, for the relief of Lunetta Elmina Hay.—Mr. Boys.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MR. A. W. PHINNEY

Mr. HANSON:

1. On what date was the lot of land in Middleton, Nova Scotia, designed as a site for a public building, leased to A. W. Phinney and for how long a term is the said lot leased?

2. What amount has been paid by Mr. Phinney as rental for the said site and how much is now due the department from him?

Hon. Mr. KING (Kootenay):

1. On June 8, 1922, permission was given to Mr. I. Phinney, of Middleton, to erect a small building on the site for the proposed public building at Middleton, said building to be used as an ice cream and fruit stand, rental to be at the rate of $5 per month. This was reduced on June 22nd to $3 per month. In May, 1923, Mr. Phinney wrote that he had not yet erected the building for the reason that the lot in question was used as a dumping ground for rubbish, etc., and asked permission to erect a fence around the property. This permission was granted on June 14, 1923. On November 14, 1923, the Collector of Revenue asked Mr. Phinney the date on which he had taken occupation of the public building site and the latter replied in December stating: "Owing to sickness I was not able to take charge of the permission referred to as I was seized with rheumatism. I had all arrangements made to close the lot and erect the building but to date have done nothing." On June 16, 1924, the Collector of Revenue asked Mr. Phinney if he had been in occupation of the public building site at Middleton and to this Mr. Phinney replied on June 20, 1924: "I purpose to occupy the lot in question July 1, 1924—sickness and other matters over which I have no control prevented me from occupying same sooner."

2. None.

CANADIAN NATIONAL RAILWAYS—GLOBE NEWSPAPER

Mr. CHAPLIN:

What amount was paid by the Canadian National Railways to the Globe Newspaper Company for a full page advertisement that appeared in that paper during the month of December, 1923, or the month of January, 1924?

Hon. Mr. GRAHAM:

$488.

[Mr. Meighen.]

MAIL SUBSIDIES AND STEAMSHIP SUBVENTIONS

Mr. KENNEDY (Edmonton):

What is the total amount paid by the Dominion government since confederation for mail subsidies and steamship subventions on: (a) Routes between Canadian ports Quebec and Maritime provinces; (b) Routes between Canadian and other ports?

Hon. Mr. COPP:

(a) Routes between Canadian ports, Quebec and Maritime provinces—British Columbia included as a maritime province—$6,409,504.43; (b) Routes between Canadian and other ports—$32,714,901.92. The dates covered by the above figures are commencing in and including the fiscal year 1892-3, terminating on March 31, 1924.

QUESTION PASSED AS ORDER FOR RETURN

TOTAL REVENUE—1923-24

Mr. McCREA:

1. What was the total revenue of Canada from all sources for the year ending March 31st, 1923, also year ending March 31st, 1924, giving each year separately and each source of revenue of all kinds separately?

2. How much of this revenue was contributed by each one of the nine provinces separately, giving every source of revenue separately?

CONVENTION WITH BELGIUM

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to bring in a measure to provide that a certain convention of commerce dated the third day of July, 1924, entered into at Ottawa by the plenipotentiaries appointed by His Majesty and by His Majesty the King of the Belgians, be approved, and to give effect to the provisions of the said convention.

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.

CIVIL SERVICE ACT, 1918, AMENDMENT

Hon. A. B. COPP (Secretary of State) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend The Civil Service Act, 1918, to provide for the granting of an annual retiring allowance to any Civil Service Commissioner who has served as a commissioner for fifteen years or upwards or who has become disabled or otherwise incapable of performing the duties of his office, such allowance to be paid from the Consolidated Revenue Fund.

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.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

NON-CONCURRENCE IN SENATE AMENDMENTS

Hon. JAMES MURDOCK (Minister of Labour): Mr. Speaker, I beg to move:

That a message be sent to the Senate to acquaint their honours that this House disagrees to their amendment to Bill No. 7, an act to amend the Industrial Disputes Investigation Act, 1907, for reason that the said amendment would complicate rather than simplify procedure.

In explanation I would state that the amending bill passed the House of Commons without change. The bill has been returned, with the amendments passed by this House approved, but amendment to section 8 respecting the appointment of a chairman has been inserted. The amendment proposed by the upper House with regard to section 8 introduces a new feature. I should point out that this same amendment was proposed last session by the upper House in dealing with Bill No. 84. This House in its wisdom declined to accept the amendment. I can only repeat now what I stated to the House on that occasion; I will quote from Hansard exactly what was said with reference to this particular proposed amendment at last session of parliament. The following is to be found at pages 4508-09 of Hansard, 1923:

The statute as it stands provides for the selection of a chairman by joint agreement when possible of the other two members of a conciliation board, and requires that, where no agreement is reached, the minister shall make the necessary appointment. In about one-half of several hundred boards which have been established a chairman has been secured by agreement. It had become a general though not invariable practice for the Minister of Labour, when called upon to appoint a chairman, to select a judge, but this practice ceased when two or three years ago the Judges' Act was so amended as to prohibit the acceptance by a judge of the fees ordinarily payable to a chairman or member of a conciliation board. It is true that the Minister of Labour is not under the Judges' Act, as it has been amended, prohibited from asking a judge to act as a chairman, nor is a judge apparently prohibited from accepting a chairmanship; but since fees are no longer payable in such circumstances to a judge, it has not been thought reasonable as a rule to request a judge to undertake the duties involved in a chairmanship; such duties, it will be understood, are frequently of a severe and arduous nature and in nearly all cases are of the highest moment to employers and to large numbers of workmen, as well as frequently to the public. In two cases since the amendment of the Judges' Act, judges have been, however, appointed, once by the Minister of Labour of the late administration and once by the present Minister of Labour, but in the latter case the appointment was made on the joint recommendation of the other board members. In both cases the judges concerned accepted from a sense of public duty; no fees were of course paid them. It may be said that there is every advantage in a chairman being secured by joint agreement and the Minister of Labour appoints a chairman with reluctance. Inquiry shows that this has been the case with most previous ministers. The chances of an agreement are manifestly increased when a chairman is secured by joint request of other board members. The method or system, however, under which different Ministers of Labour have made appointments has not been the subject of any known criticism, and certainly the files contain no communications requesting or suggesting a change in the present practice.

The objections to the system laid down in the Senate amendment are obvious. In the first place, the appointment of a chairman by a Chief Justice, whether the Chief Justice of a province or of the Supreme Court of Canada, would entail inevitable delay. Such delays would be particularly unfortunate since, despite every effort under present procedure, one side or other of the disputing parties is sometimes disposed to object to the time necessarily occupied in procedure. In the second place, a Chief Justice or other judge cannot possibly be as intimately seized of the nature of the dispute involved and of the particular type therefore of man wanted for the chairmanship as would be the Minister of Labour, who has established the board and has been in touch with details of procedure from its inception. It would be impossible to convey to a judge at a distant point by correspondence, which would of necessity be as a rule by telegraph with consequent serious expenditure and some danger of inaccuracy, all the particulars which should be properly at hand to enable the judge to reach a correct conclusion as to the type of person apparently best suited for the important duties involved. The judge would exercise his best judgment and the appointment might or might not prove to be a good one. In any case the minister who is charged with the administration of the statute would be freed from responsibility on this most vital aspect of administration and the judges would become involved in the technicalities of departmental procedure. Since a considerable proportion of the disputes dealt with under the statute extend to two or more provinces, the task of naming the chairman of conciliation boards would under the proposed Senate amendment fall most frequently to the Chief Justice of the Supreme Court, who from the nature of his functions may be presumed to be furthest removed from contact with industrial disputes and necessarily therefore the more dependent on the advice of others as to the type of person best suited for a chairman in a particular case. Despite the high legal and other attainments which a Chief Justice would undoubtedly possess, it is submitted that, in addition to the complication and delays in procedure which the proposed system of appointing chairmen would entail, the suggested change would be highly detrimental to the successful administration of the statute.

I would therefore move that the amendment proposed by the Senate to Bill No. 7 be not concurred in.

Mr. MEIGHEN: Is it correct that these amendments have no bearing on any of the original purposes of the bill? I do not see any clause in the bill itself which has relation to section 8.

Mr. MURDOCK: Neither last session nor this session have we put forward the amendment to section 8 now proposed by the Senate. Last session the Senate accepted the amending bill, but returned it with a similar amendment to this section.

Mr. MEIGHEN: It would appear to me, Mr. Speaker, that probably upon proper representations to the upper House the amendments which they suggest could be treated best on their merits in a separate bill, and that the original bill should not be defeated merely because of amendments which are not akin to the bill itself.

Mr. MURDOCK: My hope was that the Senate would leave this amendment, which originated in their own House, to one side for the time being.

Mr. SPEAKER: Mr. Murdock moves, seconded by Mr. King (Kootenay):

That a message be sent to the Senate to acquaint their Honours that this House disagrees to their amendment to Bill No. 7, an act to amend the Industrial Disputes Investigation Act, 1907, for reason that the said amendment would complicate rather than simplify procedure.

In explanation I would state that the amending bill passed the House of Commons without change. The bill has been returned with the amendments passed by this House approved, but an amendment to section 8 respecting the appointment of a chairman has been inserted. The amendment proposed by the upper House with regard to section 8 introduces a new feature.

I should point out that this same amendment was proposed last session by the upper House in dealing with Bill No. 84. This House in its wisdom declined to accept the amendment. I can only repeat at this time what I stated to the House then; I will quote from Hansard, Vol. LVIII, No. 93, pp. 4508-09:

Shall I read the quotation?

Mr. MEIGHEN: It occurs to me that a mere address on the subject is not what is intended by the rule. The rule contemplates a succinct statement in proper form by the House of its reasons for non-concurrence.

Mr. SPEAKER: I understand that the hon. minister will re-draft his motion stating the reasons for non-concurrence in the name of the House rather than in his own name. I would invite him to look at form No. 58, page 232 of Beauchesne's Parliamentary Rules and Forms. The motion will stand.

Mr. MURDOCK: Mr. Speaker, this motion is in exactly the same form as that which I moved last session.

Mr. MEIGHEN: It cannot be.

Mr. SPEAKER: That may be so, but probably business was rushed towards the end of the session. I would advise the hon. minister to re-draft his motion in accordance with rule 58.

Mr. MACKENZIE KING: Perhaps it might be understood that the clerk will draft the motion in proper form for presentation later on to-day.

Mr. SPEAKER: By leave of the House.

Mr. MEIGHEN: Let us wait until we come to it.

Mr. MACKENZIE KING: At a later hour to-day, then.

Mr. SPEAKER: The motion stands until a later hour to-day.

FEEDING STUFFS ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Argriculture) moved that the House go into committee to consider the following proposed resolutions:

Resolved, That it is expedient to amend the Feeding Stuffs Act, and to provide,—

1. That any commercial feeding stuff which does not contain as ingredients any screenings, scourings, scalpings, oat hulls, oat feed, buckwheat hulls, peanut hulls or shells, cottonseed hulls, peat or moss, or any other material of low feeding value, which the minister shall have power to designate by regulation, may contain a maximum of fifty per cent by weight of bran, shorts, middlings, or feed flour, singly or combined;

2. That wheat flour sold for feeding purposes shall be deemed to be feed flour:

3. That any material, including the scourings or scalpings in addition to all or part of the mill screenings, which has been removed from wheat in preparing such wheat for the processes employed in flour extraction, and which material contains more than eight per cent crude fibre, may be registered and sold as a commercial feeding stuff under the name "Mill Scalpings"; or, if the material has been graded by a grain inspector operating under The Canada Grain Act, it may be sold under such other name as such grain inspector may designate on his certificate of inspection.

Mr. J. W. KENNEDY (Glengarry and Stormont): Before the House goes into committee on these resolutions, Mr. Speaker, will the minister explain what he hopes to accomplish by clause 3?

Mr. MOTHERWELL: Mr. Speaker, perhaps I had better refer for a moment to the amendment of last session, the primary purpose of which was to secure to the purchaser mill feeds in their absolute purity. That has been accomplished. But in the administration of the act by the Seed branch we found that the thirty or forty manufacturers of feedstuffs throughout the country were in

doubt as to whether they had a right under the amended act to incorporate bran and shorts in such mill feeds. The point was submitted to the Department of Justice, and they decided against the right of mixing. As a result, a number of deputations from these manufacturers asked for a change in the law to permit them to do as they had done in the past in regard to poultry and calf meals and other similar feeds. To grant them such permission is the purpose of the proposed amendment. But in no sense is it intended to interfere in the least degree with the right of buyers to obtain mill feeds in their absolute purity as they have been doing during the past year.

In order to have a thorough discussion of section 3, I am going to ask the House, after the bill founded on this resolution is given second reading, to refer it to the committee on Agriculture and Colonization, so that the officers of my department may be questioned in detail as to the exact meaning of this section. We do not want to make the mistake that we made last year of going further than the House intended. It is my desire that the matter be minutely examined into, because it is not my intention in any way to interfere with the right of the purchaser of feed stuffs to get it in its absolute purity. On the other hand I think it is a mistake to go so far as to prohibit the mixing of bran and shorts up to fifty per cent by manufacturers of feed stuffs who have been doing it in the past to the advantage of the users of those feed stuffs. The provision with regard to mill scalpings was not in the act before, but there is very good feed in much of these scalpings that is, not the screenings, but the over-run of the sieves, such as wild oats, tame oats, or even some wheat.

Mr. KENNEDY (Glengarry and Stormont): The minister's explanation of paragraphs 1 and 2 is quite adequate, but he did not explain at all what he hopes to accomplish by paragraph 3. I do not wish to hold up the resolution or his proposed amendment to the act, but I would just like to express dissent from what I think is the purpose of paragraph 3. If the minister is willing that the matter be discussed in the committee on Agriculture and Colonization, I will agree, but I want to register my dissent from that part of his resolution.

Mr. MOTHERWELL: I am quite agreeable to that. In fact, I do not like the look of it any too well myself.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, this appears to be a hardy annual; it would be a remarkable thing if a session of parliament should pass without some tinkering with this act. I am a little surprised at the explanation the minister has given for introducing this measure. He admits that the act that went through last year accomplished a little more than it was expected to do, and has resulted in the feeders of this country being able to secure a feed stuff that is unadulterated; consequently he is going to endeavour to enable somebody to take advantage of the old process of mixing an inferior article with the standard article. That is really what the resolution means, if I read it correctly. In view of the lateness of the session and of the legislation that has yet to be dealt with by parliament, I think the minister would be well advised to allow this act to remain in force for at least another year. I had the pleasure of paying the minister a compliment a short time ago, namely that he had done something beneficial by introducing this measure last session. He was complaining that I could never see any good in anything that he did, and I frankly gave him credit in this connection for having done something that was in the interests of agriculture throughout this Dominion. The minister now comes forward at this late stage of the session and intimates that he is anxious to undo what I claim was a very meritorious act indeed, although I remarked at the time that I thought it was going to accomplish a little more than he expected. It has done that, and for the first time in many years the farmers of this country can purchase mill feed and be assured of getting what they think they are paying for. I do not see any reason for the introduction of a resolution of this kind, and I must protest against proceeding with it any further.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, if the hon. member for South Oxford (Mr. Sutherland) had read this resolution a little more carefully he would never have made the unfair criticism he has. I cannot agree with him that this is a retro-
4 p.m. grade step on the part of the Minister of Agriculture (Mr. Motherwell. The hon. member (Mr. Sutherland) claims that the object of this amendment is to permit the adulteration that went on in previous years, and he makes a great point of the benefit we received as farmers during the past year through the operation of the act. If he had studied the act or read the amendment with any degree of care at all, and if

he were not animated by a desire to make partisan capital against the Minister of Agriculture, he would have seen the real meaning of this amendment, which is as much in the interests of the farmers—

Mr. SUTHERLAND: I rise to a point of order. I do not think it is fair for any member to impute motives of that kind to any other member of the House.

Mr. SPEAKER: I do not think a point of order can be maintained in respect to a statement made by an hon. member that there has been an attempt to make partisan capital in connection with a discussion in the House. We all know that there are parties in the House and members of those parties by their very names are partisans. I do not think any reflection upon the character of the hon. member is involved in the statement with regard to making partisan capital.

Mr. SUTHERLAND: The rule is very clear in that respect, that no member has the right to impute wrong motives to any other member of this House. The motive the hon. member attributed to me was a desire to make party capital out of this measure rather than a desire to maintain good legislation.

Mr. SPEAKER: I am sure the hon. member for Comox-Alberni (Mr. Neill) will accept the word of the hon. member for South Oxford (Mr. Sutherland) that he is not making partisan capital.

Mr. MEIGHEN: Perhaps the difficulty would be solved by the minister, who does not believe in this bill, handing it over to the member who does.

Mr. MOTHERWELL: That is not quite fair, now. With regard to paragraph 3 of the resolution, I want it to be thoroughly understood that my desire is that it shall be subject to the closest possible scrutiny in the presence of the opposition, and if there is anything even suspicious about it I would be the first one to throw it on the scrap-heap. But it seems to me ridiculous that manufacturers of feed stuffs should not be allowed to mix bran and shorts in the least degree. That was not the intention of the act last year and never was thought of. But that is the decision of the Minister of Justice and his officers; they say that that is the meaning of the act, no matter what was intended, and that is what we have to go by. If we have a section in there that some of us may not quite understand—because the draftsmanship of our officers is sometimes hard to understand—I want to understand it just as well as the right hon. leader of the opposition, and I do not think he would undertake to say exactly what it means. But we will get at the bottom of that meaning and if it is found that there is anything to interfere with the ability to secure bran and shorts in the pure state, I shall be the first to cast it out.

Mr. SPEAKER: I hope hon. members will live up to the rule that no member may speak twice on the same subject. If the House would go into committee the discussion could of course proceed without the application of that rule.

Mr. NEILL: Mr. Speaker—

Mr. SPEAKER: The hon. gentleman has already spoken.

Mr. NEILL: No, I was interrupted; there have been so many points of order raised that I have been forgotten. The hon. Minister of Agriculture was speaking on a point of order also, I thought; at least, he started on that. If it will facilitate the work of the session and soothe the feelings of the hon. member for South Oxford I will withdraw the obnoxious expression, which so accurately represented the situation. I think it is just as unfair to make the statement that the Minister of Agriculture is bringing in a measure which is intended, he says, to upset what the great bulk of the farmers of Canada want, and I rose chiefly to contradict that. No one is more determined than myself to combat any suggestion that last year's act should be upset. But the situation is this: It was found last year, by a legal interpretation rather than a common sense one on the part of the Justice department, that this provision which said that you must sell pure bran and pure shorts would prevent stock owners and stock feed manufacturers who put up poultry feeds—poultry mashes, they are called, —from putting bran and shorts into them. Now, the poultry people are just as anxious as any farmer could be to have a law passed by which they could get pure bran and pure shorts; let there be no doubt about that. I am told they cannot do this owing to the interpretation by the Justice department arising out of the technicalities in the law. Consequently the poultry men are very seriously affected when they cannot get their poultry mashes made. It might not affect the poultrymen in some parts of the country, but in British Columbia, where there is a large poultry industry, it affects them very acutely. The bigger poultry men, perhaps, are in a position to mix up their own mashes but the smaller men are not; and if you recall the fact that a hen, according to the

scientific theorists, has to have an exact balanced ration and that the ingredients which form that ration have to be contained in a table spoon for each meal you can understand the difficulty. It will not do to scatter the ingredients on a barn floor and mix them with a shovel; the preparation of the ration must be carried out very carefully and very exactly. The feed merchants have machinery which is adapted for the purpose, and it is much more convenient for the smaller poultrymen to buy the feed mixed. The formula is not a secret one and is printed by the agricultural colleges in their literature on the subject of poultry. Difficulty arose when it was found, according to the legal interpretation, that bran and shorts could not be put in these mashes. What was to be done when mashes of this kind could no longer be made and sold? That was the question that was asked. It was suggested that the same ingredients might be arrived at by grinding inferior wheat and mixing it, but it was found that it would not give the same proportion of bran and shorts that was required in the poultry formulas referred to. Consequently the poultry business was practically at a standstill. Under the first of the two clauses proposed here the mixing of pure bran and pure shorts in this poultry mash up to the extent of fifty per cent will be permitted. The mixing in calf-meal of pure bran and shorts will also be permitted. All that is being done by the proposed legislation is to permit pure bran and shorts in these poultry mashes and also calf-meal which the law at present does not allow. There is no suggestion of changing the law against the adulteration of bran and shorts which the government enacted last year and to which I have no doubt they will adhere. I think the farmers will be perfectly safe in allowing this matter to go before the committee on Agriculture where an opportunity will be afforded for threshing the matter out thoroughly.

Motion agreed to and the House went into committee Mr. Gordon in the chair.

On paragraph 1—Providing commercial feeding stuffs may contain a maximum of fifty per cent by weight of bran, shorts, middlings or feed flour, singly or combined.

Mr. SUTHERLAND: May I ask the minister whether he does not consider this provision to mean that bran and shorts can be adulterated up to the extent of fifty per cent and sold under some other name?

Mr. MOTHERWELL: It does not mean that at all. It means that the manufacturer of these feeds may use bran and shorts to that extent. However, the percentage is a matter for the committee on Agriculture to decide—as to whether fifty per cent is too much or too little; that percentage is not an arbitrary amount, possibly twenty-five per cent may be found to be sufficient. I wish to inform my hon. friend however that there is no question of adulteration involved. The resolution recognizes the principle of a balanced ration which is accepted by the feeders of live stock. However, it is not proposed to settle the question now. Before my hon. friend rose I was going to ask that hon. members, between now and the time when the committee on Agriculture will take the subject up, to think over the fifty per cent provision and consider whether the ingredients mixed in that proportion would make a properly balanced ration for the purposes desired.

Mr. SUTHERLAND: I do not see anything in the resolution which indicates that it is to be confined to the class of poultry feed manufacturers the minister refers to. I think that any miller or any one else, could mix up to the proportions mentioned—fifty per cent—if he saw fit to do so. The proposed legislation is not to be confined to any particular class. I am inclined to think that this request has come from the millers—

Mr. MOTHERWELL: No.

Mr. SUTHERLAND: —in a very large degree and not altogether from the class to whom the minister refers.

Mr. MOTHERWELL: I may correct my hon. friend there.

Mr. SUTHERLAND: So far as I know there are very few of these manufacturers in the country. The minister intimated, I think, that there were thirty or forty of them but I do not know that their business operations are very extensive. I ask the minister if any one has been prosecuted for the violation of this act?

Mr. MOTHERWELL: I may say that a number of them have desisted altogether from using bran and shorts; they are using, as the hon. member for Comox-Alberni (Mr. Neill) said, ground wheat which was so much more expensive that they had to give it up altogether. Without either bran or shorts, or ground wheat, the mixture is much less costly but is not so valuable as a feed by reason of these deficiencies. So far as I know there has not been a single request from any of the millers for these changes. The demand has come partly from the users of these feeds, and partly from the manufacturers of them—that

is the manufacturers of feeding stuffs of which there are something like thirty or forty. The manufacturers cannot prepare these feeding stuffs without first taking out a license, and under the present law they cannot be licensed unless they desist from the practice in question. So far as I know there have been no prosecutions for infractions of the law.

Mr. KENNEDY (Glengarry and Stormont): What section of the act last year was submitted to the Department of Justice and pronounced upon by them?

Mr. MOTHERWELL: I do not know that any particular section of the act forbade the practice in question but taking the whole act one section with another the department came to that conclusion.

Mr. MILLAR: What organizations in Canada have placed themselves on record as favouring the act as it now stands? I do not happen to have the information myself and that is why I ask the question. I know that meetings were held where this matter was fully discussed and very thoroughly threshed out and where those concerned placed themselves on record as in favour of the present law. The minister, no doubt, has the information asked for and is willing to give it to the committee.

Mr. MOTHERWELL: In my earlier remarks I intimated that I had received a number of deputations from the manufacturers of these feeds. I do not think I have any representations from poultry associations. Here is the situation: These feeds were coming out without the ingredients referred to and the fact had not come to the general knowledge that they were deficient in these respects. The result is that until quite recently there had not been any protest or dissent in regard to this feed going out for bran and shorts; but as time went on they found the difficulty, and expressed it in correspondence with myself. They had no objections to bran and shorts, but rather approved of them going into the feed stuffs, provided it was made quite clear that there would be no going back to the mixing by the mills of screenings and other refuse into bran and shorts, or into any other mill food. That is what they were afraid of. The question is, can we not secure to the farmer the absolute purity of the mill feeds, without going to the other extreme, and prohibiting thirty or forty mill owners in Canada from using a spoonful of screenings in these feeds. I think the preparing of balanced rations for farmers to use in feeding their stock is a legitimate business; surely that business can go on without lending itself to the abuses practised by the mills in connection with bran and shorts.

Mr. MILLAR: The minister has not answered my question. Perhaps he has not the information; and I am sure that I have positive knowledge that an important convention—and I believe more than one—took up the matter and threshed it out fully and decided that they were in favour of retaining the act as it now is. Has the minister not knowledge of such conventions that came to such conclusions?

Mr. MOTHERWELL: When the act came out first everybody interested in it had both hands up for the act, because the abuses had been practised so long that the people were glad to get rid of them. But when they found the act went much further than they thought they modified their views. All these matters can come before the committee, and it was to expedite matters that I proposed to bring it before the committee and not take up the time of the House now. All those engaged in agriculture are interested in this matter. We will have our officers and our files before the committee, and all the information could be given. Representatives not only of poultry men but of all men that were interested in the buying of cattle feeds congratulated us on the act, but not only they but ourselves did not know all the effect of the law until we got the full interpretation of it by the Justice department.

Mr. MILLAR: I will let the matter stand until it comes before the committee.

Mr. LEADER: Has the minister any requests from any elevator companies or any milling concerns that this amendment be placed in the act?

Mr. MOTHERWELL: Not that I know of.

Mr. TOLMIE: Why has the minister limited bran and shorts to this fifty per cent? We all recognize the necessity of balanced rations, not only for poultry feeding, but for the dairy cow. As long as these mills confine this mixing to the pure feed stuff I can see no serious objection. In fact, it is a tremendous advantage to the man who is feeding large herds of cattle to have that material mixed by machinery and properly balanced; and it is also greatly to the advantage of dairy cattle. After all, when you get down to the feeding stuff, the active ingredients that are used are protein and carbo hydrates and fat, and these can be better balanced by a man who

has the proper machines for weighing out these different things. He is in a very much better position to mix that feed properly than is the farmer on his own premises. If the farmer is dealing with reliable men who are being closely inspected by government officers, I think there is considerable advantage in having the work done in the mill instead of on the farm. After the act was passed last year, and an attempt was made to carry it out in the proper way, it was found, I understand, that these men could not make pure feeds with bran and shorts mixed up in this way. Why is it limited to fifty per cent?

Mr. MOTHERWELL: Some amount had to be mentioned. You could not say one hundred per cent, because that would be pure bran or shorts, as the case might be; it would not be feeding stuff, it would be mill feed. The idea was, I think, to show that it was a mixture or a compound. The idea of mixing anything more than half, or even up to half, in a balanced ration, would not seem to indicate that it was primarily a balanced ration or a properly mixed feed. I think the reason was to convince people that they were not professing to sell 95 per cent of bran and shorts, when they were trying to work in an ingredient half bran and shorts. I think there was enough done in the old days to create suspicion. It is to allay these suspicions whether well founded or not, that we are making these provisions. I think there should be a fixed percentage and what it is to be must e decided arbitrarily—you cannot maintain a logical argument in favour of any percentage as against all others.

Mr. TOLMIE: You require these ingredients, protein, carbo hydrates and fat. In bran you have an article very rich in protein; in cornmeal you have another article that is very rich in hydro-carbon—why do you put the limit at fifty per cent?

Mr. MOTHERWELL: We will have our chemist from the Experimental Farm here, and he will explain the matter better than I can. With reference to the percentage, we might say 45 per cent just as well as any other figure. It has to be something between 1 and 100 per cent.

Mr. EVANS: In the past it has been almost impossible to get pure bran and shorts from the mill; and unless something occurs which this resolution does not indicate, it will throw the door wide open again for the mills to do just what they choose. These manufacturers of balanced rations for calf and poultry meal have been around this House since this session began, and I learned from them that they are quite content with the act as it is, and I think it would be a mistake at this time to alter it.

Mr. MOTHERWELL: Does the hon gentleman mean the manufacturers?

Mr. EVANS: Yes.

Mr. MOTHERWELL: Oh, no.

Mr. KENNEDY (Glengarry and Stormont): The discussion thus far would indicate to me that the minister himself has not a complete group of what he intends to accomplish by paragraphs 1 and 2.

Mr. MOTHERWELL: I think I have.

Mr. KENNEDY (Glengarry and Stormont): Does it apply to the balancing of rations for feeding of dairy cattle, or beef cattle, or poultry? If it does, then there is no object in limiting the amounts of bran, shorts and middlings, and so forth, to fifty per cent? Frequently larger amounts than fifty per cent must be used in order to properly balance the rations. I am of the opinion that the question of balancing rations for ordinary feeding does not enter into this question at all. I rather think that the minister asked to have this fifty per cent inserted here for the simple reason that the manufacturers of stock feeds which are special feeds and not ordinary feeds, asked permission to use up to fifty per cent; that they themselves used that arbitrary line of demarcation. Poultry mashes, feeds that contain special chemical ingredients and herbs of a medicinal nature which are used not generally, but only in limited quantities and which sell at high prices from $15 to $18 per hundred pounds, are the feeds which the minister is attempting to get at. The manufacturers of those feeds want to be able to use the by-products of wheat as a base in the manufacture of those special feeds. I do not think the question of balancing ordinary rations enters into this.

Mr. MOTHERWELL: No; it applies more particularly to feed for poultry and calves, not to ordinary live stock feed.

Mr. LEADER: I think the minister would be well advised to withdraw this resolution and give the legislation passed last year one more year's trial anyway. One phase which he brought out is that under the old law millers were able to mix bran and shorts with a considerable quantity of black seeds and other small weed seeds that are practically

worthless for feeding purposes and to sell the mixture as bran and shorts. The law of last year stopped that practice. If this resolution goes through, they will be able to mix bran and shorts with the same almost valueless by-products, refuse from screenings and so on, and sell it under some other name, thus accomplishing the same purpose. A farmer or someone else may come in for half a ton of shorts; he may want bran and shorts and the answer will be: "We have no bran and shorts"—of course that must be pure—"but we have a commercial feed that has 75 per cent of bran and shorts mixed with it, and it is as good a feed if not better." They will sell it under a different label, thus getting sale for the worthless seeds.

Mr. NEILL: I should like to point out to my hon. friend (Mr. Leader) that the proposed amendment reads:

That any commercial feeding stuff—may contain a maximum of 50 per cent by weight of bran, shorts—

And so on. But he should pay attention to the words that go in between:

That any commercial feeding stuff which does not contain as ingredients any screenings—

That absolutely and by name prohibits any screenings, and so forth from being included in any commercial feeding stuff which contains bran and shorts. I do not think language could be plainer than that. That is the reason why the resolution is worded in that way. But it says outside of that:

That any commercial feeding stuff—may contain a maximum of 50 per cent.

That fifty per cent is put in to prevent the very thing the hon. member suggests, that someone may say: "We have no pure bran and shorts, but we have something just as good," the idea being that they will put in 95 per cent of bran and shorts and 5 per cent of something else and then charge $15 more than it is worth for the combination. That is to prevent the farmer from being gouged. It has been ascertained that fifty per cent abundantly covers the case of the calf feed and poultry feed. I am not talking about patent foods such as horse appetizer and such things; I am speaking about just the various brands of poultry mashes and calf meal.

Mr. LEADER: I would suggest that it might open the door for something else. One portion of the amendment reads:

Or any other material of low feeding value, which the minister shall have power to designate by regulation.

Mr. NEILL: That again is included, as one might say, in the brackets. The resolution reads:

Any commercial feeding stuff which does not contain as ingredients, any screenings, scourings, scalpings, oat hulls, oat feed, buckwheat hulls—

And so on.

—peat or moss—

And then their imagination is exhausted, and to cover the thing generally, they say:

—or any other material of low feeding value, which the minister shall have power to designate by regulation.

It may be sawdust. He has power to prevent that. He can put in there the name of any obnoxious stuff, refuse or something, which might be used in these mixtures. The prohibition is not limited to the things that are named, but it takes in anything else which may crop up which the minister shall designate. It does not say something else which the minister designates may be included; it says that it shall be excluded.

Mr. SUTHERLAND: The legislation which this resolution is intended to amend gives the minister power to appoint an advisory board:

To make regulations prescribing the maximum amount of the whole or ground weed or other seeds and other materials which may be allowed in any grain or other ingredients used for the manufacture of feeding stuffs, without affecting the right to describe it as clean within the meaning of this act.

(c) To make regulations establishing a standard of quality and contents for, and fixing the limits of variability permissible in, any feeding stuff or ingredient or constituent thereof.

On page 13 of the act, among the regulations is one which I think would cover the matter complained of and sought to be remedied by this resolution:

When the feeding stuff consists of one ingredient only the brand or trade name of the feeding stuff shall include the name of that ingredient;

(b) When the feeding stuff consists of or is made by mixing two or more ingredients, the brand or trade name of the feeding stuff shall not include the name of any one of the ingredients unless the names of all the ingredients are included.

This is an act of some 22 pages, and I do not believe you would find two lawyers in the Dominion of Canada who would agree on the same interpretation of the act. I am satisfied that the result of this resolution or of a bill drafted along these lines will be to make the act much more unintelligible than it is at present. The minister admits that there is no possibility now of evading the provisions contained in the act, that is as to having mill feeds absolutely pure. A distinction is made between the terms "bran and shorts" and "middlings," and low grade flour which is

termed "feedstuffs." If there is any other mixture of these commodities, weed seeds or anything of that kind, or a mixture of the two, that can be called commercial feedstuffs. A little further on a section is to be found which states that feedstuffs are commercial feedstuffs. Feedstuff legislation has been a source of annoyance and discouragement to the farmers of this country for many years. The practice which has been going on has resulted in losses to agriculture that would more than offset all the money that has been spent by the Department of Agriculture in this Dominion for the advancement of agriculture. When this matter was before the House a few years ago, I quoted from an investigation that had been made by Mr. H. B. Sifton in charge of germination and microscopic analysis in the Seed branch. He emphasized the tremendous losses that were being sustained by the farmers of this country as a result of the practice that had been going on at that time. I think it was in 1919 when new legislation was passed and it was torn to pieces the following session. I predicted what the result would be, namely that you would not be able to purchase the pure article, but that all these commercial feeding-stuffs would be on the market. The legislation of last year has stopped the practice, and now legislation is being introduced which I think will destroy the act of last session. This is what Mr. Sifton said on that occasion:

> For several years the Seed department has been receiving from farmers and from other branches of the Department of Agriculture samples of ground feeding stuffs, with requests for botanical analyses.
>
> They have usually been accompanied by complaints that stock refused the feed, or that they became ill, in some cases dying as a result of eating it.
>
> * * *
>
> A case has recently been brought to our notice which corroborates this. A sample of shorts was sent in for analysis, the farmer complaining that, as a result of feeding it, two of his pigs had died. Large quantities of finely ground mustard seeds were found in the sample.
>
> * * *
>
> A sample of shorts was received at the laboratory from a farmer. He and his neighbour had bought some from the same lot and each had given one feed to their pigs. The meal was eaten, and in a few hours all the pigs—eight belonging to one man and ten to the other—were dead. An analysis of the sample showed 1.7 per cent by weight of whole wormseed mustard seeds in addition to those which had been ground.

The Dominion Analyst, Dr. McGill, furnished a report in 1918 covering the inspection which has been made in regard to the output of all mills in the country, and it was found that the large mills were the greatest offenders in this respect. The minister is empowered to deal with this matter and he has an advisory board. I asked a short time ago whether the request had come from the farmers or whether it had not really come from the millers. I would point out that the farmers are not very well represented on the board while unquestionably the milling companies are, and my information is that it is the millers who are back of this movement; they are urging certain people to make representations to the department with a view to restoring the conditions that have prevailed in the past. I would warn hon. members that if they allow any amendment to be made to the act such as was passed a few years ago we shall have the old state of things again. We hear a great deal about the need of a balanced ration for the Canadian hen; as it will accomplish tremendous results. Well, I should not be surprised to see the Minister of Agriculture (Mr. Motherwell) himself get up and emphasize the necessity for such a balanced ration for the purpose of producing a standard sized egg. We are wasting thousands of dollars in sending inspectors all over the country to deal with the Canadian egg product and now the minister proposes a balanced ration for the Canadian hen, regardless of what the effect will be on the live stock industry of the country. The feeding of our live stock is one of the most important matters with which we could deal, because the success of agriculture in Canada is more dependent on live stock than on anything else, and it is only by encouraging that industry that we shall obtain the best results from our farms. And when I speak of the live stock industry I have in mind beef cattle, hogs, sheep and so on. It is true that the production of eggs is a very important industry in Canada, but as hon. gentlemen no doubt know there is no more discriminating creature to be found anywhere than the hen; you can feed her with all the screenings you have available, including poison seeds and all the rest of it, and you may rest assured that she will distinguish between the poison and the wholesome feed. There is therefore no danger so far as that goes, and I do not think that the minister at this stage of the session, during this very hot weather, should put the House to the trouble of dealing with a matter which in my opinion will only again injure the live stock industry of Canada. The question will be referred to the committee on Agriculture, where it will possibly be dealt with for days, and then it will come back to this House to take the time of parliament. Surely, if the government is anxious to proceed with the business of the session, this is no time for the introduction of legislation of this kind. It is claimed that

this legislation is based upon a desire to produce a balanced ration for the Canadian hen, but personally I think we can afford to let the matter stand at least for another year; I do not think that any harm will be done in the meantime, and if the poultry industry is put out of business before parliament meets again the minister will be entitled to say, "I told you so." But I am absolutely sure that nothing of the kind will happen. The minister knows as well as does any other hon. gentleman that there is no crying demand for this legislation. It may be that a few are anxious to get something of the kind done, but I venture to say that 90 per cent of these so-called balanced rations only constitute a means of extorting money from the people who do not understand the business. I think that those who are engaged in agriculture in this country have a pretty good idea as to what they should use in the way of feed; we have agricultural experts all over the Dominion whose advice is available, and bulletins are published dealing with all these things. I do not see why we should grant permission to someone, who we cannot be sure is reliable, to take the by-products of the milling of flour and mix them for sale to dispose of at exorbitant prices. I am satisfied that the committee as well as those who are engaged in agriculture must fully realize that as things are there is no pressing need whatever for any legislation of this kind; and I cannot understand why the minister during these sweltering days should try to force through parliament something for which there is no demand. If he insists, he will have to take the consequences.

Mr. MOTHERWELL: The resolution has been on the order paper for weeks, and it was my intention that this discussion should in any event take place before the committee on Agriculture where it could be more thoroughly gone into than in this House. Before that committee there would appear those who are prepared to show cause, and if they could not substantiate the claims that are made I would be one of the first to reject the measure. Before the committee on Agriculture every word could be scrutinized so that the exact intent of the legislation might be established. I agree with the hon. member (Mr. Sutherland) that it is unwise at this stage to take up the time of the whole House discussing the matter, and that is precisely why I want to have it referred to the committee. If the committee is not satisfied with it then I shall be one of the first to put an end to it. But let the committee satisfy itself as to the wisdom or otherwise of the legislation.

[Mr. Sutherland.]

Mr. NEILL: I am in accord with the idea that this matter should be referred at once to the committee on Agriculture, but I do not want the debate to cease without putting on record in Hansard, as the remarks of the hon. gentleman (Mr. Sutherland) will appear there, a direct contradiction of the suggestion that there is some one here who is behind the movement, in the interests of the millers. As I have taken a prominent part in the matter I wish to emphatically repudiate the idea that I am in any sense associated with or acting as agent for the millers. Let us get down to the facts.

Mr. SUTHERLAND: I hope the hon. member is not inferring from anything that I said that I was casting any reflection at all on the members of this House; I was speaking of those who were asking for the privilege of mixing feedstuffs.

Mr. NEILL: I have here a letter from a Creamery Association in my district, which reads:

> There is no doubt that a very valuable step was taken when screenings were not permitted to be sold with bran and shorts, or rather we should say that bran and shorts were not allowed to be adulterated with screenings. The Progressive members may have the satisfaction of knowing that they have the thanks of the farmers and poultrymen although they have no doubt displeased the millers.
>
> Now with regard to poultry mash, we were about to register a mixture for poultry, approved of by the Department of Agriculture and the university, but the registration is being held over on account of the agitation started by the millers. We have carefully gone into the matter of using ground inferior wheat, but while this is possible, it is not always convenient, and there may be a time when inferior wheat cannot be purchased readily, or that the price may not be advantageous as compared with shorts.
>
> A petition is being circulated to the Honourable W. R. Motherwell, and we enclose a copy as presented to ourselves. You will notice that we have added at the foot the words, "provided that no screenings be used in any form of mixed feeds offered for sale."

That is the opinion of this creamery association.

> We note what you say—

This was addressed to myself.

> —with regard to the millers' combine being strong and powerful, and the danger of tinkering with the act. Could not this be obliterated by absolutely probibiting the sale of screenings in any form but as "screenings"? If poultry mashes are not allowed to be used with bran or shorts, the danger is that poultrymen unfamiliar with all the details will be induced to sign petitions without knowing that the millers are using them to strengthen their own hands.

Now, that is a frank letter written to me by a creamery association composed entirely of farmers and not likely to be acting in the interests of the millers or anyone associated

with them. You will notice how emphatically they take the position that they do not want any tinkering with the act regarding the purity of bran and shorts. The hon. member for Qu'Appelle (Mr. Millar) asked if some poultry association had not said that they would rather have the present act. Yes, but with this qualification. Some of the poultry associations when presented with this petition which I hold in my hand, and which was circulated by the millers with the idea that they might be able to convince the poultry men of the desirability of their being allowed to go back to the old act which allowed the adulteration of bran and shorts, recognized the absolute necessity of being allowed to use bran and shorts in their mashes, but they added, "Rather than go back to the old act permitting adulterated bran and shorts we perfer to have the amendment of last year continued." My hon. friend from South Oxford (Mr. Sutherland) may be assured that although a hen is capable of discriminating between weeds and wheat, it is not possible for her to distinguish between the good and the bad in the ground mixture, and the poultry man is not able to distinguish whether he is buying ground screenings or not. And above all things poultry men do not want ground screenings for their flocks; they want pure bran and pure shorts. I have letters from poultry men who are not in the pay of the millers in any shape or form, but I will not delay the House by reading them at this stage. I would suggest that we allow the bill to go to the Agricultural committee, where this matter can be threshed out.

Mr. MEIGHEN: There is one feature which is really for us and not for the Agricultural committee to deal with. I should like to understand what I am doing before we proceed further. Will the minister be good enough to repeat what the Justice department has ruled in this connection? I have had the advantage of reading last year's act, and am not clear yet as to why this amendment is necessary.

Mr. MOTHERWELL: The Justice department ruled that bran and shorts could not be mixed and put on the market for sale. I anticipate that it would not be against the law for a farmer to buy the ingredients and mix them at home for feeding to his stock.

Mr. MEIGHEN: Does the minister know if that ruling is based on subsection (a) or subsection (b) of new section 6? I am not clear why it is the ruling under either, but there would be more reason for it, I fancy, under (b), which says:

> No person shall import into, manufacture, sell, offer, expose or have in possession for sale in Canada any flour mill by-product resulting from the cleaning and milling of wheat for the production of flour by the usual commercial processes, unless—
>
> (b) any bran, shorts, middlings or feed flour is free from any mixture of any foreign materials, including the screenings or scourings that may have been removed in preparing the wheat for the processes employed in flour extraction.

That is to say, it compels any flour mill by-product to be free, in case it is bran or shorts or middlings or feed flour, from any admixture of foreign materials.

Mr. MOTHERWELL: That is right.

Mr. MEIGHEN: I think that must be the section which the Justice department have in mind. Well, are we not repealing sub-clause (b) altogether if we put the resolution through? We say in this resolution:

> Any commercial feeding stuff which does not contain as ingredients any screenings, scourings, scalpings, oat hulls, oat feed, buckwheat hulls—

And all this other trash.

> —or any other material of low feeding value which the minister shall have power to designate by regulation, may contain a maximum of 50 per cent by weight of bran, shorts, middlings or feed flour, singly or combined.

That is to say, a man may take his bran, shorts and middlings and mix any other flour mill product with them, but he cannot mix the rubbish mentioned here.

Mr. MOTHERWELL: That is the point, but they can mix alfalfa meal and similar compounds.

Mr. MEIGHEN: The result will be this, you can mix as freely as you like all flour mill by-products for the purpose of making a feeding stuff, as long as you do not use the different things mentioned in the first part.

Mr. MOTHERWELL: That is right.

Mr. MEIGHEN: I do not know very much about the merits of the legislation, but I think I understand it now. The objection of the member is perfectly sound. Why not say definitely that this stuff which is recited here cannot be used, and let the other be used in any proportions in which the people want to buy it? For myself, I know when I had something to do with cattle and dairying we never bought any feeding mixture, we always mixed our own; and it seems to me there is not very much need to protect people who do not know enough to mix their own feed.

Paragraph 1 agreed to.

On paragraph 2:

Mr. SUTHERLAND: The confusion which arises in the mind of anyone who attempts to read this bill is such that if there are to be any amendments I think they are necessary to simplify the law rather than to complicate it. Will the minister inform the committee the names of the members of the advisory board whose advice is at his disposal?

Mr. MOTHERWELL: I have not the list here. As I remember, Mr. Stonehouse represented the Eastern Dairymen's Association; Mr. Brethour represented the Swine Breeders' Association; and there were two or three other members representing other live stock associations. Mr. Kay, who was appointed chairman of the Agricultural committee stated:

> I was appointed to represent the committee on Agriculture on that board. Dr. Grisdale was also there, Dr. Shutt, Mr. Archibald, Mr. White, all of the Department of Agriculture; and Mr. Clark, the Seed Commissioner, was the chairman.

Twelve or fifteen gentlemen were present, none of whom I knew except Mr. Stonehouse. These are some of the gentlemen whom Mr. Kay mentioned when we were discussing the amendments last session. All phases of the business were represented, particularly the live stock people.

Mr. SUTHERLAND: I might add to the number mentioned by the minister. There is Mr. J. C. Gage, Grain Exchange, Winnipeg; Mr. H. H. Chisholm, the Chisholm Milling Company, Limited, Toronto; Mr. W. H. McCarthy, of the Maple Leaf Milling Company; and Mr. C. B. Watts, of the Dominion Millers' Association. These men are all members of the minister's advisory board, and judging from the fact that some of them were here interviewing members of the House I should think they are very much interested in having this amendment pass and that the greatest pressure is coming not from the poultry raisers but from the milling association. Under the old conditions the milling association contended that they bought wheat with these things in it and that they were entitled to put them back with the by-products of flour. They attempted to justify what they had been doing all these years, and when a bill is put through which prevented their doing that, they commenced an agitation to have the bill torn to pieces. I do not think the minister has intimated to the committee where the pressure came from, at least in sufficient degree to justify our going on with this resolution.

[Mr. Meighen.]

Mr. MOTHERWELL: I had not a single representation from a miller or a grain man or a grain exchange member or any other representative of the grain interests. If I had there would have been nothing amiss about it, but as it happened, I had not. I have indicated where most of the representations came from. But we will bring all the correspondence down and go into it thoroughly before the Agriculture committee. I think we can satisfy my hon. friend (Mr. Sutherland) with regard to paragraphs 1 and 2; as to paragraph 3, I have indicated where I have some doubts about the advisability of it. I think, however, it would be advisable to send it also to the committee.

Paragraph 2 agreed to.

On paragraph 3:

Mr. MOTHERWELL: This is the clause I do not like, and that I think the hon. member for Glengarry (Mr. Kennedy) does not like. It says:

> That any material, including the scourings or scalpings in addition to all or part of the mill screenings—

The scalpings is what goes over the sieves; the screenings is what goes through the screen. They are two entirely different things. The idea of the legislation last year and of this resolution is to eliminate those screenings and keep them by themselves, because we recognize that if they are recleaned they make a very good feed product, but if they are not recleaned there is material in them that is not only offensive to live stock but sometimes brings about their death. I think, however, it would be better to leave it as it is and let it go to the committee. If it were not going to the committee I would suggest that it be cut out.

5 p.m.

Mr. SALES: All of paragraph 3?

Mr. MOTHERWELL: Yes, but it does not look the part of wisdom to do that. Let it go to the committee and let those who want it there show cause why it should be there.

Mr. SUTHERLAND: There are many committees meeting and a good many members of the Agriculture committee will have to be absent when this matter is discussed. It can be just as quickly decided in the House here as in the committee. It is not fair to ask those who cannot attend the Agriculture committee to submit to the findings of a few who may be able to attend. This last section is certainly very objectionable. There

is objection also to the other sections. Section 2 brings wheat flour under the Feeding Stuffs Act, which was not the case before. As to section 3, I would point out that the country to-day is infested with noxious weeds and something must be done to eradicate this evil if we are not to have many more abandoned farms than we have to-day. Instead of the department doing something along that line there is now an attempt to undo a measure that tended towards that end.

Mr. MEIGHEN: Would it not be well to insist that if any stuff of that sort is sold it be so ground that there can be no possibility of germination? The only object I can see in clause 3 is to provide some means of using whatever may be of value in these mill scalpings. It is the most dangerous thing in the world to sell, and unless it can be so treated that it cannot germinate I would not let it be sold at all.

Mr. MOTHERWELL: Some of these screenings are so small that it is almost impossible to grind them sufficiently to prevent them from germinating.

Mr. CALDWELL: I have not said anything on this resolution—though I have some objection to section 1 as well as to section 3—because I shall be content to say what I have to say when it goes to the committee. In section 3 it seems to me there is a wish to have mill screenings sold under some fancy name. We provided last year that if mill screenings were sold they should be sold as mill screenings, and I think we had better stick to that. I would advise the minister to cut out clause 3 at once and not send it to the committee at all.

Mr. MOTHERWELL: I think it would be well to let it all go.

Mr. CALDWELL: I cannot see that any good purpose can be served by section 3; indeed, I see great danger in it. However, if the minister will give us the assurance that the Agriculture committee will be called when no other committees are sitting I will say nothing further at this stage; otherwise I shall have some comments to make.

Mr. MOTHERWELL: The hon. member for Missisquoi (Mr. Kay) is the chairman of the committee. I do not think he is here yet, but he will be here this evening. He is very anxious to get the committee going; he has been pleading with me this last week to get the matter forward before morning sessions begin. The first open morning will be taken advantage of.

Mr. CALDWELL: I want to be present when this matter is discussed, and I think every member of the committee ought to be there. We should have some guarantee that the committee will be called at a time when no other committees are sitting so that all members of the Agriculture committee may attend. Many of the other committees are preparing their reports, and all members interested in them, particularly those who desire to offer amendments, want to attend the meetings, so that if the Agriculture committee is called when other committees are sitting many of its members would be unable to attend.

Mr. MOTHERWELL: I will see that the chairman of the committee notifies my hon. friend of the date and the hour.

Mr. SUTHERLAND: I think the minister might give the assurance that the committee will be called when no other committees are sitting of which members of this committee are members.

Mr. MOTHERWELL: My hon. friend surely does not think this is going to be a star chamber proceeding. If there is no quorum I presume there will be nothing done. I have been most candid with regard to this matter. The only reason I think it should be left as it is is because we are leaving it to the committee, and we can then have all the interested parties before us. We shall have our chemist from the Central Experimental Farm there, we shall have the hon. member for South Oxford, and other hon. members there. We shall make special endeavours to see that my hon. friend (Mr. Sutherland) is there and that he gets a hearing.

Mr. SUTHERLAND: I hope the minister will not think that I am a little too critical and skeptical in regard to his desire to play fair with the House. But events that have transpired in former years—

Mr. MOTHERWELL: Not in my time.

Mr. SUTHERLAND—in connection with this very matter have rendered me dubious. My hon. friend (Mr. Stewart, Argenteuil) who is sitting on the right of the Minister of Agriculture may recollect that last year I expressed some doubt as to whether the minister would recognize his bill after it came from the committee, and apparently he has been surprised to find that it accomplished the purpose for which we have been agitating all these years—it has cleaned up the mess the farmers had to contend with by reason of the production of adulterated mill feed. Now the

minister is contending—and expects us to believe that he is entirely serious—for a well balanced ration for the Canadian hen and he brings forward a resolution of this character even though it should have the effect of delaying the session for a day or two. I am afraid I shall have to withdraw the compliment I paid the minister a few weeks ago.

Mr. MOTHERWELL: I ask my hon. friend not to do that.

Mr. SUTHERLAND: It was in the face of some opposition and I was called to order. I was expressing the hope the minister would not get the idea that during the years he has been at the head of the Department of Agriculture he had not passed something in the interest of the farmers, and I gave him credit for what he had done in this instance. But he comes along to-day and wants to undo what I gave him credit for. Surely the minister does not wish us to take him seriously in this matter. I have seen a bill on feedstuffs go to the committee on Agriculture and be put through by a majority of one in spite of the attitude of the chairman. It then came back to the House and was forced through and became law. The very next session it was amended and destroyed. There is still a fragment of that law on the statute book but it has never been brought into effect. It is now proposed to refer this matter to a committee, the committee on Agriculture, although the minister knows that a number of other important committes are meeting so that it will be absolutely impossible for one-half of the hon. gentlemen interested in this matter to attend this particular committee.

Resolution reported, read the second time and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 238, to amend the Feeding Stuffs Act.

Motion agreed to and bill read the first and second times and referred to the select standing committee on Agriculture.

INDUSTRIAL DISPUTES INVESTIGATION ACT

NON-CONCURRENCE IN SENATE AMENDMENTS

Hon. JAMES MURDOCK (Minister of Labour) moved:

That a message be sent to the Senate to acquaint their Honours that this House disagrees to their amendment to Bill No. 7, an act to amend the Industrial Disputes Investigation Act, 1907, for the reasons: That the said amendment introduces a new feature in the said bill and would complicate rather than simplify procedure.

[Mr Sutherland.]

Mr. MEIGHEN: I have no objection to the motion, but I think the reason given is inadequate; it should be made more specific. If there are other reasons for non-concurrence, and the speech the minister made did include some other reasons, they should be embodied in the message, otherwise we shall be only giving the other House a vague assertion as the reason for objecting to the amendment.

Mr. MURDOCK: I gave the reasons for this motion a short time ago and I presume they will appear on Hansard. If it is the desire of the right hon. leader of the opposition the reasons can be repeated. They are couched in exactly the same language as were the reasons given last year.

Mr. MEIGHEN: I have no desire to be a stickler for trivialities, but in a matter which concerns negotiations between this House and the other Chamber we should adhere to the prescribed form pretty closely. It was the form of the previous proposal of the minister that I took exception to. What I take exception to now is not the form but the fact that the resolution contains no reasons for the action of this House. We owe it to the upper Chamber to express to them in intelligent form the reasons for not concurring in their amendment. I would suggest to the minister—not that I want to delay this particular matter—that the calling of this order be deferred until the reasons for non-concurrence are embodied in the form now before the Chair.

Mr. MURDOCK: I am quite willing to express the same objections that were assigned last year and were repeated this afternoon. I am quite willing to do that again.

Mr. SPEAKER: I would suggest to the hon. Minister of Labour that he take the grounds mentioned in his speech of this afternoon and base thereon his reasons for non-concurrence in the Senate amendment. A motion similar to the present one was moved at the close of last session, and the reason for non-concurrence in the amendment of the Senate given at that time was the following:

That the said amendments defeat the objects aimed at in the bill and would complicate rather than simplify procedure.

According to rule No. 58 in Beauchesne's Parliamentary Rules and Forms, page 232, specific reasons must be enumerated in a message of this character to the upper House. It is most desirable that specific reasons rather than mere generalities should be given by this House in messages of this character.

Mr. LAPOINTE: A new procedure is being suggested which would create a precedent. The form adopted in this motion is according to the practice in the past. It is almost word for word the motion made last year on the very same bill. Why should we change our procedure and give the substance of the bill in a motion which should be as simple as possible?

Mr. MEIGHEN: The minister has not caught the point of my remarks or of the remarks of Mr. Speaker. I am not taking exception to the form, at all. The form is right now. What I say is by way of suggestion to the government that the reasons should be all the reasons and that they should not be just a general indication of one reason, so general indeed that it carries no meaning to the upper House at all. The reasons should be stated as specifically as they were, at least, in the speech made by the Minister of Labour (Mr. Murdock).

Mr. SPEAKER: The suggestion is that the motion should be redrafted and the specific reasons given, 1, 2, 3. I refer to rule 58, page 232, of Beauchesne's Parliamentary Rules and Forms, where I find the following form given as an example:

> That a message be sent to the Senate to acquaint their Honours that this House disagrees to their amendment to Bill No. 66, an act to amend the Judges Act, for the following reasons:
>
> Because the amendment is not relevant to the bill which is only to provide the salaries for two additional judges, to restrict in certain cases the travelling expenses of judges, and to extend certain provisions of the act now applying to county court judges to the circuit court of the district of Montreal
>
> Because, though it may be advisable to modify the pensions at present provided with respect to future appointments, it is not in the public interest that the remuneration or pensions of judges now on the bench should be changed to their prejudice.

In the present motion it is only generality, while I think, in justice to the upper Chamber specific reasons ought to be given.

Mr. MANION: May I offer a suggestion to simplify the matter. We could have had the whole thing re-drafted in the time we have taken to discuss it. I suggest—and I think it would carry out the idea of the leader of the opposition—that we simply add to the form already presented the words "for the following reasons."

Mr. MURDOCK: If my hon. friend will read Hansard as it will appear to-morrow he will find that is exactly what has been done this afternoon.

Mr. MANION: The minister simply incorporated his speech in the first motion. The motion before the House at the present moment takes out the arguments and numbers them 1, 2, 3 and 4. It would simply mean adding ten or fifteen lines to the motion.

Mr. LAPOINTE: I have before me a motion made last session by the Minister of Labour which reads:

> That a message be sent to the Senate to acquaint their Honours that this House disagrees to their amendments to the said bill for the reasons "That the said amendments defeat the objects aimed at in the bill and would complicate rather than simplify procedure."

That motion was debated by Your Honour and by this House. I do not know why we could be so generous as to give all details to the Senate when we do not concur with that body. They are not overwhelmingly generous in their conduct towards us. They merely say they do not concur, without giving one single reason. That is the way the Senate is proceeding, so far as these matters are concerned, when they do not agree with us. I do not know why we should be so delicate in our dealings with them, and give the whole speech in the motion in which we signify to them that we do not agree with them.

Mr. MEIGHEN: The matter is really of some importance, and I am surprised that the minister should object to it. I understood the form used by the Minister of Labour last year was the same as the form proposed to-day. The Minister of Justice has read from the journals the form used last year and it is the same as the form now proposed. The form he proposes is right. We have a perfect right to take this action if we wish, but it does not seem to me an expedient or dignified thing to do. It is not stating the reasons. The real reasons were stated in the speech of the minister, but we cannot ask them to look to that speech. We are supposed to state the reasons which actuate us in the motion itself as a part and portion of the motion. The Senate has the right to expect us to state our reasons for the motion. Let us place ourselves in an understandable and intelligent position. I have no objection to the form, but I would not like to support it. I have no reason to complain of any discourtesy on the part of the Senate. If the Senate does not adopt the proper form that is no reason why we should not do so. If we do better they may do better. Taking

the form adopted by us last year, I do not wonder that the Senate never met us, because there is nothing in it to make them change their view. The form to my mind is right but I think the procedure would be much improved and far more desirable and dignified on the part of parliament.

Motion agreed to on division.

CONVENTION WITH FINLAND

Hon. J. A. ROBB (Acting 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 provide that goods produced or manufactured in Finland shall receive treatment as favourable as that accorded to goods produced or manufactured in any foreign country so long as goods produced or manufactured in Canada enjoy in Finland the same treatment as is enjoyed by similar goods produced or manufactured in the United Kingdom, as set out in Article 23 of the Treaty of Commerce and Navigation between the United Kingdom of Great Britain and Ireland and Finland, made at Helsingfors the 14th day December, 1923.

Mr. MEIGHEN: Will the minister explain?

Mr. ROBB: Article 5 of the United Kingdom-Finland treaty provides that articles the produce or manufacture of the territories of the other, from whatever place arriving, shall not be subject to other or higher duties or charges than those paid on the like articles, the produce or manufacture of any other foreign country.

That particular phrase "from whatever place arriving" does not suit Canada. We are accepting article 23, which reads:

Article 23 provides that goods produced or manufactured in India or any of His Britannic Majesty's self-governing dominions, colonies, possessions or protectorates shall enjoy in Finland the same treatment as would be enjoyed by similar goods if produced or manufactured in the United Kingdom, so long as goods produced or manufactured in Finland are accorded in India or such self-governing dominion, colony, possession or protectorate, treatment as favourable as that accorded to goods produced or manufactured in any other foreign country.

So that we are giving Finland the benefit of our most favoured nation treaty. Under the Finland treaty the general tariff on passenger motor cars is 20 per cent, and if we accepted this proposal it would be 8¾ per cent.

Mr. MEIGHEN: Are there any good roads there?

[Mr. Meighen.]

Mr. ROBB: Yes. The rates are as follows:

	General Tariff	Conventional Tariff
Passenger motor cars	20 per cent	8¾ per cent
Minimum duty—	Per kilog markkas	
Weighing not more than 900 kilo-grammes	3.50	1.81
Weighing more than 900 kilo-grammes	5.00	2.18
Motor lorries	10 per cent but not less than per markkas kilogramme 2.50	
Wheels	20 per cent	8¾ per cent

The trade between Canada and Finland is as follows:

Imported for consumption into Canada during the fiscal year ended 31st March, 1924:

	Value
Cereal foods prepared	$ 192
Manufactures of wood, n.o.p.	100
Paper	5,153
Books	420
Other articles	225
Total	$6,090

Our exports to Finland in the same period amounted to $1,754,279. My hon. friend asked me about good roads a moment ago. We exported $13,523 worth of automobiles, so that my hon. friend will observe that the export of automobiles alone was double the importations.

Mr. MEIGHEN: We evidently sold them about three cars.

Mr. ROBB: I am not speaking about the number of cars, but about the value and advantage of the market. The exports consisted of:

	Value
Rye	$ 173,600
Oatmeal and rolled oats	63,690
Flour of wheat	1,322,501
Lard	67,425
Tires	7,219
Pipe and tubing	37,341
Mowing machines	28,283
Cultivators	1,510
Ploughs	2,526
Other agricultural tools and implements	699
Adding machines	19,125
Other machinery	7,820
Automobiles	13,523
Other vehicles	3,200
Other articles	5,817
	$1,754,279

Hon. gentlemen will observe that the balance of trade is very largely in favour of Canada.

Motion agreed to and the House went into committee on the resolution, Mr. Gordon in the chair.

Mr. MEIGHEN: I do not know that I fully grasped the minister's explanation. I

understand a treaty has been made between Great Britain and Finland, the treaty referred to in the resolution.

Mr. ROBB: Yes.

Mr. MEIGHEN: I would gather also that there is in this treaty a provision enabling any dominion to avail itself of the privileges of article 23.

Mr. ROBB: Yes.

Mr. MEIGHEN: Article 23 is a provision whereby the goods of Finland will be admitted to the country so acting on the same terms that the goods of Finland are admitted into Great Britain. That is to say if we take this action, there will be a change from the present position to another. The present position is this, that Finnish goods come in under our general tariff, and our goods go into Finland under their general tariff. The other position which will come about will be this, that Finnish goods will come into Canada under the most favoured nation tariff.

Mr. ROBB: The intermediate tariff.

Mr. MEIGHEN: It is the one that applies to the most favoured nation.

Mr. ROBB: Yes, the same as Italy.

Mr. MEIGHEN: Yes, and about eleven other countries. Our goods will go into Finland on the same terms as goods from Great Britain.

Mr. ROBB: Under their most favoured nation treatment.

Mr. MEIGHEN: Of course it matters very little, I presume, as regards their goods coming to Canada, even if there is a change of duty, when they send us only $6,000 worth. But we get the Finnish rate which affects us to some extent on automobiles, motor lorries and two or three other things which the minister cited. They are really very trivial.

Mr. ROBB: My hon. friend will observe that we have a large trade with Finland and there is a possibility that we might increase it.

Mr. MEIGHEN: We have a large trade, but it is not mainly in goods affected by the treaty.

Mr. ROBB: But the millers were afraid that they might put a duty on flour.

Sir HENRY DRAYTON: Can the minister give us the existing position as to Finland's rates, whether she has any special trade treaty, how many tariffs she has. I suppose she has a general tariff and a tariff which we would get the benefit of under this treaty. It would be interesting to know how the percentages of the new tariff will compare with the percentages of the existing tariff.

Mr. ROBB: Finland has a general tariff and a conventional tariff. On her general tariff, the duty on automobiles, passenger motor cars, is 20 per cent. Under the conventional tariff, the duty which we shall obtain is 8¾ per cent. In addition to that there seems to be a duty as regards the weight of the machine:

	General Tariff per kilog	Conventional Tariff markkas
Weighing not more than 900 kilogrammes..	3.50	1.81
Weighing not more than 900 kilogrammes..	5.00	2.18
Motor lorries..	10 per cent markkas	
but not less than per kilogramme..	2.50	
Wheels	20 per cent markkas	8¾ per cent
minimum per kilogramme..	5.00	2.18
Preserved anchovies, sardines and other fish, per kilogramme..	20	11
Phonographs, etc. per kilog..	150.	112.50

Sir HENRY DRAYTON: Under which tariff do importations from the United States enter?

Mr. ROBB: I cannot answer that question.

Sir HENRY DRAYTON: Have the United States a separate treaty with Finland?

Mr. ROBB: They have, I believe, because the commissioner tells me that the people most urgent for the acceptance of this treaty are the Canadian flour millers who do a considerable business with Finland, and they fear that the United States will get an advantage over them with their treaty. They anticipate a change in the duty.

Sir HENRY DRAYTON: It would be interesting to know whether we are getting the same rate or a better rate or a rate not quite as good.

Mr. ROBB: We are getting the most favoured nation tariff. There are only two.

Sir HENRY DRAYTON: The minister will see that there may be a separate trade treaty between the United States and Finland providing for specific duties. I suppose we were not represented in the negotiations in this matter?

Mr. ROBB: No.

Sir HENRY DRAYTON: No representation on behalf of Canada as to the class of goods that we were chiefly interested in getting into Finland under the low tariff?

Mr. ROBB: I will read my hon friend the clause that we come under and he will see that the United States will not be treated any better than ourselves. Article 23 reads:

Article 23 provides that goods produced or manufactured in India or any of His Britannic Majesty's self-governing dominions, colonies, possessions or protectorates shall enjoy in Finland the same treatment as would be enjoyed by similar goods if produced or manufactured in the United Kingdom, so long as goods produced or manufactured in Finland are accorded in India or such self-governing dominion, colony possession or protectorate, treatment as favourable as that accorded to goods produced or manufactured in any other foreign country.

Sir HENRY DRAYTON: How did the matter come to the attention of the government?

Mr. ROBB: I think it was brought before us primarily by our representatives who were over at the Colonial Conference last year, and then representations were made to us by the different milling associations throughout Canada that they had an excellent trade in that market, and that as there was some discussion about changing the tariff in Finland, they wanted us to get in there so that we would be able to maintain that market.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 239 respecting Trade between Canada and Finland.

Motion agreed to and bill read the first time.

BANK ACT AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution.:

That it is expedient to amend the Bank Act and to provide for the payment out of the consolidated revenue fund of the costs incident to a system of government inspection of banks, with provision for the recoupment of such expenses by assessment upon the chartered banks.

He said: This resolution and the bill which will be presented afterwards have already been discussed before the committee on Banking and Commerce. The legislation provides for an Inspector General of Banks who shall be authorized under the present Bank Act to make a careful examination of banks. It is intended that he shall make use of the reports of the auditors and inspectors who now work under the Bank Act and that in addition he shall have power to go into any head office or branch bank at discretion to make a thorough examination of the affairs of any particular bank. He will be paid out of the public funds and at the end of the year the banks will be assessed to meet the cost along the same lines as we now assess the insurance companies.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Sir HENRY DRAYTON: What will be the real functions of the inspector? We have had considerable dispute in regard to the banks, having had complaints to the effect that credit has not been sufficiently available in Canada and, on the contrary, complaints, very different in character but very loud and insistent, that credit has been too generous and that the banks have failed by reason of such credits having been improvidently supplied. It will be interesting to know what the particular function of the inspector will be in connection wtih this matter of credit. I suppose that every one realizes that around the question of credit most of his activities will turn. His activities certainly will not be necessary in so far as the mere compilation of accounts is concerned; with the amendments that have been made to the Bank Act the audit provisions are complete. Is it the intention of the government that this new official shall merely supplement the audit? Or, on the other hand, is he to be put in such a position as to be able to prevent direct credit? Shall he be in a position to say for example that such and such a firm is to get no credit at all or, if it already has credit, is he to say that there shall be no extension? Further, is he to be in a position to say to the banks that this or that account shall be liquidated and that the firm whose account is in question may no longer look for any banking facilities in Canada? In a word, are we now getting in the banking world a sort of Judge Landis who will have the right to pass upon the deliberations of the directors and those who have to do with the extending of credit in the banks, or is he merely to be a decorative and highly expensive addition to the present audit system?

Mr. ROBB: I do not know where my hon. friend gathered the idea that the bank inspector would have anything to do with the controlling of credits or the giving out of greater credits to the customers of the banks. I know there was considerable discussion in the committee of that particular

feature, but the inspector's duties are largely defined in the committee's recommendations between sections 6 and 10. Perhaps I can do no better than read the provisions:

The inspector, from time to time, but not less frequently than once in each calendar year shall make, or cause to be made, such examination and inquiry into the affairs or business of each bank as he may deem to be necessary or expedient, and for such purposes to take charge of the assets of the bank or any portion thereof, if the need should arise, for the purpose of satisfying himself that the provisions of this act having reference to the safety of the creditors and shareholders of each such bank are being duly observed and that the bank is in a sound financial condition. The inspector at the conclusion of each such examination and inquiry shall report thereon to the minister.

A copy of all reports made by the auditors of a bank to the general manager and to the directors under the next preceding section shall be transmitted or delivered to the minister by the auditors at the same time as such reports are transmitted or delivered to the general manager and directors.

My hon. friend will remember that the Bank Act at present compels two accredited auditors to send to each director of the bank a statement of their audit. We are now obliging them to send that report to the inspector also, and we are doing that to avoid duplication and also for the purposes of economy. These auditors, at present, although elected by the shareholders, are approved by the minister.

The inspector, or person acting under his direction, shall have a right of access to the books and accounts, documents, vouchers and securities of the bank, and shall be entitled to require and receive from the directors, officers and auditors of the bank such information and explanation as he may deem necessary for the performance of his duties.

The inspector shall have all the powers conferred upon a commissioner appointed under the Inquiries Act for the purpose of obtaining evidence under oath, and may delegate such powers as occasion may require. Any person who refuses to give such evidence or to produce any book or document material thereto when required so to do shall be guilty of an offence against this act.

Whenever the inspector is satisfied that a bank is insolvent he shall report fully on the bank's condition to the minister and the minister may, without waiting for the bank to suspend payment in specie or Dominion notes of any of its liabilities as they accrue, request the association or the president of the association to appoint a curator to supervise the affairs of such bank, and such request shall have the same effect as if the bank had suspended payment in specie or Dominion notes of any of its liabilities as they accrued, and a curator shall forthwith be appointed as provided in section 117 of this act.

I think that defines the duties of the inspector.

Sir HENRY DRAYTON: I confess that I am still somewhat in the dark as to what the bill really means. I have no doubt that something useful is desired to be accomplished, but I do not think the information throws any light on what it is. My hon. friend refers to what took place in the Banking committee. Well, as I was a witness in the Home Bank inquiry and was told by the minister that my conduct in connection with the bank was to be inquired into by the Banking committee, I deemed it more fitting that I should absent myself from its meetings during the remainder of the session.

Mr. CAHILL: You are thin skinned.

Sir HENRY DRAYTON: The hon. member for Pontiac says I am thin skinned. I do not think so. I wanted to do nothing which would influence the committee one way or the other, and in absenting myself from its meetings I think I merely observed the honourable and proper course—although perhaps my conduct does not commend itself to the hon. member. I do not know whether the inspector is to be a glorified auditor, or whether he is expected to take such a stand in connection with the administration of banks as will amount to absolute control. From what my hon. friend said I should have thought the proposal goes a good deal further in connection with credits and the like, because I observe that the inspector is to be given a very drastic function, a function which I should think would be given for a specific purpose. Without finding a bank insolvent, authority is given the inspector to take over its assets. Does my hon. friend seriously think that any bank could remain solvent after its assets had been taken over under proposed legislation? That provision is divorced from the provision as to insolvency, which gives the inspector the right to take over the assets of a bank if he wants to. Is there any control as to "wants to"; how is it to be worked out? My hon. friend can surely see that in the hands of some gentlemen this country would soon be left with but very few banks. It may be all right to grant this tremendous power, but I am asking for information in regard to it. What has to happen before the inspector has the right to take over the assets? And what is the position of the bank when he does take them over? Does his action under those circumstances connote, as one naturally would think it would, governmental responsibility?

Mr. ROBB: The bill distinctly says no.

Sir HENRY DRAYTON: The bill might say that black was white and white was black, but black still would not be white. We cannot get away from the ordinary results of our actions simply because we say there is to be no resultant responsibility. On the other

hand, supposing there is no responsibility on the government, is it fair to the depositors and the shareholders that a government official should have the right to interfere drastically, as he certainly would by taking over the assets of the institution, without any governmental responsibility? Surely the minister can tell us exactly under what conditions and circumstances he would expect such action to be taken.

Mr. ROBB: Had my hon. friend been present at the meetings of the committee he would have learned that this clause was modified. The intention is that when the inspector goes into the head office of a bank he informs the president or general manager, "All the assets are in my charge while I am here making my inspection." That is all it means. If an inspector goes into a branch bank he immediately takes over from the manager possession of the assets.

Sir HENRY DRAYTON: That is always admitted. But my hon. friend has not yet told us what is the real underlying idea. Is it to make more certain the provisions of audit, or is the inspector to act, as I put it shortly, as a general umpire in the banking business? There ought to be some real object to be served by the appointment of a general inspector. If he is to implement the present audit system, what defects has the minister found in it? If the defects be as to credit, and if this official is merely to look after the audit, how are we really helping ourselves?

Mr. ROBB: Perhaps I could not answer my hon. friend better than by replying to his inquiry as to what defects we have discovered. I am bound to say that the audit and inspection system as adopted last session, is very much better, as my hon. friend knows, than the system then prevailing. But that system, as he is aware, led to a campaign throughout the country that there should be better bank inspection. Having looked into this, the government concluded that in the interest of the banks themselves, the shareholders of the banks and the depositors, there should be a more accurate and complete system of bank inspection. My hon. friend asks me to give him an example of where this might be useful. I will give him an example that the newspapers have been full of for the last twelve months. When it was reported to Sir Thomas White, then Minister of Finance, that the Home Bank had made certain loans on certain securities, Sir Thomas White, acting as best he could under the act of that day, asked a solicitor in Toronto to look into it, and subsequently he asked two of the directors of the bank to make some inquiry as to the value of the securities upon which certain loans in British Columbia had been made. The directors reported that the security was ample; the records go to show that. The government think there should be in charge a bank inspector, a man of banking experience, who in cases of that kind will go in and put a valuation on the loans in question.

Sir HENRY DRAYTON: My hon. friend has entirely missed the point. I agree with him that we have a very much better system of auditing than we had; the amendment of last year went a long way. What I asked was whether he had found our present auditing provisions in any way faulty, and if so in what direction should they be improved.

Mr. ROBB: The proof that we recognize the value of the present audit system is that we propose to take the reports of those auditors and have them sent in to this inspector. But some person must take these reports up when they reach the department. Having all the reports of the different banks before him—I am talking now of the different head banks—he has a yardstick whereby to measure the value of the different securities upon which they are making loans. If it occurs to him that bank A is making a larger percentage of loans on certain security than bank B and that bank C is making a much lower percentage, then he will look into the matter; he will have the authority to measure the value of those loans and report accordingly.

Sir HENRY DRAYTON: Now my hon. friend is getting to what I said in the first place: Does he not think he is passing on credits and the policy of the directorate as to credits?

Mr. ROBB: Does my hon. friend think it would be a very bad thing, in view of the experience of the past, that some person should at least be there so that the banks may be warned that somebody will pass on the matter?

Sir HENRY DRAYTON: I have not said that anything is a bad thing; I am simply trying to find out what this legislation is to do, and I have not been having very much luck in that respect. I inquired whether we were going into the question of credits; the minister said there would be none of that; now we know there will be.

Mr. ROBB: What I thought my hon. friend had in mind was that the bank inspector would say whether or not certain persons or institutions would get credits.

Sir HENRY DRAYTON: In order to do what the minister has just referred to, will the inspector not have the right to cut off bank A, where bank A is away up on certain loans while bank B and bank C are away down? I just wanted to know what was intended; I wanted to get the information.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 240 to amend the Bank Act.

Motion agreed to and bill read the first time.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PUBLIC SERVICE RETIREMENT ACT

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 227, to amend the Public Service Retirement Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Operation of act extended, Act shall not be deemed to have expired.

Mr. STEVENS: I think we ought to have some explanation from the minister regarding this bill. It will run concurrently with the Superannuation bill.

Mr. ROBB: We propose that this bill shall run concurrently with the Superannuation bill. The members of the Civil Service will be afforded an opportunity of making their election as to which system they will come under.

Mr. STEVENS: What puzzles me is that the new bill does not cover all the provisions that have been temporarily adopted in the present bill. If the new bill is going into force, as I understand it will why should we prolong the life of the present measure which has been brought in more or less as a temporary measure? Surely we ought to incorporate in the Superannuation bill any advantageous features that the present bill may possess so that there shall be only one superannuation system in force. I know there are civil servants who have been in the government employ a great length of time and have asked for—perhaps I should say have been anxiously waiting for—the passing of the new and the definite measure. To me it appears rather an unwise thing to continue the provisions of the Retirement Act into the first period of operation of the new legislation. Next year when the Retirement Act again expires shall we be faced with the same conditions which call for its renewal to-day? That is the point which has been impressed on my own mind. If there are any grievances, if there are any things that have been overlooked under the new legislation, they should be adjusted at this time and the difficulties ironed out. If I am not mistaken this act was extended last year on the ground of the absence of a permanent superannuation system dealing with civil servants. That reason does not exist to-day, and it seems to me the two measures should be combined so as to completely eliminate any causes for grievance that may exist.

Mr. ROBB: There is a great deal of truth in what my hon. friend has said. However, the Superannuation bill was fairly well discussed before a special committee of the House when all parties were represented and it was pretty well threshed out in the House. It provides in a fair way for the civil servant. It was passed in advance of the present measure and has gone over to the Senate. It was thought advisable to renew the present measure in case the Superannuation bill should meet any obstacles in the Upper House.

Mr. STEVENS: If I remember rightly we made provision in the Superannuation bill for certain cases. I was certainly under the impression that in that bill we had covered all the needs of the service.

Mr. ROBB: I think so.

Mr. STEVENS: While I do not wish to interfere with the rights of any civil servant —far be it from me to do that; I want any retirement or pension bill we pass to be applicable and satisfactory to all—I think the bill that has just gone through this House will be fairly satisfactory to the civil service as a whole if it is approved by the Upper Chamber.

Mr. McBRIDE: In my opinion no measure that ever came before the House received more consideration than did the Superannuation bill. The committee to whom the bill was referred considered the matter very carefully and very exhaustively. They were in session over it night after night, sometimes until one o'clock in the morning. Members of the Civil Service Commission came before us and expressed their views; and we obtained the opinion of the leaders of the different organizations in the public service. The measure was finally passed unanimously by

the committee, there not being a dissenting voice from any member present. The committee's reason for recommending the extension of the Calder Act for a further period of six months was that there might be a means of providing for retirement in the event of the Superannuation bill failing to carry in the Upper Chamber.

Mr. MEIGHEN: Can the minister say whether it is intended that a man in the service, whether his condition demands it or not, must necessarily elect to be under the new act and subject to all its provisions, or else take retirement under the present measure?

Mr. ROBB: He cannot take retirement under this act after it has lapsed. Until this act lapses he will have the choice as to which of the two he will accept. That is my understanding of it.

Mr. MEIGHEN: Suppose he does not choose to say "I will come under the new act," but simply says nothing at all; in that case would he come under the new act?

Mr. ROBB: I would not answer that question without going into the matter. We discussed that pretty carefully the other day when I had the new act before me.

Mr. MEIGHEN: It is very important and I have some cases in mind. Suppose a man was appointed seven or eight years ago; he is approaching the age of seventy and is filling his post thoroughly well. Is there any course he can take that will avoid his coming under the new act and being automatically retired at the age of seventy years?

Mr. ROBB: I think provision is made in the other act for extending the time for the further period of five years.

Mr. MEIGHEN: That is up to a maximum of seventy?

Mr. ROBB: On the recommendation of the deputy minister.

Mr. MEIGHEN: Up to a maximum of seventy?

Mr. ROBB: I think for ten years from the date of the act coming in force—and I am speaking from memory—on the recommendation of the deputy minister the time may be extended for a further period of five years. Well, it may be five years from the date of the coming into force of the act. It is a fixed period, and after that period the civil servant retires automatically at the age of seventy.

[Mr. McBride.]

Mr. LOGAN: I think the ten-year period was cut out, and it was left so that on the recommendation of the deputy minister the time could be extended for five years.

Mr. MEIGHEN: That is to say, a man retires, unless the deputy minister certifies, that he may continue five years more?

Mr. ROBB: Yes.

Mr. MEIGHEN: I have always been opposed to this habit we have got into of late years of considering every man's usefulness over at the age of seventy or seventy-five.

Mr. ROBB: I would not like to admit it myself.

Mr. MEIGHEN: I think it is not only nonsense, but it is loading on the country a superannuation list under which—well, it would take a very strong country indeed to maintain itself. We are getting a list of superannuated servants in this country which is simply insufferable? I know men who have gone out on the retired list since we left the department—and I am not speaking in a partisan sense, because we had laws that forced men out too soon when we were in office ourselves—who were just as fit to work as I am, just as good as they ever were and who had only matured their experience; now they are walking the streets of Ottawa, or driving automobiles at our expense, doing nothing for the rest of their lives. This provision for virtually allowing a deputy minister to let a man out at seventy years of age, if he thinks that a man is necessary at all, does not seem to me to be in the public interest. Personally I never had any enthusiasm, indeed I never had any support, for the clause which was inserted in the Judges' Act which compelled judges to retire at seventy-five years of age. I have known judges compelled to retire at that age, who are now eighty-three and just as good as they ever were, and we have been paying them their full salary for eight years, while they were walking the streets or playing golf in California. I have such cases in mind at this minute. We could not do that, fortunately, under the constitution, with judges of the High court and Supreme court; otherwise I would not doubt that we might have retired them at seventy. Gladstone was Prime Minister of England when well on the way to the nineties. I do not believe in fixed ages for retirement. I believe in some system by which a man will be kept in service and earning his money until he cannot give service any

longer, and you cannot tell the time at which the period of usefulness ends, except by examination of the individual case. I know these remarks would be more appropriate on the Superannuation Act; but really I almost tremble when I think what is going to be the result of that act. It is going to load upon the backs of the taxpayers of Canada a tremendous and increasing burden as years go on, a burden in very many instances entailed in the support of people who are thoroughly able to work for their living.

Mr. ROBB: There is very much in what my hon. friend says. I stated that I thought some arrangement for the extension of the period had been made. The extension will be for a period of five years, and in the original bill as presented that privilege was only granted for a period running from ten years from the date of the coming into force of the act. That has been amended, so that it may be extended for the further period of five years, on the recommendation of the deputy minister, approved by the Treasury Board. In my experience I have never had a deputy minister yet who would recommend the retirement of a man because he was aged; indeed, quite the reverse. I can recall deputy ministers saying "Now this man is of such an age, but he is the best man around; he has grown up with the business and understands all the details and is very useful." To that extent I agree with my hon. friend. As to the charge that it places upon the taxpayer, it is true there will be some additional charge, but as an economic measure it is better than the Calder Act, because the civil servant himself is contributing something. He contributes five per cent. We have discovered in recent months that many of the civil servants thought the Calder Act was going to lapse. There were innumerable cases coming before the Treasury Board where the parties were eligible for retirement. They figured it out in this way, "We would get so much under the act and go out and get another job."

Mr. MEIGHEN: They did not retire.

Mr. ROBB: They did not retire from work.

Mr. MEIGHEN: The government does not need to retire them.

Mr. ROBB: The government refused many of the applications.

Mr. MEIGHEN: Under the Calder Act?

Mr. ROBB: And we have not added to our popularity by refusing many cases that came before us.

Mr. MEIGHEN: The minister should not be concerned about popularity.

Mr. ROBB: No, we have not been. That is why we have refused them. As the two acts come in and are running concurrently, if this act goes to the Upper Chamber, we might consider a modification of the date as suggested by my hon. friend.

Mr. LOGAN: I think, apart from the question of increasing the burden of the country, many injustices are bound to occur under this act. It is perhaps a good idea to leave this matter entirely in the hands of the deputy ministers. However, there might be mistakes. I have in my mind at the present time a gentleman who occupied a position in the outside service, not far from Ottawa, and I was surprised to receive a letter from him the other day saying that he would be seventy years of age next year. He is so active that I had not any idea that he was even sixty years of age. I consider him a better man to-day than he ever was. He is getting a salary of over $4,000 to-day and next year he will be practically thrown on the street in a way, because his superannuation will amount to, I think, between $1,300 and $1,400. Certainly, it is an injustice to this man who has given good service, that he should be placed under those conditions. As the leader of the opposition says, he is a better man than ever he was and probably would be an efficient officer for at least the next five years, probably ten years. But this man will find himself without any option whatever unless the deputy minister comes to his rescue—and that may be doubtful. He is put out with an amount to live on of about one-third of what he is receiving to-day.

Mr. ARTHURS: Can the minister tell me if I am correct in assuming that under the Calder Act a man may retire receiving an allowance according to the number of years he has served and also receiving the amount at present to his credit in the retirement fund plus 5 per cent interest? If that be the case, has this man any opportunity under this superannuation measure of drawing the amount at present to his credit in the retirement fund?

Mr. ROBB: I could not answer my hon. friend offhand without going through the bill very carefully. We discussed the Superannuation bill in committee a few days ago.

Mr. ARTHURS: It has a distinct bearing upon this measure. This man would have no option after July 1 unless this measure passes.

Mr. ROBB: We are extending this act so as to give the civil servant an opportunity of deciding which of the two he will accept.

Mr. MANION: I should like to associate myself with the remarks of preceding speakers opposing the retiring of men at a certain age. As I look back over the list of men who have accomplished big things, I can easily think of many men, even in our country who have been prominent figures at an advanced age. Our Liberal friends need not go very far back to remember their great leader who was a prominent figure in this House after seventy years of age. In England, Asquith and Balfour, prominent figures in political life, are well past seventy years of age and are still doing able work.

There is another aspect of the case I wish to point out because I think the government should give a little more consideration to the question before fixing a certain age of retirement as the absolute law of the country. To retire men who have been engaged for thirty or forty years in a particular line of work, unless they have something else to do, is the most ridiculous act anyone can perform, because it is a known fact that a large proportion of men who have been working for a great number of years at one occupation and who give it up without having any other work to do go to pieces. The government, because of all the different reasons advanced by different speakers, should seriously consider not fixing absolutely the age of retirement. I have in mind a civil servant who retired within the last few years. I do not remember whether his retirement took place under this government or the last. I understand from correspondence that he did not wish to retire at all; but the only opportunity he had of taking advantage of the superannuation allowance which he would get was to retire at once. He had been carrying on his work as a civil servant for many years, and he did not desire to retire because the superannuation allowance was not sufficient for him to live on, but unless he retired he ran the risk of not getting the superannuation allowance at all. He is finding life very dull; time hangs heavily upon his hands; he would be much better back at work, and that would be an advantage to him as well as to the country, because the country at present is paying two salaries instead of one as in the past. The minister should consider the matter well before having legislation passed definitely fixing the age of retirement in the Civil Service.

Mr. ROBB: I can assure the hon. member that the government is not desirous of retiring any public servants who are doing their work well.

Mr. MEIGHEN: But the government has taken this action, and that is what I object to. I admit this discussion would be more appropriate on the other bill, but I was not present when that was under review. This legislation, however, is very much akin to it. The government has fixed a limit of seventy years with an option only of five years. I object to any limit at all and I think every case should be decided upon its merits. To retire a man compulsorily at seventy-five is not a good principle. I can give the minister a name right now. I do not know the age of Dr. Deville, head of the survey services of the government, but I presume under that act he will very soon have to retire. The government cannot replace him in Canada. He is at the head of his profession in this Dominion; he is as good as he ever was, and to all appearances he will be for another ten years. What utter nonsense it is, because of a statute which we passed deliberately and without sufficient thought to be compelled to pay him a salary in retirement when he would probably far rather be where he is, although I have never spoken to him about the matter, and then to get some other man to take his place, likely at an advanced salary, because in all probability the government will come to parliament and say: We find that we cannot get a man at this salary; to get the best man in the country we have to pay him $15,000 a year, or something like that. This is the position we are getting into by retiring in obedience to an arbitrary law, men who are capable, who have gained their experience in the service, who have, by virtue of their own talents, walked right to the front. In my judgment, the salary list of Canada to-day, especially the retirement list, the judicial retirement list in particular, is enhanced out of all proportion to the necessities, just by breach of this principle, just by fixing this arbitrary age limit and requiring men to retire at that age irrespective wholly of their capacity to carry on. I really tremble when I think of what this Superannuation Act is going to put upon us in addition to certain acts of similar character that are now on the statute books.

Mr. MARTELL: I quite agree with the leader of the opposition (Mr. Meighen) that there should be no arbitrary age at which a man must retire. There are times when a man should retire long before he does, but there should be discretion as between himself and the Governor in Council after a thorough investigation as to when he should retire. A judge on the bench often becomes very deaf, and it is hard for a solicitor or a counsel to try cases before him. He probably gets deaf when he is sixty-five years of age and he is not quite competent to carry on. But there are cases of men, seventy-five, seventy-six or seventy-seven years of age, who are really just at their best. I know cases in my constituency, and I am quite frank about the matter. The county court judge for the counties of Hants, Colchester and Kings, His Honour Judge Barclay Webster was appointed some seven or eight years ago. He is seventy-five years of age and he is bound to retire from the bench this fall. Any person who has ever practised before Judge Webster knows that he is a thorough gentleman and that he makes an excellent county court judge, I do not think Judge Webster wishes to retire at the present time, and it is hard to say to him that he must retire, particularly at a time when he knows his circuit well and when every solicitor who practises before him feels that he is eminently qualified and fair. That is the fault of having an arbitrary age limit.

Some of us might be looking to be county court judges. I happen not to be one, but I am saying this to-day simply in fairness to the public service of this country. Some men, probably through no fault of their own, but through physical infirmity, should be retired when they are fifty-five or sixty years of age. But when a man reaches a certain age and is thoroughly qualified to carry on the work in which he is engaged, it is not fair for the people of this country to say that that man must be arbitrarily retired. As the leader of the opposition said, we are creating in this country a civilian pension list that will load the people with burdens grievous to be borne. The time has come when we must cease doing that sort of thing. I am one of those who believe that the state has a right to help out a public servant who has given good service to the country and who, through no fault of his own is unable to carry on his work. But it certainly is not in the interests of the country for parliament to set an age limit of 65 or 70 years at which civil servants shall be compelled to retire whether or not they are longer fit to render satisfactory service. What will the people outside say? The average man in the country receives no pension; he has to provide for his own old age. If he earns, say, two or three dollars a day he is bound to make provision in some way or other out of those wages for a rainy day, and if through disease or sickness of any kind he dies, his wife and children are not provided for by the state. Now, men enter the Civil Service, not because the Civil Service asks them to do so, but because they want the job. There is no compulsion on anybody to enter the public service of this country, and when any man does take up a position under the government he knows just what to expect. Civil servants therefore in my opinion have just as much right to provide for their own old age as has anybody else in the country. I do not anticipate a lengthy carreer as a member of parliament, for the average country lawyer of modest means cannot afford to spend the greater portion of his life in parliament. And if I, as an ordinary country solicitor, should unfortunately pass into the beyond I certainly do not look to the state to make good any deficiencies in my fortune; the state is not going to say, "Martell, you have been a member of parliament and you served the country well in that capacity; the state will therefore provide for your wife and children." No; to the best of my ability I must provide for my family by insurance or in some other way in keeping with my means. And why should not the average man who enters the Civil Service be under the necessity of doing the same? If people would live within their means they would be able to make provision against the future; but I certainly do not think that the state should out of its bounty render people dependent upon the taxpayers of the country in this way. People cannot expect to live in Bacchanalian fashion, eating, drinking and being merry, "for to-morrow we die," and have the state provide for their old age and for the comfort of their families. That is not in the interest of the taxpayer; and anything of the kind will, I believe, be resented by the people.

Mr. LEWIS: I rise to a point of order. This discussion would be relevant under Bill No. 122, section 10, but I do not think it is in order now.

Mr. MARTELL: Notwithstanding my hon. friend who has become a parliamentary authority I hold that I am entirely in order.

Mr. LEWIS: I urge the point of order.

Mr. MARTELL: To come back to my point.

The CHAIRMAN: The point of order must first be disposed of.

Mr. MARTELL: I contend that I am in order.

The CHAIRMAN: The subject before the Chair has reference to retirements under the Public Service Retirement Act and as the question of age is in issue I rule that any discussion in regard thereto is in order.

Mr. MARTELL: In conclusion I emphasize that there should be no arbitrary age limit fixed for the retirement of public servants. Some men at 75 or 80 are better than younger fellows of 30; they have the experience of age and so long as a man has all his faculties about him and is evidently qualified to carry on there is no reason why he should be compelled to retire at the suggestion of any one.

Mr. WOODS: I want to endorse the remarks made by the hon. member (Mr. Martell) and also by the leader of the opposition (Mr. Meighen). I think we are drifting into a serious mistake when we provide for retiring allowances and for the retirement of men before they are incapacitated and unfit for further public service. In other walks of life there are hundreds of thousands of men who have laboured and toiled for many years without prospect of a retiring allowance in their declining years; they are forced to labour on so long as they are physically fit, and in order to provide for their families and those whom they leave behind they must economize to meet insurance or in other ways to provide against misfortune. On general principle therefore I am opposed to retirement allowances. In some cases I believe that a superannuation allowance might possibly be justified to provide for civil servants, men or women, who have struggled and served the public for a number of years on a very small salary which might not be more than sufficient to keep them comfortably in existence and to clothe them properly. But the highly paid officials, those who receive high salaries in the government service, are in an entirely different position, and it seems to me it is a mistake to provide abundantly for them in their old age. This sort of thing tends to develop the spirit of the spendthrift; people who are so provided for are apt to feel that they may go the limit, in the knowledge that the government will provide for them and their dependants later on. I want to emphasize the one ideal which has been so strenuously put forward and that is the unwisdom of fixing an age limit. As has been stated, there are some individuals who should be retired possibly at 50 or 60; but there are those who are quite energetic and efficient at 75 and upwards, and who indeed sometimes are better fitted by reason of experience to discharge their duties than they were at an earlier age. I think therefore that the government is making a very serious mistake in fixing the age limit for retiring public servants at from 65 to 70. I am opposed to this, and I also object to retiring allowances for civil servants or government employees who have received a substantial and remunerative salary during the period of their service.

Mr. STEVENS: Is it within the power of the minister to oblige civil servants to apply for retirement under the Calder Act?

Mr. ROBB: I do not think it is in the power of the minister to do that, but in the past I think civil servants have been offered the advantages of the Calder Act under all governments which have been in office since that act was passed. I can remember very well that when Mr. Calder was a member of this House he said that it would be a matter of economy and would enable the government to dispense with the services of any who were not required.

Mr. STEVENS: Is it fair to give the minister the power to say to a civil servant, "Here is the Calder Act; I want you to retire, and if you don't you will be dismissed"? If this act is to be extended, or if any provision of this kind is to be carried on the statute books, I believe that the individual to whom it is to apply should have some right of appeal, some consideration, some hearing given him; whereas as the act now stands it is within the power, as I interpret it, and has been the practice for a minister who wants to get rid of a civil servant because he has a grudge against him, or desires for some other reason to be relieved of his presence, to bring him to retirement under this act.

Mr. ROBB: My understanding is that unless this bill goes through the Calder Act is as dead as Pharaoh, and I do not propose, at this stage of the session, having a desire to effect some economy, to sit here very long trying to put this measure through. In recent months it has not been a case of ministers

trying to impose the Calder Act upon civil servants, but rather there has been a stampede of civil servants to take advantage of its provisions.

Mr. STEVENS: I am not seeking to obstruct the minister's bill, I am merely asking what I consider a very civil and pertinent question in connection with this bill. It is not fair to the civil servant to put him in that position.

Mr. STEWART (Argenteuil): It appears to me that the Calder Act is being taken advantage of. If a civil servant remains until he is seventy years of age, I am inclined to think the Superannuation Act will be a great improvement over the Calder Act, because under present conditions after ten years' service a civil servant can take the benefits of the Calder Act. You can, of course, refuse to allow him to retire, but you are not going to get very good service out of him under such circumstances. For that reason I am rather in favour of the Superannuation Act. It must not be forgotten that there are very many people in the service to-day who, if they continue until they are seventy-five years of age, will practically, under their 5 per cent contribution, have provided for their retirement; but under the Calder Act on retirement they take out all they have paid in, plus usually a gratuity, and they leave the service without having contributed anything to carry them in their old age.

Mr. MARTELL: Is it not a fact that under the proposed Superannuation Act, if a civil servant should die his wife and children get the benefit of the 5 per cent that he has paid into the fund?

Mr. STEWART (Argenteuil): Up to a certain period that is true.

Mr. MARTELL: But does the labouring man's wife and children get the same consideration?

Mr. STEWART (Argenteuil): I am not arguing that point at all. I think in fairness to the civil servant that that is one part of the discussion which has been lost sight of.

Mr. MARTELL: We are too fair to civil servants.

Mr. STEWART (Argenteuil): That may be. As to what my hon. friend from Vancouver Centre (Mr. Stevens) has stated, the fact is not that there has been a desire to retire these people, but rather that there has been a rush on their part to be retired under the provisions of the Calder Act. There should be some time given to straighten this matter out. Therefore I am in favour of extending the act for a reasonable length of time.

Section agreed to.

Bill reported.

Mr. SPEAKER: When shall said bill be read a third time?

Some hon. MEMBERS: At the next sitting of the House.

SUPPLY

PUBLIC WORKS—HARBOURS AND RIVERS

The House in committee of Supply, Mr. Gordon in the chair.

Harbours and rivers—Quebec—Chicoutimi basin—wharf repairs, $4,800.

Mr. STEVENS: Apparently $6,000 was spent last year, and we have an expenditure of $4,800 this year. Is this work to be done by day labour or by contract? And what is it for?

Hon. J. H. KING (Minister of Public Works): This is expenditure requested by the district engineer to rebuild 109 feet of the wharf between the slips. There was an appropriation last year and an expenditure of $6,132. The work is required for the maintenance of the structure in good condition. The traffic on this wharf is quite heavy, consisting principally of a ferry steamer crossing to Ste. Anne de Chicoutimi every half hour, of another steamer making four trips weekly to Rivière aux Vases and of many schooners calling occasionally. Not less than 1,200 to 1,300 passengers, 350 vehicles and 100 tons of freight are transported weekly. The work will be done by day labour.

Mr. MANION: How much was spent last year?

Mr. KING (Kootenay): We spent $6,132.

Sir HENRY DRAYTON: Last year we voted $6,000 for repairs. Now we have a further vote of $4,800. Is this work interrelated with the old?

Mr. KING (Kootenay): This is to rebuild a portion of the wharf that was not provided for last year, and for further repairs.

Sir HENRY DRAYTON: Will anything be needed next year?

Mr. KING (Kootenay): Not to my knowledge. This is expected to complete the wharf.

Sir HENRY DRAYTON: Will this leave the wharf in good shape?

Mr. KING (Kootenay): Yes.

Item agreed to.

Cross point—wharf extension, $3,600.

Mr. KING (Kootenay): This is to extend the easterly outer wing of the wharf 50 feet in length by 30 feet in width and 16 feet in height. The work is recommended by the district engineer.

Item agreed to.

Fabre—wharf repairs, $1,350.

Sir HENRY DRAYTON: What is the explanation here? We spent $600 on this wharf last year.

Mr. KING (Kootenay): This work is requested by the district engineer to renew some 2,000 square feet of three-inch flooring, to rebuild a slip, to replace floor stringers, to replace 8 waling pieces, to rebuild a section of riprap approach 32 feet long damaged by ice shove and action of waves during high water period in 1923, and to cover walls of freight shed with corrugated iron sheeting. These repairs are required for the proper maintenance of the wharf to accommodate regular traffic.

Mr. MANION: Has the minister at hand the cost of these wharves originally? I am curious to know the percentage of maintenance cost.

Mr. KING (Kootenay): The original cost was $21,881 and there has been expended on repairs $7,757.

Mr. MANION: Over what period?

Mr. KING (Kootenay): From 1905 to date.

Item agreed to.

Fauvel—repairs to breakwater-wharf, $1,000.

Mr. KING (Kootenay): This is to renew flooring and stringers to the extent of 300 feet.

Mr. MANION: Is there any stated average percentage of cost of repairs or upkeep of these wharves? I have noticed since I came into the House that whether under this government or the late government there have always been a number of items of this kind.

Mr. KING (Kootenay): The percentage would vary a good deal, according to the circumstances.

[Sir Henry Drayton.]

Mr. MANION: Would it be 5 per cent, 10 per cent or 20 per cent?

Mr. KING (Kootenay): Probably about 5 or 10 per cent, depending on the character of the structure, its location and the use to which it is put.

Mr. MEIGHEN: What county is this in?

Mr. KING (Kootenay): Bonaventure.

Item agreed to.

Fort William—wharf repairs, $1,000.

Mr. KING (Kootenay): This is for renewing 2,500 square feet of flooring in the landing head and approach, replacing window panes and protecting glass with screens. It is recommended by the engineer.

Sir HENRY DRAYTON: What was the $950 spent for last year?

Mr. KING (Kootenay): Replacing pile caps on ice breaker, shackling pile caps to piles and renewing sheeting; replacing 3,500 feet board measure 3-inch flooring on approach, patching flooring on landing head, temporarily reinforcing stringers, and minor repairs to freight shed.

Mr. MANION: The minister mentioned minor repairs to freight shed. Do we keep up freight sheds?

Mr. KING (Kootenay): Yes, for the storing of freight. This, of course, is Fort William, Quebec.

Mr. MANION: Yes, I was asking the question generally. Do any government boats run up there?

Mr. KING (Kootenay): No.

Mr. MANION: All the freight sheds at the head of the lakes, for instance, are kept up by private corporations. The Canadian Pacific have some; the Northern Navigation Company have some, and the same applies to the other concerns. It is true we have some for the Canadian National Railways, but under circumstances of this kind why should the government be keeping up the freight shed?

Mr. KING (Kootenay): These are small communities, and unless they were co-operative societies they could not have a shed of that character. It is to give the accommodation to the public in small localities.

Item agreed to.

Gaspe Basin (Sandy Beach)—wharf repairs, $7,450.

Mr. LEWIS: Will the minister explain this item?

Mr. KING (Kootenay): This is to fill in and level the approach with earth material; to fill in and level with earth material the spaces between north face of the 9 p.m. wharf and shed and south face of the wharf and shed; to lay a concrete surface over the area included between northerly, southerly, and easterly faces of crib work construction; to make general repairs to shed located on wharf and to place hardwood fenders 25 by 10 feet by 12 inches and 600 lineal feet of hardwood walings 10 by 12 inches along the southerly face of wharf starting from outer or easterly face towards the shore.

Mr. MANION: What was the original cost of that wharf?

Mr. KING (Kootenay): $313,343.

Sir HENRY DRAYTON: What are the dimensions of the wharf?

Mr. KING (Kootenay): It is composed of an approach 296 by 15; of a first crib 144 by 45, and of the main wharf, 725 feet long by 75 feet wide, built from 1910 to 1914.

Mr. MEIGHEN: How much business is done per year at that point?

Mr. KING (Kootenay): A good deal of pulp manufactured by the St. Lawrence Pulp Company at Chandler goes over this wharf, the output being over 100 tons a day. Some 80,000 tons of coal are also unloaded on this wharf, and many thousand cords of pulpwood are shipped.

Mr. MEIGHEN: It would appear to be a wharf just for the St. Lawrence Pulp Company; I presume the coal is theirs. We have spent $300,000 odd on it, and it took last year $5,500 to keep it in shape and this year $7,500. What is it going to cost next year?

Mr. KING (Kootenay): I imagine the pulp industry is the industry of that district. The wharf undoubtedly is a great accommodation to the industry and to the people associated with it. There is a very large district round about which is served by this wharf. It is the main deep water wharf for the shipping in that district.

Mr. MEIGHEN: How many people live in the village?

Mr. KING (Kootenay): I have not the figures, but I am informed there are about 1,500 people living in the vicinity. Gaspé is the terminus of the A. W. and W. Railway, that connects over 202 miles of rails with the Intercolonial Railway at Matapedia west of Gaspé, serving a large section of country.

Mr. MEIGHEN: It does seem to me that some policy might be adopted of having large industries which really get the whole benefit of wharf construction and maintenance to contribute something toward that maintenance. If that industry were somewhere else it would have to supply its own facilities for access to the railway. Why should all these facilities be provided and maintained for it? Fifteen hundred people would not be more than enough to sustain a pulp mill producing 100 tons of pulp a day. The people of the district would not be served at all because they are not exporting any products. I would not think they would likely use it very much; it is really a pulp mill wharf, and the cost of it is very great. Are there any cases where individual corporations using wharves contribute to their maintenance?

Mr. KING (Kootenay): The work at Matane is being contributed to by a corporation who are paying practically 50 per cent of the expenditure there. The other night we passed a vote where a brick company was paying one-third of the cost. I think that is fair. This pulp company is not, I understand, operating directly at the wharf site but they ship their pulp down and it goes over the wharf, and they pay the Marine department certain wharfage dues.

Mr. MEIGHEN: It does seem to me too bad that a different department is collecting the revenue from the one that is spending the money. I asked the minister what the revenue was from this wharf and he told me he did not know; that the collection was in another department. I am going to see whether I am right or wrong. What do we get out of this wharf?

Mr. KING (Kootenay): In 1916-17, $150 was collected. In 1918-19 the collections amounted to $1,000. In 1922 the sum of $190 was collected. That is all the information I have.

Mr. MEIGHEN: Cannot the minister give the information for subsequent years?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: I suppose nothing at all is being collected now.

Mr. KING (Kootenay): I imagine some revenue is being collected.

Mr. MEIGHEN: It is funny we have no information up to date as to the Matane wharf. In my opinion I think it is an outrage to be contributing a dollar. The wharf instead of being an advantage to the country is a disadvantage. It may be an advantage to the company to get pulpwood out of the Dominion, but why we should put up $100,000 to denude our forests for the advantage of the United States and United States Corporations is a mystery to me. However, we will get to that later on. Why is it that in cases where it is a commercial enterprise, where it is part of a plant of a commercial enterprise, there is not a system of maintenance, of dues that will sustain it? Can the minister give any reason why there is not such a system in operation?

Mr. KING (Kootenay): No, we have followed what seems to have been the practice here. I quite agree with my right hon. friend, and I am making representations along those lines—that where there is any development, a large pulp industry or otherwise, and there is a large expenditure of money, these people should include that as part of their capital investment. However, that has not been the practice in the past. I do not think this wharf is used entirely by the pulpwood concern. The district is a large one and this wharf is the only high level wharf in that section. If it did not exist the people of the district would not have that accommodation which is so essential to the fishermen and others who earn their livelihood in the neighbourhood.

Mr. MEIGHEN: On what basis is the revenue contributed?

Mr. KING (Kootenay): I understand the rates are fixed from time to time by order in council—so much per ton of material, so much per head of stock, and so on. I do not imagine the rates are unduly high; they cannot be with the collections that have been made. However, the Public Works department does not collect these revenues.

Mr. MEIGHEN: They would not pay the salary of the wharfingers.

Mr. KING (Kootenay): I would think not.

Mr. PARENT: As a matter of fact I do not think any government has tried to collect dues of the kind, either the government of my right hon. friend the leader of the opposition or the preceding administration. It would cost more to collect dues than would be derived in revenue. These wharves are built for the special purpose of encouraging the agricultural community and bringing about the development of our forests. Were it not for these facilities neither those engaged in farming nor in lumber would benefit; and the forest would be left to become the prey of the devouring element which has brought so much destruction to our timber in the past.

Mr. MEIGHEN: I entirely approve of the policy of constructing wharves that are necessary. It is just on the same basis as the construction of railways, in order to take care of the needs of the population for transport; and the country should manifest just the same interest in it and provide facilities on just as generous a scale for the one as for the other. But on the same basis it would appear to me that there should be something like equality in support. We at least pretend to follow the principle—we do not always manage to live up to it,—that when a railway is built the tolls must take care of the cost of operating that railway and interest on the construction.

Mr. PARENT: There is no railway down there.

Mr. MEIGHEN: We have not always done it I know but we try to do it. That is what we aim at. We cannot do that perhaps in the case of wharves but we should at least lay that down as the cardinal principle of policy and seek to live up to it. I am not claiming that any different policy was adopted under the late government. I just call attention to instances like these where we have assumed a responsibility for a corporation when it is not ours at all. Why should we be supplying the capital for maintenance purposes when they are only exporting pulp; when they are not even making paper?

Mr. POWER: Why should there be discrimination against this particular company, and the fishermen compelled to pay who are too poor to incur that liability?

Mr. MEIGHEN: I do not know a single thing about the company.

Mr. POWER: Neither do I. It is just establishing a principle as I understand it. We allow the use of these wharves without payment of toll because in a large number of cases, particularly on the north shore, the fishermen and farmers are not in a position to pay. In this particular case a pulpwood company is using the wharf. Would the right hon. gentleman have us charge the company and not charge their neighbours who are not in a position to pay?

Mr. LUCAS: May I ask the hon. gentleman a question?

Mr. POWER: I am not arguing this matter, I am asking the leader of the opposition to answer my question.

Mr. LUCAS: The hon. gentleman made a statement that the farmers and fishermen of that part of Quebec are not able to pay tolls for the use of these wharves.

Mr. POWER: We are not so wealthy as the western farmers.

Mr. LUCAS: Is it not a fact that those people have to pay freight rates when they ship anything over the railways?

Mr. POWER: In some cases they pay freight rates but they also have to contribute their share judging from the estimates, towards the cost of operation of the National Railways. I cannot for the life of me see the distinction between a contribution towards a wharf, costing perhaps a thousand dollars, and a contribution towards meeting a deficit of fifty or sixty million dollars on railway operations.

Mr. MILLAR: I am always in better humour when we get over the estimates for these wharves. Strung along the Atlantic coast and the St. Lawrence are wharves by the hundreds. I cannot help thinking that the construction of these wharves grew up in former years—

An hon. MEMBER: Through corruption.

Mr. MILLAR: Yes through corruption, and it has become a long standing abuse. When I listen to the discussion of these estimates I wonder if there was ever an attempt to make an equal distribution of money from the federal treasury as between the provinces. Here are millions of dollars spent in some provinces and not a cent expended for the same purpose in other parts of the country. If this expenditure was more on a parity throughout the country then there would be less reason to object. We are voting for expenditure after expenditure where large sums of money are spent in some of the provinces and none in the other provinces whatsoever. In the city of Toronto we find that $7,000,000 was spent for the harbour in a number of years, and I believe I am correct in saying that not one cent has been received in interest, or very, very little. Reference has been made to money expended in building railways. Of course railways are expected to charge a rate that will return the money invested in them, as well as the expense of running them. Reference has also been made to the fact that if those wharves were not built there would be no settlement there. The people are not able to build them themselves. The same thing could be said of the prairie provinces and the same could be said in regard to the elevators; and yet there is not one cent expended by the government or the companies. The charges made are sufficient to meet all expenditures. Possibly the government may build a terminal elevator in the wrong place and it will not pay the charges, but other elevators are sufficiently remunerative to make up the difference. The prairie provinces are not getting fair consideration in the expenditure of this money. There is no expenditure in those provinces to offset the expenditure in the other districts—none whatever. Every cent of expenditure incurred in the handling of grain, of cattle, and of incoming freight is returned; and this traffic pays its own way. Those who receive and those who ship bear all that expense.

Mr. PARENT: We do the same in Quebec. We pay our own way.

Mr. MILLAR: Do you pay for your wharves?

Mr. PARENT: They are for the general benefit of Canada.

Mr. MILLAR: So are the elevators, but we do not get the money for them. We have to pay the money.

Mr. PARENT: Like any other factory.

Mr. MILLAR: In the case of scores of these wharves not one cent of interest is received. The minister gave some items showing returns, but they were so small I thought I could see the minister smiling. He thought it was a good joke himself, because they were very small. There are other expenditures where the same thing occurs, which I will refer to later. There is a great deal of injustice being done, and I certainly would like to see the time come when the government will adopt a policy that is fair to all. I am sure the trade will not warrant many of those expenditures, and there is no justification for them. The people living in those constituencies have been favoured with the expenditure in past years, they look for it, they trust they will receive it, and they get it; but I must raise my voice in protest against those expenditures. I know that many of them are not justified.

Mr. MANION: There is another aspect of the case, I am not bringing it up with the desire to differ from my hon. friend, and I am not defending these expenditures. I simply

refer to it without any desire for controversy. While it is true that in the prairie provinces no money to amount to anything is spent on wharves, dredging and that sort of thing, at the same time the tens of millions of dollars that have been spent at the head of the lakes, on the Welland canal, on the Soo canal, and on the deepening of the St. Lawrence must tend to lower freight rates, and indirectly benefit to a great extent the prairie provinces. I think my hon. friend will agree with that.

Mr. MILLAR: Yes.

Mr. MANION: And there is no charge for that. At the head of the lakes $13,000,000 has been spent. Practically very little of that, perhaps $3,000,000, has been spent for more or less private corporations—I mean for elevator companies and so forth—to permit the boats to get to the sides of the elevators; but $10,000,000 of that sum I think has been spent for the general harbour improvement, which indirectly benefits to a great extent the prairie farmer, because it gives him an advantage in shipping his wheat. The same is true of the Vancouver expenditures. Once the Welland canal is put into commission, as it ultimately will be probably by the deepening of the St. Lawrence waterway, all those millions of dollars which have been spent on harbours will give to the prairie farmer an indirect advantage which perhaps will make up to a very large extent for the amounts spent in small wharves in the farming and fishing sections of the country. I point that out as a justification of the expenditure but not with any desire to start a controversy on it. I think my statement is correct to a very great extent.

Mr. MILLAR: Is it not a fact that the grain handled through the terminal elevators pays the entire cost of construction and handling?

Mr. MANION: Yes, of course. I was not discussing elevators. I was discussing harbour improvements, which have nothing to do with the elevators, I was referring to the building of harbours and breakwaters to permit ships to come up to them and handle the grain of the West.

Mr. MILLAR: But that is not an expenditure for the prairie provinces exclusively.

Mr. MANION: The expenditure is not exclusively for them, because it benefits the manufacturer; but it does benefit the prairie provinces because the boats could not handle the wheat without the facilities which are given by the millions of dollars of expenditure.

Mr. WARNER: Is it not a fact that they do business enough to justify the outlay?

Item agreed to.

Grand Entree (M.I.)—breakwater extension, $1,500.

Mr. KING (Kootenay): This is in Gaspé county and completes the construction of the western breakwater, 400 feet long, commenced in 1923-24.

Item agreed to.

Grand Entree (M.I.)—wharf repairs, improvements and extension, $3,700.

Mr. STEVENS: This is a new item?

Mr. KING (Kootenay): This expenditure is requested by District Engineer Amiot to raise and level the wharf in places, to raise the freight shed three feet, to repair and replace the roof of the freight shed, to enlarge the wharf by 15 feet along the 45 foot frontage and 15 feet along the 40 foot south east side and to surround the whole with sheet piling.

Mr. STEVENS: Is it all being done by day labour the same as the rest?

Mr. KING (Kootenay): This will be done by day labour.

Mr. STEVENS: Keeping up the new extravagant practice?

Mr. KING (Kootenay): No, we are saving money.

Item agreed to.

Grand Piles—Freight shed, $2,300.

Mr. KING (Kootenay): This item is for the construction of a freight shed 300 feet long by 30 feet wide.

Mr. STEVENS: Why should this not be done by contract?

Mr. KING (Kootenay): It might be. It would depend on the report of the engineers. It can be let by contract if there are contractors in that vicinity who can handle it.

Mr. BOYS: Who owns the land on which the freight shed is to be constructed?

Mr. KING (Kootenay): The property has been transferred to the Crown free of charge.

Mr. BOYS: We have the title to the land on which it is to be erected?

Mr. MANION: How many people are tributary to the freight shed which is to be built?

Mr. KING (Kootenay): The population is not given. It is the terminus of the Canadian Pacific branch line and is the starting point between Grandes Piles and La Tuque, a distance of seventy-five miles. All goods, materials, outfits, and so forth, for shanties and people living along the St. Maurice river, are unloaded at Grandes Piles to be distributed by boats. This traffic is considerable during the summer season and there is no shed to shelter the merchandise which has to be left in freight cars while waiting to be shipped by boats. Besides many others, two regular line steamers and scows ply twice a week during navigation season between Grandes Piles and La Tuque with passengers and freight. Apparently, this is for supplies tributary to the whole district.

Mr. LEWIS: This particular item seems to lend itself pretty well to contracting although it is under $5,000. This is for a new building and as the specifications can be clearly given, a contract should be brought into play.

Mr. KING (Kootenay): This place is some distance away from the centre of population and contractors are not going to move out for a small job of that kind. It could not be done by contract unless there was a local contractor.

Mr. LEWIS: Are all the engineers who look after this kind of work familiar with the rule as to all work over $5,000?

Mr. KING (Kootenay): Yes.

Mr. HALBERT: Does the government keep a supply of men under an overseer the same as the railway companies going around repairing these wharves?

Mr. KING (Kootenay): No.

Mr. STEVENS: I should like to point out to the minister, because a little conversation that has just passed between him and the hon. member for Swift Current (Mr. Lewis) will be cited as an authority for establishing the desirability of doing work under $5,000 by day labour, that is not the intention of the arrangement at all. The intention is that in extraordinary cases the minister may, up to $5,000, do the work by day labour. What I want to insist upon, as I did the other day, is that this work should be done by contract wherever possible. This is a shed and it ought to be done by contract. This is a little village, and to have competition between local carpenters would be a very healthy way of doing the work.

Item agreed to.

Grindstone (M I.)—waiting room and wharf improvements, $3,250.

Mr. KING (Kootenay): This is to construct a waiting room on stone foundation some 100 feet away from freight shed and fifty feet away from any timber works and a timber breast work of 130 feet from outside rock cape to pier opposite east end of freight shed, with 6,800 superficial feet of back filling for a height of twelve feet. It is recommended by the district engineer.

Mr. BOYS: Is this another case in which we have titie?

Mr. KING (Kootenay): We have title.

Mr. BOYS: When was it acquired?

Mr. KING (Kootenay): The property where this shed will be located has been in the Crown for a number of years. It adjoins the wharf property.

Mr. BOYS: Is the property on which the wharf is constructed also in the Crown?

Mr. KING (Kootenay): Yes.

Mr. BOYS: Do any railways use the freight shed?

Mr. KING (Kootenay): No.

Mr. BOYS: It is just for the benefit of the people?

Mr. KING (Kootenay): Yes.

Item agreed to.

Grondines wharf, $35,000.

Mr. KING (Kootenay): This is a revote required towards the continuation of the construction of a wharf 1,125 feet long. It is proposed to continue another section of this wharf, and the construction of this section will make it possible for ships and boats to land at all heights of water and will probably meet conditions for the present at that point.

Mr. STEVENS: What is the total amount of the contract?

Mr. KING (Kootenay): We have not contracted yet, but there will be a contract this year for an estimated expenditure of between $35,000 and $40,000.

Mr. STEVENS: What was the amount of last year's contract?

Mr. KING (Kootenay): $15,586.

Mr. STEVENS: For what class of work?

Mr. KING (Kootenay): The construction of the first section.

Mr. LEWIS: Will this item complete the work?

Mr. KING (Kootenay): It is the second section of the wharf 400 feet long. It is concrete construction.

Mr. BOYS: Is there any revenue in connection with this wharf?

Mr. KING (Kootenay): It is not being utilized as yet.

Mr. BOYS: Why is it that there is a revenue in some cases and not in others?

Mr. KING (Kootenay): I think it is a matter of practice. In small communities where the tonnage is very light and the wharf is for the benefit of the people directly, probably no charge is made. In larger settlements of towns where the importers are merchants, people who are handling goods for profit, a charge is made. At Grondines, the work is not yet in a position to earn a revenue. It is an uncompleted structure. It is not yet at the point at which the wharf would be handed over eventually to the Marine department for administration and collection of revenue.

Sir HENRY DRAYTON: I thought the minister said this was an extension of an existing wharf?

Mr. KING (Kootenay): It is a new wharf.

Sir HENRY DRAYTON: We embarked on a new wharf last year.

Mr. KING (Kootenay): Yes.

Item agreed to.

Grosse Roche—wharf repairs, $1,250.

Mr. KING (Kootenay): This is to renew the longitudinals, stringers, flooring and railing for a length of 65 feet at the inner end of the wharf. It is recommended by the district engineer.

Mr. STEVENS: How much was spent last year and how much has been spent on this altogether?

Mr. KING (Kootenay): Last year, $3,016. The total expenditure on this wharf to date is $21,727.

Item agreed to.

[Mr. Stevens.]

Harbours and rivers generally—repairs and improvements, $75,000.

Mr. LEWIS: Was the full amount of $75,000 spent last year?

Mr. KING (Kootenay): $62,778.

Item agreed to.

Ile Verte—wharf reconstruction, $3,500.

Sir HENRY DRAYTON: We had one reconstruction last year and apparently we have another this year.

Mr. KING (Kootenay): This is to rebuild on four feet in height the superstructure of the outer end of the wharf 139 feet 9 inches by 41 feet; replacing cap-piece, flooring, stringers and two rows of cross and longitudinal ties. Last year we rebuilt the shore end portion of the wharf upon 285 feet by the width of the wharf and upon a height varying from three to six feet; and rebuilt entirely another portion 178 feet in length by the width of the wharf. The appropriation last year was $4,500 and the amount expended was $4,505. This work is additional to that of last year.

Mr. BOYS: When was it originally constructed?

Mr. KING (Kootenay): In 1886.

Sir HENRY DRAYTON: One bit of the wharf was fixed up last year at a cost of $4,500 and we are repairing the shore end this year for $3,500. What about the middle? Shall we have to fix that up next year?

Mr. KING (Kootenay): This will put the wharf in order.

Sir HENRY DRAYTON: This finishes it?

Mr. KING (Kootenay): Yes, for the time being.

Sir HENRY DRAYTON: Apart from storms; we are out of the stormy neighbourhood in this case?

Mr. KING (Kootenay): There might be ice jams.

Item agreed to.

Lachine—reconstruction of G.T.R. wharf, $25,000.

Mr. LEWIS: This item relates to the railways. Why is it among these votes?

Mr. KING (Kootenay): The Grand Trunk maintained a wharf at Lachine years ago but they are not using it now and it is out of repair. There is a tremendous traffic at this point in connection with the highway leading into the city of Montreal and the government

are leasing this wharf from the railways with a view to effecting a considerable economy. We are reconstructing a portion of it to give the service required.

Sir HENRY DRAYTON: The Grand Trunk did not maintain this merely as a highway wharf.

Mr. KING (Kootenay): I did not say that.

Sir HENRY DRAYTON: It was a part of their system.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Will the minister give the facts? Perhaps there is a report on the matter.

Mr. KING (Kootenay): The construction of a public wharf at this point was considered some years ago and a wharf site was purchased at a considerable cost. To make it suitable for landing purposes an expenditure of $156,516 would be necessary. That work has not been proceeded with although the wharf site was secured. In utilizing the old Grand Trunk pier the expenditure of $25,000 which we are now asking the committee to vote will be sufficient to give suitable accommodation. The report of the chief engineer reads:

> The Grand Trunk wharf at Lachine is in a very dilapidated condition, indeed, owing to the fact that no money has been spent in its repair and that in its dilapidated condition it has allowed the ice shoves in the spring, at high water, to destroy its utility as a wharf.
>
> The wharf may be considered to consist in two parts separated by a culvert, which is used to prevent water in the basin on the south west side of the wharf becoming stagnant. . . . . .
>
> Since the advent of the automobiles and the improvement of highways, the ferry service between Caughnawaga and Lachine has been greatly improved. At Caughnawaga, the ferry lands at the government wharf, and the department has so improved facilities at the ferry that the two boats used on this service are able to run almost continuously the traffic demanding that they commence in the early hours in the morning and continue until late at night. . . . . .
>
> This wharf is adjoining the Department of Marine wharf at Lachine, and rebuilt as proposed will accommodate the traffic of the place, which is now very much handicapped by the absence of good wharf accommodation.
>
> The Grand Trunk Railway wharf is to-day in an absolutely dilapidated condition, the cribwork has been torn down by the last spring ice-shoves, and what was left in places is rotten.
>
> Rebuilt as proposed, this wharf will accommodate the general traffic of the place for many years to come. . . . . .
>
> In 1921, when there was only one steamboat, the "Hebron" making the ferry service, the traffic was as follows:
>
> Passengers, 16,800.
>
> Automobiles, 10,500.
>
> Market vehicles, 15,750, and merchandise of all sorts more than 2,000 tons.

Mr. STEVENS: Did that traffic bear revenue?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: Is there any information on that?

Mr. KING (Kootenay): I do not think so.

Sir HENRY DRAYTON: The minister has not given the report under which the government assumed responsibility for the cost of the structure and got title to it. That is what I want.

Mr. KING (Kootenay): Negotiations are now in progress with the Grand Trunk but the lease is not yet completed.

Sir HENRY DRAYTON: The negotiations are still going on?

Mr. KING (Kootenay): Yes; they have been going on for some time.

Sir HENRY DRAYTON: I do not know why we should build a wharf when the negotiations have not been completed.

Mr. KING (Kootenay): We are dealing with the Canadian National Railways and I think it is safe to do that.

Sir HENRY DRAYTON: I daresay it may be safe; it entirely depends on who is looking after the book-keeping. It might be possible however sometimes to put these things on a business basis. Is the Grand Trunk trying to sell that wharf to the government?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: Then what are the terms of the present negotiations?

Mr. KING (Kootenay): A twenty year lease is being negotiated.

Mr. BOYS: I suppose the site is now owned by the Canadian National Railways?

Mr. KING (Kootenay): Yes.

Mr. BOYS: I understand that some site was previously acquired, I believe the minister said, at a considerable cost, and it is the intention to abandon that and reconstruct this dock to take its place.

Mr. KING (Kootenay): That is right.

Mr. BOYS: What was paid for the site which is to be adandoned?

Mr. KING (Kootenay): In 1914 the government bought from the Payeur Brothers a site at a cost of $14,233. That site was not in navigable water and as a matter of fact I do not think it would be possible to approach

it at all. It would necessitate a tremendous amount of dredging at a cost of $156,000 and we are not going on with that work as originally intended. Instead we are utilising this wharf which is now the property of the Canadian National Railways and we hope to lease it at a dollar a year and construct the work we have in mind for $25,000.

Sir HENRY DRAYTON: What is being done now with the other site? Property there has increased very much in value and I should think something would be done with that.

Mr. KING (Kootenay): In 1917 an order in council was passed authorizing the lease of the wharf site purchased in 1914 to the city, to be used as a public park or playground at a nominal rental, the lease to be during pleasure, subject to the condition of the city assuming any liability for damage to property.

Sir HENRY DRAYTON: What is going to be done with the property now?

Mr. KING (Kootenay): We will try to sell it.

Sir HENRY DRAYTON: What value does the government put on it as real estate?

Mr. KING (Kootenay): I do not know.

Item agreed to.

La Motte—wharf, $4,000.

Sir HENRY DRAYTON: This is new.

Mr. KING (Kootenay): Yes. We propose to build a wharf 111½ feet long, drawing 6 feet high at landing head, 48 by 48, built 6 feet above low water level, with approach 16 feet wide by 63½ feet long. A freight shed, 16 by 12 feet, on pile work foundation, is also provided for. This is in the district of Pontiac and is for the accommodation of the people in the municipality of La Motte West, a farming community 23 miles south of Amos on the west side of the Harricana river. It had a population of 600 in June 1921. It is a new community that is growing rapidly. The territory is tributary to the Canadian National Railway.

Sir HENRY DRAYTON: Is this entirely new?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: What other wharves have we on the Harricana river?

Mr. KING (Kootenay): No others.

Sir HENRY DRAYTON: What is the engineering report justifying this commencement?

[Mr. J. H. King.]

Mr. KING (Kootenay): The municipality of La Motte West is a farming community 23 miles south of Amos, on the west side of the Harricana river with a population of 600 in June 1921. The district is growing rapidly apparently, for five years ago there was only one family in the locality; they now have a store, a school and a post office.

Sir HENRY DRAYTON: What is the industry there?

Mr. KING (Kootenay): The village is about 1½ miles from the proposed wharf site at the foot of a public roadway in Lizotte bay. On the opposite side of the river there are two saw mills which are said to cut approximately four million feet of lumber per season.

Sir HENRY DRAYTON: Will they use this wharf from the other side?

Mr. KING (Kootenay): Only to unload their merchandise.

Sir HENRY DRAYTON: What is the reason for the increase of population?

Mr. KING (Kootenay): It is the centre for that farming community.

Sir HENRY DRAYTON: There was only one family there a few years ago; some industry must have been started.

Mr. KING (Kootenay): The country is being settled very rapidly.

Sir HENRY DRAYTON: There must be some local reason. Who owns the land on which this wharf is to be built?

Mr. BOYS: The chief reason given by the minister for the construction of a wharf at this point is apparently a population of 600 people. Is it the policy of the department to construct wharves wherever there happen to be 500 or 600 people? If so, the minister will be deluged with applications. How close is the nearest wharf to this proposed structure, and how far is it from the junction of the river in question with the Ottawa, into which it flows, I suppose?

Mr. KING (Kootenay): It is not the policy of the department to build wharves for every 500 or 600 people. A wharf is being built here because this is a new section which is being developed very rapidly. It is 23 miles from railway transportation. There is apparently quite a settlement within the vicinity and a well settled district round about. As these newer sections are opened up there will have to be expenditures of this character.

Mr. STEVENS: Will this work be done by contract or by day labour?

Mr. KING (Kootenay): By contract. We are going to call for tenders.

Mr. STEVENS: That is a ray of sunshine.

Sir HENRY DRAYTON: My hon. friend did not give me the name of the owner of the land, nor did he say how much he is paying for it.

Mr. KING (Kootenay): It is a transfer from the Quebec government to the Dominion government free of charge.

Sir HENRY DRAYTON: Accompanied with a bonus for building the wharf?

Mr. KING (Kootenay): I think not.

Item agreed to.

La Reine—wharf, $4,200.

Mr. KING (Kootenay): This is to construct a cribwork wharf extending out 68 feet, to consist of three open face round timber cribs 13 feet by 33 feet.

Mr. STEVENS: Where is it? In Pontiac?

Mr. KING (Kootenay): In Pontiac. The population of the village is now 1,250: This place has been growing steadily. The chief industries consist of lumbering and farming. There are now five saw-mills operating in the village and two on lake Abitibi. There are now ten merchants at La Reine who are doing business with settlers along the river, and last season some 2,000 tons of general merchandise was handled by boat.

Sir HENRY DRAYTON: How is it landed now?

Mr. KING (Kootenay): They are doing the best they can without any accommodation.

Sir HENRY DRAYTON: Does the engineer say anything else?

Mr. KING (Kootenay): Yes. He states that the following boats navigate the Okikodosik river and lake Abitibi: The Abitibi Power and Paper Company has 4 alligators, 50 to 80 feet in length, draught 4.5 feet, 2 large scows and 4 gasoline launches; the fishing interests operate a steamboat 85 feet long, 10-foot beam, 5-foot draught, 5 power boats and 2 scows; Mr. Marchand's steamboat, 50 feet long, 15-foot beam, 4-foot draught; Mr. Goulet's steamboat, 35 feet long, 11-foot beam, 4-foot draught; Mr. Joseph Duserault's steamboat, 31 feet long, 8-foot beam, 4-foot draught; there are, in addition, 45 to 50 gasoline launches used by settlers.

Sir HENRY DRAYTON: Apparently this is quite a steamboat place. Where do they get their wharf accommodation now?

Mr. BUREAU: They beach their boats.

Sir HENRY DRAYTON: How do we get the land here, is it under the same arrangement as at La Motte?

Mr. KING (Kootenay): It is in the right of the province.

Sir HENRY DRAYTON: Are we to get the land for nothing?

Mr. KING (Kootenay): Yes.

Item agreed to.

Lavaltrie—reconstruction of wharf approach, $5,800.

Sir HENRY DRAYTON: Last year we started reconstructing this wharf. Perhaps the minister will give us the details.

Mr. BUREAU: Mr. Chairman, I beg to move that the wording of this item be amended to read. "Reconstruction of wharf and approach."

Sir HENRY DRAYTON: What will this work consist of?

Mr. KING (Kootenay): Removing old crib structure along downstream side of approach, north and east faces of headblock; building a concrete wall at the same place; building concrete steps on the north face of wharf for small craft; completing stone filling of headblock; laying a concrete flooring on the whole surface of same and building a new freight shed 16 by 30 feet.

Sir HENRY DRAYTON: Apparently we thought we were making a complete job of it last year, yet we have another appropriation this year.

Mr. BUREAU: It is hard to make a complete job with any dock on the St. Lawrence river. It all depends on the way the ice comes down. If the water rises and shoves the ice on the shores the docks are bound to be injured, especially the old crib work; the ice gets into the logs and the filling works out.

Mr. BOYS: Are we to understand that $2,300 was voted last year to take care of this work and that owing to ice jams we now have to spend $5,800 more?

Mr. BUREAU: You never know what you have to spend.

Mr. BOYS: There must be a large amount of business there.

Mr. KING (Kootenay): Early in the spring there was a tremendous ice shove which caused very considerable damage and the vote of last year was not sufficient to do the work. That is why we are asking this additional sum.

Item agreed to.

Les Eboulements—wharf repairs, $1,800.

Mr. STEVENS: What is this for?

Mr. KING (Kootenay): Ordinary repairs —to renew face timbers, coping, sheathing, 14 fenders, hinges and fastenings of movable slip and 200 cubic yards of gravel surface.

Mr. POWER: Is there any revenue from that wharf?

Mr. KING (Kootenay): I have no record of any revenue being collected.

Mr. POWER: Is that the wharf at which the boats of the Canada Steamship Company stop?

Mr. KING (Kootenay): Yes, I think so.

Mr. POWER: Do the Canada Steamships Limited not pay anything to the government for the use of the wharf?

Mr. KING (Kootenay): I believe they do. I would not be sure.

Mr. STEVENS: What has been the total cost of this work?

Mr. KING (Kootenay): The total expenditure to March 31, 1923, was $134,000.

Item agreed to.

Les Escoumains—wharf repairs, $3,700.

Mr. STEVENS: Is this a new item?

Mr. KING (Kootenay): This amount is required for urgent repairs to the flooring of the remaining inner end of the wharf.

Mr. BOYS: If these ice jams, of which I have just been shown some photographs, are to occur from year to year the only thing to do, it seems to me, will be to build fewer wharves and make them more permanent in their character. Is this another case of repairs being needed owing to flow of ice in the spring?

Mr. KING (Kootenay): The department are adopting the practice of building the more important works with concrete. The outer end of this wharf was demolished by severe storms in 1914 and this damage was increased in 1920. An estimate has been made for rebuilding, but as the cost would be considerable the department are simply holding the work together to make it serve the purpose without expending too large an amount.

Mr. MANION: What was the original cost?

Mr. KING (Kootenay): $40,777.

Mr. BOYS: What is the population?

Mr. KING (Kootenay): About 986, according to the 1921 census.

Mr. BOYS: What business can there be there to justify the expenditure of $40,000? I do not care what government was in office—it may have been the government I supported —it does seem to me that this is a large amount to spend where there is a population of only 900.

Mr. KING (Kootenay): Apparently there is a deposit of mica in this vicinity that is being developed. The Laurentide Pulp and Paper Company are also operating large saw mills. At present they are transferring their lumber from small boats to larger boats anchored out in the deep water. They ship annually 10,000 cords of pulpwood and about 2,000,000 feet of sawn lumber. They also import a considerable quantity of stock and provisions.

Mr. BOYS: When was the wharf constructed?

Mr. KING (Kootenay): In 1904.

Mr. BOYS: I was wondering to what extent this wharf had stood up to the ice jams. How much money has been spent on it since its construction?

10 p.m.

Mr. KING (Kootenay): The other two-thirds of the wharf have been practically destroyed by the ice; we are maintaining one-third. The total amount spent to date is $48,980.

Mr. MANION: I have no quarrel with items of this kind where there is a fair settlement and where there is no railway connection. But take, for example, this expenditure of $40,000. As the hon. member, (Mr. Boys) has said, I do not know what government made the original expenditure and I am not specially criticising it. But in my own constituency there is a section at Cloud Bay where there are some hundreds of people—I do not know the exact population,—who are without railway connection of any kind and

are badly in need of a wharf. The estimate of the engineers for the construction of a wharf there was about $7,000, I believe. I have laid this matter before the minister this year, and I assume that it is now too late to get an amount in the supplementary estimates. But I give the minister a year's notice that next year when items of this kind are up I am going to raise a row if Cloud Bay is neglected altogether while we spend on repairs for wharves, where the population is no greater, an amount that would build the whole wharf required at Cloud Bay. Because it is a group of farmers that are concerned here, and by the way they did not vote for me at the last election. Perhaps they will next time if I succeed in getting this wharf for them; I am sure the minister will see fit to help me out. However, speaking seriously I am not objecting to works of this character. Sections like this where groups of farmers or fishermen are located have to be served, and I am one of those who believe in service. At the same time we should endeavour to carry out such works in the most economical way possible. But certainly cases such as I have mentioned, where a group of farmers have gone in to a point about thirty or forty miles from the town of Fort William and have no way of getting out except by a poor wagon road deserve consideration. I hope the minister will remember my words and when he is introducing his estimates next year will see that these farmers get the wharf they stand so much in need.

Mr. SAVARD (Translation): Mr. Chairman, The parish of Escoumains is an important one in the county of Saguenay. Quite a large industry is established in that place; there are to be found farmers, numerous workmen, fishermen and many sailors. The Saguenay Lumber Company carries on lumbering in that part of the country. Goods are imported and lumber is exported yearly in large quantities. Moreover, there exists a regular boat service between Les Escoumains and the south shore. This wharf is therefore of great importance for that part of the Saguenay.

Item agreed to.

L'Islet—wharf repairs, $12,600.

Mr. STEVENS: This is a large item. Last year the sum of $23,500 was spent, and now we are called upon to vote $12,600. Will the minister tell us whether any contract was let, and the nature of the expenditure?

Mr. KING (Kootenay): This amount of $12,600 is required to complete the repairs to this wharf commenced in 1923-24. The work remaining to be done consists of the removal of the flooring and face timbers of the headblock. The work was done last year by day labour.

Mr. STEVENS: I am not at all surprised at the minister giving us such meagre information on this item. Here we have $23,500 that has been spent on day labour without any tenders and without any contract. The government surely are not serious in insisting on this method of doing business. The other evening when we had this matter under discussion it was claimed that in the case of small sums ranging around three, or four or five thousand dollars the system was justifiable. I questioned it then and I question it now. In many of these cases I doubt the advisability of these small sums being spent on day labour; I think the work can be much more efficiently and economically done under contract. But when you have expenditures such as $23,500 last year and an additional expenditure of $12,600 this year, making in all $36,100 spent on day labour without tender or without competition, a very complete explanation ought to be given. We ought to have the fullest possible information about the nature of these repairs. I heard what the minister said about the flooring and repairs to the headblock on the outer end of the wharf but the same routine explanation has been given for item after item and it really does not justify this large expenditure. I should like the minister to give some further explanation.

Mr. KING (Kootenay): I do not know that I can add anything to what I have said. In the repair or renewal of these old timber structures it has been found that the work can be done more economically under the practice adopted. The expenditure on the work last year amounted to $23,500. My hon. friend complains that no tenders were invited. I understand that in this work large quantities of timber were used, and tenders were called for the timber. Last year the engineers invited and received tenders from no less than ten lumber concerns. Those tenders varied from $13,190 up to $18,857, so that the major portion of the material was secured on competitive bids. As far as labour is concerned there is no doubt the department is pursuing the correct course in repairs of this character.

Mr. STEVENS: Would the minister be good enough to tell us what was paid for this lumber? Which one of the tenders was accepted?

Mr. KING (Kootenay): The lowest tender was that of Mr. E. Cloutier. His tender was as follows:

233,000 f.b.m. dimension timber at $43—$49..	$10,524
80,000 f.b.m. 3" deals at $33..	2,666
Total..	$13,190

Sir HENRY DRAYTON: My hon. friend has accounted for $13,190 out of a total cost of $23,500. What staff did the department employ there, what rate of wages was paid?

Mr. KING (Kootenay): The foreman was paid $5 per day and the wage for labour in that vicinity was about $2.50. I have not the full details with me.

Sir HENRY DRAYTON: Can my hon. friend say what it cost to handle this lumber per thousand because the rate paid seems to be a pretty high figure?

Mr. KING (Kootenay): I would be glad to get that information for my hon. friend; I do not happen to have it here.

Sir HENRY DRAYTON: Unless my hon. friend happens to have the unit of cost in each case I do not see how he can figure out which was the cheapest. If I understand correctly an order in council ought to have been passed when the contract system was discarded and day labour resorted to. That was not done. Was there any estimate filed with council as to what the cost by day labour would be?

Mr. KING (Kootenay): Yes, the engineer's estimate as to the cost was before the committee last year.

Sir HENRY DRAYTON: No, that is not what I want. It simply refers to what the probable cost of the work will be. If we have that, as a usual thing we have at least some attempt at advertising the work. Then again it is a question for council as to whether the work will go on. In this particular case part of the work is covered, namely the amount of the material. Certainly that would have to be brought before council.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: And at that time, when the amount of the material is fixed, council would be in a position, I should have thought, to exercise its judgment in connection with day labour and the cost. Do I understand my hon. friend to say that a contract of this size has been gone on with by day labour, without any action by council at all?

[Mr. Stevens.]

Mr. KING (Kootenay): My hon. friend I think knows, and it is not necessary to repeat again, that in the judgment of the department this work could be done more economically by day labour than by contract, and that being the advice of the departmental officials, that is the policy that was followed in regard to this work. That policy is sound and proper.

Sir HENRY DRAYTON: That is not what I asked, and I thought my hon. friend would know it. Was this work gone on with irrespective of any authority from council?

Mr. KING (Kootenay): I said so.

Sir HENRY DRAYTON: I wanted to make sure of it. Very well, I think there will be more work for the auditor.

Mr. KING (Kootenay): If the item is carried in the House, it becomes a departmental matter. In regard to the supply of timber tenders were called for, and those tenders were accepted by order in council. The other expenditure, the matter of employment of men by day labour, is a matter of administration within the department where it is carried on.

Mr. STEVENS: It is exactly as I pointed out the other evening; the government has abandoned the policy of doing work by tender, so far as it is possible for them to do so, and adopted the policy of doing it by day labour.

Mr. KING (Kootenay): That is not quite right. There has been no change of policy.

Mr. STEVENS: My hon. friend must admit that in 90 per cent of the cases in regard to which I asked questions last Friday and to-day, day labour has been employed.

Mr. KING (Kootenay): That is true.

Mr. STEVENS: Even in this item of $36,000.

Mr. KING (Kootenay): Ninety or ninety-five per cent of the work is repairs.

Mr. STEVENS: In case after case it was a new building, a simple form of construction and suitable for tender. In case after case it was a new decking for a wharf down to the piling—caps, joists and decking, and would be suitable for a contract. I would admit that we occasionally run across a job in which it is not possible to ascertain, until you tear the structure down, how much work there is to do. I agree with that. That will apply to crib work and work below water. In most of those instances, if the minister will run his finger back in his book, he will

discover that it is either decking or new caps and such like, which is of a character suitable for tender, and I join with the hon. member for West York in protesting against this method.

Mr. BOYS: The minister says tenders were called for the material and I think the lowest was $12,000.

Mr. KING (Kootenay): $13,000.

Mr. BOYS: How many tenders were received and what were the names of the tenderers?

Mr. KING (Kootenay): There were ten in all, as follows: E. Clothier, Victor Industrial Corporation, E. T. Nesbitt, James Shearer and Company, Montreal, Auger and Son, Gravel Lumber Company, Knox Brothers, C. H. Jackson and Company, J. A. Boulay and James Shearer and Company, Quebec.

Mr. BOYS: Where was the advertisement inserted?

Mr. KING (Kootenay): I am not sure, but the purchasing commission would probably circularize the trade.

Sir HENRY DRAYTON: There is not any purchasing commission.

Mr. KING (Kootenay): There was last year.

Item agreed to.

Levesque—wharf, $3,040.

Mr. BOYS: This is a new one and we should hear about it.

Mr. KING (Kootenay): The work will consist in building a headblock 50 feet long by 25 feet wide, 13 feet high, standing in 5 feet of water at low water level, and united to shore by an approach 16 feet wide, 30 feet long, the headblock and approach to be of open cribwork construction, filled with stone with an incline ice breaker in 1 slope, the full length of the upstream side of the work. I think that gives you the history of the structure and what it is proposed to do.

Mr. BOYS: What is the population?

Mr. KING (Kootenay): I do not know. I have not the population here.

Mr. BOYS: Pursuant to whose persuasion was it undertaken?

Mr. PARENT: Natural affection.

Mr. BOYS: I think we would be very lax indeed if we let this pass. As I glance through the list I fail to find any of these repairs in constituencies of hon. members of this side of the House.

An hon. MEMBER: They got theirs before.

Mr. BOYS: No. I would like to ask the minister, if we get busy between now and January, will he listen to our persuasion?

Sir HENRY DRAYTON: What county is this in?

Mr. KING (Kootenay): Champlain.

Mr. GRAHAM: What representative upon that side of the House is from Champlain?

Item agreed to.

Lotbinière—wharf reconstruction, $30,450.

Mr. MANION: What constituency is that in?

Mr. PARENT: The member for Lotbiniere.

Mr. STEVENS: Perhaps the minister would give us an explanation. Last year there was a vote of $15,000 of which about $2,500 apparently was spent. Was the $15,000 last year intended to do the whole job, and why has it been increased to $30,450?

Mr. VIEN (Translation): Mr. Chairman, allow me to furnish the hon. member with all the particulars which he may desire in order to justify this expenditure.

The parish of Lotbinière is one of the most beautiful and picturesque and also one of the first to be settled in our region. Although well populated and admirably built, it is situated at a distance of eighteen miles from the nearest railway station and nearly forty miles away from the city of Quebec which is its natural outlet. It has no other access to this market than through the use of said wharf. The latter was built a great number of years ago and requires immediate repairs. Would the government prefer to let it fall entirely to pieces so as to rebuild it completely? Is it not better to spend yearly the necessary amounts in order to keep it in good repair?

The parish of Lotbinière is entitled without any doubt to the amount the government places at its disposal to-day to carry out these repairs, for this wharf is not only an outlet for the parish of Lotbinière, but also for all the surrounding parishes whose people embark at said wharf in order to reach the market where they sell their products.

Mr. STEVENS: If there was such an immediate and great necessity for this work, why was it that last year the vote was only $15,000 and that now it is increased to $30,000?

Mr. KING (Kootenay): The amount asked for this year is to complete the contract entered into amounting to $13,226. Of the total contract of last year only some $2,450 was expended. It is also proposed to let a further contract for a further extension amounting to about $16,900.

Mr. BOYS: Would the minister mind repeating in English what my hon. friend has just said in French?

Mr. KING (Kootenay): That might delay the committee.

Mr. MANION: The hon. member for Lotbinière should thank the committee for the opportunity of delivering his eloquent speech on that very fine county of his.

Mr. VIEN: I would thank the committee much more if they would let the item pass.

Mr. MANION: We shall in a minute. We should like to hear a little more about it. I have heard more about it in the last few minutes than I have for some time.

Mr. VIEN: I took occasion to urge my eloquence on the Minister of Public Works before.

Sir HENRY DRAYTON: When this $30,000 is spent, will the wharf be completed?

Mr. KING (Kootenay): That will complete the work.

Sir HENRY DRAYTON: I think that depends upon the eloquence of the hon. member. He has managed to get another section since last year. Is there any arrangement between the minister and the hon. member whereby he will restrain himself in the future and let the wharf stand with this last $16,000 section?

Mr. VIEN: During the ten years of office of the previous government this wharf was allowed to go almost to destruction. I had to wait patiently until the new administration came into power to get this wharf repaired. I remember that during the last administration I urged the very same reasons before the then Ministers of Public Works, but they were so busy fulfilling the promises they had made to hon. members sitting behind them that they had no ears for any demand coming from the province of Quebec.

[Mr. Vien.]

Sir HENRY DRAYTON: That is very interesting. Will the hon. gentleman give us particulars of those promises?

Mr. LAPOINTE: The dry dock at Victoria.

Mr. VIEN: The piers at Halifax, Courtenay bay improvements.

Sir HENRY DRAYTON: The Courtenay bay improvements started with my hon. friend's former government. What is the use of talking about the Victoria dry dock when the present Minister of Public Works was there only last year and said that the only pity was that it had been delayed at all. We shall not get on very fast with the business of the House with this sort of stuff, but I am content to go on with it if my hon. friends want it.

Mr. BOYS: The minister will not criticise the Victoria dry dock.

Sir HENRY DRAYTON: He praises it.

Mr. VIEN: Was my hon. friend ever in the county of Lotbinière? Did he visit the wharf? Does he know the important district served by that wharf and the condition that wharf is in? Does he know that the government is saving money by repairing it now instead of spending twice or three times as much in a few years to come?

Sir HENRY DRAYTON: Will my hon. friend kindly give me a list of these questions—there were so many of them? I think he was rather qualifying for a military department when he got off a barrage like that. He is on wrong premises. I have not said anything against this item. I am looking for information and I want to see what we can do about the future. Apparently we got off last year with one new section which cost us $15,000. Then the hon. member, filled with his burning eloquence, turns that barrage on the minister and twists that $15,000 into $30,000. I was in hopes that perhaps we would have an agreement that this would be the last section my hon. friend wants, because if he goes and talks again to the minister, that $30,000 will be turned into $60,000. I simply want to get finality in this matter.

Mr. VIEN: My finality is the good repair of the wharf. One section of it was repaired last year; this item is to cover the repairs to the other section, and I think the wharf will be in a good state of repair after this item is voted and the repairs made under it.

Sir HENRY DRAYTON: Is there a third section?

Mr. VIEN: No. There are only two halves to that wharf.

Sir HENRY DRAYTON: This will finish the work?

Mr. VIEN: Yes.

Item agreed to.

Marsouins pier, $2,500.

Mr. KING (Kootenay): This is to construct a triangular cribwork pier 75 feet in length by a width of 15 feet and a height of 20 feet. It is in the county of Gaspé on the west shore of the river Marsouins. This is a small lumbering place with three stores and three sawmills. It has a population of 300 that fluctuates according to the operations carried on by the firms that operate on the outlet of the river.

Item agreed to.

Matane harbour improvements, $75,000.

Mr. STEVENS: This is an item that requires full and complete explanation, not only how the money is to be expended and for what purpose, but why the expenditure should be made at all in view of what will result from it. I understand that a large pulp concern is exporting pulp, a great deal, if not all of which has been handled over the Canadian National Railways. The government apparently spent $25,000 last year and it is proposing to spend another $75,000 for the purpose of putting in a wharf to enable this pulpwood production concern to ship its pulpwood over this government wharf by water, thus depleting the railway's freight earnings and encouraging and facilitating the export of pulpwood in a raw state out of Canada. If these facts are as stated, I can see no logical reason for this large expenditure at this time when we are seeking for economy. It may be argued that a portion of this expenditure will be made by the company. That of course is to be expected. But it is a very questionable action to expend $100,000 of the people's money to build a wharf to enable a company to export pulpwood the result being a serious loss of revenue to the Canadian National Railways in the way of freight. What is the explanation for the arrangement with this particular concern whereby this huge sum is to be expended?

Mr. KING (Kootenay): A very lengthy explanation was made when this matter was under consideration last year. It is true that the Hammermill Paper Company are contributing $100,000 to the cost of the work inasmuch as they have an interest in it; they have very large timber concessions at that point from which they are to-day cutting and taking timber to their paper mill. No doubt by an improvement of the harbour they will secure better facilities. But it must also be remembered that Matane is an old harbour on the river St. Lawrence where the government have for many years maintained harbour works. It is a place of refuge on the coast line, a small town with a population of 3,500 or, taking into account the people scattered in the vicinity, 7,000. There are lumbering operations in the district, besides the Hammermill Company Messrs. Price Brothers carry on an extensive pulp and paper business.

Sir HENRY DRAYTON: Where is the Hammermill Company's plant?

Mr. KING (Kootenay): They make their paper at Erie, Pennsylvania. Matane is situated between Rimouski and Gaspé, which is a distance of 150 miles. The coast is very bleak and it is important that there should be maintained a harbour of refuge along that coast line. We have important harbour works there and a very considerable amount of shipping is always moving both in and out of the harbour. When the suggestion was made by the Hammermill Company for a further expenditure they were informed that, as the leader of the opposition has said, in large undertakings of this kind there should be a contribution from the company interested. On that basis we have undertaken the work; we have an agreement from them to put up their portion. As a matter of fact the money spent at Matane to date has come largely from the company. The work to be carried on there consists in the construction of training piers for protection purposes in addition to a very considerable amount of dredging.

Mr. STEVENS: Does the government own the property on which these piers rest?

Mr. KING (Kootenay): Yes. The whole work has been carefully inquired into by the board of engineers and has been reported on. Contracts have been let for the construction of the piers and also for the dredging.

Mr. STEVENS: What is the engineer's report?

Mr. KING (Kootenay): The report reads:

> Matane is a large and ambitious village situated on the south shore of the gulf of St. Lawrence, 60 miles east from Rimouski. It is the shiretown of Matane county and the industrial and the business centre of the portion of county located along the gulf shore. The Canada Gulf Terminal Railway, which joins the Canadian National Railway at Mont-Joli, has its

terminus and main offices in Matane. The population of the village itself is 3,500 inhabitants; with the parish and ranges, it is approximately 7,000.

The main industry is lumber milling. The Price Bros. Co. has a 15,000,000 feet board measure yearly capacity mill operating at that place; the Hammermill Paper Co. of Erie, Penn., which has bought, a year ago, the timber holdings formerly operated by the Canada Gulf Terminal Railway, is also operating a saw-mill and more particularly a pulp wood plant of an approximate yearly capacity of 25,000 cords.

Outside of these two larger concerns, there are five or six lumber mills, of which the total output should be approximately 10,000,000 feet per year; the lumber from these smaller mills is generally used locally and a small portion bought by jobbers and exported.

The lumber which is shipped from Matane, mainly by Price Bros. Co., Ltd., is loaded on lighters which carry it to steamers anchored in deep water, or as more generally done in latter years shipped to Quebec on board small steamers and motor schooners; the Price Bros. Co., Ltd., has quite a flotilla of these and several large tugs to lighter lumber on board steamers. The registered tonnage of these steamers, tugs, etc., varies between 50 and 320 tons.

The Matane harbour has become the shipping and distribution centre for the many lumber, logging and cutting camps, and saw-mills which are operated on the north shore from Bersimis down to Moisie. All the lumber men and saw-mill labourers are gathered at Matane. All supplies, provisions, machinery, etc., are brought by cars to Matane and transhipped by water to north shore through small steamers and motor schooners plying several times a week between Matane and north shore for this special purpose.

The two most important concerns located on the north shore, which are using Matane as their importation centre, are the Franklin Lumber Co., operating limits along the River Becsie, Godbout and Des Rochers: and the Gulf Pulp and Paper Co. of Clarke City.

Mr. HANSON: Is the whole 25,000 cords of pulpwood which is to be shipped over this proposed wharf to be transported by water to Pennsylvania?

Mr. KING (Kootenay): Yes.

Mr. HANSON: Does the Canadian National railway run immediately through that locality, and will the effect of building this wharf be to draw away from that railway the carriage of that 25,000 cords of pulpwood?

Mr. KING (Kootenay): No. The freight is of such a nature that they cannot ship it by rail; they have been shipping it by water and this will improve their facilities.

Mr. HANSON: For that matter, there are many people who ship pulpwood by rail; thousands of cords are shipped by rail from New Brunswick. It seems to me that the effect of building this wharf will be to facilitate the company in taking raw material out of this country to be manufactured in a foreign country, and this government is assisting in that purpose while it is penalizing the Canadian National Railways which otherwise would haul that raw material.

[Mr. J. H. King.]

Mr. POWER: The railway which runs through these lands is a private railway. It is true, it connects with the Canadian National, but it is a private road.

Mr. HANSON: The freight is all turned over to the Canadian National which would have the long haul.

Mr. POWER: My information is that they charge exorbitant rates on this particular railway and that is one of the reasons why the company wishes to ship by water.

Sir HENRY DRAYTON: The private road connects with the Canadian National at Mont Joli and runs from there to Matane. My recollection is that the distance is 30 miles—a nice little traffic collector for the Canadian National. I do not altogether agree with what the minister says as to Matane being a bleak and inhospitable place; it is a beautiful spot and I do not think the minister could have been there or he would not run it down. It is an important place that should have a future; it is one of the prettiest spots on the south shore of the St. Lawrence. Before some people spoiled the fishing it was one of the best salmon rivers we could boast. This particular structure is a peculiar crime against Matane. Matane is well situated at the end of the railway, it has first rate lumber resources and a fine country behind it, and it has one of the most industrious and hard-working peoples in the world to look after its natural resources. But they are not to be allowed to look after these resources. Any hope that that part of the St. Lawrence has of ever becoming an industrial centre is to be taken away by this government making it cheap and easy for the raw material to be exported that ought to go to the support of the people of that district.

Mr. PARENT: It has been there for many years.

Sir HENRY DRAYTON: It is true the trees were there many hundreds of years before we knew we could make paper out of wood. Yes, and it is not so many hundred years ago, in fact we can get down to the fifties, when there was no reason why the American manufacturers should be using our raw material. At that time they had any amount of their own, and were saying just what the hon. gentleman says now, "There is lots of it; it has been there for years." But it is not there now.

Mr. PARENT: It is there still.

Sir HENRY DRAYTON: Not in the States. They are depending, among other

sources of supply, on the wood from this district. And instead of doing anything to help the province, instead of doing anything to afford the people of Matane more labour at more remunerative wages, what does the government do? It puts another twist on the Canadian taxpayer in order that this mill down in Erie, Pennsylvania, may get its Canadian raw materials just a little cheaper.

Mr. POWER: What has the hon. gentleman got in mind when he says that the government could afford to provide more labour at Matane?

Sir HENRY DRAYTON: Certainly, by not building that wharf. If what has been said on the floor of the House from my hon. friend's side this afternoon is true, that the railway rates are so high that this company could not export the raw material to their mills, it means that the plants would have to be just where they ought to be—where that timber is growing. It means we would have paper mills there.

Mr. POWER: How would the hon. gentleman operate paper mills where there is no water power?

Sir HENRY DRAYTON: My hon. friend need not for one minute try to make me think—

Mr. POWER: I am only asking for information. We do not know how to do it in Quebec.

Sir HENRY DRAYTON:—that the great province of Quebec is without water-powers.

Mr. POWER: It is without water-power in that district.

Sir HENRY DRAYTON: Is it necessary to rely on local water-power?

Mr. POWER: Very good, then the wood would be exported from Matane, and whether it goes to Erie, Pennsylvania, to Abitibi or to Thorold, Ontario, is immaterial to the prosperity of this beautiful little village so eloquently described by my hon. friend.

Sir HENRY DRAYTON: But my hon. friend is forgetting something.

Mr. CHAPLIN: Is there a water-power at Erie?

Mr. PARENT: I do not know.

Mr. CHAPLIN: The hon. gentleman could easily find out. As a matter of fact there is no water-power there.

Sir HENRY DRAYTON: But that is not what I was going to draw my hon. friend's attention to. We know that in lots of places in the States they have not water-power. We know we have surplus water-power right in the province of Quebec and that this government has been asked to grant licenses for the export of that power. We know that electrical power can be transmitted tremendous distances at very low rates. We also know that there is power available at Grande Decharge.

Mr. PARENT: Does my hon. friend know the distance from Matane to Grande Decharge?

Sir HENRY DRAYTON: About 400 miles.

Mr. PARENT: The distance is 700 or 800 miles. Quebec is a big province.

Sir HENRY DRAYTON: Does my hon. friend want to say that there are no water-powers available in his province to-day not 400 miles from Matane?

Mr. PARENT: Not on the south shore of the St. Lawrence.

Sir HENRY DRAYTON: It does not make any difference which side of the river the power is on, you can handle it very, very cheaply by cable.

Mr. POWER: There is no power available for 400 miles.

Mr. PARENT: The proprietors of the railroad are the owners of the timber limits. They were wealthy men and quite anxious to develop this country, but they never had an opportunity to take a single piece of wood off their limits, and they sold their property to the mill.

Mr. MEIGHEN: Likely enough when this country bonuses them to carry it away.

Mr. PARENT: There is nothing to compel these people to send their wood over to the States. If the Canadian mills were able to pay a sufficient price for the cut there is no reason at all why they should not get it.

Mr. MEIGHEN: Why should we bonus those people to help them continue sending their wood to the States?

Mr. PARENT: That is putting the question in the wrong way.

Mr. MEIGHEN: As pulpwood gets scarcer undoubtedly the advantages of building mills in this country will grow, but just in proportion as we bonus people with hundreds of thousands of dollars out of the treasury

to ship our pulpwood to the States, that much longer will we defer getting the advantage of manufacture ourselves. If ever there was a waste of money not to the advantage of the people of Canada, surely it is this Matane wharf. It is notorious over the whole Dominion. It is money spent for the benefit of an American company with headquarters at Erie, Pensylvania, against the interests of Matane, against the interests of the province of Quebec, and against the interests of the Dominion. We are simply paying out our own money to injure ourselves. To the extent that the pulpwood will be shipped raw, we are paying the money out to injure our road; but still worse, we are paying it out in assisting to postpone the day when we will make paper out of our pulpwood here. To-day this raw material is shipped down to Erie, where they have to bring in power from some distance, I do not know just how far; they have no power there any more than has Matane. This is the policy of the administration.

Mr. POWER: Will not the right hon. gentleman admit that there is room for a difference of opinion with regard to an embargo on pulpwood, and that even some hon. members supporting him do not share his views on the subject?

Mr. MEIGHEN: There may be room for a difference of opinion on the embargo, but there is no room for a difference of opinion about paying out hundreds of thousands of dollars to bonus shipping out this pulpwood.

Mr. POWER: If it is a legitimate trade, as up to the present it is, I see no reason why we should not spend money to ship out pulpwood, just the same as we spend money to ship out our grain, our fish, or any other natural product.

Mr. KING (Kootenay): I think my hon. friend is overlooking an important point, namely, that although this company is deriving some advantage, it is paying for the advantage in its contribution to the work. There are other industries at Matane, and there is a large settlement which requires service of this nature. We have taken advantage of the fact that a foreign concern wants certain facilities and was ready to subscribe to the cost of providing them. My hon. friend would lead the committee to think that all the money is being spent by the government. Be fair in the matter. It is a fair arrangement so far as the department is concerned.

[Mr. Meighen.]

Mr. MEIGHEN: There is enough money being spent by the government; we do not need to make it any more than it is. There is a railroad into Matane. All this talk about its being necessary for other purposes, the minister knows, is just camouflage. The wharf is for this company which is shipping our pulpwood to be made into paper at Erie, and the government are handing the company $100,000 one year and some more in another in order to help the company in this work, which all injures this Dominion and does not help Matane in the least.

Mr. JACOBS: I fancy the American company pay the market price for the pulpwood.

Mr. MEIGHEN: They do not pay anything; they own it. Until they got it all pressure was futile to get this wharf built, but once they get it and own it the government come in and generously help them to get the pulpwood out of Canada.

Mr. PELLETIER: Evidently my hon. friends are misinformed. This is not a new work but we have had to do the dredging in order to be in a position to accommodate the people on the north shore as well. The name of Price Brothers was mentioned, but we have five or six other mills up the river all of which ship their wood by this harbour. Millions of feet of lumber go out in this way.

Mr. MEIGHEN: Are Price Brothers contributing to the cost of this wharf?

Mr. PELLETIER: No.

Mr. MEIGHEN: Why not?

Mr. POWER: They do not contribute to anything.

Mr. PARENT: Except to funds.

Mr. POWER: Except to party funds.

Mr. PELLETIER: There is a population of between nine and ten thousand at Matane and the immediate vicinity. We also have a transient population on the north shore. In September men go to work in the bush on the north shore for the different companies operating there. The vessels navigate until the latter part of December. Last year the vessel St. Regis left Matane on the 31st of December for Godbout. Between 1,800 and 2,000 or more men go across every year to spend the winter in the bush, and they have no outlet to the world except through Matane. When navigation opens they all go through there and in the fall when the different companies

are about to begin operations they all get on board and go across. So far as the embargo is concerned, the Hammermill people are not much interested in it; they are preparing—

Mr. MEIGHEN: What are they going to do in the event of an embargo?

Mr. PELLETIER: They will sell their pulpwood in Canada. We are figuring on having another company establish a pulp mill at Matane. It was stated a little while ago that we had no other power. It is a fact that we have none, but arrangements are being made with the Lower St. Lawrence Power Company to furnish the power from below Priceville.

Mr. MEIGHEN: How far away is the power?

Mr. PELLETIER: It is about 32 miles from Matane. I hope my hon. friends do not want to put up a back fence around Matane and the surrounding district. Some of these days they might have a representative from that district, but if the back fence is up he will not be able to jump over it.

Mr. MEIGHEN: The hon. member knows that the government feel they have made a tremendous concession to him rather than to his county in making this grant to Matane. He remembers how the Minister of Trade and Commerce (Mr. Low) the other day told him that after getting that money for Matane he should never ask for anything more. I do not know how he did it. It is not that anybody denies anything to Matane. It is a beautiful district; I have been there, and the information I have as to the effect of this expenditure on Matane is from Matane people. They would like to have some industry there; they do not see very much value in shipping out to Erie in its raw state, one of the greatest resources they have, and they do not especially like contributing their own taxes to help to do it. With the power only 32 miles away it is really a humiliation to this country to see the shipments going on at all. It is a humiliation; we ought to wear sackcloth and ashes that we let our raw material go across instead of taking care of it in Canada with the power so near at hand. And then to have the government come along, put its hand into the treasury of a country already burdened with taxation and put out $100,000 one year—at least that was the vote last year—and then this vote this year in continuation of its folly—it is unspeakable.

11 p.m.

Mr. PARENT: In regard to the statement I made a little while ago that there was no power available in the surrounding district, I still persist in my statement to the effect that there is not enough power there to justify the operation of a mill capable of producing 100 or 150 tons a day.

Mr. MANION: How much water-power is available?

Mr. TOBIN: It is so small it is almost unknown.

Mr. HANSON: Is there not water-power in the county of Bonaventure tributary to the Matapedia river?

Mr. PARENT: I should think so.

Mr. HANSON: And on the Cascapedia river? I am satisfied that these streams could be harnessed.

Mr. PARENT: It is not the same district.

Mr. MEIGHEN: The water-power is much closer and much more abundant than at Erie where this wood is actually manufactured. Now, the hon. member knows that is correct.

Mr. PARENT: I think so.

Mr. MEIGHEN: I commend the hon. member (Mr. Parent) for his frankness. There is water-power more abundant and closer to Matane where the wood is than there is to Erie after it is carried there, and we contribute $100,000 odd to carry it there rather than do anything to see it manufactured here.

Mr. PARENT: The hon. gentleman would rather see the forests destroyed by fire.

Mr. MEIGHEN: That is nonsense. If that is the policy of my hon. friend then we might as well ship everything out for fear we shall be fools enough to burn it. How are we ever going to make a country that way? Sometimes the government may be guilty of lassitude, of negligence, of lack of courage, in not carrying out a policy that makes use of our resources, but as to a government that actually puts its hand in the treasury of a staggering country and bonuses the export of the country's raw resources, what is to be said in proper description of its folly?

Mr. STEVENS: The minister mentions Price Brothers' mill, the mill of the Hammermill people and three or four others. I presume these mills all have their own wharves over which they ship their lumber?

Mr. PELLETIER: They ship over the main wharf.

Mr. STEVENS: Do Price Brothers ship over an existing government wharf?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: What is the need for further facilities if these mills are now shipping over a government wharf?

Mr. PELLETIER: Larger vessels are used, therefore it is necessary to connect the western breakwater with the main government wharf.

Mr. STEVENS: That simply aggravates the whole situation.

Mr. MEIGHEN: Hear, hear.

Mr. STEVENS: I have been aghast at the statements made by my right hon. leader, but the admission of the hon. member simply aggravates the situation. What is it? The present existing facilities apparently are quite sufficient to handle the products of an ordinary Canadian saw-mill—

Mr. PELLETIER: They are not sufficient and I pointed that fact out. Price Brothers are shipping and their barges always have to wait for the high tide. Their barges are loaded hours before they are in a position to go out.

Mr. STEVENS: To complete my sentence—but not for an American paper concern, the Hammermill, and this company puts up $100,000 whilst the government puts up an equal amount. What for? To so increase the facilities that larger lake and river steamers can come in and load raw material on a more extensive scale than was formerly the case. That is really the whole story, bearing out exactly what my right hon. leader has emphasized—that what we are really doing is not spending $100,000 to develop trade but to facilitate and actually bonus the export of raw material. Now, let us look at the matter from a slightly different angle. The Hammermill people apparently built a mill in Erie, Pennsylvania. No doubt that mill was built there when there was raw material in the district more or less contiguous to the mill. All that has gone. Now they certainly have the advantage over a new Canadian mill; for instance the mill my hon. friend (Mr. Pelletier) wants to see built at Matane. The Hammermill mill is there in Erie but the local resources are exhausted. Well, anything they can get out of that mill to-day is salvage. Consequently they can pay more in carriage to take the raw material to that mill than can possibly be paid by a Canadian concern at Matane. Surely my hon. friend must see that that is actually injuring his own community. If this agreement was not made with the Hammermill people the result undoubtedly would be the bringing of a new mill to that locality which, in the course of a very short time, would develop to an extent that it could successfully compete with this foreign mill, because the latter is merely working out—what shall I say?—the fag end of its existence. The reason for its existence in Erie has long since gone, but rather than scrap the mill they will—as long as they can get people who are foolish enough to give them this facility, this bonus—haul their raw material to that point. I venture to say that had this bonus of $100,000, not been given to them by the government, they would have made every effort to develop a mill at that spot, although a comparatively small mill perhaps. I am well aware of that from the experience we have had on the Pacific coast, and from what I see all up and down Ontario and Quebec, where mills are going up everywhere for the utilization of Canadian pulpwood. One of the finest industries we have to-day is the Canadian pulp and paper industry. It is one of the most valuable, one of the most profitable, and why the government should actually be co-operating with a foreign concern merely to enable it to secure the salvage of this out-of-date mill in Erie—out-of-date as far as resources are concerned—is a thing beyond my comprehension.

Mr. HANSON: If this wharf were not built how would these 25,000 cords of pulpwood be shipped? Could they not be shipped over the Canadian National Railways?

Mr. KING (Kootenay): No.

Mr. HANSON: How is the pulpwood being shipped now?

Mr. KING (Kootenay): Shipped by boat just as lumber is being shipped out from there. At the present time they are lightering, carrying the product out in scows and barges and putting it on the larger steamers.

Mr. HANSON: They are lightering it now?

Mr. KING (Kootenay): Yes, they are lightering it now. The improvement in the harbour at Matane is not only for the American company, who are contributing one-half the cost; it will also serve Price Brothers who are operating at Matane and taking pulpwood for their own mills from that point. My hon. friends opposite have been stressing the fact

that this expenditure is being made in the interest of an American company, overlooking the fact that the government have required them to pay a portion of the expense. Had not this contribution been made by the company it would have been necessary to construct certain works there entirely at the government's expense.

Mr. HANSON: But not nearly as extensive.

Mr. KING (Kootenay): Not as extensive.

Mr. HANSON: Not nearly as extensive. On what principle does the minister justify such extensive works as he is now carrying out in order to facilitate the exportation of pulpwood?

Mr. KING (Kootenay): It is not the point at issue.

Mr. HANSON: All along the south shore of the St. Lawrence the work is done by lightering. On the north shore of New Brunswick in many cases, they have to lighter. It is not an unusual thing in the lumber business at all events, and I have never known of a case—except in the harbour of Bathurst, New Brunswick—where the government put in works to obviate lightering. In that case it was not for the purpose of shipping material out of the country; but to facilitate the shipment of the finished product. I still think that one of the main objections to this grant is that it will deprive the Canadian National Railways of traffic. I believe that is a very vital point, and I do not think that any one department of the government ought to be spending the public money, without any possible provision for a return, to the detriment of the Canadian National Railways.

Item agreed to.

Miguasha—wharf extension and slip, $9,000.

Mr. BOYS: What is the explanation for this vote? It is a new item?

Mr. KING (Kootenay): This is to construct a slip 50 feet long by 20 feet wide at the outer end of existing wharf with a cribwork extension on either side of the slip, each 100 feet long and 20 feet wide, at an estimated cost of $9,000. The district engineer states that a wharf was built at this point by the department in 1904-05. It is a stopping place for the boat plying bi-weekly between Dalhousie, St. Omer and Carleton. During last summer—1923—the ferry service between Miguasha and Dalhousie was resumed for the accommodation of the freight and passenger traffic which is done between the two shores The farmers of the parish of Nouvelle, St. Omer, and of the immediate vicinity of the Miguasha wharf market their farm produce in Dalhousie. This produce marketing constitutes practically the only means of revenue for the local inhabitants, and it is estimated that approximately $15,000 or $20,000 worth of produce are thus handled on the Miguasha wharf.

Mr. MEIGHEN: What county is Miguasha in?

The CHAIRMAN (Mr. Vien): Bonaventure county.

Item agreed to.

Montmagny—Repairs to wharf, $800.

Mr. STEVENS: Will the minister give us a little explanation on this item?

Mr. KING (Kootenay): It is for repairs to the roadway approach, renewal of stringers, flooring and filling, to remove the oil house, and enlarge entrance to the approach of the outer wharf.

Item agreed to.

Notre Dame du Lac—Wharf repairs, $1,050.

Mr. STEVENS: Can the minister tell how much has been spent on this?

Mr. KING (Kootenay): This is for repairs necessary to keep the wharf in condition every year, to renew the flooring and part of the railing and stringers.

Mr. STEVENS: How much has been spent on this altogether?

Mr. KING (Kootenay): $4,559.

Mr. HANSON: Where is this?

Mr. LAPOINTE: Temiscouata.

Mr. HANSON: On the St. Lawrence?

Mr. LAPOINTE: No.

Mr. MEIGHEN: How many wharves are there in the county of Temiscouata? We have had several here to-day.

Mr. LAPOINTE: There is only one on that lake. The others are on the St. Lawrence river.

Mr. MEIGHEN: How many altogether?

Mr. KING (Kootenay): I am informed that there would be seven or eight wharves.

Mr. MEIGHEN: Maintained by the government?

Mr. KING (Kootenay): Yes.

Mr. GOULD: Some few nights ago I asked why cement was not poured into the wharves and breakwaters in Nova Scotia, and the reply was, "because it was salt water and cement would not last." I would like to ask the minister the same question where we have fresh water constructions. Has he considered the advisability of using cement?

Mr. LAPOINTE: My hon. friend does not know the St. Lawrence river if he thinks there is fresh water at Temiscouata. We have fresh water only from L'Islet up a certain distance where the salt water commences. We have salt water at Temiscouata, Gaspé, and other places.

Mr. GOULD: Why is it that where fresh water does obtain cement has not been poured into the wharves?

Mr. LAPOINTE: I cannot say.

Mr. GOULD: When I was young and going to school, we were told about a ship-wrecked crew at sea three hundred miles from the mouth of the Amazon. The story goes that these people were told to let their pails down and that the water would be fresh. I think the same would be true of the St. Lawrence where these wharves are.

Mr. LAPOINTE: No.

Mr. GOULD: Has the minister thought of pouring cement into these wharves to make them permanent structures?

Mr. KING (Kootenay): As I have already stated, in reconstructing new wharves, the more important work is being done in concrete to-day, but in the case of many of the small works it would not pay. I do not know whether it would be practical or not to pour concrete into these wharves.

Mr. LEWIS: It would be far more expensive in cement.

Mr. KING (Kootenay): Yes.

Mr. GOULD: I challenge the statement of the hon. member for Swift Current. If we are going to take this as a perpetual expenditure, I think I have had experience enough to know that in the end cement is the cheapest and I ask the minister if his department has taken into consideration the advisability of using cement and making all the work permanent, or whether this work is going to be continuous or everlasting—something that goes on forever and ever.

Item agreed to.

[Mr. J. H. King.]

Paspebiac East (Portage)—wharf repairs, $3,200.

Mr. STEVENS: This is a new item.

Mr. HANSON: This is on the Gaspé coast.

Mr. KING (Kootenay): It is Bonaventure county. This item is to replace twenty 25-foot sheathing piles at head of wharf, to rebuild 400 feet of superstructure of wharf to a mean depth of 2 feet and the width of the wharf, to be done by day labour.

Mr. HANSON: How much has been spent on Paspebiac since confederation?

Mr. KING (Kootenay): A total expenditure of $15,932.

Mr. HANSON: On this particular wharf?

Mr. KING (Kootenay): Yes.

Mr. HANSON: How long does that cover?

Mr. KING (Kootenay): Since 1908.

Mr. STEVENS: That was not the time of confederation.

Item agreed to.

Pierreville—repairs to wharf and roadway, $3,300.

Mr. STEVENS: This includes some roadwork. Will you give us an explanation of that?

Mr. KING (Kootenay): This is to repair the roadway hill leading to the wharf and to renew flooring and stringers.

The figures are:

Repairs to road, resetting rip-rap and ditching on each side of the road	$ 560
Renewing flooring, stringers, repairing ice breaker and protecting corner of same with steel plates	2,440
	$3,000
Contingencies	300
	$3,300

Mr. MANION: What was the original expenditure for this?

Mr. KING (Kootenay): Expenditure to March 31, 1924, $53,632.45.

Sir HENRY DRAYTON: What county?

Mr. KING (Kootenay): Yamaska county.

Pointe au Pic (Murray Bay)—wharf repairs, $7,300.

Mr. STEVENS: This is a large expenditure. There was $18,000 spent last year. Was that by contract or day labour?

Mr. KING (Kootenay): There was a contract last year. The amount of the contract was $15,047.35. The work this year is repairs, the details consisting of putting in a movable

slip, flooring, fenders, sheathing, new railing, repairs to shed, and other renewals, making a total expenditure $6,624.

Mr. STEVENS: Any revenue from this wharf?

Mr. KING (Kootenay): It is a very important place, I think. Important steamers call there, and many people are moving back and forth—an important structure.

Mr. HANSON: It is an important structure. Is there any revenue there?

Mr. KING (Kootenay): I have not any knowledge of the revenue. There is no revenue to the department.

Mr. HANSON: The Canada Steamship lines land at the wharf every day in the summer and sometimes twice a day. Does the government run a boat across the river?

Mr. CASGRAIN: There used to be a steamboat crossing from the north shore to the south shore. Murray Bay is a very important point, I would say the most important on the north shore, outside of Quebec, and in the summer months from May to November it is open to all boats, not only the Canada Steamship boats, but any kind of boats. It is the leading summer resort in the province of Quebec, and I do not think there should be objection to the vote.

Mr. MANION: We are not objecting, but I happen to know something about the steamship service across. At the present time to get across the river one has to go up to Quebec. You have first to go from Rivière du Loup to Levis and then cross over to Quebec. Some pressure ought to be put as far as possible by the government upon the steamship company to make calls on the south shore wherever they have good docks, because I remember a few years ago one could get across—I have crossed there myself —but at the present time no one can. I shall be glad to support the Minister of Justice (Mr. Lapointe) in an effort to prevail upon them to call on the south shore.

Mr. CASGRAIN: My hon. friend is preaching economy very often. In order to bring about what he suggests, we should have to insert another item in the estimates, perhaps in the steamship subsidies, and as hon. members of the opposition are always criticising new expenditures, I do not think it would be profitable and advantageous to do that at the present time. The steamboat service from the north shore to the south shore was removed in order, as it was said, to practise economy. That was the reason advanced by the former administration a few years ago. They said: Now there is a railway being operated from Quebec to Murray Bay and you do not need the ferry boat from Murray Bay to the south shore which was established to provide facilities for the people of the north shore. Because we have suppressed that service, we will also suppress the service of the seven miles of railway operated by the Intercolonial from Rivière Ouelle to St. Denis in the county of Kamouraska. I do not think at the present time the people suffer so much. The time taken to go from Murray Bay to Quebec is about 3½ hours at the outside and they have sufficient facilities to reach the south shore. The people of the south shore have equal facilities to reach Quebec. I have never heard that people were complaining so much as regards crossing from the north to the south shore. What the people complain about at the present time is that in the winter after the Canada Steamship line ceases its operations until it resumes in the spring, the people below Murray Bay, where there is no railway being operated have no communication between these different places and Quebec. That is the only reason why they are complaining, and why I have urged upon the present administration and the previous one that in the winter months there should be a boat service from Murray Bay to Tadoussac.

Mr. MANION: I am sorry that it is necessary for a member from western Ontario to rise and speak in support of the people on the south shore of the St. Lawrence, and I am sorry to hear the hon. member for Charlevoix-Montmorency taking the attitude that the people on the south shore do not require some sort of a ferry to get across to the north shore.

Mr. CASGRAIN: They do not trade so much with the north shore. They do not suffer at all.

Mr. MANION: When the time comes I am sure we shall make the best use of that we can and we will tell these people that their chief support came from members from western Ontario.

Mr. LAPOINTE: I agree with the hon. member for Fort William and Rainy River (Mr. Manion), but I do not disagree with the hon. member for Charlevoix-Montmorency. The only thing is to have the boats of the Canada Steamship Company going to Murray Bay, Tadoussac and Chicoutimi cross the river as they did formerly. I think that is the best scheme to adopt. The government can-

not do much along that line, but if my hon. friend and myself would join together and exert some pressure on the company, perhaps we might be successful.

Mr. MANION: I am glad to find there is one member from the province of Quebec who is ready to rise and support me in the matter.

Item agreed to.

Port au Persil—wharf, $9,000.

Mr. KING (Kootenay): This is to complete a contract entered into in 1923 by Mr. Maltais for the construction of a wharf and approach at the southeastern end of the bay formed at the outlet of the river au Persil. The amount of the contract is $10,248.

Item agreed to.

Rimouski—wharf reconstruction, $27,000.

Mr. KING (Kootenay): This is a revote to carry on a contract amounting to $29,468. It is a reconstruction of the easterly wing of the wharf which was destroyed by storm during September, 1922.

Item agreed to.

Rimouski river—breakwater wharf reconstruction, $11,600.

Mr. KING (Kootenay): This is to rebuild the upper portion of the whole construction upon a height of five feet by a width of thirty feet. This is the wharf that serves the town of Rimouski. It is not the deep water terminus.

Mr. STEVENS: Will this be done by contract and public tender?

Mr. KING (Kootenay): Yes.

Item agreed to.

Roberval—wharf improvements, $21,100.

Mr. HANSON: This is a new item. Perhaps we might have an explanation.

Mr. KING (Kootenay): This is required to complete the reconstruction of the railway trestle commenced in 1923-24—174 feet remaining to be done—by means of a concrete wall with earth filling and gravel surface between the trestle and the wharf proper; and to extend the freight shed ten feet and construct a new shelter 24 feet square. Tenders will be called for.

Mr. HANSON: Is this a railway terminus?

Mr. KING (Kootenay): The Quebec and Lake St. John Railway terminus. They use this pier.

Item agreed to.

[Mr. Lapointe.]

St. Antoine de Tilly—wharf repairs, $6,900.

Mr. STEVENS: The minister has been telling us quite truthfully, no doubt, that most of these repairs are necessary because of ice and so forth and that repairs are needed immediately. This was apparently needed immediately last year but no expenditure was made.

Mr. KING (Kootenay): The contract for this work was let in October, 1923, and it was too late for any construction last year. This contract is being proceeded with.

Item agreed to.

St. Emelie—dredging, $12,500.

Mr. STEVENS: This is a large item. What is the explanation?

Mr. KING (Kootenay): This is to complete the contract that has been already entered into.

Item agreed to.

Sorel—reconstruction of high level wharf, $30,800.

Sir HENRY DRAYTON: I have been talking the matter over with hon. gentlemen and we have gone over the list carefully, but we want to keep one item open. Suppose we let this item stand.

Mr. BUREAU: I thought it had been agreed that "Trois Rivières" would stand.

Sir HENRY DRAYTON: Just as hon. gentlemen please; I do not suppose it makes much difference which item stands. I would suggest however that this item stand.

Item stands.

Progress reported.

SUPPLEMENTARY ESTIMATES FOR 1924-25

A message from His Excellency the Governor General, transmitting supplementary estimates for the year ending March 31, 1925, was presented by Hon. J. A. Robb (Acting Minister of Finance), read by Mr. Speaker to the House, and referred to the committee of Supply.

On motion of Mr. Mackenzie King the House adjourned at 11.40 p.m.

Tuesday, July 8, 1924

The House met at three o'clock.

RESEARCH COUNCIL ACT AMENDMENT

Hon. CHARLES STEWART (Argenteuil) (Minister of the Interior) moved for leave to introduce Bill No. 241, to amend the Research Council Act.

Mr. MEIGHEN: If the minister is acting for this department I would like to have him explain the reason.

Mr. STEWART (Argenteuil): I am merely acting for this department in so far as this particular bill is concerned, because I happen to be associated with it a little more closely than any other minister. The Minister of Railways (Mr. Graham) is acting for this department. My hon. friend is aware that the present bill is merely amending the existing act giving council power to accept a bequest, and it gives the council power to increase its membership. Beyond some changes which were made in the manner in which the expenses of the council would be paid, the present bill is much the same as the old act.

Motion agreed to, and bill read the first time.

HOME BANK

Mr. H. C. HOCKEN (West Toronto): I desire to present a petition from the depositors of the Home Bank asking for relief.

BUSINESS OF THE HOUSE

FURTHER LEGISLATION

On the Orders of the Day:

Mr. ROBERT GARDINER (Medicine Hat): On June 26, the hon. member for Brandon (Mr. Forke) asked the Prime Minister (Mr. Mackenzie King) what further legislation might be expected before the end of the session. It was intimated at that time that the whips were considering the whole question. Will the Prime Minister tell us whether the whips have reported, and what is the result of their report?

Right Hon. W. L. MACKENZIE KING (Prime Minister): All the legislation the government intends to bring down is now before the House, with the possible exception of one or two bills that may arise out of the reports of committees, and there may possibly be something referring to the Toronto viaduct. With the exception of that I do not know of any other legislation likely to be brought down this session.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): When the Prime Minister says that there may be some legislation arising out of reports of committees, does he refer to reports of committees not yet presented?

Mr. MACKENZIE KING: Yes.

Mr MEIGHEN: But as far as committees have reported, the government has no further legislation?

Mr. MACKENZIE KING: I cannot think of any.

CANTEEN FUNDS

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-Establishment): In this connection, with the consent of the Prime Minister, I might state that it was my intention to introduce legislation at this session to provide for the disposition of the canteen fund. I have asked the royal commission to supply me with an advance report in this connection, and I am now having the resolution prepared.

Mr. MANION: Can the minister give us some information in regard to the disposal of the canteen fund, so that we can understand what the legislation is likely to be?

Mr. BELAND: The resolution will probably appear on the order paper to-morrow, and I would not venture to outline the proposals at the present time. I have only been able to read the report, and I have handed it to the Law Clerk to prepare the necessary legislation. It provides for the disposition of the funds among the different provinces, the money to be placed in the hands of trustees to be appointed by the Lieutenant Governor in Council.

SINGLE TRANSFERABLE VOTE

Mr. SPENCER: Is it the intention of the government to bring down, or have they decided not to bring down, legislation with regard to the single transferable vote this session.

Mr. MACKENZIE KING: The legislation my hon. friend refers to is before the House at the present time. I am unable to say at the moment how far it may be proceeded with this session; but the legislation is before us.

CRIMINAL CODE AMENDMENTS

Mr. SHAW: Does the Minister of Justice contemplate any amendments to the Criminal Code or to the Bankruptcy Act at this session of parliament?

Mr. LAPOINTE: Many amendments have been suggested and are being considered with regard to the Criminal Code; but it would be a heavy bill to bring down this session. At this stage the government is considering whether it would not be better to postpone these amendments till next session. In making a decision in regard to postponement, the government may possibly be influenced by the heat.

Mr. SPEAKMAN: In connection with consideration of possible amendments to the

Criminal Code, is the Minister of Justice considering the suggestions I laid before him arising out of the Hanson case, with regard to appeal in criminal cases?

Mr. LAPOINTE: Yes, the remarks of my hon. friend are being considered. It is a very serious case, and the government is considering the question with regard to amendments permitting appeals in criminal procedure. It will be a very important amendment to repeal this part which was enacted last year. The government is considering the matter.

DATE OF PROROGATION

Mr. IRVINE: Can the Prime Minister tell us whether whips have indicated to him when the session will close, and if so, what is the date?

Mr. MACKENZIE KING: I am afraid I am unable to give my hon. friend an answer that will cover the point in question.

STEAMBOAT ACCIDENTS—TORONTO HARBOUR

On the Orders of the Day:

Mr. T. L. CHURCH (North Toronto): I would like to call the attention of the Minister of Marine and Fisheries (Mr. Cardin) to two serious steamboat accidents off Toronto harbour. One of these was a collision between the steamer Toronto and the steamer Modjeska. Another serious accident to the Modjeska occurred off the western harbour. Will the minister instruct the commissioner to proceed to Toronto and hold an inquiry?

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): I have already ordered an investigation into the first accident, and I am taking the necessary steps to have an investigation into the other.

OVERSEAS FOOD SUPPLIES

On the Orders of the Day.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I observe that a former Prime Minister of Great Britain, Mr. Baldwin, speaking in the British House very recently, suggested to the government that a means should be provided for using the enormous quantities of foodstuffs which Great Britain requires, by arrangement with the dominions, involving the transportation and distribution of them at cost; and that Mr. Snowdon, Chancellor of the Exchequer, answering Mr. Baldwin, spoke as follows, according to the Times' report:

[Mr. Speakman.]

He announced that the government had submitted to the dominion governments a proposal of a definite character of a kind suggested by Mr. Baldwin in regard to overseas food supplies.

Has such a proposal been submitted? If so, what is its nature and what statement or reply has the government made?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The report of the words of the Chancellor of the Exchequer as given is quite correct. The government has received from the British government an intimation to the effect that the British government desired to appoint a committee to consider the one question of the marketing of overseas produce in Great Britain; the communication asked whether the dominions would be prepared to name members of a committee to deal with that one question. The government has replied that as respects Canada we would cordially accept the proposal, and would be prepared to name two members of the committee when it is about to be formed.

SWEDISH IMMIGRANTS

On the Orders of the Day:

Mr. S. W. JACOBS (George Etienne-Cartier): The newspapers this morning announce the arrival in New York of a Swedish ship with a number of Swedish immigrants. Those people, I understand, are debarred from entering the United States under the new quota law, and it is stated in the report that they are going to endeavour to land in Canada. I should like to direct the attention of the Minister of Immigration and Colonization (Mr. Robb) to this fact in order to see whether permission cannot be granted to these people to land here. I understand they are desirable in every sense. They belong to the Nordic race and as such should be welcomed to this country.

Hon. J. A. ROBB (Minister of Immigration and Colonization): I thank my hon. friend for directing my attention to this newspaper item which I have not yet read. I shall have the department look into the matter at once.

REDISTRIBUTION COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister): With the permission of the House, I beg to move that the name of the Hon. H. H. Stevens be substituted for that of Mr. McQuarrie on the special committee on Redistribution.

Motion agreed to.

IMMIGRATION ACT AMENDMENT

Hon. J. A. ROBB (Minister of Immigration and Colonization) moved the third reading of Bill No. 195, to amend the Immigration Act.

Motion agreed to and bill read the third time and passed.

PUBLIC SERVICE RETIREMENT ACT

Hon. J. A. ROBB (Acting Minister of Finance) moved the third reading of Bill No. 227, to amend the Public Service Retirement Act.

Motion agreed to and bill read the third time and passed.

CANADIAN NATIONAL RAILWAYS—BRANCH LINES

KINGSCLEAR—ST. CROIX

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of and concurrence in the amendments made by the Senate to Bill No. 26, respecting the construction of a Canadian National railway line between Kingsclear and the St. Croix river, in the province of New Brunswick.

Mr. MEIGHEN: Explain.

Mr. GRAHAM: The original bill provided for the construction of a shorter line in case running rights might be arranged over the Canadian Pacific between the vicinity of Kingsclear and the international boundary; or in case that could not be done, for an extension of the line itself to the boundary. The amendments made in the upper House provide for an attempt being made to get running rights from one or two different points on the Canadian Pacific. I am inclined to think that possibly not much will be accomplished under the amendments; but as the bill as amended accepts the principle that the Canadian National ought to run its own trains to the boundary line at that point, I am prepared, not having been able to secure the whole bill, to accept the bill as amended.

Motion agreed to; amendments read the second time and concurred in.

INLAND WATER FREIGHT RATES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) (For the Minister of Trade and Commerce) moved the second reading of Bill No. 213, to amend the Inland Water Freight Rates Act, 1923.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Definitions—"shipper".

Mr. STEVENS: I expressed my objections to this measure pretty fully when the resolution was being considered in committee, I think, about a week or more ago. I am going again to express my objections to the bill. The section immediately under consideration describes what the "shipper" means, and so forth. My attention was called a short time ago to the large number of reports and returns to be made out and formalities to be observed by various classes of business in Canada. Some of these things, no doubt, grew out of the war and, perhaps, under war conditions were warranted. But they have been perpetuated largely because clerks in departments want the information to compile statistics, and so forth. What measure of good can be conveyed to the public or to facilitating the transaction of business by this legislation is beyond me. I cannot see any effect in it at all except that of placing a further impediment in the path of the business public, a further burden, further restrictions, without any corresponding advantage either to the public or to the government. I would suggest to the government to abandon not only this bill but the abortion, which was called legislation, of last session; that so-called legislation failed and the government themselves abandoned it in the middle of the year. The only way in which shipping was able to function on the lakes last year was through the abandonment of that legislation. If the government had administered that legislation it would unquestionably have interfered in a serious manner with the transfer of freight from the head of the lakes to the markets of the world. And the substitution of this bill for last year's act, imposing as it does on the shipper certain duties, is not going to assist at all. I urge the minister to abandon even at this late date, this type of legislation which merely adds to the burdens and obstructions of business. My hon. friend from Marquette (Mr. Crerar), referring to last year's bill the other day, contended that there was something in it in the way of controlling insurance. Personally I do not believe that it does, but for the sake of the argument I am prepared to admit that the act may serve some purpose in that respect. Parliament however is entitled to have it proved how that abortive legislation—I must insist upon so describing it, for I can think of no more suitable term—contributed last year in any way to the reduction of insurance. As a matter of fact the difference was as between one third of a cent, I think, and a quarter of a cent, but, even so, it was not

shown that the reduction, slight as it must have been, was due to the legislation. I know that the minister now in charge of the bill is not in sympathy with any legislation that harasses business; I am sure that is not his disposition. Unfortunately for himself however he has been forced into the control of the bill by the regrettable absence of his colleague. Now, let us face the facts and admit at once that the hasty and ill-conceived legislation of last year did not work out satisfactorily, and, that being the case, let us abandon that legislation altogether.

Mr. ROBB: For the "hasty and ill-conceived legislation" of last year I assume full responsibility; I was the minister who brought it in. Hon. gentlemen will recall that the act was introduced as a result of a report made to us by the commissioners appointed to look into complaints regarding excessive freight rates on the upper lakes during the fall season of 1922. In view of that experience therefore the government could not consistently abandon this legislation. The sole object of this measure is to enable the department, through the Board of Grain Commissioners, to compile such records in regard to freight rates charged as will enable them to advise the government at any time whether or not there has been any discrimination. There are those who ask us: "Why do you not abandon the coastal laws altogether without consideration of Canadian shipping?" On the other hand, others point out that this might not work to the advantage of the Canadian shippers of grain.

Mr. STEVENS: This act does not refer to the coastal laws, and I have not referred to that aspect of the matter.

Mr. ROBB: I know, but I am leading up to that. I say, there are those who point out that if we abandoned the coastal laws and discouraged Canadian shipping altogether we might eventually find ourselves in the hands of a United States combine and that therefore, so long as our own shipping deals fairly with the Canadian people and carries grain to Canadian ports at relatively as low rates as it charges for transportation to American ports, it is better in the interest of trade generally and of our own shipping not to suspend the coastal laws. So that the government ought to be fully advised as to whether or not it is wise to abandon the coastal laws when they are asked to do so. And how can we determine that? We can do so only by having a record of the rates charged by shipping sailing from Fort William to Canadian and to United States ports. I am free to admit that the one great advantage will be that the Board of Grain Commissioners will have continually before them a record of the rates charged so that they may be in a position to advise the government if there is discrimination and whether or not the coastal laws should be repealed. On Friday last I had the advantage of a conference with the chairman of the Board of Grain Commissioners and on Saturday I met another member of the board, Mr. Snow. The chairman would be here to-day so that the committee might have the benefit of his experience, but through the serious illness of a relative he is unable to be with us. I repeat that this bill has been actually in practice since October last, and the chairman tells me that it has been working out satisfactorily to the shippers and to the Board of Grain Commissioners. Under these circumstances, and in the light of the experience of last session, I think the bill covers the requirements of the trade of this country.

Mr. FORKE: I candidly confess I have not very much hope, from the remarks of the Acting Minister of Finance, that there will be any control of rates on the lakes. The minister speaks about monopoly. Well, I wonder what difference it would make whether we were in the hands of American monopolists rather than Canadians.

Mr. ROBB: It would be all the worse if we had them both.

Mr. FORKE: There are things which one cannot repeat in the House but I am going to tell the committee what I heard last year when the bill was going through this House; it was a threat that we should be left entirely dependent on the American boats if the legislation went through.

Mr. ROBB: That attempt was made, but they were beaten.

Mr. FORKE: And I thought that when such a threat could be made to the government of Canada it was time for us to look for some other source of supply than that particular company.

Mr. ROBB: What would the hon. gentleman recommend?

Mr. FORKE: I would recommend the suspension of the coastal laws on the slightest provocation. I was glad to hear the remarks of the Acting Minister of Finance to-day, because in a newspaper statement which I read this morning it was suggested that the minister was careful to refrain from mentioning anything like the suspension of the coastal laws. To-day, however, he has mentioned it.

Mr. ROBB: It was the present Acting Minister of Finance (Mr. Robb), who urged the suspension of the coastal laws.

Mr. FORKE: I do not see any hope for the future. This talk about building up a Canadian merchant marine is all right, and no doubt we should all like to see that brought about. But under present conditions, with the few people owning boats on the lakes, a monopoly at any time is within their grasp; there is no question about that. We all know that so long as ore is being shipped they are not going to be in a hurry to carry grain if they can make good returns by carrying that ore. I am satisfied that last year if we had kept a stiff upper lip until the proper time we should have been able to get the American boats anyway. The minister I know was in a difficult position. He probably did the best thing he could. I have only one suggestion to make. From my experience with some of the gentlemen connected with the Canadian mercantile marine, I am convinced that they are quite capable of looking after themselves, and therefore I think the government need not waste any effort trying to protect them.

Mr. McMASTER: Under the present law the government may suspend the coastal laws by order in council?

Mr. ROBB: Yes, under another law, not under this.

Mr. MACLEAN (York): I should like to have a short statement as to what would be the benefits resulting from a suspension of the coastal laws, for it might throw much light on this matter.

Mr. ROBB: Under the coastal laws a Canadian or an American boat can carry grain from a Canadian port to a United States port, and vice versa; but a United States boat cannot carry grain between Canadian ports, nor can a Canadian boat carry grain between United States ports.

Mr. MACLEAN (York): Then when you suspend the coastal laws we will have free trade in inland navigation.

Mr. ROBB: Yes.

Mr. MACLEAN (York): That might be a great advantage to the farmers of the western provinces and to many other people. Perhaps the day is coming when we will have real competition in lake transportation.

Mr. ROBB: Does my hon. friend recommend that?

Mr. MACLEAN (York): I might. If the Canadian National railway system is to be destroyed in a certain quarter—and there is a suspicion of such an attempt—that might be a way out. I hope that before this House prorogues we will get some light on the attack which is being made on the National Railways. The key to the situation may be in the suspension of the coastal laws.

Mr. CALDWELL: If conditions arose on the Great Lakes similar to those which obtained last year, would it not be possible to suspend the coastal laws with regard to inland navigation only?

Mr. ROBB: We did suspend the coastal laws on the Great Lakes last year, and the year before.

Mr. CALDWELL: And the suspension did not extend to ocean traffic?

Mr. ROBB: No.

Mr. CALDWELL: If that is the case, I do not see any reason why the government cannot cope with the situation without doing injury to anyone.

Mr. STEVENS: But this bill has nothing to do with the suspension of the coastal laws.

Mr. CALDWELL: I realize that.

Mr. STEVENS: We pointed out to the minister the other day that this was simply imposing further restrictions on the bona fide shipper without protecting him against agents trafficking in space; that is, a broker or a speculator might charter space in a ship ahead of time and re-sell to the shipper. The shipper, under this bill, would be compelled to post his contract, but the broker who makes the profit would not be compelled to disclose his contract at all. The interpretation given to the word "shipper" in this bill limits the application of the proposed obligations to the man who actually owns and ships grain. That is the basis of my protest against this suggested legislation. I want it to be clear in the minds of the committee that under this bill we are not putting any impediment in the way of speculating in shipping space, but that as a matter of fact we are encouraging it. Suppose a shipper of grain charters space in May for shipment in October at a very low figure, and shipping rates increase as time goes on, all he has to do is to put his contract in the name of a third party, and then at the time of shipment buy from this third party holding on his behalf and post the higher rate. This bill does not give the slightest opportunity to the producer or to the man selling

grain to keep a check on the cost of the transportation of his goods to see whether an unreasonable profit is being made between him and the ultimate market; on the contrary, it simply gives facilities for covering up abnormal profits resulting from trafficing in shipping space.

Mr. ROBB: The Board of Grain Commissioners know the rate charged, and if it is discriminatory they advise the government, which is then in a position to suspend the coastal laws.

Mr. STEVENS: The rate would have to rise to a point which constituted a public scandal.

Mr. ROBB: Not at all.

Mr. STEVENS: At least, the rate would have to rise to a point which must focus public attention.

Mr. ROBB: There might be discrimination at very low rates.

Mr. STEVENS: I am not talking of discrimination, I am talking of the alleged intention of this bill. The rate on grain runs from 3 cents up to 7 cents.

Mr. ROBB: It starts as low as 1¼ cents.

Mr. STEVENS: Suppose a broker buys his space now at 1¼ cents, and the rate increases to 5 cents; he makes the difference by putting through a transaction with another broker who buys the space in his name.

Mr. CHURCH: One of the most important factors in solving the transportation question on the Great Lakes is the regulation of shipping rates. Last session this parliament passed chapter 49, an Act to Regulate the Carriage of Grain on the Great Lakes. I cannot see why the rates on grain have been singled out for regulation; what about the rates on package freight, fruit, coal and a great many other commodities that to-day are under no rate control as to water-borne traffic? Why should the grain commission be charged with the control of the lake rates on grain, while rates on the other commodities I have referred to are left uncontrolled —or rather are left at the mercy of a monopoly? Since last session an inquiry by a royal commission has disclosed that the charges were proved in respect to there being a shipping combine on the Great Lakes. This combine exacted such exorbitant rates on the Great Lakes last season that there was an agitation in the summer and fall for the suspension of the coastal laws. I am sorry that the minister proposes by this bill to charge the grain commission with the regulation of these shipping rates. I think he should follow the report of the royal commission on the subject and also the Drayton-Acworth report, which recommended that the control of shipping rates on the lakes be placed under the Railway Commission. We do not hear much about the Railway Commission these days. Formerly it was very active in rate regulation, but latterly it seems to be lost, stolen or strayed, for we never hear anything of its activities in this direction. The royal commission which looked into the rates on the Great Lakes last year reported that the Canada Steamship Company froze out all competition on the river St. Lawrence and the Great Lakes, until they were in absolute control. This combine has charged whatever rates it thought the traffic could bear, and it is time that it was brought under control. The only way you will ever regulate transportation rates on the Great Lakes, and maintain proper control of this combine, is to place the rates on all water-borne traffic under the control of the Railway Commission, and so put a stop to unjust, unfair and undue discrimination. The report of the royal commission disclosed the existence of an ocean and lake combine, that sat in with the railway to keep up all rates, and hon. gentlemen to my left will find that it will continue in the future as it has in the past. Instead of a political football being made of this matter of the control of rates on land and water let us have a commission that can wield the big stick and carry out the recommendations of the various experts who have investigated this problem from all angles. We have the Drayton-Acworth report, the report of the royal commission dealing with lake shipping, and the report of a committee of this parliament which last session and the session before investigated the control of rates. The working classes and the farmers are suffering from high freight rates and high cost of production, but there can be no effective remedy until we get a commission that will do in this country what the Interstate Commerce Commission are doing on the other side; they have control not only over rates on grain, but over coal, fruit and all classes of products carried by both rail and water. The grain Commission should fulfil the functions for which it was appointed—it was never intended that that commission should have any control over rates either by land or by water, this is solely the function of an up to date Railway Commission which is badly wanted in Canada to adjust and regulate rates by rail and water equally.

Mr. MILLAR: A few days ago when we discussed this matter I objected to the clause to which the hon. member (Mr. Stevens) has taken objection this afternoon. Since then I have discussed the matter with the Chairman of the Board of Grain Commissioners, and I do not think I am betraying any confidence when I say he assured me that the information that would seem to be necessary was available, that is, the rate at which the shippers leased their space. As I read the bill it does not indicate that the shippers must supply that information, and I can conceive of their refusing to give it. He assured me that at the present time they were supplying the information desired as to the rate at which they were letting their space, and if that were placed in the bill or if it were carried out in practice the objection of the hon. member (Mr. Stevens) would not stand. I am convinced, notwithstanding the remarks of the hon. gentleman (Mr. Church) that this power is placed in the proper hands. The grain commission have specialized in the grain trade. They are closer to the producer and I am sure the producer will feel much better protected if the matter is left in the hands of the Board of Grain Commissioners than he would if it should be placed in the hands of the Board of Railway Commissioners. What I said in regard to the saving in insurance a few days ago I am quite convinced is correct. After appointing a commission to investigate alleged abuses and establishing that a combine existed,-to withdraw this legislation and go back to where we started would in my opinion be most unfortunate. If any more effective remedy can be suggested, very well, but until that remedy is suggested I think we should adhere to this legislation and make it as complete and effective as possible.

Mr. STEVENS: The remedy that was found last year was in the suspension of the coastal laws, which is not incorporated in this bill and was not in the bill of last year.

Mr. SALES: When discussing this matter the other night I asked the minister if he would insert the words "and broker" after the word "shipper" so that we would know of the transaction as respects the man who steps in between. I do not think we get the full information unless that is done.

Mr. STEVENS: This legislation is very incomplete, even if it has any effect along the lines the minister speaks of. We are repealing section 3, and a little later on we are dealing with section 5. Here is what section 5 says:

Any company, owner or person who charges, contracts or stipulates or receives any toll, charge or rate in excess of the maximum rates so fixed by the board shall be guilty of an offence—

That is a penal clause, but there is nothing to penalize the broker or other person who may traffic in this space. For instance, the owner of a vessel contracts to let space at a rate that is discriminatory, if you like. The buyer of that space must post his rates. The board take power under this new act to penalize not the shipper who posts the rate but the owner of the vessel, who may have sold that space three months before to a broker or middleman. The broker is invariably the man, if he wants to act in this way, who puts his shingle out and has nothing but an office. He has no assets, so that there is no use going after him for a fine. The chances are that if he has made a good killing out of the sale of his space he vanishes, and under this legislation there is no redress. That is the quarrel that I have with this legislation; it was ineffective last year and it is ineffective this year.

Mr. ROBB: My hon. friend is quite wrong. The best proof that it is effective, that it is satisfactory to the trade, is that there is no objection from the trade, though it has been working since October of last year.

Mr. MEIGHEN: The minister means it has been dead since then.

Sir HENRY DRAYTON: The minister should be a little more frank in dealing with this question. We got a lesson last year in respect to the foolishness of trying to rush through legislation in the dog days without very much consideration. When this bill was rushed through at the end of last session there was a protest against it from this corner of the House, but it was not persisted in. It was expensive legislation; it was mistaken legislation, so mistaken that the government had to say that the English language did not mean what the English language said. It was so wrong that we had to read for the words "vessel owner" the word "shipper." It was so wrong that black had to become white. That was the kind of legislation it was. It cost the western farmer, on the lowest possible basis, $3,100,000. The figures have been gone over here, and no answer whatever was made to them; no answer can be made to them. There was a difference in those rates until the time the government sanctioned the calling of black white, and it resulted in a loss, on the lowest possible calculation—

Mr. ROBB: And now my hon. friend is objecting to our correcting it.

Sir HENRY DRAYTON: Well, we will just see how much reason there is in that statement; we will see if there is any more reason in it than there was reason for the act which was passed last year. Of course, my hon. friend has not to pay for it; the government has not to pay for it; these mistakes do not cost the government anything, but they cost the western producer on the lowest possible basis $3,100,000.

Mr. ROBB: Will my hon. friend tell us how much it cost the western farmer in 1922, prior to the legislation that was brought down?

Sir HENRY DRAYTON: Yes, I will go further than my hon. friend goes in connection with 1922. I will freely admit that in 1922 excessive rates were charged; there is no question about that. I will go a little bit further and say that if the remedy had been applied in 1922 which the government could have applied, a sum of money which was probably in excess of $3,100,000—I could not say exactly —could have been saved to the western farmer. There is room for a little further moral to be drawn from this.

Mr. STEWART (Argenteuil): My hon. friend will agree that the government had no authority in 1922 to act. It was the bill which gave them the first authority to interfere with the coasting laws.

Sir HENRY DRAYTON: My hon. friend again takes an impossible position. It suits a government that lies inert to say: "We have not any legal authority to do anything", when it pays them to say it; but we have heard only this afternoon from the Acing Minister of Finance (Mr. Robb) that in the year 1922 the coasting laws were suspended, and now we hear from the hon. Minister of the Interior (Mr. Stewart, Argenteuil) that the government could not suspend the coasting laws in 1922.

Mr. STEWART (Argenteuil): Is my hon. friend quoting the Acting Minister of Finance correctly?

Sir HENRY DRAYTON: I am quoting him perfectly correctly.

Mr. STEWART (Argenteuil): It has been the practice of all governments to permit vessels to load in the winter season, and remain loaded, and discharge in the spring at Canadian ports, but I am not aware that there has been any suspension of the coasting laws during the shipping season.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: My hon. friend will find that the law is the law, and that it makes no difference—

Mr. STEWART (Argenteuil): Am I not correct in that statement?

Sir HENRY DRAYTON: My hon. friend is uneasy, and I will wait till he gets through.

Mr. STEWART (Argenteuil): Was it not the practice of the previous government, as was done in 1922 by this government, to suspend the coasting laws and allow American bottoms to load and remain loaded during the winter, discharging in the spring at Canadian ports? So far as I am aware, no suspension of the coasting laws has taken place during the shipping season.

Sir HENRY DRAYTON: In the first instance, what I will say to my hon. friend is this: If it is illegal for the government to suspend the coasting laws—

Mr. STEWART (Argenteuil): It is not now.

Mr. ROBB: We amended it last year.

Sir HENRY DRAYTON: My hon. friends need not be uneasy; I am coming to that. If it was illegal to suspend the coasting laws, that illegality exists whether they be suspended in September, October, November, December or in January. If they cannot do it, they cannot do it; if they can do it, they can do it; and, of course, it was always done every year. The coasting laws were always suspended. Why, we never heard any difficulty about the suspension of the coasting laws until the government, instead of dealing with the difficulties which arose in connection with the movement of the 1922 crop, found it convenient to stall the matter by asking this House to have a royal commission appointed, and appointed it. I need not complain about that. The government in that connection were perfectly consistent. It is a habit they have of appointing commissions and robbing themselves of responsibility. They at least were consistent in taking that course. But until that was done I never heard any question about the right of the government to enforce and carry out the coasting laws, and just handle that matter as they ought to handle it in connection with the protection of Canadian commerce. My hon. friend asks, was it ever done before? Yes, it was done in the year 1912, and the rates came down. We had the same position in 1912 as in 1922, and the companies were told straight: Those rates come down, or the coasting laws are sus-

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pended. I forget whether the order in council was actually put through, but the rates came down.

Mr. STEWART (Argenteuil): My hon. friend knows the government did not have authority prior to the passing of this act to suspend coasting laws.

Sir HENRY DRAYTON: I know nothing of the kind.

Mr. ROBB: The way it was done was that the Department of Customs gave a permit.

Mr. GRAHAM: The Customs department shut its eyes, in other words.

Sir HENRY DRAYTON: We got it done when it was necessary.

Mr. STEWART (Argenteuil): You did it when the shipping season was over, and so did this government.

Sir HENRY DRAYTON: My hon. friend is entirely wrong.

Mr. STEWART (Argenteuil): With the single exception of 1912. We went very thoroughly into this matter with the Justice department, and had the record of what my hon. friends did during the whole period.

Sir HENRY DRAYTON: Well, the rates came down, but the rates in 1922 did not come down. Mr. Chairman, my hon. friends are creating a valuable precedent for civilization in this bill. I do not know whether it would be called progressive or not, but I am sure of this, that Canada is the only country in the world where rates are tried to be regulated, not by disciplining the carrier, but by harassing the shipper. I think I am well within the mark in saying that this will be found to be absolutely unique legislation. My hon. friends should get rid of the idea that new legislation is of any use just because it is new; there has to be some sense in it. We tried some new legislation last year, and it was so nonsensical that we have to pass this bill. No benefit whatever came from it. I will be perfectly frank with my hon. friends and say that there was pressure from the West to pass that legislation. The West thought it would regulate the rates, and my hon. friends from the West supported the bill in perfect good faith. I do not know whether they did it on the supposition that an act of parliament is almighty and will reverse economic conditions by its mere passage, or whether they thought its mere passage would make a foreigner submit himself to our jurisdiction, or whether their ideas were that any change was a good thing. But the change cost the western farmer, on the lowest possible calculation, $3,100,000. That, one would think, should be a fair indication that it is dangerous to pass legislation unless one knows something about it, and no one who knew anything about the question could have been guilty of bringing in such an act unless he wanted to penalize the traffic. Anybody who knows anything about it would know that the whole of this question was threshed out from top to bottom by the Alexander committee of the United States, and that regulation of rates was proposed by that committee to be given to the Interstate Commerce Commission, but in the working out of it the Interstate Commerce Commission found that all that could be done was to regulate the boats owned by railway companies, and nothing else; and the net result of that legislation, which was going to help the wheat grower in the United States, was to lessen competition and bring about the sale of the American railway boats to their competitive carriers.. Anyone who knew anything about the matter would never think for one minute that a trade, which, under the existing conditions could not be reached by American legislation, could ever be reached by Canadian legislation; anyone who took the trouble to think for two minutes would realize that. But because there is a little agitation, because there is to be a little temporary parliamentary support, because it can be said that the government is doing something, that legislation without any thought whatever, and without any consideration as to what its cost to the shippers of this country will be, is to be put through. What we are doing is to nullify the previous legislation.

Mr. ROBB: No, to improve it.

Sir HENRY DRAYTON: No, to nullify it. If my hon. friend wants an argument upon it, it is simple to demonstrate that the effect is to nullify. Does any hon. gentleman think seriously that he is regulating rates when he is getting after the passenger or the freight shipper? Is any one so foolish and so crass in his political beliefs and adherence to believe anything like that? No. We are simply nullifying the legislation. And why are we nullifying it? Last year we said that black was white in connection with the administration of the act, and that the act did not apply to the American shipowners as the act said it did. Now we are saying that the pretence of last year is all right, and that the American boats can come in and compete.

That is all we are doing. Therefore, we are nullifying the legislation of last year. I think it is a good thing to do. Of course a better thing would be to take the whole farce off the statute book. That would be the best thing to do, and that I believe would be the honest and courageous thing to do.

Mr. McTAGGART: Does my hon. friend know of any method by which the government might effectively control freight rates on the Great Lakes? If so, would he explain?

Sir HENRY DRAYTON: The only way I know of is by judicious handling of the coastal laws.

Mr. ROBB: Would my hon. friend keep in mind that he once wrote a report on that subject?

Sir HENRY DRAYTON: I do not know what report the minister is referring to. I have written many reports a long time ago, and I do not know whether my opinion has changed or not. If it has changed, I am quite sure it is for the better, and my hon. friends have every right to adopt it if they so desire. I hope I am always growing a little wiser as I am getting a little older. I do not recollect the report my hon. friend is speaking of. I wrote a report once in connection with ocean rates.

Mr. McMASTER: A very interesting report.

Sir HENRY DRAYTON: I do not know that anything I have said in the House is in conflict with my report on ocean rates. In fact I have not seen the report, or heard of it, or had anything to do with the matter for years; but I know that it is not in conflict with my statement now—not in the slightest. What could be done, apart from the coastal laws—but I despair of anything like this being done—would be to have some international understanding in connection with all these matters of international freight movement. I did recommend that, if I recollect rightly, in my report dealing with freight rates. That is the only thing which can be done that I know of, apart from coastal laws. If my hon. friend can find anything different in the report, he is welcome to it; but I do not think he will have any success in that line. The United States government at one time did turn their attention to handling this problem on the lakes. They put in a great deal of time on it.

[Sir Henry Drayton.]

Mr. ROBB: Would the hon. member be in favour of a measure of reciprocity along that line?

Sir HENRY DRAYTON: That is hardly a measure of reciprocity, but is merely a friendly co-operation in policing a public service. I would not call it a measure of reciprocity. We have to-day, in connection with the international movement of freight rates, a comity between the Board of Railway Commissioners and the railway board, a comity which does not rest on statute, a comity which I think as a matter of fact I very largely commenced and laid the foundation for in connection with the switching case down at Windsor; but it worked out. I am not against anything sensible in this world. I believe in common sense.

Mr. ROBB: Then why does the hon. gentleman not support this proposition?

Sir HENRY DRAYTON: Because this is nonsense; and after all, anything that will guarantee that this large public service shall not take too much from the people is largely a matter of policing. It is a good thing to have co-operation in policing, no matter what particular activity is concerned. I am not going to ask my hon. friend to do what he ought to do. He ought simply to repeal both bills, except the section as to insurance. The reason I except that is, because, frankly, I do not know anything about that insurance rate, and therefore I will not offer any advice on it. It may have worked well, I hope it has; but if it has, it is by accident, because we never heard anything about it in this House. There is nothing else in the measure. It is a question of publicity, which my hon. friend referred to in opening. It will not be effective because these contracts are not to be posted. We are now to pass an act the sole aim and object of which is to undo our mistakes of last year, but we are not to be honest about it, we are to pretend that we are really going to regulate rates by harassing the shipper. The only excuse that remains to be given is the excuse given by the minister, and it really speaks very very well for his self-control when he gives that excuse without laughing. He says we have got to have this information, so that we will know when to take off the coastal laws,—as if there ever was any difficulty in getting information on that point. My hon. friend has been there. I would like to assure hon. gentlemen who have not been there, and have not had the complaints, that there is never any difficulty in learning from the shippers how much they are being stuck

in their rates. As a usual thing the administrator is not looking for complaints; the fact is that he cannot dodge them. My hon. friend will get all the information he wants as to the rates.

Mr. STEWART (Argenteuil): Is the hon. member sure of that?

Sir HENRY DRAYTON: Very sure.

Mr. STEWART (Argenteuil): Does the hon. gentleman infer that there are not some contracts entered into by the big exporters and the shippers that you never hear of?

Mr. STEVENS: All of which is carefully concealed and buried and protected on behalf of the offending person in this bill.

Mr. STEWART (Argenteuil): I do not think so, if the shipper has to file his rate. My hon. friend is making a good deal out of the fact that we get this information, but he forgets that in the case of the largest shippers, unless you have some compulsion in regard to it, you never know what they pay; neither this government nor any other government will know what they pay. My hon. friend realizes that.

Mr. STEVENS We will not know it under this legislation.

Mr. STEWART (Argenteuil): I do not know why.

Sir HENRY DRAYTON: My hon. friend is wrong again. He should not get the habit. It is a bad thing to persist in. I have had complaints, and insistent complaints too, from the biggest shippers, the biggest exporters of grain in Montreal, people who buy the largest quantity of space. My hon. friend need not think that trade is not affected as a whole. It is.

Mr. ROBB: I have had similar complaints and I have discovered afterwards that the men making the complaints had a secret agreement, had booked millions of space at a low rate.

Sir HENRY DRAYTON: There is one way in which my hon. friend can get away from that. If he really wants to deal with this matter, he can make it illegal to have any of this sub-contracting and transfer of space.

Mr. ROBB: I am willing to consider any recommendation that will deal with the problem.

Sir HENRY DRAYTON: If my hon. friend is really serious in this matter he should make it illegal to sub-contract and transfer space.

Mr. STEWART (Argenteuil): Would that be wise?

Sir HENRY DRAYTON: I am seeking to meet the case submitted by the minister. I am not saying that it would be wise. I am pointing out that the last excuse is this: There are big people who get space at a very low rate; they may not use it and it is passed on; they get control of this space and the competitors have to pay a very high rate.

Mr. STEWART (Argenteuil): The transfer is not the serious part. The serious part is the booking of space for the use of the individual himself.

Sir HENRY DRAYTON: Where does my hon. friend think this legislation helps in that connection?

Mr. STEWART (Argenteuil): Simply that the shipper will have to file his space.

Sir HENRY DRAYTON: If my hon. friends want to get cheap movement, they want to be consistent about this. They must go into the question of rate discrimination. As regards rate discrimination in connection with contracts for water carriage, the opinion of every expert that I have known in the world has been to the effect that you can provide only a maximum rate in connection with ocean traffic, and that is all that this provides. In order to treat logically the suggestion of the Minister of the Interior—and of course his case is a desperate one, but I am not blaming him for making these suggestions—

Mr. STEWART (Argenteuil): Do not worry about me.

Sir HENRY DRAYTON: If we take that suggestion seriously, he is going much further than merely looking after maximum rates. He wants to find out when a big dealer is getting a low rate. The only use of that is to avoid discrimination and to have a parity in minimum and maximum rates. If he could do that, it would be an excellent thing, but so far no one in the world has ever said that it can be done. Nevertheless, we are here on the 8th day of July just wondering how on earth this bill could ever have been passed.

Mr. McMASTER: It is always interesting to see what consequences the restrictionist mind gets its adherents into. There are those who say that goods should be sent out of this country, and then complain of high prices, and then talk of price-fixing, and who now presage that all sorts of consequences are going to come from this legislation. What we have to do in this country is to apply an economic remedy to an economic ill. The

economic ill is the power among certain of our steamboat proprietors to create a combine, and the economic remedy is to break that combine by opening up competition. That is the real method of curing this ill. Does this bill do that? If this bill stood by itself, it would not do it; but this bill, as has been indicated by one, if not both of its foster fathers, is merely to give a barometer or a speedometer or some other measuring instrument whereby one may judge whether rates are going up or going down or are being kept constant on a reasonable basis, in order that they may apply the real remedy. The real remedy is to take off the absurd coastal laws which we have, which endeavour to give our shipowners an advantage over other shipowners. Of course, also, when we are dealing on the Great Lakes, with other people, with laws of the same nature, our remedy would be to get some sort of reciprocal arrangement. There are those who say: Well you are just increasing the possibility of a larger combine. There may be something in that, but I do not think it is serious. The larger the market, the more difficult it is for sellers in that market to combine to the disadvantage of the consumer. The larger the supply of tonnage, of transportation facilities, offering, the less possibility there is for those supplying transportation facilities to get together and gouge the consumer. I would support this bill on this understanding, that it was merely a method of acquiring information. The minister tells us that the method is in force now; that it is doing good work, and, therefore, I think it is at least worthy of enactment. But what I should like to impress upon the government is this, first that they should be very responsive to information received by them of undue enhancement of rates, and that they should enforce the suspension of the coastal laws without waiting too long. I would go further and ask them to consider the advisability of making reciprocal arrangements with the United States, and also, if we are going to build up a great mercantile marine, if we are to be a great maritime power, whether we had not better take example from the greatest maritime power in the world which has no coastal laws at all, but which throws its coastal trade open to the whole world.

Mr. MACLEAN (York): I agree with what the hon. member (Mr. McMaster) has just said, that the time may have arrived when we should suspend the coastal laws and in that way improve competition in connection with transportation. I also agree with the hon. member for West York (Sir Henry Drayton), who did not quite say that, but who mentioned the point. We have heard a great deal about bringing Nova Scotia coal and also Alberta coal to Ontario by means of improved waterway and railway rates. The way to get all these things is actualiy to use the suspension of the coastal laws for the benefit of transportation. The real question in the country to-day is transportation rates by rail. We have in Canada a great national railway, the greatest system of railway transportation that was ever on this continent and a transportation system of the most promising kind. I believe the day is not five years away when the Canadian National Railways will have a surplus of $70,000,000 a year. Somebody else does not like to see that. There is a competing road that would like to destroy the Canadian National Railways and it is trying to do so now. If the Canadian National Railways cannot stand the competition of waterways, I doubt whether the other railway that is so anxious to destroy the Canadian National, can stand it. If we want to reduce transportation charges, the way to bring about competition is to suspend the coastal laws. It will be found that the people are getting so tired of monopolies entrenched by statutes passed by this parliament that there will be a great demand for relief. There was an article in the Globe yesterday stating that the government must do something in connection with the attacks that have been made on the National Railways; but in this article they carefully avoided mentioning the fact that the real attack made on the Canadian National Railways in a certain quarter in this country quite recently was made by the Canadian Pacific Railway. That is the attitude of the Canadian Pacific Railway; it is down on the Canadian National Railways and wants to put them out of business. We can discipline the Canadian Pacific by putting it up against a suspension of the coastal laws so that there might be real competition in connection with water transportation. The Canadian National Railways could stand it, but I doubt whether the Canadian Pacific could, and certainly something of the kind would have a tendency to put a stop to these attacks on the Canadian National.

Mr. SALES: The point of importance to my mind is the suspension of the coastal laws. The government admit that they have power to suspend these laws and the other night I raised the question as to the point at which they would consider there was a sufficient discrimination to warrant that suspension. The government had the power of suspension on

May 16, but no action was taken; and from the Manitoba Free Press of May 16, of this year I learn that the Canadian shipping companies are charging 2 cents a bushel to Buffalo and 2½ cents to bay ports although the distance is only half as great. This 2 cent rate to Buffalo was fixed early in the season by the Canadian shipping lines. Does the minister not think that that was the time to suspend the coastal laws? Does he not think that with such a discrimination as that they should be suspended? Let me quote again from the Free Press of June 14 of this year:

> There is a Canadian mill at Port Colborne, just 18 miles from Buffalo. This mill has to get its supplies of western Canadian grain by Canadian boats, because of the shipping regulations; and these boats patriotically charge at least a cent a bushel more than they charge for carrying the same wheat to its American competitor in Buffalo.

And again no action was taken. Is not that a sufficient reason for suspending the coastal laws?

Mr. ROBB: A government cannot be guided by newspaper articles, and that is the reason we are passing this bill; we want to enable the Board of Grain Commissioners to get all the information that is necessary so that they may be in a position to advise the government.

Mr. SALES: Then I take it that the information to hand has not been sufficient to establish discrimination as between Canadian and American ports. Is that the minister's answer?

Mr. MEIGHEN: Does not the hon. member understand that the men who are so hard pressed and have to pay such high rates decline to say anything about it for fear they may get relief? That is the government's opinion.

Mr. SALES: I understood from the minister that this legislation had been in effect since October last and that it was instrumental in getting the necessary information. I must conclude from the minister's remarks that there has been no discrimination this year or the government would have suspended the coastal laws.

Mr. ROBB: The minister of Trade and Commerce (Mr. Low) is ill; if he were here he might have all the information on the subject. I can say offhand however that there have been no complaints filed with the department from shippers.

Mr. SALES: Have we to wait for a complaint on the part of shippers before the coastal laws are suspended? Or will the government through the Board of Grain Commissioners, at any time when it is considered that a discrimination exists, take the matter into their own hands and suspend the laws?

Mr. ROBB: When there is a complaint from the shippers we will look into the matter. And had we looked into it in 1922 we should have discovered that an associate of my hon. friend who was complaining had himself a low charter rate.

Mr. SALES: I am not in favour of any friend or associate of mine especially having a low rate. I have been imploring the minister to include the word "broker" in order more fully to meet the case.

Mr. ROBB: I do not object to that.

Mr. SALES: That I think would cover the point. But what must be the extent of the discrimination against the Canadian grain grower by these boats before the government decides to step in and suspend the coastal laws? I recommended the other night ½ cent a bushel as being the limit that should be allowed to exist between the Canadian vessels and American boats.

Mr. ROBB: It is generally recognized I think, from past experience, that ¼ cent was a fair difference between the rates. My hon. friend will understand that the vessel gets a return load a little quicker and handier when unloading at Buffalo, and that is one reason why they carry a somewhat lower rate to American ports. And the movement of ore, limestone and coal has very much to do with the return rate on wheat.

Mr. SALES: I quite understand that, and that is why I want a declaration from the government as to the point at which they would say that the discrimination was sufficient to warrant the suspension of the coastal laws. I suggested ½ cent a bushel.

Mr. ROBB: It would depend on the movement of the return cargo.

Mr. SALES: Will the minister not fix a limit to the extent of the discrimination that should be allowed to exist?

Mr. ROBB: Why should I do so? The discrimination would vary from time to time.

Mr. SALES: If a definite limit were fixed it would be a great assurance to the grower of grain; I would suggest ½ cent per bushel, which is double what the minister himself has mentioned. If this were done the shipping people would know that the moment they overstepped the line and indulged their greed

too far the government would immediately cope with them.

Mr. GRAHAM: A ship is not like a railway train, which has to go between two fixed points; a ship does not need to run between any two points which the government might designate. Let us suppose that we fixed an imperative limit, as is suggested. My hon. friend might want to move a cargo of grain and under peculiar circumstances he might find it advisable to offer a particular boat a slight margin over the limit set. But he would find himself in a difficulty inasmuch as he could not exceed the law.

Mr. McMASTER: It would be inadvisable to mention any fixed rate. But surely the government could say that whenever there was substantial discrimination the coastal laws would be suspended. "Substantial discrimination" would of course be a variable term, but I should think such a provision would be a wise one.

Mr. GRAHAM: That is really what the bill has in view.

Mr. MEIGHEN: I have listened with a great deal of interst to the hon. member for Brome (Mr. McMaster) who I noticed was watching the discussion, trying to find out what could be said for the legislation. He finally described it as a barometer and speedometer, and ended up by expressing the belief that at least it was innocuous. I will give him my idea of the whole thing, last year's and this year's put together: If ever there was a mass of parliamentary rubbish which we should get out of the way as fast as possible it is this. How any hon. member who wants to maintain the dignity of parliament, who does not want ourselves to be made an exhibition of before the country and the world, can desire to keep this stuff on the statute books I do not understand. All afternoon we have been discussing another bill altogether to get something that means something. This means nothing; this talk about suspending the coastal laws has nothing whatever to do with this legislation. This legislation serves no purpose on earth in relation to the suspension of the coastal laws; it is only a joke.

Mr. ROBB: The right hon. member will admit that it serves the purpose of gathering information as to rates.

Mr. MEIGHEN: No. It is absurd to suggest that it is for lack of information that we have refrained in the past from suspending the coastal laws. We did not know what high rates were being charged! The people who were being charged high rates were so modest that they would not let us know for fear we would help them! Why, we know from day to day what the rates are, for you never have any difficulty in getting information from people who are oppressed.

Mr. McMASTER: Oh yes, very often the oppressed are afraid of the oppressor.

Mr. MEIGHEN: I have never experienced that in this free country.

Mr. McMASTER: It is true nevertheless.

Mr. MEIGHEN: Oh, that is a joke and the hon. member knows it. "It is to laugh," to talk about the government having any difficulty in finding out what the rates are.

Mr. ROBB: Let me cite an instance. During the months of June and July, 1922 a very large shipper in Toronto kept telephoning complaints to Ottawa of discrimination as between Canadian ports and Buffalo, but he refused absolutely to confirm his complaints by letter until some time in August, and the reason he gave was the very reason given by the member for Brome.

Mr. MEIGHEN: Who would ask any government to act on a telephone message? The government has no difficulty at all in getting at the facts as to the rates charged. In 1922 the rates from Winnipeg were quoted to the government over and over again, rates that could not be disputed, and the newspapers called upon the government to act. The government did not act. It may have felt that it had sufficient reason for remaining quiescent, but the last reason on earth ever suggested was that it did not know the facts. Did anybody ever say last year that the purpose of this legislation was to find out what the rates were? The purpose of the legislation was to regulate rates. The government never complained that it had any trouble in ascertaining what the rates were, especially when they were high. Now, once this legislation is passed we have a statute which is as arrant a specimen of parliamentary humbug as ever was placed on the records of any legislature. Look at section 3:

Provided that the shipping company—

Which always is the offender. The idea of calling the man who is imposed on the offender, and providing regulations which if he violates will render him liable to be fined! A more utter monstrosity could not be imagined The shipping company alone can be the offender, but this legislation does not get after the shipping company at all. Section 3 did, in the legislation of last session—at

least it did in the way the legislation was intended, it provided that any shipping company must file, before any transaction shall be complete and binding, a record of that transaction with a schedule of the rates which it proposes to charge. Anyone reading the section will see it was intended that the shipping company shall file a tariff that is to be effective for some specified time. It also provided that if the shipping company failed in that or, having a maximum fixed, failed to abide by it, it should be subject to a heavy penalty. This is repealed by the proposed legislation, and instead what do you think is substituted? A clause which says that the shipper—the man whom we are trying to protect—shall file with the grain commission a copy of his charter after he gets to be the owner of it. It may be three months after the shipping company issues the charter; it may be three months after the broker sold it; it may have been transferred half a dozen times before it reaches the shipper. Anyone knows that the filing of such a charter could not possibly be the foundation for action by a judicial body nor by this government. In so far as this government might act under its control of the coastal laws, it could not possibly act on the basis of any charter so filed, because such a charter may have gone through other hands and it might be three months before it would be filed with the grain commission. Then the substitute clause makes no offence at all, it simply says the shipper must do this.

Mr. McMASTER: Would not the right hon. gentleman take it that on each transfer of a charter party, such as he contemplates, a copy would have to be filed?

Mr. MEIGHEN: No, not until it gets to the shipper. It is the shipper as defined in the first section of this legislation.

Mr. McMASTER: But the shipper is any man who contracts.

Mr. MEIGHEN: Very good. Section 4 remains as it is. Just let the member for Brome notice this. I want to read first of all section 3, which is the substituted section to which I have been referring. Section 3 did read that the rates and tariff should be filed as I stated, evidently contemplating rates and tariffs that would subsist for some specified time. Then section 4 reads:

> It shall be the duty of the board to receive and tabulate all such tariffs and rates as may be filed—

After this law goes through, section 3 will read as follows:

> 3. Every shipper shall immediately after entering into any charter party, bill of lading or contract for the carriage of grain from Fort William or Port Arthur to any other port or place in Canada or the United States by lake or river navigation, and before the grain shall have been laden in pursuance thereof, file with the Board of Grain Commissioners of Canada a true copy of the said charter party, bill of lading or contract for carriage.

Thereupon section 4 comes along and says that it shall be the duty of the board to receive and tabulate all such tariffs and rates. Tariffs and rates are not mentioned in the section, they are wiped out; all that is filed now is the charter party for this one trip—a charter party that may have been made two or three months before. Now then, how does section 5 ever apply after this legislation goes into effect? That section provides:

> When in the opinion of the board, the toll, charge or rate which any company, owner or person charges or intends or proposes to charge for the carriage of grain as aforesaid is unreasonable or excessive, or amounts to an unjust discrimination against any person, company or class of persons as compared with the tolls or rates for similar traffic between Canadian and United States ports or between one port and another in either of said countries, the board may prescribe such maximum rates as it may consider reasonable; such maximum rates so prescribed may vary or be limited in their application according to the time or season of shipping, and the board shall indicate in its order fixing such maximum rates whether the same are to prevail until further order or the period or periods during which they are respectively to prevail; and so forth.

How could the board ever presume to act on the basis of the information which the new section 3 alone provides that the board shall act on? Why, the Minister of Trade and Commerce, when this bill was before us on a previous occasion, frankly told us that it was not contemplated the board would ever act against the shipper at all. Here is a law which we are asked to place on the statute book to provide that in case an unjust charge is levied against a man, no doubt against his will, he be punished for paying the imposition! He is so liable under this new section 5 which effects a substitution for the old section 8. There is no way in the world—and the Minister of Trade and Commerce did not pretend it was ever contemplated—whereby the shipowner would be mulct under any of these provisions, and he could not be, for the simple reason that the board could not possibly fix a tariff based on information which does not provide at all what the rates are going to be. And if they attempted to make such a provision, how in the world is it to be enforced? It cannot be enforced; there is no provision for the purpose. So he comes to-day and says, "All I want is the information." Well, if that is so, wipe all this other rubbish away. Why leave it here to becloud the statute; or rather, worse, to simply make an exhibition of this parliament before every person in the country

or out of the country who reads the legislation. It would have been much better if the government had come down—and they would not have required to be any more frank than the minister this afternoon—and said, "We confess that it was hasty and ill-digested legislation, and we want to repeal it."

Mr. STEWART (Argenteuil): I am inclined to agree with my right hon. friend, but he does not suggest that we wipe out the penalty for non-fulfilment of filing?

Mr. MEIGHEN: I consider it perfectly worthless. It cannot be any use for the shipper to file those charters.

Mr. STEWART (Argenteuil): Why not?

Mr. MEIGHEN: I have tried to make it clear. Simply because those charters may be one, two, three weeks or a month old. And even if they are only a week old they are no good. What good would they be for determining what the rate should be the next week?

Mr. STEWART (Argenteuil): The only remedy is suspension of the coastal laws.

Mr. MEIGHEN: Then there is nothing known. The shipper may pay twice what the charter says and the government knows nothing about it. He has bought that charter from a broker and he has had to pay the broker a premium. But all he files is the charter, and that is worthless; it will only stack up the grain commission's office. That is all it has ever done.

Mr. MARTELL: Is any procedure provided for other than the ordinary system of bringing action for breach of contract?

Mr. MEIGHEN: The old act provided that no shipping company could collect if they charged beyond the maximum that was fixed. But in the first place there cannot be a maximum fixed because there is no basis to fix it on. Next, the new act provides that the shipping company cannot collect an excess above the maximum that never is fixed. But I do not argue on these special provisions because they do not come into the picture at all; you never get them. There cannot be a maximum fixed on the basis of the information here. The minister knows he never intends that a maximum shall be fixed. He has learned from last year that the very fixing of that maximum drives American vessels off the lakes.

Mr. STEWART (Argenteuil): That was not the point.

[Mr. Meighen.]

Mr. MEIGHEN: The minister knows that is not intended. Why leave all this legislative wreckage—

Mr. STEWART (Argenteuil): It was not a question of maximum; it was a question of filing.

Mr. MEIGHEN: But is not the maximum exactly the same as the filing? Does he imagine that American vessel owners who object to filing their tariffs are going to submit to a maximum dictated by the parliament of Canada? The minister knows they will not.

Mr. ROBB: I made it very clear last year in presenting this legislation that I thought it would be dangerous to fix a maximum, because the result would only be to drive business over to Duluth.

Mr. MEIGHEN: Certainly. Therefore let us get this legislative wreckage out of the way; it is humbug to leave it in. Some one says there is one clause that is a jewel in the ash heap and that we should therefore keep it—it is this clause about insurance. Now, I regard the clause about insurance as just as worthless as the rest,— and nothing worse could be said. I will read the clause; it is the first time I have given special attention to it.

Mr. ROBB: It has worked.

Mr. MEIGHEN: Worked? Pshaw! I heard something about its working last fall, and now I understand fully why it worked just as it did. This is clause 7:

> It shall be unlawful for any person who is a vessel broker or person engaged or acting as agent or otherwise in the chartering of any vessel or in contracting for the hire or letting of cargo space for the carriage of grain from Fort William or Port Arthur to any port or place in Canada or in the United States by lake or river navigation to solicit any risk, or to issue or deliver any receipt or policy of insurance, or to collect or to receive any premium in whole or in part, or to inspect any risk, or to adjust any loss, upon, for or in connection with any consignment of grain so to be carried.

I presume it was thought that the broker who was selling the space would probably have some leverage by which he could exact a larger rate, consequently he was put out of the insurance business.

Mr. ROBB: What happened was this. Brokers who were selling insurance would say to a grain shipper: You cannot have space on this vessel unless you take insurance from me.

Mr. MEIGHEN: Yes, and does the minister say he cannot do it yet? Suppose he is acting now as John Smith or more likely as Georgian Bay Ports Limited, or something

like that; well, he can take out a charter next day as Lake Bay Ports Limited, and he is outside the act. That is what I understand was done. I had not read the provisions of the clause before, but now that I have read them I can see that no man need be delayed more than twenty-four hours, at least not longer than enough to get out a charter.

Mr. ROBB: But the broker is in the position now that he must sell the space and the shipper has the right to get the insurance where he pleases and where he can get it cheapest.

Mr. MEIGHEN: All he has to do is to do it in another capacity, and he can do it right off. There is no hindrance, there is not the slightest handicap. Whatever may have resulted in the matter of insurance rates resulted from the law of supply and demand, and not from this legislation.

Mr. GRAHAM: Will my hon. friend say that under the present act any of these brokers can compel a shipper to pay more than the proper rate for insurance? Under the old act he could.

Mr. MEIGHEN: He can do it just the same as under the old act, because if he is running this brokerage business as John Smith, Limited, all he has to do is to run his insurance business as Georgian Bay Ports, Limited.

Mr. GRAHAM: But if John Smith says the shipper must insure with Georgian Bay Ports Limited, this provision will apply.

Mr. MEIGHEN: He is in absolute compliance with section 7.

Mr. GRAHAM: He is not trying to comply with section 7; he is trying to get his insurance at a low rate. He does not have to go to Georgian Bay Ports Limited; he can go to any other company that he believes will give him a proper rate.

Mr. MEIGHEN: He could do the same before as he can do to-day; precisely the same. The whole act is defeated by a simple change in the name, a change in the corporate entity of the party acting.

Mr. GRAHAM: That is, if there is collusion.

Mr. MEIGHEN: No, there is no need of collusion at all. I do not think the minister follows. Suppose I am a broker and I am holding up a shipper in an effort to get a larger insurance rate than I am entitled to. I say to him: You will not get the space unless you take this insurance. I am not allowed to do that, but who am I when I am doing it? I am John Smith, Limited. Well, I take out a charter and I call myself Georgian Bay Ports Limited, and my boy sitting over there can do just precisely the same as I was doing before; there is no breaking of the act at all. So I say that whatever ressulted in the matter of insurance rates resulted from the law of supply and demand and not from anything in section 7. But if the minister still clings to section 7, I believe I would agree with the member for Brome that it is innocuous without being a howling farce. The rest of the legislation is nothing but a screaming joke; and let us as a parliament wipe it away and be frank enough to say that we were wrong.

Mr. BOYS: Is it the minister's intention to relieve the shipping company, or shipowner, or person who offers or advertises or proposes to carry grain for hire, and to impose the penalties of this act upon the shipper of the grain? If that is the purpose then I admit it is being accomplished, but I can hardly believe it is.

Mr. ROBB: I am not very insistent upon the penalty clauses; if we are able to get the information that will enable the grain commission to advise the government from time to time as to the rates. In doing this we are now almost two years away from the report of the grain commission which inquired into those rates. In introducing the legislation last year we only followed the recommendation of this commission. That is why hon. gentlemen opposite did not oppose it except to the extent that they suggested we should put the rates under the Railway commission. The government decided that the grain commissioners, being on the ground, were in a better position to examine these rates. They also indicated that we should establish maximum rates, fix rates on the lakes, but we did not consider that practicable.

Mr. STEVENS: So far as I am concerned I never supported in any shape or form last year's legislation. I prophesied then that the legislation would be abortive, and I opposed it unreservedly, as I am doing this year.

Mr. ROBB: I think my hon. friend did, and I believe he was sincere. But I recall that there was a very big lobby carried on around this building and that there was opposition from government supporters as well as from the Senate. But we knew where the opposition came from and we knew where the opposition came from to allowing American

vessels to go in there last fall, because agents of the Canadian companies were at Buffalo and at Cleveland and all along there trying to keep them out.

Mr. STEVENS: In regard to that insinuation—because that is what it is—I may say that not a soul ever spoke to me in regard to this matter. I opposed the legislation on principle. When I sat on the other side year after year I opposed legislation of this character, though not dealing with exactly the same matters. If the minister suggests that I was influenced by any unholy lobby in this matter, he is absolutely wrong.

Mr. ROBB: I did not say that. I said there was a lobby carried on around these buildings, and that opposition came from government supporters. I recall that my hon. friend did oppose the measure.

Mr. McMASTER: I would gather from what the leader of the opposition has said that he is not altogether in hearty accord with this legislation. I would like, however, as far as my feeble powers might enable me to do so, to meet some of what I think are his reasonable objections to clause 3 as redrafted in section 2 of this bill. I would ask him to do me the honour of listening attentively while I read to the committee a suggested change in the clause which I think would meet some of the objections he has so forcibly and eloquently urged upon the committee. I suggest that section 2 read:

Section three of the said act is repealed and the following substituted therefor:—

Every person who makes or acquires the right of carriage under any charter party, bill of lading, or contract for the carriage of grain from Fort William or Port Arthur to any other port or place in Canada or the United States by lake or river navigation, and before the said grain shall have been laden in pursuance thereof, shall file with the Board of Grain Commissioners of Canada a true copy of the said charter party, bill of lading or contract of carriage, with a statement of the consideration price paid by him therefor where said consideration differs from that stipulated by the said charter party, bill of lading or contract of carriage.

I think there is something in what the leader of the opposition says, that as a means of obtaining information the clause leaves something to be desired, inasmuch as the charter party might be transferred from hand to hand on several occasions with a price differing in subsequent transactions from the price first stipulated when the charter party was originally made.

Mr. BOYS: How would you know the original price?

Mr. McMASTER: I presume it would appear in the charter party.

[Mr. Robb.]

Mr. BOYS: Has that to be filed?

Mr. McMASTER: Under this section as originally drafted the charter party would have to be filed.

Mr. BOYS: No, that is the very point I am after. That is all being eliminated by repealing the original clause 3. That is the very point I was trying to develop with the minister.

Mr. McMASTER: I had the feeling that under the clause as presently drafted the charter party would contain the rate. I think most charter parties do.

Mr. BOYS: I quite agree, but my point is, under what provision of the act as it is proposed to amend it, would the original charter party have to be filed? I admit you had to do that under the act last year.

Mr. McMASTER: The original charter party, under my suggestion, would always be filed.

Mr. BOYS: I think not. Why?

Mr. McMASTER: Because that would show the initial price paid for the carriage, and if there was any price different from that originally stipulated, when the charter party passed from hand to hand, that price should be filed with the commission as well.

Mr. BOYS: If my hon. friend's amendment provides that it meets my objection, but if he reads it again, he will see that it does not. He would need to provide two things to be filed, namely, the contract made with the person who has to do the filing and
5 p.m. who received that right by transfer, as well as the original charter party, which I do not think he provides for.

Mr. McMASTER: I thought I did. May I read the clause I suggest again: Every person who makes or acquires rights of carriage under any charter party, bill of lading, or contract for the carriage of grain—

Mr. BOYS: I at once say that language could be made applicable, and solely applicable, to the last transfer.

Mr. McMASTER: I do not think so. I have made the language very broad. I say that "Every person who makes or acquires the right of carriage under any charter party", whether he uses that right of carriage himself or transfers that right by transfer of charter party or bill of lading would have to file with the Board of Grain Commissioners the consideration price which he paid for the charter party or the contract of carriage. The words "contract of carriage" cover both bill of lading

and charter party, both those methods of entering into a contract of carriage. My idea is that the original contract of carriage should be filed, and that every acquisition of that contract of carriage by any person subsequently should be filed with the price paid, if that price differs from the price stipulated in the original contract of carriage.

Mr. STEVENS: What would my hon. friend do with clause one under his suggestion?

Mr. McMASTER: I think perhaps clause one would require some amendment, but if my hon. friend would notice, I have rather enlarged the scope of section three. It reads at present "every shipper." I say "every person."

Mr. MARTELL: Is it not a fact that a charter party may be made for the whole contents of the ship? Then there might be subsequent bills of lading which the person who secured the charter party could enter into with other parties. So the bill of lading or the charter party could not, under any circumstances, be the same thing.

Mr. BOYS: The minister answered my inquiry merely regarding penalties, but that was not my only point. Is it the intention by legislation to relieve the ship owner of filing the rate he gets? That is certainly being done here in this legislation, which transfers that duty absolutely from the shipowner to the person who does the shipping. You are repealing clause 3 entirely, and relieving the ship owner both of penalties and the duty of filing the rates. You are casting the whole thing upon the shipper. I think there is absolutely no escape from that.

Mr. ROBB: My hon. friend does not need to argue that; I admit it at once, and that has been the practice since last October. With such an evident division of opinion between eminent lawyers on both sides of the House, I am disposed to accept the opinion of the chairman of the grain commission, who was recognized as a pretty good lawyer when he was in Montreal. My hon. friend the leader of the opposition also thought he was a pretty good lawyer, because he was a member of the government that appointed him. Now the chairman of the grain commission says that this act is right, that it has worked since October last, and that it is satisfactory to the trade. Having that in mind, I am disposed to stand by the act as it is.

Mr. MEIGHEN: Has the minister ever seen him laugh at it? He would not say anything to me, but really he could not keep from laughing. That is the only comment he ever made to me on the act, and really I think it was most appropriate. Talk about lawyers! It is not a lawyer's work at all; it is a matter of common sense.

Mr. ROBB: Answering my hon. friend, I had no reason to doubt the chairman's loyalty to the ministry he is now under when he made that statement to me last Friday.

Mr. MEIGHEN: He is absolutely loyal to the minister, but the minister himself would laugh at it just the same as he did, and the Minister of Trade and Commerce even more. The act is a farce. There is a measure of control that can be exercised by control of navigation laws, but it is only a measure, and I would not like to go the length of some hon. members, nor do I think they would go to that length if they had the responsibility. When you talk of capriciously cancelling navigation laws—

Mr. McMASTER: Nobody said capriciously.

Mr. MEIGHEN: Well then, fixing a rate within a quarter or half a cent—it cannot be done, and we will only injure ourselves in the long run by doing it. Only under special circumstances, circumstances which I think arose in 1922, but the ministry did not act upon them, and again early this year, should the navigation laws be suspended. If we act hastily in these matters, we will only end up without any mercantile marine of our own in the hands of an American monopoly. England built up her mercantile marine by navigation laws. I do not know whether she has them now or not—

Mr. McMASTER: None for years.

Mr. MEIGHEN: But England is not situated beside a country tremendously stronger than herself. It is the old, old story. Without navigation laws, does anybody imagine our vessels would not go over and put themselves under American registry? Why in the world would they not? We would not have a company. We would not have a tax on them and would not collect a cent. They would all be American companies. Why would they not? So that we must have some reason in the matter. At the same time the ministry were excessively timid in 1922. In 1912 we got it done. The navigation laws actually ceased to operate, and we did it through the customs regulations.

Mr. ROBB: You did it in 1912 the same as we did it in 1922, after there was a big row and discrimination.

Mr. MEIGHEN: But we did it in time to get the rates down, and we saved a lot of money to the western farmer; but in 1922 you suspended the navigation laws after the ice had suspended them.

Mr. STEWART (Argenteuil): When the row occurred about excessive rates in 1922 there was not a particle of space in Colborne, in Midland or in any of the lake ports. I happened to be making investigations at that time, and I say that any action taken then would have been fruitless. Ships were tied up at these ports for several days then, awaiting unloading. I agree with my hon. friend that we should be careful about the suspension of the coastal laws. In regard to the criticism about our action in 1922, I know whereof I speak, because a thorough investigation was made at that time.

Mr. MEIGHEN: There may have been circumstances which have not been brought to my knowledge, which afford some justification, but I think an investigation would show that it should have been done sooner.

Mr. STEWART (Argenteuil): At the time the requisition came to Ottawa, I had a man visit every one of those ports, and the fact is that for five days the ships were lying at the docks unable to load. What would have been the sense of suspending the coastal laws?

Mr. STEVENS: Was Buffalo congested?

Mr. STEWART (Argenteuil): Buffalo is always open.

Mr. STEVENS: An American company cannot go to Fort William, take a cargo of grain to Buffalo, and then take it from there to Montreal. The same company cannot take the same cargo right through.

An hon. MEMBER: They do.

Mr. STEVENS: Not the same cargo. They can take a different cargo. But if my hon. friends had suspended the coastal laws they could have transferred the cargo at Buffalo into smaller ships, and taken it to Montreal in smaller bottoms.

Mr. MARTELL: When was the law changed, so that an American vessel could trade between one port in Canada and another port in Canada?

Mr. STEVENS: It would require a suspension of the navigation laws, and my hon. friend says it would have been fruitless to suspend those laws in 1922. Why? Because the lake ports were congested; but had he suspended the coastal laws Canadian grain could have been carried from Fort William to Buffalo by American vessels and transferred into smaller vessels and taken to Montreal.

Mr. STEWART (Argenteuil): That was being done. The transfer was going on at Colborne at that time. There were 1,300 cars at the elevators in Montreal, which they were unable to unload. The harbour was full of ships with grain at the time this demand arose for the suspension of the coastal laws. I am thoroughly in accord with the leader of the opposition that one should exercise some care about these things and only do it when it is imperative in the interests of the trade. If it had been of any value at that particular time it could have been done; but that was the situation. I want to take the responsibility of having made that recommendation at that time. I am convinced that the only remedy on earth that we have, in fairness to our own ships, and for the preservation of our own interests, is to take the responsibility of suspending the coasting laws, if need be, to cut down rates. Otherwise I do not see that we have any remedy.

Mr. MEIGHEN: A measure of control can be exercised in that way. I do not wish to go further into the 1922 case, because it has no immediate relation to this bill, but any other effective control necessarily from the very geography of the situation must be a joint control.

Mr. STEWART (Argenteuil): You cannot get that because their own shipping controls it—

Mr. MEIGHEN: Their own shipping I hope does not control their government.

Mr. STEWART (Argenteuil): That may be, but they refuse to register.

Mr. MEIGHEN: We have solved international difficulties before by joint control—for example our International Joint Commission—and I do not see anything in the way of a real permanent solution of this question, until the United States look upon this matter as we do and are ready to enter into some joint arrangement and have a board for the purpose. In the meantime, let us not perpetuate again the awful farce of a year ago; and having done it, do not let us try to cover up our tracks by a paltry bill such as has been introduced this afternoon. Let us frankly breast the whole situation, wipe it

away, and leave ourselves to do the best we can, in our wisdom, to control the situation by the exercise of our coasting laws, and let us make an effort to join with our neighbours to the south in effecting a control that will be a real control.

Mr. CAMPBELL: I think that this legislation will be useful because it will enable the government to secure information necessary for them and on which they can act in suspending the coastal laws. But I would impress upon the minister the necessity for acting before he receives complaints from the shipper. If I understood him rightly he said he would not act until he had received complaints from the shippers. The shippers are not particularly interested in what the rates are. The shipper is the purchaser of grain, and he simply passes on to the farmer whatever rate is being paid at that particular time. The farmer is the man who pays the rate. In 1922 complaints were received, not only from shippers but from farmers' organizations, from provincial governments in the West and very many boards of trade and other public bodies. There was plenty of information before the government at that time on which they could have acted. In regard to the coastal laws, the minister stated that the suspension of those laws would not be in the interests of the shipping companies. I am quite aware of that. But the suspension of those laws very often would be in the interests of our own ports and of our own producers of grain. For instance in 1918, in 1921, in 1923, and again this spring in 1924, we found that the shipping companies were charging higher rates to bay ports than to Buffalo, notwithstanding the fact that the distance is 50 per cent greater.

Mr. McMASTER: Fifty per cent greater to Buffalo?

Mr. CAMPBELL. Yes, I think it is 500 to 800 miles. There is surely in any case a reason for the suspension of the coastal laws when the rates are higher to bay ports than to Buffalo, and I think the government should certainly not wait for any particular information or any particular specified complaint. They should act immediately when they find high rates are being charged to bay ports.

Mr. ROBB: Regarding my hon. friend's statement of the difference in rates, I have here a telegram from the chairman of the grain commission, dated June 11, addressed to the Minister of Trade and Commerce. Apparently there were newspaper complaints that there was discrimination in rates, and this telegram gives the rates. It is addressed to Hon. Thomas A. Low, Minister of Trade and Commerce, and reads as follows:

> Your wire lake rates: inquiring from varied interests Winnipeg unable ascertain further reasons than already advised for differential Port Colborne Buffalo rates: rate to-day Fort William to Montreal eight and a half cents, Fort William Buffalo New York ten and a half cents, being two cents preference Canadian route.

Rates were not higher; they were lower.

Mr. CAMPBELL: I was referring to the rates to the bay ports as compared with the rates to Buffalo. I think if the minister will look into this he will find that a quarter to half a cent higher rate was being charged to bay ports than to Buffalo.

Mr. ROBB: Will the hon. member tell me what the rates to bay ports were at that time?

Mr. CAMPBELL: They were varying almost from day to day. They were published in the Free Press, but they showed various rates which were higher. I have a statement from the Bureau of Statistics covering the rates from 1912 to 1923 inclusive. These are correct, I presume. They are issued by the Bureau of Statistics and they show that the bay rates in 1918 ran higher than the rates to Buffalo.

Mr. STEVENS: Is that for a specific period or an average over a season or what are the rates the hon. member is quoting?

Mr. CAMPBELL: I have here a chart—

Mr. ROBB: I think in 1918 the whole trade of both the United States and Canada was controlled under the War Measures Act.

Mr. CAMPBELL: It was only for a short period during 1918 that the rates went higher. These are simply lines on a chart showing the two rates, one to Buffalo and one to the bay. From 1912 to 1917 the rates run very closely together, the bay rates being slightly less than the Buffalo rates. But in 1918 the bay line crosses the Buffalo line and runs higher. Later on, in 1919, it drops down again. In 1921 we find the bay rate very much higher. Then the lines meet again and in 1923 the bay rate runs considerably higher. I know that the shipping interests claim that the return cargoes they get from Buffalo have a good deal to do with these rates; but I do not think that is correct; in fact I am assured by the Bureau of Statistics that it has no effect on the rates. The average price they were charging for handling coal last year from Buffalo to the head of the Canadian lakes was 45 cents a ton as compared with about $1.45 a ton for grain and 80 cents

a ton for ore from the American head of the lakes. That would indicate that coal is being handled very cheaply, and I think when a vessel coming back secures coal, it is just that much to the good. I do not think it has any effect whatever on the rate going down. In my opinion the suspension of the coastal laws is the only thing that can affect the rates. If we are going to retain the coastal laws for the benefit of the shipping interests and operate against our own ports and our own farmers, that is very serious discrimination. The minister spoke about being in the hands of an American combine. If he will refer to the report of the royal commission appointed to examine into lakes rates, last year, he will notice that they stated that there is not nearly so much indication of a combine on the American side as on the Canadian side. In fact, the rate always shows that there is keener competition on the American side and not so much of a combine as on the Canadian side. If anything were necessary to prove either the lack of ability or of desire on the part of the government to deal with these combines, it is this very amendment that we are passing to-day. The very fact that the government was unable to handle the shipping companies and is now putting the restrictions on the shipper of grain instead of the shipping companies shows that the government either has not the power to handle the situation outside of the coastal laws, or else has not the desire. I do not know which is the case. It cannot be emphasized too strongly that the coastal laws are the only means we have of dealing with this rate situation. I know that the quantity of ore that is handled has a great effect on the rates. When a large quantity of ore is being handled the rates go up; when the quantity of ore drops off, a large quantity of space is available for grain and the rates go down.

As regards insurance, I do not wish to rob the previous legislation of any of the credit for reducing the rate of insurance, because I believe it had a great deal to do with that reduction. Nevertheless, competition had also a great deal to do with it. I notice in 1922 an insurance rate of 60 cents per $100 was charged from the head of the lakes to Montreal. In 1923, it had dropped to 30 cents, but it dropped from 30 cents to almost ten cents per $100 after the American boats came in. Therefore, competition is, after all, the principal factor in setting the rate of insurance as well as of grain.

Mr. COOTE: I am prompted to make these remarks by the statement of the Minister of the Interior that in 1922 he did not want to suspend the coastal laws because the elevators were full of grain and boats had to wait five or six days to be unloaded. At that time Canadian elevators on Georgian bay ports and at Goderich were in some cases filled up with American grain and American boats were still discharging grain cargoes at those elevators. Would it not have been just as well to let the American boats carry down a little Canadian wheat and congest the Canadian elevators with Canadian wheat as well as American wheat? Chickens will come home to roost. This government in 1922 in not suspending the coastal shipping laws did not, I think, do their duty. They were appealed to, I think, as early as July of that year when there was no new Canadian wheat crop coming down. Mr. James Stewart appealed to this government because he was discriminated against and made to pay a higher rate.

Mr. MOTHERWELL: Under what authority would we have repealed the coastal laws at that time?

Mr. COOTE: Under the same authority as the government repealed them in November of that year when it was too late to afford any relief.

Mr. MOTHERWELL: We repealed them when the last boats were being loaded. That was all. That had been done a dozen times before.

Mr. COOTE: The government had just as much power to suspend those laws in the month of July as they had in the month of November.

Mr. STEWART (Argenteuil): Was there a request for a repeal in July?

Mr. COOTE: Yes.

Mr. STEWART (Argenteuil): I never heard of it.

Mr. MOTHERWELL: There was no congestion then.

Mr. COOTE: The correspondence of last season was brought down. I do not have it at hand, but Mr. Stewart's appeal started in July and it kept up for some time. The government must have considered the advisability of suspending the coastal shipping laws because anyone who will look at the file will see that there were a large number of protests from shippers who feared that they would be discriminated against. We are often told in Canada that if we had more farmers and increased production, we would have cheaper rates. It was because we had so much pro-

duction in 1922 we got the elevators blocked up and the western farmer was charged excessive freight rates to the extent of about $7,000,000.

I have just this suggestion to make to the minister. I have been rather impressed, during the discussion which has been carried on this afternoon, by the statements made by the hon. member for Brome (Mr. McMaster), and also by the leader of the opposition (Mr. Meighen) in regard to the possibility of trouble resulting from this legislation such as we had last year in the months of September and October, particularly before the Board of Grain Commissioners put their own interpretation on the act which we passed. I would suggest to the minister that as this is a very difficult situation to deal with, he might incorporate in this bill a provision which will give the Board of Grain Commissioners power either to enforce the law requiring the publication of rates or not to enforce it, because they may find they are only getting into difficulties the same as they did last fall.

Mr. ROBB: It is on the recommendation of the Board of Grain Commissioners that we are introducing these amendments. This is what they have been working under since October of last year.

Mr. COOTE: They have not been working under it very long and they may run up against trouble with American shippers this year if they enforce this legislation. That is my idea. I want to see the Board of Grain Commissioners given as free a hand as possible to deal with this situation. I advocate the abrogation of the coastal shipping laws, but the government will not agree to that and the responsibility is upon them to see that fair rates are charged to the Canadian shippers. If they are satisfied with this legislation, are willing to accept the responsibility and will see that we get fair rates this fall—

Mr. ROBB: What does my hon. friend call fair rates?

Mr. COOTE: Similar rates to those which the American farmer has to pay.

Mr. ROBB: I pointed out a few minutes ago that in June the rate was two cents lower to the Canadian seaboard than to the United States seaboard.

Mr. COOTE: But the minister was quoting rates to the seaboard; he was not quoting rates from Fort William to Georgian bay ports as compared with Buffalo. There is no question that last year and the year before we were paying higher rates from Fort William to Georgian bay ports than we were paying to Buffalo although the distance is not more than one half.

Mr. ROBB: Yes, and that is why we introduced the legislation; it was because of that discrimination.

Mr. COOTE: The minister will admit that the legislation was faulty and that it took two months to get it operating at all.

Mr. ROBB: I admit that as a result of that legislaion we have had no complaints of discrimination this year such as we had last year.

Section agreed to.

On section 3—Penalty for excessive rates.

Mr. STEVENS: I want to point out one of the absurdities of this bill. Personally I am absolutely opposed to this legislation through and through as I was last year, and I predict again that it will be simply a source of trouble and of misinformation and misdirection to those who it is hoped will get some benefit from it. I want to indicate a situation which in my opinion no sane individual could wish to bring about. This section relates to section 5 of the old act, which carries with it a penalty clause. Let me read that clause and then show the minister how it may apply.

Mr. ROBB: It applies only for neglect to file rates.

Mr. STEVENS: That point will come up:

> Any company, owner or person who charges, contracts, or stipulates or receives any toll, charge or rate in excess of the maximum rates so fixed by the board shall be guilty of an offence and liable therefor to a penalty not exceeding two thousand dollars, and so forth.

Under the new act which we are passing, A, the owner of a vessel may sell a charter to B, an agent or broker, six months, say, before the charter is to be used. B sells to C, the shipper, who pays perhaps double what B paid to A originally. C, under the new act must file information as to what he has paid. He files it, and the rate is considered excessive. Now, the penalty falls—where? Under this clause it falls on the owner of the vessel who is quite innocent and who made a perfectly fair sale in the first place to B. There is nothing in the act to hold B responsible at all; he may be just a transitory individual who has taken his profit out of the sale and vanished. The only penalty, if any penalty is invoked, is executed on A, the original owner. That is one of the absurdities of the bill, and I want the minister to appreciate the ludicrous part of it.

Mr. ROBB: Will the hon. member not give the Board of Grain Commissioners credit for some common sense? Surely they will not arbitrarily haul everybody into the police court; they are not going to go out and look for legal trouble.

Mr. STEVENS: But I find that it is not the Board of Grain Commissioners who will apply the penalty. Let me continue the quotation from section 5 of the old act:

—a penalty not exceeding two thousand dollars and not less than five hundred dollars, or to imprisonment for a term not exceeding six months, enforceable and recoverable upon indictment or upon summary conviction before any stipendiary or police magistrate having the jurisdiction of two justices of the peace, and moreover shall be disentitled to recover or to assert any remedy for the recovery of any freight for which he shall have stipulated or charged at a rate in excess of the maximum rates so fixed as aforesaid.

The prosecution shall be before a stipendiary magistrate or a magistrate having the power of two justices of the peace; it is not the Board of Grain Commissioners who will apply that section.

Mr. STEWART (Argenteuil): They are the only parties who can originate the prosecution.

Mr. STEVENS: I do not think so. And in any case I have not that supreme confidence in the board which my hon. friend seems to have. Merely to say that the Board of Grain Commissioners appears to be satisfied with this legislation is not sufficient. I believe that the grain commissioners themselves feel that this bill is of such a character that it will not offend the shipping interests, nor the brokers, nor the insurance men, nor the big shipper of grain. I do not think it will offend any of these.

Mr. ROBB: Then why delay it?

Mr. MOTHERWELL: The only ones it appears to offend are hon. gentlemen opposite.

Mr. STEVENS: There is one whom it will offend and whom the Minister of Agriculture overlooks.

Mr. MOTHERWELL: Who is that?

Mr. STEVENS: I mean the small shipper and producer of grain: he will suffer injury.

Mr. MOTHERWELL: If the producer of grain were hurt does not my hon. friend think he would know it?

Mr. STEVENS: He knows it afterwards. Now, there is an example of the way in which the Minister of Agriculture (Mr. Motherwell) looks after the interests of his constituents.

[Mr. Stevens.]

Regarding the producers of grain, he says, "Let us wait until they are injured and we shall then hear from them." I want to point out to the Acting Minister of Finance (Mr. Robb)—because I know it is hopeless to point out anything to the Minister of Agriculture—

Mr. MOTHERWELL: It certainly is.

Mr. STEVENS: I do not expect either to influence his desire or to penetrate his intelligence in this regard; I am speaking to the minister (Mr. Robb) who is acting for the Minister of Trade and Commerce.

Some hon. MEMBERS: Order.

Mr. STEVENS: What is out of order about that?

Mr. MOTHERWELL: Oh, let it go.

Mr. STEVENS: My hon. friend will have to let it go; he bows to the inevitable.

Mr. MOTHERWELL: Of course, seeing where it comes from.

Mr. STEVENS: I am addressing my remarks to the Acting Minister of Finance, whom at least I give credit for reasonable intelligence and honesty of purpose. It is difficult for us to extricate ourselves from the old legislation, and it would be far better for the minister to repeal the old act altogether and bring in an entirely new bill. But do not let him mix up any new intentions, however excellent they may be, with a piece of legislation such as last year's which has been proven hopeless and inapplicable. The only way in which the legislation of last year could be of any use was, paradoxically, by its being ignored. And how did the minister ignore it? He said to the grain commissioners, "You interpret the act in any way you like, but be sure to interpret it in such a way as to break the deadlock." And that was wise under the circumstances.

Mr. ROBB: And it is their interpretation that we are now putting into the statutes.

Mr. STEVENS: Well, it is so absurd, that upon my honour, I cannot see why the minister should stand by it at all. The only excuse for this bill is to save the minister's face; it may save him from being ridiculed on account of the legislation of last year.

Mr. ROBB: For that matter, hon. gentlemen have atempted to ridicule me already this afternoon.

Mr. STEVENS: That is unfortunate, but the legislation is so fatuous that I would ask the minister to let it stand until he can obtain

competent legal advice which will enable him to eliminate these absurdities that face us step by step in this legislation.

Mr. ROBB. I should like to accept the advice of my hon. friend but I am now acting on the advice of the chairman of the Board of Grain Commissioners who, I may point out, was recognized as a competent lawyer.

Mr. STEVENS: I wish we had him in the committee before us.

Mr. ROBB: He would have been here if it were not for the serious illness of a relative. But he is not alone in expressing satisfaction with this legislation. I have been going through the files and I find a number of telegrams from different shippers indicating that they are satisfied with it.

Mr. STEVENS: Will the minister read them?

Mr. ROBB: Yes. The first I have is from Winnipeg, Manitoba, under date August 13, 1923:

Hon. J. A. ROBB,
Minister of Trade and Commerce,
Ottawa.

The filing of charters as constituting a tariff we consider advisable in connection with the Inland Water Freight Rates Act.

GOODERHAM, MELADY & SELLERS.

There are four similar telegrams from shippers. The next one is P & H—that would be Parrish & Hinebecker; the next one is James Carruthers & Co.; then Hallett Carey Swart Ltd.—

Mr. STEVENS: Are these shipping concerns?

Mr. ROBB: There is no bigger grain exporter in Canada than James Carruthers, and he does not own any vessels.

Mr. STEVENS: I am asking about the others.

Mr. ROBB: My hon. friend knows that Gooderham, Melady and Sellers have houses in Winnipeg, Fort William, Montreal, New York and, I think, Liverpool; Parrish and Hinebecker have a string of elevators throughout Western Canada. These are all shippers and they are satisfied with the proposed legislation, but notwithstanding that the change proposed has been working satisfactorily since October, we have discussed it all this hot July afternoon. I would suggest that we let the bill go through, and if it is wrong my hon. friend will be able to chastise us next year.

Mr. STEVENS: What is the date of those telegrams?

Mr. ROBB: August 11, 11, 11 and 13.

Mr. STEVENS: I would call the minister's attention to the fact that the approval expressed in those telegrams applies to the old act before it was suspended.

Mr. ROBB: Certainly, that is what I am stating.

Mr. STEVENS: My hon. friend is repealing the very clause of which they approved.

Mr. ROBB: The grain commissioners have applied the clause in its amended form since October last.

Bill reported, read the third time and passed.

POST OFFICE ACT AMENDMENT

Hon. CHARLES STEWART (Acting Postmaster General) moved the second reading of Bill No. 189 to amend the Post Office Act.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Regulations by Postmaster General as to registration of letters, and compensation for loss.

Sir HENRY DRAYTON: What rates are proposed to be charged?

Mr. STEWART (Argenteuil): These rates are given to me merely as an indication; they are: For $25, 10 cents as at present; $50, 20 cents; $75, 30 cents; $100, 40 cents.

Sir HENRY DRAYTON: That is a very considerable increase. What is the present revenue?

Mr. STEWART (Argenteuil): I have not the figures.

Sir HENRY DRAYTON: Has the revenue been sufficient to cover the cost of service?

Mr. STEWART (Argenteuil): This is an increase of indemnity.

Sir HENRY DRAYTON: Also of rate; it runs from 10 cents to 40 cents.

Mr. ROSS (Kingston): Does payment of those rates insure the public for the amounts stated? Or is it simply the old regulation under which you paid 13 cents, 3 cents postage and 10 cents registration, and got nothing? Has anybody ever been paid $25?

Mr. STEWART (Argenteuil): Yes, the maximum has been paid. The reason for increasing the indemnity to $100 is that so much jewellery is being sent by registered mail.

Mr. ROSS (Kingston): I register my objection to any further increase. The old rate of registration was pretty high, and this increase is a steep tax on the people.

Mr. STEWART (Argenteuil): Of course, we are giving the post office authorities power under the amendement to make rates, but these are not definitely fixed. What I have mentioned is simply the scale that has been handed to me.

Sir HENRY DRAYTON: Does the minister think the duty of legislation should be passed on to the Post Office Department.

Mr. STEWART (Argenteuil): It is not a matter of legislation, but of regulation. If the rates are excessive, there is no reason why they should not be reduced, but I have not any information in that respect.

Mr. ROSS (Kingston): What are the insurance rates?

Sir HENRY DRAYTON: Practically the same.

Mr. STEWART (Argenteuil): The insurance rates are: $5, 3 cents; $25, 6 cents; $50, 12 cents; $100, 30 cents.

Mr. ROSS (Kingston): That is in addition to registration?

Mr. STEWART (Argenteuil): Yes.

Sir HENRY DRAYTON: The rates were fixed by legislation. The department could make a lower charge if they desired, but there was a maximum beyond which they could not go. My hon. friend's suggestion is to allow the department to charge just what they like, which is a novel departure. Why should he not give us his maxima?

Mr. STEWART (Argenteuil): The maxima were not fixed by legislation as far as I can discover, but if it is thought wise that they should be so fixed I see no objection. This is simply a copy of the regulation that is in effect with respect to insurance.

Sir HENRY DRAYTON: I do not think my hon. friend has read his own notes to this bill. Paragraph (k) as it now stands in the statutes reads as follows:

(k) prescribe and enforce such regulations as to letters directed to be registered, as to him seem necessary, in respect to the registration of letters and other matter passing by mail, as well between places in Canada as between Canada and the United Kingdom, or any British possession, or any foreign country, and to the charge to be made for the same, not exceeding ten cents per each letter or article; and to compensate for loss not exceeding twenty-five dollars for each registered domestic article.

[Mr. C. A. Stewart.]

That is just what I said: that there was a maximum provided, and that maximum is now struck out, so that the department will have the right to make regulations, in the matter without limitation. It may be that the maximum charge is too low, though the general idea is that most of these charges are at present too high. However, leaving that aside for the moment, the effect of my hon. friend's amendment is that the department may fix the charges without being limited by any maximum, and may make any charge they see fit. I would ask him seriously if he really supports legislation of that character, giving the postal authorities a blank cheque to charge what they please.

Mr. CHURCH: I have had some protests from people who object to this increase in the rates. The minister was not so anxious to increase the rates of the rank and file in the postal service, but he is now willing to put up the rates on certain classes of registered mail, when Great Britain, for instance, is reducing its rates on similar matter. I have read the report of the Postmaster General of Great Britain and I find that he is not only making use of many new methods of giving the public service, but is also reducing rates. I submit that we should come back to one cent drop letters in the city of Toronto.

The CHAIRMAN: I would direct attention to the fact that this clause deals purely with registered mail and regulations relating thereto, and insurance.

Mr. CHURCH: I accept your ruling, Mr. Chairman; I have no doubt it is correct. But we wish to find out something about this legislation. There is reference here to the making of regulations with respect to registered letters and to compensation for loss. I fail to see where there is any loss, and I fail to see where the minister can show any justification for such a bill as this. The people are clamouring for increased postal facilities and for decreased rates. This matter was discussed last session when the Post Office estimates were up, and you can find on Hansard a statement of what was being done in other places. I submit that this bill should be held over until a survey is made of what is being done elsewhere.

Mr. STEWART (Argenteuil): There is no change in existing rates. There is no increase in the rate up to a maximum of $25, but we do want to increase the maximum to $100. As to what the hon. member (Sir Henry Drayton) has said, I am unable to give him the

information with respect to maximum rates, and that being the case I would move that the committee rise and report progress. I will get the information and it will save a good deal of discussion later.

Progress reported.

AGREEMENT WITH THE CORPORATION OF OTTAWA

Hon. J. H. KING (Minister of Public Works) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to provide that the Minister of Public Works may, on behalf of His Majesty, enter into an agreement with the corporation of the city of Ottawa, extending for a period of one year from the first day of July, 1924, the provisions of the agreement between His Majesty and the said corporation dated 30th March, 1920, and set out in the schedule to chapter 15 of the statutes of 1920.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Sir HENRY DRAYTON: Is there any change in the agreement, or is it simply an extension for one year?

Mr. KING (Kootenay): It is extended for one year, without any change.

Resolution reported, read the second time and concurred in. Mr. King (Kootenay) thereupon moved for leave to introduce Bill No. 242 to authorize an agreement between His Majesty the King and the corporation of the city of Ottawa.

Motion agreed to and bill read the first and second times, considered in committee, reported, read the third time and passed.

INDIAN RESERVE LANDS

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of Bill No. 191 for the settlement of certain questions between the governments of Canada and Ontario respecting Indian Reserve Lands.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Agreement binding, and Governor in Council authorized to carry out its provisions.

Sir HENRY DRAYTON: Would the minister explain the effect of the agreement?

Mr. STEWART (Argenteuil): The agreement is rather lengthy.

Sir HENRY DRAYTON: Better call it six o'clock.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

LA BANQUE d'HOCHELAGA

Mr. PAUL MERCIER (Westmount-St. Henri) moved the second reading of Bill No. 218, to change the name of La Banque d'Hochelaga to Banque Canadienne Nationale.

Mr. W. F. MACLEAN (South York): Will the Prime Minister inform us whether the government approves of that name? I have no objection to it, but by this bill the bank is given the name National Bank. It might lead people to think that it was the Bank of Canada, if we had one.

Hon. ERNEST LAPOINTE (Minister of Justice): How about the Royal Bank?

Mr. MACLEAN (York): That is the Royal Bank of Canada.

Mr. GRAHAM: And the United church.

Mr. MACKENZIE KING: This bill simply changes the name from La Banque d'Hochelaga to Banque Canadienne Nationale.

Mr. MACLEAN (York): I am not raising any objection from a local point of view.

Mr. J. S. WOODSWORTH (Centre Winnipeg): A few days ago a number of members took exception to the bill regarding the United Church of Canada. They objected to using the word "Canada" or "of Canada," the thought being that we must not do anything that would in the slightest way suggest that any denomination had any particular status approaching a national church. I think an even greater objection applies to the incorporation of this institution under the proposed name. Here is a bank that seeks to have the name "Banque Canadienne Nationale." No bank short of a government bank ought to have that name. Some of us desire to have government banks established in this country. There will be no end of objection when that day comes, as it will before long, when we have government banks established, to having the name pre-empted by a small bank like this. It may lead to false ideas on the part of many who come to this country. We have

no Canadian national bank to-day, and here is a bank that will be presumed to have some status as a national institution. It seems to me it would be a bad precedent to set, and even aside from the name I wonder whether it is a good thing to change the name at a time when there is so much suspicion with regard to the standing of a good many of our Canadian banks.

Mr. LAPOINTE: May I suggest that this condition exists already. We had the Banque Nationale, which means the National Bank. It was merged into the Banque d'Hochelaga. They have the right to use the name of the one or the other. We have that name already. I would suggest, however, that the matter be dealt with by the committee on Banking and Commerce. The bill could be referred to that committee and all the objections could be raised before the committee. We would discuss the matter when the committee reported on it.

Motion agreed to and bill read the second time.

SECOND READINGS

Bill No. 229, to incorporate L'Institut des Frères de Saint-Gabriel au Canada.—Mr. Casgrain.

Bill No. 230, for the relief of Eva Laura Bell.—Mr. Rankin.

Bill No. 231, for the relief of Alexander Fawcett.—Mr. Duff.

Bill No. 232, for the relief of James Henry Cooke.—Mr. Duff.

Bill No. 233, for the relief of Beatrice Ella Mastron.—Mr. Martell.

Bill No. 234, for the relief of Herman Kleinsteuber.—Mr. Guthrie.

Bill No. 235, for the relief of Mary Ann Hastings.—Mr. Hocken.

INDIAN RESERVE LANDS

The House resumed consideration in committee of Bill No. 191, for the settlement of certain questions between the governments of Canada and Ontario respecting Indian Reserve Lands, Mr. Gordon in the chair.

On section 1—Agreement binding, and Governor in Council authorized to carry out its provisions.

Mr. SHAW: Has this bill any significance in connection with the present dispute between the government and the Indians from the province of British Columbia?

[Mr. Woodsworth.]

Mr. STEWART (Argenteuil): No. This is an agreement between the Ontario and federal governments and affecting only Indians in Ontario.

Mr. SHAW: It can in no sense be considered as a precedent, I take it, as regards that situation?

Mr. STEWART (Argenteuil): Not any further than that precedents are so frequently quoted, but I fail to see where it would have any significance in connection with the British Columbia affair, because this purports to deal purely and simply with Ontario Indian affairs.

Mr. MACLEAN (York): Does it affect the Indians' title to land?

Mr. STEWART (Argenteuil): No.

Mr. IRVINE: Have the Indians themselves been consulted regarding the agreement entered into between the two governments?

Mr. STEWART (Argenteuil): In many cases, yes, but that would not be true of all the bands in Ontario. To consult them all would be an impossibility as my hon. friend will readily understand. There is in this agreement nothing new except the very oft disputed question of the ownership of the land itself, an everlasting dispute, and then the question of the allocation of moneys received from the sale of minerals found in Indian reserves. That is all that the agreement purports to do. It will be beneficial to the Indians. My hon. friend will remember that my remarks on a former occasion in connection with this bill included the reading of a memorandum of the dispute that has existed between the province and the Dominion with respect to the actual ownership of lands in Indian reserves. This is somewhat complicated because of treaties that were in existence prior to 1873. Those are not included in the bill because in that case the tribes made treaty arrangements whereby they have complete ownership of all minerals that are on their lands. In the event of the extinction of a tribe, the same process would be applied to the disposition of funds as is provided for in this agreement, but the bill does not affect those tribes who have had special treaties entered into prior to 1873 involving the minerals as well as the land.

Mr. LEWIS: Have those lands already been surrendered by the Indians?

Mr. STEWART (Argenteuil): There is no surrender on the part of the Indians. When

a band surrenders its land, it always does so by vote of the band subject to the approval of the superintendent general. That is true in the case of sales or leases. This bill does not involve the hereditary title to reserves already in existence, but the bill provides a method, if a band becomes extinct, for dealing with the land and minerals in question and how the disposition of the funds is to be made. The federal government through the superintendent general has complete control of the funds in the interest of the Indians so long as an Indian remains in existence.

Mr. GARLAND (Bow River): Are the Indians represented by counsel when agreements of this kind are arranged?

Mr. STEWART (Argenteuil): No.

Mr. GARLAND (Bow River): The department undertakes all that for the Indians without any separate counsel for them.

Mr. STEWART (Argenteuil): Yes. I wish my hon. friends not to be mistaken in the attitude of the department. My hon. friends will remember the argument made by the leader of the opposition (Mr. Meighen) a few days ago with respect to the Eskimo. The responsibility of the government of Canada is to take care of the Indians, who are known as wards, and certain lands are allocated for the use of the Indians. To all intents and purposes the Department of Indian Affairs stands to protect the Indians in every way it can, to work in the interest of the Indians. The Indians, I am free to say, do not always think so. They are human, like the rest of us, and sometimes they feel that, perhaps, what we consider is in their best interest, is really not the thing that should be done for them, but in the main we get along fairly amicably with the Indians in that respect.

Mr. IRVINE: The minister said that certain lands were allocated to the Indians. Who allocated those lands originally and what rights were involved in the allocation? Does not the present bill set aside those rights and involve a constitutional difficulty?

Mr. STEWART (Argenteuil): No. In nearly every case the settlement of reserves and the treatment of Indians was arrived at by treaty with the various bands through their chiefs; the Indians were settled on reserves and for the surrender of their title they accepted by agreement an adjustment by which it was undertaken that they should be given certain benefits. The bands in the West were to get stated quantities of food at stated intervals, besides clothing, and they were to be educated, and so on. In other words they became wards of the government, settled upon an area of land known as a reserve which is administered by the Department of Indian Affairs. This duty devolved upon that department of the federal government at the time of confederation. We are experiencing considerable difficulty in British Columbia as it is not clear what the arrangement was between the federal government and the government of British Columbia under the provisions of the Act of Union. But in this case that difficulty does not arise. It is true that in Ontario within recent years there has been some question regarding the settlement of a reserve, the band contending that they had not surrendered their title and claiming certain areas in that province. The reserve has of course been in existence for a number of years but there was some doubt as to the question of the treaty. We are endeavouring to settle amicably with the Indians these differences that arise from time to time, and while I do not know personally of any other case in Ontario at the present time I am informed that there are some small tribes in the north of that province with whom treaty arrangements have not been made.

Mr. IRVINE: Are the Indians in British Columbia in an entirely different position from those in Ontario, or is the same principle involved in both cases?

Mr. STEWART (Argenteuil): The tribes in British Columbia claim they never surrendered their right or title, but they have reserves.

Mr. IRVINE: It has been alleged by some of the Indians through their representatives in British Columbia that an attempt has been made by the federal government—I am not referring to any particular government—to prevent them from taking their case to the Privy Council. Is that allegation true, and if so is the government taking steps to see that justice is done in the matter?

Mr. STEWART (Argenteuil): The government have been attempting to adjust the matter in dispute between the provincial government and the Indians, but there has been no attempt at all on the part of any one to prevent the Indians if need be from going to the Privy Council, although that might be a questionable thing to do after all. That however is beside the point, and I want to make it clear that no such attempt has been made.

Mr. FORKE: Certain documents have been handed to me with a request that they be read to the committee. I shall read them and perhaps the Minister of the Interior will be able to make some explanation as to their intent. I wish to read first of all a letter from Mr. A. E. O'Meara who claims to be counsel for the Indians. The letter refers to an alleged "fallacious document", which the minister can explain, and it reads in part:

On behalf of the allied tribes I now submit that the memorandum, presumably prepared by the Indian department, which the Minister of Interior placed before the House of Commons is a fallacious document presenting a view regarding Indian reserves in Canada entirely erroneous and unfounded. I confidently state that the alleged constitutional position embodied in the memorandum and placed before the House of Commons as the main ground of the agreement of March last does not exist. Any one who will take the trouble of examining the judgments delivered by their Lordships of the Judicial Committee in cases decided in the years 1902 and 1920 and mentioned in the memorandum will find that my statement is well founded. These two cases do not deal with lands which as result of treaty between a British Sovereign and an Indian tribe or under other constitutional instrument competent for the purpose are held by the Dominion of Canada in trust for the use and benefit of an Indian tribe.

Also on behalf of the allied tribes I submit that, in so far as parliament has power for settling the main questions dealt with by the agreement of 24th March last, the passing of Bill 191 would injuriously affect all the rights of the Indian tribes of British Columbia, both aboriginal rights and those relating to reserves.

I beg to request that upon motion for second reading of Bill 191 you will be good enough to put before the House of Commons the petition of the Nishga tribe presented on 19th instant together with this letter.

I will not read the whole of the petition but only the following:

9. It is submitted on behalf of the Nishga tribe that the agreement made between the government of the Dominion of Canada and the government of the province of Ontario on 24th March last is in conflict with the rights claimed as above stated before His Majesty's Privy Council and the parliament of Canada.

10. It is submitted on behalf of the Nishga tribe that the agreement above mentioned, which it is proposed by Bill 59 to confirm and enact as the law of Canada, adversely affects the rights of all the Indian tribes of Canada and in particular the rights of the Indian tribes of British Columbia in the following respects:—

(1) The definition of Indian title embodied in the preamble of said agreement is erroneous and unfounded.

(2) The agreement is founded upon denial of the aboriginal land and other rights of the Indian tribes of Canada which are claimed by the Indian tribes of British Columbia.

(3) The agreement, erroneously as is submitted, concedes to the province of Ontario reversionary title to all Indian reserves.

11. With regard to the claim of reversionary title it is submitted on behalf of the Nishga tribe that all lands which have been reserved for the use and benefit of the Indian tribes of Canada, either by treaty made between the British Sovereign and the tribe or in case of British Columbia under article 13 of the Terms of Union, have become the permanent beneficial property of the tribe, as has been completely recognized by all laws of the Dominion of Canada relating to Indian reserves. It is submitted that lands which at time of confederation had been so reserved for the use and benefit of Indian tribes were not public lands but Indian lands and were not acquired by any province under section 109 of the British North America Act.

12. For the reasons above stated it is submitted on behalf of the Nishga tribe that the said agreement of 24th March last is beyond the powers of the two governments and that the provisions of Bill 59 are beyond the powers of the parliament of Canada.

Therefore the petitioners humbly pray:

That said Bill 59 be not passed by your honourable House until the issues which have been placed before His Majesty's Privy Council as above stated shall have been fully and finally determined.

The minister smiles, but I do not know that this can be dismissed as lightly as he would suggest. If I understand the situation rightly there has been no treaty with the Indians of British Columbia. I think the governments have denied that the aborigines had any right to the land, contending that they were simply the inhabitants of it.

Mr. STEWART (Argenteuil): The federal government never takes that stand; it is taken by the provincial government.

Mr. FORKE: I do not see that it makes very much difference, for in British Columbia the reserves were handed over to the Indians as a sort of peace offering, they having no absolute title and being regarded as wards of the government. I have had some experience of the feeling of the Indians in this respect. There is an Indian reserve close to my home, and the main reason for any unrest among them is that they have no vested interest in their land, and they realize that the government can transfer them to another area whenever it may see fit to do so. That is not a satisfactory state of affairs. The British Columbia Indians have no treaty rights under which their reserves have been set apart for their use, and if I am correct, the Dominion government to-morrow could move the Indians to other places and dispose of the lands as it pleases. Perhaps the Minister of the Interior will put me right if I am misinformed on this point.

I take a friendly interest in the Indian. At one time it was confidently believed that the aborigine would assimilate with the white population. He is not inferior to the white man in intellect, but our civilization, unhappily for the Indian, is detrimental to his moral and physical well-being and judging by present indications he will gradually disappear. I sincerely hope that the government will not take advantage of the Indians simply because they are not in a position to defend their

rights as white people would under similar circumstances. As I understand it, the British Columbia Indians have been allotted certain areas for their own use, but the legal title remains in the provincial or the Dominion government, and naturally the Indians are dissatisfied with this insecurity of tenure. I think they ought to have some treaty rights.

Mr. STEWART (Argenteuil): My hon. friend is speaking of the Indians of British Columbia?

Mr. FORKE: Yes. I think they ought to have some documentary title to their land so that neither the Dominion nor the provincial government could dispossess them. If I am misinformed, I shall be glad to be advised of the actual position.

Mr. STEWART (Argenteuil): What my hon. friend has said respecting the British Columbia Indians is largely true, as in their case there has been no final settlement. After being in controversy for many years, a commission was appointed by agreement between the Dominion government and the government of British Columbia to carefully survey the whole situation and to allocate certain lands for the use of the Indians.

Mr. SHAW: Before the minister proceeds further, perhaps he will tell us exactly what is the nature of the Indian's aboriginal title.

Mr. STEWART (Argenteuil): I would refer my hon. friend to the various cases cited by the hon. member for Brandon (Mr. Forke). He will find that the Privy Council have already decided that the reversionary interest in Indian lands in Ontario belongs to the province. But that reversionary interest only arises after the Indians become extinct; until they finally disappear the government cannot take possession.

Mr. FORKE: Does the minister say that the Dominion government cannot move a band of Indians off a reserve?

Mr. STEWART (Argenteuil): Only by agreement. The Indian Act gives the superintendent general very wide powers in this respect, but they are never exercised. We never lease land on an Indian reserve unless the band has voted in favour of it, which vote is registered in our office. Take the Gleichen Indian lands sold by the preceding government, a reference to the records of the department will show that the band agreed to the sale.

Mr. WOODSWORTH: Is it not the practice in British Columbia to cut timber off the Indian reserves?

Mr. STEWART (Argenteuil): Never without the consent of the Indians so far as I am aware. The Indians get a great deal of very bad advice from misguided friends, and this makes it very difficult for the department to reach any settlement with the Indians. For example, Levi General, who is better known as Chief Deskaheh, is at present over in London, and we are continually in receipt of letters from British people to whom he appeals stating that we are not treating his fellow-citizens on the Six Nations reserve as they should be treated. This misinformation keeps certain misguided people very busy working, as they think, in the interests of the much-abused Indians. As I have already stated, the Privy Council has decided that the reversionary interest in Indian lands in Ontario belongs to the province, but this reversionary interest cannot be exercised as long as the land is required for the Indians. But certain Indian tribes have become extinct. While there is an increase in the Indian population living under civilized conditions, this is not the case in those areas where the white trapper is competing with the Indian and taking away his livelihood. I agree most heartily with my hon. friend that you cannot change the mode of life of the aborigines in a year or two; it takes years of education and training to get them to adopt the white man's mode of living. But this agreement which we are dealing with applies to Ontario alone, where there are no disputes as to the reserves, and the agreement deals solely with leasing. So far as the government of Ontario is concerned, they say: "These reserves belong to the Indians; you are administering Indian affairs; therefore administer them in the interest of the Indians—become responsible for them. If at any time the tribe becomes extinct, and there is any capital money remaining unexpended or any rentals in hand, then the land and the money will revert to the province." In respect to mineral rights, there is mineral on many of these reserves in Ontario, and this has been a very serious problem to deal with inasmuch as the Indians own the surface rights. The province could not apply their mining regulations; no one could go in and prospect on them without the consent of the Crown. Then there was a dispute as to the ownership. The province claim, and have been sustained in their claim, that they own the precious metals, the Indians owning the baser metals. In Ontario both the precious and the baser metals are found in the same localities and are separated by chemical processes. So that under this arrangement we say that we will

make an equal division of the two. No man will be allowed to go on these reserves without the consent of the band and of the Superintendent General of Indian Affairs, but when he has that consent and does go on, then we have an agreement under which the results of the find of minerals will be divided in the interests of the band and of the government of Ontario.

Mr. GARLAND (Bow River): The minister has stated that the band was given power to say whether prospecting should take place or not. Under section 3 it is simply provided that the agent shall give permission.

Mr. STEWART (Argenteuil): Yes, but that implies that the band are consulted. That is the procedure we follow in every case.

Mr. GARLAND (Bow River): Suppose on a reserve in Ontario there is a gold or a silver strike. Some miners have already gone in, and there is an immediate rush and an application for staking. What will prevent the Indians from being driven off in that case under pressure of stakers from the outside?

Mr. STEWART (Argenteuil): They cannot do it; it would be illegal staking. There would be no right to prospect and stake without consent.

Mr. ARTHURS: The minister has stated that no lands in Ontario are leased without the consent of the Indian band, am I correct?

Mr. STEWART (Argenteuil): Yes, through their agent.

Mr. ARTHURS: I am instructed that within the last month or two a lease has been made on a certain reserve in Ontario without the consent of the band, and that the band are unanimously against the lease. Very strong representations have been made against the character or the actions of the lessee. He is accused, and the accusation is supported by the evidence of many persons, of selling liquor to the Indians and others, using the reserve as a rendezvous for that purpose. These facts are at present before the Indian department; they were in the possession of the Indian department before the lease was made. I wonder if the matter has come to the attention of the minister?

Mr. STEWART (Argenteuil): Was it a case of an Indian leasing his supposed rights, or was it done by the department itself?

Mr. ARTHURS: It was done by the department. It was done under cover of the assumption that a certain member of the band had certain personal rights. There is no justification in law for such personal rights. The reputation of the man is well known in that vicinity, but in spite of that the lease went through.

Mr. STEWART (Argenteuil): I do not know anything about the case, but under the Indian Act there is a provision whereby an Indian if he has such rights may lease them, but not—

Mr. ARTHURS: He must first acquire those rights by legal process.

Mr. STEWART (Argenteuil): This Indian business is a very difficult subject to handle. There are cases where Indians are allocated certain pieces of land on a reserve. Take the Six Nations Indians, for example; there are men on farms there and they claim ownership because they and their predecessors have been hundreds of years there. I am told that this is a case where an Indian claims that he had that right on the reserve and that he leased the property for mining purposes. Is that correct?

Mr. ARTHURS: No, I do not think that is correct. I am instructed that the applicant came personally to the minister. I do not know whether he did or not; at any rate, he came to the department and asked for the lease.

Mr. STEWART (Argenteuil): Who is he?

Mr. ARTHURS: A man named Grenon. I am instructed that this matter came under the personal observation of the minister.

Mr. STEWART (Argenteuil): I am sure I never granted him any lease.

Mr. ARTHURS: After the application was made he was informed, perhaps indirectly, that if he could get some Indian who could make a claim on a certain piece of land he could get it through by that means. The fact remains that the Indians are averse to this lease and the public are averse to it. The white people in the immediate vicinity, who are in the vast majority, are absolutely against this lease, yet no satisfaction can be gained from the department as to what action they will take.

Mr. STEWART (Argenteuil): This man may have seen me, I do not know. But if the facts are as my hon. friend states, I will say at once that no lease will be granted.

Mr. ARTHURS: It has been granted.

Mr. STEWART (Argenteuil): Well, it will be cancelled.

Mr. ARTHURS: What I am asking for is cancellation, and I ask it in the interests of the Indians themselves and of general morality and good behaviour. Will the minister look into the case?

Mr. STEWART (Argenteuil): Yes. I shall be glad if my hon. friend will give me the particulars. If the band are opposed to the lease, then the lease shall not stand.

Mr. IRVINE: The minister just quoted a decision of the Privy Council to the effect that the Indian lands could not revert to the province unless the Indians had become extinct.

Mr. STEWART (Argenteuil): Except by their consent.

Mr. IRVINE: I understand, then, that you have their consent; therefore the proposed legislation is in keeping with the ruling of the Privy Council.

Mr. STEWART (Argenteuil): The ruling of the Privy Council does not apply to the Indians. Formerly it was provided that when the lands were surrendered by the band or if the band had became extinct the moneys went to the provinces. This provides that as long as there is an Indian to be taken care of the capital moneys shall be retained and expended in the interests of the Indians. It settles that question as between the province and the Dominion.

Mr. SHAW: I understand from the Minister's statement that the Privy Council cases decide the rights as between the Dominion government and the Ontario government. In this agreement which is submitted for ratification there are certain rights in which the Indians are interested, the matter of their share of the baser metals. I do not know how that amount was arrived at—one-half, for instance. With regard to the question of title—and I am not referring to title secured by treaty rights; we know that in the case of a treaty the treaty itself specifies the nature of the Indian title in a particular reserve—but what is the nature of the aboriginal title of the Indians? I would like to know also why the consent of the Indians is not secured to the agreement that the minister now asks parliament to ratify and put in the form of a statute?

Mr. STEWART (Argenteuil): It would be very difficult to get every tribe in Ontario to agree to it. Many of the tribes in the agricultural areas are not interested in the matter. This only applies to the tribes who are in the mineralized area. My hon. friend will readily understand that it is very difficult to get uneducated Indians to understand a complicated matter of this sort, and surely if we are to administer the affairs of the Indians, parliament will give us the necessary power to treat in their interest and settle vexed questions of this kind, especially when we are convinced that the agreement is in the interest of the Indians and preserves their rights as well. The precious metals belong to the province. They have laid claim to them and have been sustained in that claim. Of course, my hon. friend knows that a very vexed question arises here. It is no difficult matter to stampede the Indians and prevent them doing these things. That sort of thing is happening every day, and our predecessors in office as well as ourselves have felt the absolute necessity of having arbitrary legislation to deal with matters of this kind in the interest of the Indians themselves. I can assure my hon. friend that I have no thought in mind other than the interest of the Indians. This dispute has been going on for years, and we believe it is in the interests of the Indians to have it settled in this way; otherwise, we would not be coming to parliament with this legislation. The British Columbia matter is entirely foreign to this, and must be dealt with on its merits.

Mr. SHAW: I accept the minister's statement, of course, that the British Columbia matter has no reference whatever to the situation we are dealing with here, but the thing that appears to me to be wrong about this situation is this: Two governments come together and decide in an agreement what they think is best for the Indians. Now I should have thought, in view of the fact that there are very few Indian tribes who own lands in the mineralized area, that it would have been highly desirable to have some understanding, if at all possible, with these Indians, and get their consent, because if I apprehend the situation correctly it certainly is a British principle that any person whose interests are proposed to be affected shall be consulted, and especially so when that person happens to be an Indian who is very probably quite unfamiliar with this complicated problem.

Mr. STEWART (Argenteuil): That is just the point. My hon. friend will agree that it is most difficult to get the tribes of Indians in the north country to thoroughly grasp the situation, and in many cases they are given bad advice.

Mr. SHAW: I would trust the minister to give them good advice.

Mr. STEWART (Argenteuil): I think I do. I look upon the one who is administering the Department of Indian Affairs as having a very grave responsibility in respect to these wards of the nation. These men after all, for the major part, are not capable of understanding what is in their best interests, and very frequently our great difficulty is not to preserve what they ought to have, but to keep them from dissipating what is given to them. In this particular case I am satisfied, after a very careful study of the matter, that we have reached a good agreement. We have settled a dispute of long standing and the settlement is undoubtedly in the interest of the Indians and will bring them a good deal of money, if there are the minerals in this area which we think do exist from the slight exploration that has been carried on. We have a division of what was clearly claimed and admitted to be provincial government property, namely, the precious metals, and the mining of gold is carried on to a very considerable
9 p.m. extent in that north country. There is not any coal, but there is considerable copper. There is not much of the baser metals which we are claiming in the interest of the Indian, but there is an equal division of gold and silver. We think we have made a very good arrangement in the interest of the Indians, and one that we think will protect them from exploitation, which is the main thing.

Mr. SUTHERLAND: There has been a long standing dispute between the Six Nations Indians in the counties of Brant and Haldimand and the Dominion government, as to its jurisdiction over them and their property. I believe that a commissioner was appointed about a year ago to investigate this dispute, but I understand that he has not yet reported.

Mr. STEWART (Argenteuil): He has reported, but the report has not yet been brought down.

Mr. SUTHERLAND: Then the report is not yet available to the Six Nations Indians?

Mr. STEWART (Argenteuil): I explained to some of my hon. friends on the other side of the House the reason why it has not been brought down, but that reason has now disappeared.

Mr. SUTHERLAND: This reserve is in the county adjoining the one I have the honour to represent, and I know something of the dissatisfaction which prevails there. The Indians on this reserve are the descendants of those who rendered such splendid service to Great Britain in the early history of this country. Many of them also rendered splendid service during the Great War; they volunteered very readily. I think the report of this commissioner should be made available before a question of this kind is decided. I have not looked into the bill as thoroughly as I might have done, but I do know that there is still a good deal of dissatisfaction among the Indians with regard to the matter. I think the report should be placed before the House.

Mr. STEWART (Argenteuil): I have no objection to bringing down the report. The reason I did not do so before was that the Six Nations had, through their chief, been representing themselves as British subjects not amenable to Canadian law, and they carried their case to the League of Nations. Some fairly drastic changes are suggested in the report, and advantage has been taken of the lenient attitude I have assumed towards the Six Nations to make greater and greater demands, unthinkable demands, I might say. I did not think it wise to publish the report in view of the circumstances, but the reason has now disappeared, and I am perfectly willing to bring it down.

Mr. SUTHERLAND: I appreciate the difficulties and that it is not easy to find a solution. The claims of the Indians may seem somewhat preposterous, but they may have a substantial basis, in their opinions, and for that reason I think the report should be brought down.

Mr. STEWART (Argenteuil): I know the situation very well, and on two occasions I have personally visited the Indians on their reserve and discussed this matter with them. The difficulty is with their hereditary council and the election which is a very antiquated affair, but with which the government has never interfered. The control of affairs in the tribe is in the hands of the hereditary council. However, I do not wish to go into a discussion of that at the moment, but I shall be glad to discuss it with my hon. friend when the estimates are up.

Section agreed to.

Bill reported, read the third time and passed.

POST OFFICE ACT AMENDMENT

The House resumed consideration in committee of Bill No. 189, to amend the Post Office Act.—Mr. Gordon in the chair.

Hon. CHARLES STEWART (Argenteuil, Acting Postmaster General): We were discussing this bill before six o'clock, with reference to the fees for registration. My hon. friend the ex-Minister of Finance (Sir Henry Drayton) was objecting—and his objection was a proper one—that we had not fixed a maximum, and I was not aware of this until I had looked up the amendment of 1920. That amendment reads:

(k) Prescribe and enforce such regulations as to letters directed to be registered, as to him seem necessary, in respect to the registration of letters and other matter passing by mail, as well between places in Canada as between Canada and the United Kingdom or any British possession or any foreign country, and to the charge to be made for the same.

Now come the words we omitted from the clause which has been objected to:

Not exceeding ten cents per each letter or article; and to compensate for loss not exceeding twenty-five dollars for each registered domestic article.

I am informed by an officer of the department that the reason they did not want to make the forty cents statutory is that they are now assuming a greater responsibility, and that they now propose to indemnify for lost or mutilated articles. It will be largely jewellery that will be shipped or registered. I am now asking that the same provision be embodied in this bill. I move that after the word "same" in the second last line there be inserted the following:

Not exceeding forty cents for each letter or article.

Then it will read as follows:

Or any British possession or any foreign country, and to the charge to be made for the same not exceeding forty cents for each letter or article and to compensate for loss not exceeding one hundred dollars in any case.

Mr. BOYS: It is a sliding scale up to forty cents.

Mr. STEWART (Argenteuil): Yes, that is the maximum amount. I do not know why that word "per" is inserted.

Mr. McMASTER: Do not put in the word "per". That sounds like a communication by a third-class commercial house. We had the Speaker of the House talking about the necessity of maintaining the purity of the English language. As he is not in the chair, I feel I am doing right in drawing attention to this matter. I would be sorry to see the word "per" left in there.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

SUPPLY—ALBERTA MINERAL TAX

DISALLOWANCE OF ACT BY FEDERAL GOVERNMENT

Hon. GEORGE P. GRAHAM (Minister of Railways) moved that the House go into committee of Supply.

Mr. G. G. COOTE (Macleod): I move:

That all the words after "that" be struck out and the following be substituted therefor:

In the opinion of this House the disallowance of the statute enacted by the legislature of the province of Alberta being chapter 32 of the statutes enacted in the year 1923, and entitled an Act to Impose a Tax Upon Minerals was an abuse of the powers of disallowance vested in the Dominion government, said statute being entirely intra vires of the province and not interfering with any matter the subject of the Dominion policy or administration.

He said: In order that the members of the House may fully understand the question at issue, possibly I should take just a few minutes to explain the nature of the act and why it was passed. In 1887, while Alberta was still a part of the Northwest Territories, an order in council was passed by the government at Ottawa reserving to the Crown the mineral rights in the lands west of the third meridian. I will quote a part of that order in council:

On a memorandum, dated 12th May, 1887, from the Minister of the Interior, recommending that a clause be inserted in all patents from the Crown for lands in the Northwest Territories situate west of the third meridian, reserving to Her Majesty, her successors and assigns for ever, all mines and minerals which may be found to exist within, upon or under such lands, together with full power to work the same, and for this purpose to enter upon, and use and occupy the said lands or so much thereof and to such an extent as may be necessary for the effectual working of the said minerals, or the mines, pits, seams and veins containing the same.

The Minister of Justice, to whom the foregoing memorandum was referred, concurs in the recommendation, except in the case of patents for lands which have already been sold or disposed of for valuable consideration.

The mineral rights in lands sold or patented prior to that time were transferred to the purchasers of the lands, but the mineral rights in lands sold or patented since that time were retained by the Dominion government and in some cases they have been sold or leased separately from the surface rights. Mineral rights in many million acres of lands in Alberta are owned by large corporations and others who have made very little effort to develop those minerals, although in many cases they are very valuable. At the same time it should be remembered that in Alberta there is a direct tax on land values, this having been found necessary in order to raise sufficient revenue to carry on the affairs of the province. I should like to quote very

briefly from an article in the U.F.A. published at Calgary, Alberta, by Mr. George H. Ross, K.C., a prominent barrister of that city. He said in part:

All natural resources are the heritage of the state and for that reason the state is entitled to its just proportion of that wealth. A reasonable assessment should be put on all mineral rights; we need the revenue; furthermore, such a tax will have a tendency to prevent corporations and others letting their mineral properties lie idle thereby retarding development and production.

As I have already said, the provincial government has found it very difficult to raise sufficient revenue to cover their expenditures. The expenditure is necessarily heavy on account of the large influx of immigrants into that country necessitating the building of roads, schools, telephone systems and other essential conveniences. I think it was to meet this very pressing need of revenue that this tax was imposed upon minerals. It is also quite proper to say that in many cases the mineral rights in those lands are of greater value than the surface rights. Therefore, why should they not be taxed? The act in question which placed a tax upon those mineral rights was passed by the Alberta legislature and assented to on April 21, 1923. Shortly after the act was passed, petitions for disallowance were made to the Governor General in Council by the Canadian Pacific Railway Company as owner of mineral rights in 9,433,000 acres of land in Alberta, by the Hudson's Bay Company as owner of mineral rights in 1,084,441 acres, by the Western Canada Land Company and by the Calgary and Edmonton Land Company. These petitions were all forwarded to this government in July, 1923, and copies of the petitions, excepting that of the Hudson's Bay Company, were forwarded by the government of Canada to the government of Alberta. These petitions are very lengthy, and I think the House would rather that I would not take up the time to read them. They are summed up by the Minister of Justice (Mr. Lapointe) on page 13 of his report, and the answer which the Attorney General of Alberta made to these petitions will be found on pages 40 to 43 of this return. Hon. members may read the report of the Minister of Justice and the report of the Attorney General of Alberta by securing the return. The grounds that were stated in these petitions for disallowance, as I would sum them up are: First, grounds of hardship, second, injustice and, third, discrimination. In my opinion, the Dominion government should not interfere with legislation simply on those grounds. The Canadian Pacific Railway Company, the Hudson's Bay Company and these other land companies which have petitioned for disallowance have recourse to the courts to protect them if they think the legislation is unjust, discriminatory or ultra vires of the powers of the province.

Mr. MANION: Was this a tax upon all lands, or just upon mineral lands?

Mr. COOTE: It is on mineral rights in the land.

Mr. MANION: Would it be upon farming lands for example?

Mr. COOTE: On all mineral rights in Alberta if they are owned by a taxable person. I will deal with that point later on.

Mr. McMURRAY: Does that apply to lands which have been obtained by homesteading or pre-emption? Are they not excepted?

Mr. COOTE: The exception is for a very small part. I might mention that homesteads that were granted prior to 1887, the date of the order in council which I read, are exempted, and also parcels less than ten acres in extent. If I am correctly informed all other mineral lands in Alberta are taxed unless they are owned by the Dominion Government.

The Deputy Minister of Justice appeared to think that sufficient grounds for disallowance were not shown in the petitions of the four petitioning companies. I will quote the letter of the Deputy Minister of Justice on that matter to Mr. Cory, Deputy Minister of the Interior, under date of the 2nd November:

DEAR MR. CORY,—I would direct your attention to chapter 32 of the statutes of Alberta for 1923, intituled an "Act to impose a tax upon minerals." The Canadian Pacific Railway Company, The Hudson's Bay Company and several other land companies, have petitioned for disallowance of this act, and this matter is under consideration, and I should like in the meantime to know whether the act be objectionable from the point of view of your department, and if so, for what reasons. You will realize of course that the act does not and cannot charge any interest of the Dominion Crown. Therefore, so far as I can see, it is not prejudicial to the Dominion, although not unnaturally the land companies find this sort of legislation very embarrassing.

We cannot help it if the land companies find this legislation embarrassing. They apparently consider these mineral rights valuable or they would not have retained them. I might say, for the information of the House, that as regards the majority of the lands which the Canadian Pacific Railway Company have received and have sold again to settlers, they have reserved to themselves these mineral rights. Although they have reserved the mineral rights on the lands which they have sold,

they have petitioned this government to disallow an act which aims to tax what they have retained. If the surface rights should be taxed, why not the mineral rights? They must be of value or the Canadian Pacific Railway would not have retained them; and when I say the Canadian Pacific Railway, I intend the statement to apply to all the companies which have retained the mineral rights in the land which they have sold. But the strange feature about this whole case is that the reasons advanced by the minister for disallowance, if I correctly interpret his report, were not mentioned in the petitions of the parties who were appealing for disallowance. After reviewing in his report the grounds set out by the petitioners in the case, and having dealt with the reply of the Attorney General of the province of Alberta, the minister says:

It is not necessary however further to review the legislation upon its merits with relation to the position or interests of mineral owners in the province who are subject to the provincial taxing powers, or whose property and civil rights in the province are affected, by the operation of the provincial laws. These are reasons which have influenced the undersigned to submit his recommendation upon this report which are not influenced by the mere grounds of injustice or hardship which are urged by the petitioners.

There are paramount considerations affecting the government of Canada and the general public interest which demand attention, and, whatever may have been said as to the propriety of recommendations for the disallowance of legislation which is thought to be unfair, unreasonable or unjust, it has, whenever the occasion presented itself, been maintained by the Ministers of Justice, and has never been successfully controverted by any province, that disallowance is the appropriate remedy for the maintenance of that harmony which it is essential should exist between provincial legislation and the administration of Dominion affairs within their proper domains.

I pause in the reading of the report to remark that the action of the government in this case is not in my opinion conducive to harmony between the different sections of the country or between the province of Alberta and the Dominion. I think possibly that point has been overlooked by the government. To continue:

This precise effect is the report to the Governor in Council of 8th November, 1898, of the late Honourable David Mills, Minister of Justice upon a statute of Prince Edward Island, where he said: "The power of disallowance has however been vested in Your Excellency in Council not only for maintaining the constitutional lines of legislative authority, but also for preventing the provincial legislatures from interfering with Dominion policy in matters in which it is competent under the constitution to the Dominion government to have a policy. There may be provincial legislation which can have effect until superseded by parliament, and as to such the undersigned apprehends the power of disallowance may be properly exercised if the legislation be in the opinion of Your Excellency's government prejudicial to Dominion interests". Effect was given to this principle whenever it became requisite, notably when the Vancouver Island Settlers' Rights Act, 1904, Amendment Act, 1917, was disallowed by order in council of 30th May, 1918.

In the constitution of the western provinces the public lands were reserved for administration by the federal government, and therefore for the general advantage of all the provinces, and the administration of those lands is intimately connected with immigration and the settlement and development and revenues of the country. It has been a part of the policy of the administration in disposing of Dominion lands to reserve the minerals, and for many years the grants of homesteads and pre-emptions have uniformly been subject to these reservations. All lands contain minerals, whether valuable or not, and in the disposition of the minerals it has been usual to grant leases for the working and winning of those which may be specified in the demise. Thus it happens that, as to granted lands, while the surface is in the grantee, the minerals remain in the Crown, and not infrequently some of these underlying minerals have been leased, whole others remain reserved. In other cases certain minerals have been leased by the Crown in ungranted lands, and in those cases the surface and the minerals other than those granted or leased remain in the Crown. Usually when minerals are leased the leasehold does not include all minerals within the demised area.

When a mineral owner is taxable and the minerals are registered in his name all minerals in the area pass if the taxable owner fail to pay his tax as required. The Dominion is not taxable, but the grantee or the lessee of the minerals from the Dominion is a mineral owner and taxable within the meaning of the act; he may be the lessee of all the minerals or of one or more of these; in any case if he does not pay the tax pursuant to the Minister's notice, and if the minerals "in, on or beneath the parcel of land affected are registered in the name of a taxable person", the statutory provision is that by the Minister's direction to the registrar "all mines and minerals in, on or beneath the surface of the said parcel of land are the property of the province".

In the province of Alberta for many years —the rural municipalities and local improvement districts have exercised this very power of which the minister seems to complain; and in the case of a homestead where the patent still remains in the name of the Crown the rural municipalities and local improvement districts have distrained upon the property of the homesteader on this land. The same is true in the case of school lands leased for grazing purposes; in the event of the lessee not paying his taxes the municipality can distrain upon his cattle or other live stock on that leased land. The same thing applies to pre-emptions. I do not see why the government of the province should not be in as good a position in this respect as the municipality or local improvement district. The minister then goes on to say:

A large portion of the property which is declared to be taxable consists of leasehold estates which the mineral owners have in lands vested in the Crown, and which are created by grant of the leaseholds by the Dominion directly to the tenant.

It will be seen that the minister is advancing reasons for disallowance which are not

mentioned in the petitions of the petitioning companies. From a perusal of all these documents it will be noticed that none of the reasons which were given for disallowance were advanced by the petitioners. It will be seen also that the petitions of the Canadian Pacific Railway and the Hudson's Bay Company make no reference whatever to these reasons. In the report of the minister the reasons for disallowance do not include the reasons submitted in the petition as ground for disallowance. The report of the Minister of Justice, is dated February 2, 1924. The Alberta legislature convened about January 21, and prorogued about April 15, over two months after the report was completed, so there was ample time to notify the provincial government of the objections raised by the Dominion, with a suggestion for amendment, if such were deemed necessary. Apart, therefore, from the merits of the bill, the procedure of the Dominion government constitutes a complete departure from the policy invariably followed by the Dominion government in respect of provincial legislation where such legislation was thought to conflict with Dominion interests and policy.

It is interesting to note that as far back as June, 1868, Sir John Macdonald, in a report approved by the governor general, laid down the following ruling:

> Where, a measure is considered only partially defective, or where objectionable as being prejudicial to the general interests of the Dominion, or as clashing with its legislation, communication should be had with the provincial government with respect to such measure, and in such case the act should not be disallowed if the general interests permit such a course until the local government has an opportunity of considering and discussing the objections taken, and the local legislatures have also the opportunity of remedying the defects found to exist.

This policy, as enunciated by Sir John Macdonald, has been consistently followed since that date, as the following examples will show. In the case of the Chartered Accountants' Act of 1909 the Minister of Justice, while the provincial legislature was still sitting, suggested the repeal of one section so as to exclude Dominion Chartered Accountants. I will quote from Provincial Legislation, Volume II, 1896-1920, page 91, where Sir Allen Aylesworth says:

> The undersigned did, however, on the 31st ultimo, while the legislature of Ontario was still sitting, communicate to the attorney general the grounds of complaint as herein stated, and suggested the immediate repeal of the said section 13, or such amendment as would exclude from its operation the Dominion chartered accountants. It was stated to the attorney general that the invalidity of the said section 13 as affecting the Dominion Association seemed plain to the undersigned; that if left to the courts the matter could only arise in summary proceedings; that magistrates would be very likely to consider themselves bound by the strict letter of the statute; that this might give rise to considerable litigation and embarrassment, and hence the desirability of amendment by the legislature. The session closed, however, without any further action taken.

In that case Sir Allen Aylesworth followed, I think, what Sir John Macdonald laid down as the proper course, but this government has not seen fit to do so. I might quote from Bourinot in regard to this matter at page 29. He says:

> It has, however, been the practice in the case of measures only partially defective not to disallow the act in the first instance, but to give the local administration an opportunity of considering objections and of remedying any defects.

I would also quote from Parliamentary Government in the British Colonies by Todd where, at page 530, quoting the number of acts which have been disallowed by the Dominion over a period of years, he says:

> This is a very small percentage, and shows how reluctantly the power is exercised. It by no means follows, however, that only seventy acts have been thought objectionable by the Dominion authorities. The practice has been, before taking the extreme course of disallowing an act to call the attention of the provincial government to its objectionable features, and give them an opportunity of promoting its repeal or amendment. Occasionally, however, from the very nature of the act itself, or from the shortness of the time for disallowance, it has been thought necessary to disallow it without waiting for its repeal.

I submit, Mr. Speaker that in this case there was plenty of time for the government to have notified the province of Alberta if they thought there was anything objectionable in the act, but this was not done. The Hon. David Mills, in his report on the Manitoba Act dealing with corporations, made the following observations:

> The minister submits that the present act should be disallowed unless the government of Manitoba undertakes to make satisfactory amendments, and recommends that a copy of this report be transmitted to the Lieutenant Governor of Manitoba.

In the debate in this House last session on the Nova Scotia case respecting certain lands vested in John MacNeil, Sir Lomer Gouin, then Minister of Justice, is reported at page 2359 of the Debates of the House of Commons as follows:

> When we had to consider the merits of that statute we wrote to the Attorney General of Nova Scotia, and the reply was to the effect that the government of that province was satisfied that the statute should be disallowed.

It further appeared that the preceding Minister of Justice had communciated with the government of Nova Scotia. This action was in keeping with the policy of first communicating with the provincial government before taking the extreme action of disallowance. This courtesy was not extended to the pro-

vince of Alberta, but the act was disallowed just a few days before the time limited under the British North America Act for such action. The report of the Minister of Justice showed that the Alberta Act was received by the Secretary of State on May 2, 1923, and that action must be taken within one year of that date. The reasons for disallowance were never intimated to the provincial government, nor an opportunity given for reply, so as to correct what we believed to be an entirely erroneous interpretation of the act. Even if the objection were valid, this could easily have been remedied by a proper amendment, but notwithstanding that to the knowledge of the Dominion government the session of the provincial legislature was in progress, no opportunity for such amendment was given and the taxation measure on which the government was depending for revenue was disallowed a few days after the Alberta house prorogued.

In this connection on January 2, 1924, Premier Greenfield was in Ottawa, and Mr. Brownlee, the Attorney General of Alberta, telegraphed the Deputy Minister of Justice as follows:

Have requested Premier Greenfield, at present in Ottawa, to inquire decision federal government on application Canadian Pacific Railway for disallowance provincial act respecting mineral tax. Will appreciate decision in view approaching session provincial legislature. In considering application presume you are aware similar act has existed in British Columbia for some time basis flat rate per acre.

I believe Premier Greenfield saw the Dominion government on receipt of this wire and was assured the matter would be dealt with at an early date. On January 23 the attorney general, in a letter to the Deputy Minister of Justice, closed with this sentence:

As the next session of the provincial legislature of this province commences on the 28th instant, it is highly desirable that the various petitions for disallowance be dealt with as soon as possible in order that the government of this province may have the benefit of the decision of the Dominion government in deciding what further consideration, if any, should be given this form of taxation.

On April 10, 1924, Premier Greenfield wired the Dominion government as follows:

We understand Mineral Tax Act being considered your government to-day. Press reports state opinion law officers favour disallowance. Trust such reports not well founded and particularly believe act must be admitted to be within jurisdiction provincial government. Having regard views repeatedly expressed by various Ministers of Justice, notably Sir Allen Aylesworth, on exercise Dominion powers disallowance, cannot see how your government can grant application. Should your government seriously entertain such decision this government feels opportunity should first be given to state our views before your cabinet. This government feels very strongly your decision on this application vital to all provincial governments inasmuch as it involves question whether taxation measures within jurisdiction provincial government are to be reviewed by federal government under disallowance power.

To this wire a reply was received from the Prime Minister as follows:

Replying your wire Mineral Tax Act to-day date just received, have transferred same to Minister of Justice with request that same be placed before cabinet at time matter mentioned under consideration. This we hope may be possible this week. There was no opportunity to have matter considered to-day.

A subsequent wire was received from the Minister of Justice as follows:

Your telegram to Prime Minister re Mineral Taxation Act has been referred to me. Attorney General of Alberta has already sent the representations and the reply of your government concerning petitions of disallowance in letters dated September twentieth and January twenty-third. If your government has further representations to make shall be pleased to receive them without delay.

I wonder how the Minister of Justice expected them to make any further representations in regard to this matter when they had never been advised of the ground on which they proposed to disallow. It will be noted that in this last wire the Minister of Justice states:

Attorney General of Alberta has already sent the representations and the reply of your government concerning petitions of disallowance.

But he does not intimate in any way that objections have been raised by the Department of Justice itself which were not in the petitions sent to the provincial government. To this last wire Mr. Greenfield replied as follows:

Edmonton, April 17th, 1924. Reference your wire twelfth re Mineral Taxation Act. Without knowledge of objections if any raised by law officers of the Crown to the act we have nothing to add to representations and reply concerning petition already filed with you.

I feel that the action of the government in connection with this disallowance is, to say the least, most unusual. As I have pointed out, the attorney general of the province was never made aware of the objections raised by the law officers of the Crown, altogether outside of the petitions which were sent to him and which had been lodged with this government by the Hudson's Bay Company, the Canadian Pacific Railway Company, and others. And as the attorney general never had that opportunity of replying to these objections raised by the Department of Justice itself, I think I cannot do better than give to this House the answer of the attorney general to the reasons given by the minister in his report to the Governor in Council. This is part of a memorandum which I received from the attorney general of the province in regard to this matter. He says:

The ground for disallowance may be summarized as follows:

That the public lands of the western provinces are reserved for administration by the federal government for the general advantage of all the provinces, including the mines and minerals under such lands. That the legislature may operate to divest the Dominion right.

Then he quotes from the report of the minister:

Moreover if the surface remains in the Dominion and the underlying minerals be leased, section 10 operates in terms to authorize the provincial minister to proceed to enforce the payment of the tax by suit or distraint levied in the same way and to the same extent as if the minister were a landlord who had demised the surface of the parcel of land, thus giving the minister the right of entry and distress upon Dominion lands.

Also the act assumes that authority rests in the provincial legislature to interfere with these contracts (leases of mineral rights) to the extent of substituting the government of the province for the tenant, and further "not only does the statute profess to bring about a condition of title which is contrary to the express provision of the Dominion grant, but it is also designed to operate so as to substitute public provincial ownership sanctioned by the Dominion."

The province submits that a fair reading of the act does not lead to this interpretation.

The interpretation section, section 2 of the act, distinguishes between a non-taxable and taxable person and defines non-taxable person to include the Crown. This surely is a clear indication that the act did not presume to tax or interfere with Crown authority or Crown property and it is of course a matter of law well understood that the province has no right to interfere with Crown property or to legislate in any way so as to interfere with the operation of Dominion contracts or Dominion lands.

The interpretation taken by the minister can only refer to sections 9 and 10 of the act which set out the remedies of the provincial government in the event of non-payment of taxes, and at the outset it should be noted that these two paragraphs clearly distinguished between mineral rights for which certificate of title has been granted to a taxable person and mineral rights that are held under lease from the Crown. There would be no object in thus distinguishing between different methods of holding mineral rights other than the knowledge that the jurisdiction of the provinces was different in the two cases.

With respect to section 9, our contention is that it only operates in case "the minerals in, on or beneath the parcel of land affected are registered in the name of a taxable person either by a separate certificate or together with the surface rights." A certificate of title under the Land Titles Act is never issued to a Dominion lessee, nor can a certificate of title be issued to any person unless a grant from the Crown has been registered. If a grant from the Crown has issued and a certificate of title issued under our Land Titles Act to a taxable person, then clearly the Dominion has divested itself of all interest in the minerals, to the same extent as it divests itself of surface rights when a Crown grant has been issued.

This section 9 is the only section which deals with forfeiture of the mineral rights to the Crown and in as much as it only applies, according to our contention, to cases where a certificate of title has issued to a taxable person, we submit it cannot clash with Dominion interest or Dominion policy because such certificate of title cannot possibly issue until the Dominion had divested itself of its interest. Moreover in the operation of our system of land holding any memorandum filed in the Land Titles Office, would only operate to give the province whatever rights were defined in the existing certificate of title in the Land Titles Office. To this extent we feel the Department of Justice has not clearly understood the operation of the act and of our Land Titles Act, and this could have been made clear had the province been given an opportunity to answer this objection.

Section 10 deals with mineral rights held under lease from the Crown and clearly the right of the province in such cases is limited to suit or distress, the right of distraint being described as that of a landlord.

In the Vermilion Hills case the Privy Council held that a municipality could tax the interest of a lessee of the Crown lands, and this procedure is widely adopted in western Canada. The right of taxation carries with it the right of collection and no question has been raised of the right of the municipality to enter upon lands for the purpose of distraint upon any property of the lessee. Surely the province has as wide jurisdiction in this respect as a municipality, and I cannot see any possible objection to the province entering upon lands, even where the surface rights are held by the Dominion as mentioned on page 6 of the memorandum for the purpose of distraining on property of the lessee, providing no attempt is made to distrain upon Crown property. In any event it is well settled that a landlord cannot under any circumstances distrain upon the property of the Crown.

I am therefore unable to find anything in either of these sections which bears the construction that the act operates to the extent of substituting the government for the tenant under Dominion lease, or to substitute public provincial ownership over Dominion leaseholders for private or individual ownership.

In brief, I submit that section 9 operates to give the province the right of forfeiture which is a common remedy on taxation measures only where the Crown has divested itself of all interest, and certificate of title under our Land Titles Act has issued to a taxable person with the further power under section 10 to sue the lessee or distrain upon the property of the lessee, where the mineral rights are held under lease from the Crown.

If this clear intention is not adequately set out by the wording of these sections, only a very slight amendment would be necessary to put the intent of the act beyond all dispute had an opportunity been given.

That is the strongest ground of complaint we have to make, namely that the provinces were never notified of the grounds upon which it was proposed to disallow this act.

Let me now briefly review the manner in which this disallowance was carried out. The petitions for disallowance which were forwarded to the government from the Canadian Pacific Railway Company and others were received by the government in July. A letter from the Deputy Minister of Justice to the attorney general at Edmonton enclosing these petitions, and dated September 13th, states that consideration of the matter is somewhat pressing, and requests a prompt answer from the province in answer to the petitions for disallowance. The reply of the Attorney General of Alberta to the Deputy Minister of Justice is dated September 20th, so the attorney general was certainly prompt. Then on November 2nd, the Deputy Minister of Justice wrote to the Deputy Minister of the

Interior to ascertain if the act was objectionable to them. That was the letter to Mr. Cory which I quoted some time ago. On November 14th the Deputy Minister of the Interior replied, and his letter raises certain possible objections. This letter from the Deputy Minister of the Interior, and the memorandum attached to it, were never submitted to the Attorney General of Alberta so that he might be able to reply to the objections raised, the same as he did to the objections on behalf of disallowance which were sent in by these land companies. On January 12th the Deputy Minister of Justice forwarded a copy of the Hudson's Bay Company's application for disallowance which had not been sent in August or September; but still there was no mention of any other grounds for disallowance. At that time the objections raised by the Deputy Minister of the Interior were in the hands of the Department of Justice, and if this petition of the Hudson's Bay Company was at this late date to be sent to the Attorney General of Alberta, why was there not also sent to him a copy of the objections which were raised by the Deputy Minister of the Interior, so that the attorney general might have an opportunity to answer those objections?

The report of the Minister of Justice to the Governor in Council recommending disallowance is dated February 2nd. A copy of this was never sent to the attorney general of the province. The legislature of the province was at that time in session, and if the attorney general had been given a copy of the proposed grounds for disallowance, he might have been able to so amend the act that this government would not have felt that it had grounds for disallowance. This would simply have been following the action of Sir Allen Aylesworth, to which I have already alluded, when he wrote to the government of the province of Ontario and suggested amendments in their act. Even if this government had, after this report of the Minister of Justice, which was dated February 2nd, promptly disallowed the act, it would not have been so bad, because the legislature could then have passed a new act if they had so desired, and have worded it in such a way that it might have met the objections raised in the minister's report. But that was not done, although according to the telegrams which I have quoted this evening the government at Edmonton were wiring this government asking what was going to be done about it. But this government did nothing until the legislature of the province of Alberta had been prorogued, and then they disallowed the act just within a few days of the twelve months which are allowed them under the British North America Act.

10 p.m.

I can see no excuse for the action of the government in this matter. The province of Alberta cannot be expected to tamely accept this disallowance, and particularly the manner in which it had been carried out. The government must surely be inviting conflict over provincial rights when they disallow this act apparently for the benefit of some large land corporations in this country, and I am sure the electors of the province may be depended upon to support the action of their legislature.

I do not think there is anything further I need say in support of this amendment. The government has, of course, the power to disallow any provincial act; I do not for a moment deny that, but I do feel that in this case, and particularly in view of the manner in which the disallowance has been carried out, there has certainly been an abuse of the power of disallowance.

Hon. ERNEST LAPOINTE (Minister of Justice): The question raised by my hon. friend (Mr. Coote) by his motion is certainly an important one, only it is unfortunate that the discussion should come at this stage of the session, when discussion must necessarily be limited.

I desire briefly to mention the principle which has led the government to reach the conclusion which it did, and then the facts which justify the application of that principle.

That the power of disallowance exists, there can be no doubt. Sections 56 and 90 of the British North America Act are still in the act, despite the various assaults which have been directed against them. The existence of that power implies the duty to use it when the circumstances necessitate its use. There has been an evolution, since confederation, as to the extent to which this power should be exercised. Sir George Etienne Cartier, during the debate on confederation, suggested that any act which would be unfair and would destroy contracts should be disallowed. This idea prevailed for many years after confederation, but later on the various Ministers of Justice succeeding, the Hon. Mr. Blake, Sir John Thompson, to a large extent, the Hon. David Mills, Sir Oliver Mowat, Sir Charles Fitzpatrick, and finally Sir A. B. Aylesworth, took the position that mere injustice or unfairness was not sufficient to justify the disallowance of provincial legislation. But a principle has been recognized by all those

whom I have mentioned, and has been sanctioned by parliament following their recommendation, and it is that when the provincial legislation conflicts with federal policies, injures federal rights, or clashes with federal administration in some way, then the power of disallowance should be exercised.

I may perhaps quote a few instances when this has been done, in order to place on the record these special circumstances:

On the 11th of April, 1896 the statute of Manitoba regarding companies incorporated out of Manitoba was disallowed on the ground that it was prejudicial to the general interests of Canada.

On the 4th October, 1879, an act of British Columbia to amend the Caribou Wagon Tolls Act, 1878 was disallowed by Hon. James McDonald on the ground of possible imposition of unfair charges upon the Dominion exchequer and interference with the regulation of trade and commerce.

Two similar acts were also disallowed about the same time.

On the 2nd April, 1898, a Manitoba statute regarding companies incorporated out of Manitoba was disallowed on the ground that it might defeat the settled policy of the federal government and of parliament; that it might interfere with proprietary interests of the Dominion in Manitoba and contracts which it might have made with railway companies. The Hon. David Mills was then Minister of Justice.

On the 6th April, 1911, a Manitoba statute incorporating an insurance company was disallowed on the ground that it purported to confer extra territorial powers which could not in the public interests be allowed to stand. That was under Sir Allen Aylesworth and on his recommendation.

On the 18th July, 1901, a statute of Manitoba regarding real property was disallowed on the ground that certain of its provisions were embarrassing and objectionable, in so far as they applied to Dominion lands. The recommendation was signed by the Hon. R. W. Scott.

On the 10th May, 1902, a statute of British Columbia incorporating the Lake Bennett Railway Company was disallowed on the ground that it was inconsistent with the policy of the Dominion government. That was signed by Sir Charles Fitzpatrick.

On the 31st May, 1911, a Quebec statute with regard to the charter of the General Trust was disallowed on the ground that it entrenched upon the Dominion's exclusive power to legislate with regard to banking and the creation of companies with extra provincial objects. That was recommended and signed by Sir Allen Aylesworth.

On the 23rd April, 1909, an Ontario statute regarding chartered accountants was disallowed on the ground of interference with Dominion legislation. That was signed and recommended by Sir Allen Aylesworth. So that it is not quite accurate to say that Sir Allen Aylesworth always pronounced himself against any disallowance of provincial statutes. He always recommended the disallowance of statutes which interfered with Dominion policies or Dominion rights.

In 1918 a statute of the province of British Columbia, the Vancouver Island Settlers Rights Act, 1904 Amendment Act 1917, was disallowed also on similar grounds.

Now then, Mr. Speaker, the power of disallowance is not only in the interests of the Dominion of Canada, but is in the interests of the provinces themselves. I have seen a very recent instance of a province asking the Dominion government to disallow the act of another province. As recently as last year the province of Saskatchewan petitioned the Dominion government for the disallowance of an act of the province of Manitoba which was intituled the Grain Futures Act, and the concluding sentence of the petition, signed by the Attorney General of Saskatchewan, Mr. Cross, reads:

> Manitoba seeks to lay the main industry of Saskatchewan under tribute, taxing our people for the benefit of Manitoba's revenues. If this attempt succeeds it may be imitated elsewhere and the relations of the provinces to one another reduced to a partial state of economic war. Whether or not this evil example spreads, the taxation of grain futures imposes upon the farmers of Saskatchewan an unjustifiable burden, and I submit that the act should for the reasons given be disallowed.

In another letter addressed to the Dominion government the Attorney General of Saskatchewan used the following language:

> The undersigned is aware, that it has been of recent years the practice not to disallow provincial statutes on the ground that they exceed the powers of the province, but to leave them to their operation and allow the question of their validity to be decided by the courts. But the various Ministers of Justice have always reserved to themselves the right to disallow measures even when intra vires if opposed to Dominion policy. Thus Sir Charles Fitzpatrick in reporting upon an Ontario statute, December 31, 1901, says. "It will be observed that the grounds urged on behalf of the petitioner do not affect the constitutional validity of the act, nor do they point to any conflict between the statute and any matter of Dominion policy."
>
> Again in reporting on a British Columbia statute on the same date, Sir Charles says: "The undersigned bases his refusal to recommend disallowance upon the fact that the application proceeds upon grounds affecting the substance of the act in regard to matters undoubtedly within the legislative authority of the province and not affecting any matter of Dominion policy."

In the opinion of the undersigned it may well be deemed a matter of Dominion policy that one province shall not employ its taxing powers to levy taxes which fall most heavily upon the main industry of another province. It is submitted that such is the clear effect of the statute under consideration, and for that reason alone, if for no other, it should not be left to its operation but should be disallowed.

Mr. SHAW: Is it not a fact that in that particular case the government referred the matter to the Supreme Court of Canada?

Mr. LAPOINTE: I am going to give my hon. friend all the information in regard to that matter. It was a mere question of law. The contention of the Attorney General of Manitoba was that the Manitoba legislation was intra vires. It was a pure question of law, and the government decided, before exercising the power of disallowance, to submit that question of law to the Supreme Court of Canada for the purpose, as the order in council says, of being advised as to the legality of the Manitoba act, and, strangely enough, the Attorney General of Alberta then joined with the Attorney General of Saskatchewan in asking the Supreme court to declare the Manitoba statute ultra vires, but for what purpose? For the purpose of having it disallowed by the Dominion government, because the reference was for that purpose, and for that purpose only, and Alberta joined with Saskatchewan to obtain that advice from the Supreme Court of Canada, in regard to the exercise of the power of disallowance by the Dominion government of the Manitoba statute.

Mr. IRVINE: I do not think we are doubting the power of the Dominion government to interfere. What we want to know is, on what grounds they interfered, and if they were justified in interfering in this particular case.

Mr. LAPOINTE: I will give my hon. friend another ground that Alberta is quite prepared to accept as a reason for disallowance. I am not sure whether I will go as far as Alberta is going on the question to which I am now going to refer. Under an Imperial statute of 1900 called the Colonial Stock Act, 1900, the securities of the dominions and colonies cannot be admitted to the British trustee list if there is not a declaration by the government of the dominion that they are willing that the power of disallowance be used if any legislation in the future is passed by their legislatures decreasing the value of their securities, ensuring the contract which gave birth to those securities. For instance, the securities of Australian states are quoted better on the British market than provincial securities of the Dominion, because the securities of the Australian states are on the British trustee list, but the Canadian provincial securities cannot and have not yet been placed on the British trustee list because the Imperial government of course has no right to disallow legislation of the provinces, this right and power being in the Dominion government. There have been suggestions and requests that the provinces and the Dominion should co-operate to declare that the power of disallowance shall be exercised in those cases, so that in England provincial securities should be as high as those of Australia, for instance, and should be put on the British trustee list. Nothing has been done so far by the Dominion government, but the Dominion government has communicated with the various provinces for the purpose of finding out their views in that regard. The Lieutenant Governor of Alberta has sent to this government a letter of the premier speaking for the government in that regard, which letter I am going to read:

EDMONTON, October 23, 1923.

YOUR HONOUR,—Referring to the communication from the Under-Secretary of State, dated May 16 last, on the subject of the suggested disallowance of local legislation bearing upon original contracts with regard to provincial securities.

Your government has had under study for some time the conditions which exist by reason of the provisions of the Colonial Stock Act of 1900, and has noted the anomalous position of the various provinces of Canada as compared to the states of Australia, the colonies of South Africa and the Crown colonies, with respect to the rate of interest secured on their borrowings on the English market.

It would appear that whatever action may be necessary to bring the Canadian provinces under the regulations governing the approval of trustee investments should be instituted without delay.

To this end, the government of the province of Alberta would support any arrangement that may be made between the Imperial government and the Dominion government to the effect that provincial legislation, which, in the opinion of the Imperial government may be objectionable within the meaning of the conditions prescribed by the British treasury, shall be disallowed by the Dominion government on the request of the Imperial government, and is prepared to pass the necessary order in council embodying the substance of the condition in question.

I have the honour to be, Sir,
Your obedient servant,
H. GREENFIELD,
Provincial Secretary.

To His Honour,
The Lieutenant Governor,
Government House, Edmonton.

Mr. McMASTER: Would the Minister of Justice seriously consider the advisability of having this government disallow legislation on the sayso of some other power?

Mr. LAPOINTE: I would not. I took the trouble to say that I would not go so far as

the province of Alberta is going in the exercise of the power of disallowance and is asking us to go.

Mr. IRVINE: It is the distance that this government would go that we are most interested in.

Mr. LAPOINTE: My hon. friend might reserve his argument. I might mention that this was not the subject of the question at all.

Mr. McMASTER: There are other members of the House who are interested in this matter perhaps on somewhat broader grounds.

Mr. LAPOINTE: Certainly.

Mr. IRVINE: I question that.

Mr. LAPOINTE: I repeat that this power of disallowance is in the interest not only of the people of Canada at large, but I believe, as shown in the two instances that I have named, of the provinces themselves. Of course, if the power exists, it must be used in certain circumstances when it is justified.

Let me now come to the act of the province of Alberta which is to impose a tax upon mineral rights. As the House will see, the definition sections are very important. Under the act:

"Mineral owner" shall mean a person with the right to search for, work for, win or get, any mineral, who derives such right by lease, grant, license or otherwise from the Dominion of Canada or the province, and also every person who possesses the same by virtue of a reservation or exception thereof, or as an incident or part of his ownership of land.

The definition is very wide!

"Non-taxable person" shall mean the Crown and any person who is not liable to taxation by the province.

So, every time in the act the words "non-taxable person" are used, that means the Crown and of course the Crown in the right of the Dominion, because every time it means the Crown in the right of the province, it is said to be the right of the province. The act provides that:

Every mineral owner—

In the sense which I have mentioned.

—who is a taxable person in respect of any parcel of land in, on or beneath the surface of which he is entitled to search for, work, win or get any mineral, shall pay in every year to the minister a tax of three cents per acre of the surface of such parcel of land; that the tax shall fall due 1st August in each year; that the mineral owner shall before 1st September in each year forward to the minister a statement of the parcels of land in respect of which he is taxable, and therewith shall send to the minister all taxes due by him, and that if he fail to pay the tax within the time so prescribed ten per cent shall be added thereto as a penalty.

[Mr. Lapointe.]

If the tax, and penalty for non-payment, be not paid before 1st October next following the day upon which it falls due the minister shall notify the mineral owner of the fact of non-payment by sending a registered letter to his address as shown by his certificate of title, or if no such address be shown, "to any address at which it appears to the minister that he may be likely to be found"; if payment be not made within three months from despatch of the notice the minister shall, in case the minerals in, on or beneath the parcel of land affected be registered in the name of a taxable person, direct the registrar of the land registration district within which the parcel lies to make a memorandum upon the proper certificate of title that all mines and minerals in, on or beneath the surface of the said parcel of land are the property of the province and thereupon the property in all minerals, in, on or beneath the surface of such land shall pass to the Crown in the right of the province, together with full liberty to the province, and to the persons authorized by it, to enter upon the said parcel of land and sink pits, erect buildings and fix machinery and works of any kind for winning, working, getting or converting any such minerals, and to carry away the same at pleasure, upon paying such compensation as may be fixed by agreement, or in default, by arbitration in accordance with the provisions of the Arbitration Act.

This provision for compensation is evidently for the surface owner, because the act plainly shows that the words in question have no reference to the mineral owners.

Then it is provided that if the mineral owner pay to the minister all taxes and penalties in respect of the parcel of land, together with a further penalty of ten per cent of the amount so due, before the first day of January next following the making of the memorandum, the minister shall direct the registrar to remove the memorandum from the certificate of title; but, if the amount be not paid prior to the expiry of the said year, the registrar shall issue to the Crown in the right of the province a certificate of title to the said minerals. . . . . .

It is further provided that any mineral owner who so desires may surrender his minerals to the province, and upon such surrender the minister shall direct the registrar to make a memorandum upon the proper certificate of title, and that thereupon the mineral owner shall be exempt from all taxation in respect of such minerals during the year in which he so surrenders the same, and in all subsequent years.

If he makes the surrender next year, for instance, and has not paid the tax for this year he will still be liable for the tax due by him this year, although the property is taken by the Crown.

It is further provided that, in the event of payment of the tax and of the penalty not being made within one month from despatch of the registered letter the minister shall, if the parcel in, on or beneath the surface of which the minerals lie in respect of which the tax has not been paid, belongs to a non-taxable person (meaning the Crown or any person who is not liable to taxation by the province) proceed to enforce the payment of the tax by suit or by distraint levied in the same way and to the same extent as if the minister were a landlord who had demised the surface of the parcel of land and the minerals in, on or beneath the same to the mineral owner.

I will comment on this later; I am merely giving what the act says.

Finally it is provided that the act shall not apply to any parcel of land less than ten acres in extent, if the ownership of the surface and the right to the minerals be not separated; or to any parcel of land owned as to both surface and minerals by a person to whom letters patent therefor were originally issued as a homestead and pre-emption, and who has not leased the said minerals or any of them, or otherwise granted the right to search for, work, win or get the same; also by subsection 3 of section 13, that the Lieutenant Governor in Council may confer exemptions upon any class of persons "which by reference to quantity of land granted, and the absence or smallness of the pecuniary consideration therefor can fairly be placed in the same category as homesteaders", etcetera.

Sir HENRY DRAYTON: When was the act passed and how much has been collected under it?

Mr. LAPOINTE: I do not think much has been collected under the act. The government of Alberta was notified that petitions for disallowance had been received almost immediately after the act was passed and I understand they discontinued operations.

Sir HENRY DRAYTON: What is the date of the act?

Mr. LAPOINTE: I understand, May 23.

Mr. SHAW: I think it is April 21.

Mr. LAPOINTE: Now, applications for disallowance were made by the Canadian Pacific Railway Company, the Hudson's Bay Company, the Western Land Company, Limited, the Calgary and Edmonton Land Company, Limited, and others. The Canadian Pacific Railway Company claimed that they were, within the meaning of the act, mineral owners of large tracts of land in Alberta. My hon. friend gave certain figures on this point.

Mr. MACLEAN (York): As a matter of fact, is not the Pacific Railway Company constantly complaining in respect of matters of this kind?

Mr. LAPOINTE: May be, but I am merely stating the history of the case; I am not mentioning the Canadian Pacific Railway particularly, apart from the record of the facts. In the province of Alberta approximately 7,258,000 acres of land have been granted the Canadian Pacific Railway under statute and this has all been sold subject to certain reservations in regard to mines and minerals. In some cases the mines and minerals generally were reserved and in other cases only certain minerals were reserved. The Canadian Pacific Railway Company claim that no survey has been made and that the expense of such survey would of course be very great; and in consequence, except as to a relatively small area, the existence of valuable minerals while not improbable is a matter of conjecture. They refer to the clause of non-taxation in the statute granting them their lands for a period of twenty years and point out that the Alberta Act reserved to the Canadian Pacific Railway all the rights which they had under that statute. They claim about 2,175,000 acres of land in Alberta in respect of which the said period of 20 years has not lapsed. When that period has expired this land will of course be taxable along with the rest and then the mineral ownership of the company will extend to 9,433,000 acres all of which certainly contain minerals, some of them valuable but much not having been prospected or explored. They submit:

In these circumstances the company submits that the act should be disallowed as confiscatory, oppressive and unjust, because of its indiscriminate application to all lands without regard to the value of the minerals therein; because, in so far as it purports to apply to the company's lands which were exempted from taxation under the said act 44 Victoria, it is ultra vires of the province—

I am merely stating the allegations of the company; I do not say for instance that I agree with that allegation.

—and because it interferes with the rights of mortgagees, bondholders and others who have in good faith invested capital in the province, and whose security is jeopardized by the powers conferred upon the minister, which may be exercised without notice to mortgagees or bondholders, and even without actual notice in fact to the registered owner.

The Hudson's Bay Company represented that under its deed of surrender on November, 1869, it retained valuable areas of land in the Northwest Territories, and that the surrender was made upon the condition that the company should be at liberty to carry on its trade in its corporate capacity without hindrance, and that no exceptional taxes should be placed on the company's land, also that a considerable portion of the fertile belt so retained is situated in the province of Alberta. They claim that the area of land belonging to the company in Alberta is approximately two million acres in extent and that the mineral rights are included. Some of these lands have been sold without a reservation of the minerals, other lands have been sold with a reservation of the minerals, and since 1910 the general practice has been to reserve the minerals. It is stated that 614,473 acres remain unsold and of the land sold the minerals were reserved on 469,968 acres. The company is therefore, according to the statement submitted, the mineral owner of 1,084,441 acres in the province of Alberta.

Their reasons in support of their petition for disallowance are the same as those of the Canadian Pacific Railway, but they submit further that the taxation discriminates in favour of owners of small areas, homesteaders and preemptors and their descendants and assigns; that it hinders and interferes with the trade and business of the company; that the purchasers of land, including minerals therein, from the Hudson's Bay Company are subjected to a mineral tax, while the purchasers of land from persons who acquire title by homesteading or preempting or from the heirs and assigns of such homesteads and preemptors are tax free. From the latter objection it follows that the Hudson's Bay Company, the railway company and the land companies possessing lands which were granted as subsidies or by direct grant would find themselves at a disadvantage in competition with the owners of lands acquired by way of homesteading or preempting, as they would have to pay $4.80 annually on each quarter section.

The land companies—some of them also apply for disallowance—allege the injustice of the legislation and its prejudicial effect upon the project of settlement and the introduction of capital into the country. They claim that mortgagees are unprotected in their security in so far as it consists of minerals, as these may be taken over by the province without notice and without compensation.

As my hon. friend said, these petitions were sent over to the Attorney General of Alberta—

Sir HENRY DRAYTON: Before my hon. friend proceeds further—will he kindly state whether the tax applies merely in the case of the owner of a mineral reserve, or in the case of the owner of land which may have minerals under it although he knows nothing about their presence?

Mr. LAPOINTE: It applies in all cases.

Sir HENRY DRAYTON: Does it apply in the absence of all minerals?

Mr. LAPOINTE: It is supposed that all lands contain minerals. It applies when no exploration or survey has been made, merely because the land is there and is supposed to contain minerals. It applies against all who have mineral rights, whether they are the surface owners or the lessees of mineral rights.

Mr. MACLEAN(York): In other words, the company has precedence over the settlers.

Mr. LAPOINTE: I presume my hon. friend is referring to the Canadian Pacific?

[Mr. Lapointe.]

Mr. MACLEAN (York): No, I am referring now to the position taken by the Hon. David Mills, when Minister of Justice. He and his party were great defenders of provincial rights, and I hope my hon. friend, who also claims to be a Liberal, will take the same attitude.

Mr. LAPOINTE: I claim to be a Liberal and to act as one. My hon. friend is very often advocating principles which appear to be Liberal, but when it comes to supporting them by vote he always votes against them.

Mr. MACLEAN (York): Oh, no.

Mr. LAPOINTE: Now I have given all the reasons which have been alleged by the various petitioners for the disallowance of the act. My hon. friend has said that the order in council disallowing the act was passed upon a recommendation in which it is stated that the reasons for disallowance are that the act interferes with Dominion policy, clashes with Dominion rights and infringes upon Dominion jurisdiction. I am now reaching this part of my argument. In the constitution of Alberta, as also of Saskatchewan and Manitoba, public lands were reserved to the federal government. Whatever may have been the reason for this policy, and whatever be its merits or demerits, it is still the policy of the Dominion, and those lands must be administered by the federal government in the interests of all the provinces with a view to encouraging immigration and developing the country. Negotiations have been opened in the past, and even now are proceeding, for a transfer of those lands in the province of Alberta to the government of that province. These negotiations may reach a successful conclusion, but until that happens the legislation of the Dominion as well as the legislation of Alberta must be framed in the light of and upon the basis of the administration of such lands by the federal government. In the policy which has been followed by the federal government in the past it has been the custom for many years when making grants of homestead and preemption lands to reserve the minerals. As I said a few minutes ago, all lands are supposed to contain minerals, some of them valuable and others of no value whatever. Frequently some of these reserved minerals have been leased while other minerals have been reserved in the same piece of land. In other cases the Dominion is still the owner of the lands but has leased the minerals, some of the leases covering all minerals and other leases being restricted to only one mineral.

I will take first a case where the surface has been granted and the minerals have been

leased. The lessee under clause 3 of the Act, according to the interpretation given in the first clause, is taxable. He may be a lessee of all the minerals, of only one of them, or of some of them. If he does not pay and the minerals are registered in the name of a taxable person, the province under the act confiscates or takes from him or from others all minerals which are in that parcel of land and not only those for which the tax has not been paid. If the minerals have been leased in ungranted lands, the Dominion being still the owner of the surface of the land, then section 10 operates. Section 10 authorizes the province to enter for distress on the Dominion lands as a landlord would do, but whatever my hon. friend may say I think the province has no right to do that. By the British North America Act the province has no right to legislate with regard to Dominion land which is still owned by the Dominion, in the possession of the Dominion and under lease to other people, as in the case my hon. friend has mentioned. Moreover, as the Department of the Interior has pointed out to the Department of Justice, the machinery, the mining equipment and the buildings which the lessee may have constructed constitute very often the only security the Dominion government has for the payment of rent or royalties; therefore, the distress which the act authorizes the province to execute comes directly in competition with the right which belongs to the Dominion, as the real and lawful landlord. There will be a conflict there which will be the source of trouble and difficulty, according to the officers of the Department of the Interior who are in charge of the administration of the Dominion lands and the Dominion minerals in the province of Alberta.

Mr. SHAW: I presume the minister will admit that no lien attaches on behalf of the Dominion government in the case he has mentioned unless the right of lien and distress is given in the terms of the lease itself, in which case the province under this act could not in any way affect the rights of the Dominion in that regard, but their rights would have to accrue subsequently to those of the Dominion.

Mr. LAPOINTE: Even if there is no lien attaching to it, it is natural that the Dominion government should consider this machinery, equipment and buildings as security for the payment of rent or royalties. That would be the case even if no lien were specified in the grant or in the lease.

Mr. SHAW: Surely the minister will admit that there can be no lien until such time as the seizure is made. In that case if the seizure is made prior to the provincial government's seizure, then of course, the right accrues.

Mr. LAPOINTE: Well, my hon. friend himself indicates the troubles and the difficulties and the discussions which will arise between those who represent the province and those who represent the Dominion in this instance.

Mr. MACLEAN (York): Unless the Dominion government is prepared to quash or arrange otherwise for the surrender of all these rights and settle the matter in the interest of the settler, of the public and of the province.

Mr. LAPOINTE: That may come, but I am not discussing the question in the light of what may be the case when the transfer is made. I am discussing it in the light of conditions as they are to-day, on the basis of legislation as it is to-day and of Dominion rights as they exist to-day.

Mr. COOTE: Would not any creditor of this party, in the event of judgment having been secured against him, have the right to seize those works on the surface?

Mr. LAPOINTE: Not where the surface is owned by the Dominion and is in the possession of the Dominion.

The leases of minerals by the Crown are subject to various covenants, terms and conditions, and valuable rights depend upon those covenants. The act assumes the authority to interfere with these contracts to the extent of substituting the government of the province for the tenant in the case where the minister exercises his power. In many cases the lessee cannot transfer without the consent of the Dominion. The act as it is will take away this disposition which is to the advantage of the Dominion government and will substitute a sort of provincial ownership of the land instead of the ownership which has been the policy of the government until the present day. All these provisions, in the opinion of the law officers of the Crown as well as in the opinion of the officers of the Department of the Interior, would be a source of friction between the two governments and would result in an interference with the carrying on of Dominion policies as they have been carried on in the past.

These were the reasons for the disallowance. The power exists; even my hon. friend has admitted that. Its exercise is justified and

even necessary in certain cases. If the power of disallowance exists when provincial legislation comes in conflict with or interferes with Dominion rights and Dominion policies—and that has been recognized by everybody in this country up to the present; by all governments and by all Ministers of Justice—then the only question is this: Do the provisions of the act in question come within the meaning of the principle I have stated; do they conflict with Dominion rights or Dominion jurisdiction? With all deference to my hon. friend I submit that the opinion of the law officers of the Crown in that regard should be accepted by parliament. It is an opinion which corroborates my own, and it is the opinion also of the officers of the Department of the Interior. That opinion must not be superseded by the opinion of my hon. friend or that of the Attorney General of Alberta who, of course, is an interested party. I believe that I can fairly ask the members of the House to recognize, to accept, and to confirm the views of the law officers in that regard, and their interpretation of the sections of the law of the province of Alberta which have been disallowed.

Sir HENRY DRAYTON: In the matter of taxation, here it takes the form, if I follow my hon. friend, of a specific tax apart entirely from value?

Mr. LAPOINTE: Yes.

Sir HENRY DRAYTON: Let us go a step further and take the case of a lease of Dominion lands. The fee simple would not be taxable, being Dominion property, but we will assume a lease at a nominal figure, a lease which could be sold for a large bonus, which would represent property which I think could be taxable. Would my hon. friend say that was not taxable?

Mr. LAPOINTE: That is taxed.

Sir HENRY DRAYTON: Then leasehold interests can be taxed?

Mr. LAPOINTE: Yes.

Sir HENRY DRAYTON: If the leasehold interests can be taxed, is not the objection one of the method rather than of principle?

Mr. LAPOINTE: The objection is as to method. There was interference with Dominion rights, and the province, if the act applies as it is framed, takes upon itself to take over minerals other than those subject to the taxation.

May I repeat the words of Sir Wilfrid Laurier, acting for the Minister of Justice, in a recommendation which he made for disallowance of an act on the 9th of January, 1911. He said:

> Ministers may, of course, err in the interpretation of constitutional powers, but they should not on that ground decline to give effect to what they deem to be a just conclusion.

These words I desire to adopt as my own in this instance. It is not a pleasant duty to perform, but so long as it is a duty it must be performed. I regret that my hon. friend (Mr. Coote) should have suggested that this power of disallowance was exercised in the interests of large land corporations. My hon. friend is quite wrong about that. The statement may make good campaign literature for himself or his friends, but he knows that no great corporation has a hold on me. My hon. friend will pay me that compliment. I know he knows it, and I know he knows he was wrong when he made that statement. I did not act in the interest of any large corporation. No large corporation has a sway over me, either here or anywhere else. I acted as I did because I thought it was my duty to do so, and not to serve any interests other than those of the Dominion of Canada.

Mr. JOS. T. SHAW (West Calgary): Mr. Speaker, the power of disallowance, as the Minister of Justice (Mr. Lapointe) has said, is a power which cannot be lightly used by the Dominion of Canada, and should be used only in the light of the fullest information, and with the assurance that the attitude taken by the government is absolutely sound. One year ago we had before this House the disallowance of a Nova Scotia statute. I do not know what the minister's attitude to-day is with regard to that disallowance, but I recommend to his perusal a very severe criticism by Professor Kennedy, in the Journal of Comparative Legislation, a considered opinion written after consideration of all the facts and all the law in connection with that matter.

In connection with this particular matter before us, it is of course, highly desirable that the minister should give us some light on the history of the power of disallowance, but I think it is rather unfortunate that he has not sought to elaborate his argument to justify the use of that power in this particular case. I would hesitate, Mr. Speaker, in an involved and complicated question of this character, to offer my humble observations were it not that I am convinced that the disallowance power in this particular case has, to use the legal term, been abused.

Before considering the particular statute, there are one or two principles that I think

we should have clearly in mind. There is first the principle that the province has no right to interfere by way of taxation or otherwise with Crown property or to legislate in any way that will interfere with Dominion lands. That proposition I think everybody will accept.

The second proposition I want to suggest is that the Crown cannot be reached except by express words or by necessary implication. Now having these sound legal principles in mind, I want to direct the attention of the House for a moment to the statute itself. First of all it was a revenue measure for provincial purposes. The government, therefore, when it interfered in its exercise of the power of disallowance, should have been the more careful, because it must have known that the province of Alberta was relying on this as a source of revenue, and that to disallow the statute would necessarily inconvenience the province in its financing. The act is cited as The Mineral Taxation Act, and was assented to on the 21st of April, 1923. It was received by the Governor in Council on the 2nd of May, 1923, so that the power of disallowance must necessarily be exercised, if at all, before the corresponding date in May, 1924.

Now the first matter to which I direct the attention of the House is the definition of "mineral owner," and the hon. ex-Minister of Finance (Sir Henry Drayton) has asked some pertinent questions in regard to that matter.

The definition reads:

"Mineral owner" shall mean a person with the right to search for, work, win or get any mineral, who derives such right by lease, grant, license or otherwise from the Dominion of Canada or the province, and also every person who possesses the same by virtue of a reservation or exception thereof, or as an incident or part of his ownership of land;

The word "minerals" is defined, and I direct particular attention to this:

"Minerals" shall, but not so as to restrict in any way the ordinary meaning of the word, include natural gas, petroleum, gasoline and all oils of a mineral nature.

Now any one familiar with the situation in Alberta knows that a very large portion of the entire province is underlaid with valuable minerals, particularly coal, and what I have said in that regard is also true with regard to natural gas. It is hoped it is also true with regard to petroleum and gasoline. Then the act goes on to define two classes of persons, and only two classes of persons are defined for the purposes of the act: First of all, "non-taxable person," and secondly, "taxable person."

"Non-taxable person" shall mean the Crown and any person who is not liable to taxation by the province.

"Taxable person" shall mean any person who is liable to taxation by the province.

Surely in the definition itself, in the very terms used in the provincial statute, the provincial government has been careful to see that so far as taxation is concerned there shall be no interference with Dominion lands. Then clause 3 says:

Every mineral owner, who is a taxable person in respect of any parcel of land in, on or beneath the surface of which he is entitled to search for, work, win or get any mineral, shall pay in every year to the minister a tax of three cents per acre of the surface of such parcel of land.

Nobody is assessed save only a taxable person. Surely that is perfectly clear. Surely in the very beginning of this act it is made abundantly clear that the Crown, in the right of the Dominion, is not taxable at all. It seems to me, Mr. Speaker, that the intention is perfectly clear at the very outset of the act, that there is no desire to interfere in any way with the Dominion so far as taxation is concerned. I mentioned a moment ago that the Crown could not be reached except by express words or by necessary implication. Not only are there words to the contrary effect, but it is abundantly clear from the Statute that the Crown is not intended to be reached at all. I come now to the remedies. The procedure in this act is as the minister suggested. First of all as to the mineral owner, the one who is liable to taxation. The taxable person is to forward to the minister—that means the minister of municipal affairs.

Sir HENRY DRAYTON: Would the expression "taxable person" cover every interest, whether company, person or anything else in land in the province, other than land owned by the Dominion.

Mr. SHAW: Not necessarily, because non-taxable person means the Crown and any person not liable to taxation by the province. For instance, churches are exempted from taxation, and consequently non-taxable persons would include the churches as well.

Sir HENRY DRAYTON: But apart from that.

Mr. SHAW: Apart from that I think it is quite clear, because the word "person" is also defined to include corporation.

Every mineral owner shall before the 1st of September in each year forward to the minister a statement of the parcels of land in respect of which he is taxable under the provisions of this act. The minister may prescribe the form.

If he does not pay the tax within the time prescribed, the minister has the power to add ten per cent as a penalty. That is a common provision in our taxation statutes. In case he does not forward the tax to the minister by the 1st October together with the penalty which has accrued the minister shall notify him of the fact of non-payment by sending a registered letter to his address as shown on the certificate of title, or if no address is shown, then to any address at which it appears to the minister that he will likely be found. A record is kept pursuant to the statute of the dates upon which these letters are forwarded. Every taxation statute I may say has several branches. It has a section which deals with the assessment of the taxation. Then secondly, it has provisions which deal with the procedure in the event of non-payment, usually forfeiture, distress and so on, and this statute follows the usual procedure in that regard. Section 9 reads:

> In the event of payment of the tax imposed in respect of any parcel of land and of the penalty not being made within three months from the despatch of such notice—

That will be on or before the 1st of January following, and I direct the attention of the House particularly to these words:

> The minister shall in case the minerals in, on or beneath the parcel of land affected are registered in the name of the taxable person, either by separate certificate or together with the surface, or together with other surfaces or minerals, direct the Registrar of the Land Registration District within which such parcel lies to make a memorandum upon the proper certificate of title that all mines and minerals, in, on or beneath the surface of the said parcel of land are the property of the province.

What the law officers of the Crown have apparently forgotten is that no one can get a certificate of title except under the provisions of our Land Titles Act, and may I refer to section 33 of that act, which reads as follows:

> The owner of any estate leased or demised to him or to the person from whom he claims a title, for a life, or for lives, or for a term of more than three years, in any land for which the grant from the Crown has been registered—

That is, the grant from the Crown must first be registered.

> —may apply to have his title registered and to have a certificate of title issued to him therefor under the provisions of this act.

This section first of all applies only to a taxable person. Therefore the Crown is eliminated. Again it applies only to a taxable person who has a certificate of title. Consequently the Crown is also eliminated under this section, because a certificate of title can only issue when the Crown has, by a grant, divested itself of all interest in that parcel of land.

Mr. BOYS: Does it apply to the lessee of mineral rights for more than three years?

Mr. SHAW: Yes, a lessee for a period of more than three years may get a certificate of title, but under the law the grant from the Crown for that particular parcel must first have been registered, and consequently the Crown must have divested itself of its interest.

Mr. BOYS: Then the Crown would not be the owner of that land subject to lease?

Mr. SHAW: Not at all. I should say a lessee from the Crown cannot have a registered certificate of title within the provisions of the Land Titles Act.

Mr. BOYS: Supposing there was a lease from the Crown for a period of five years, and the lessee failed to pay the taxes under that act, as I understand it the province would become the owner of those minerals which, it seems to me in that event, should remain in the Crown.

Mr. SHAW: No. There are two sections relating to this question. Section 9 deals with the person who has a registered title to the minerals. Section 10 deals with the person who is the lessee. The act very clearly distinguishes between these two. Now the minister has objected to the wording where the minister directs the Registrar of the Land Registration District to make a memorandum upon the proper certificate of title that all lands in, on or beneath the said parcel of land are the property of the province. The Minister of Justice says one may have a title to a certain part of the minerals but the minister can call upon the registrar to make a memorandum as to all minerals. But surely the memorandum directed to be made by the minister can be effective only as to the actual minerals which the registered owner has and to no other. I think that is clearly the intention of the statute. Perhaps the wording was somewhat unfortunate, but if it was unfortunate there was the more duty cast upon the Minister of Justice to see that the provincial government was notified of the defect in ample time in order that there might be rectification.

Mr. McMURRAY: Turning to section 9, I find it reads:

> The minister shall in case the minerals in, on or beneath the parcel of land affected are registered in the name of a taxable person, either by separate certificate, or together with the surface.

What interpretation does the hon. member put upon the distinction between separate certificate in contradistinction to the certificate together with the surface?

Mr. SHAW: The taxable person may have the title only for the minerals. He may have the title for the surface rights with the mineral rights exempted, or on the other hand he may have a title for all the property, and in the event of there being no exemption of the mineral rights, he gets the surface and the mineral rights.

Mr. McMURRAY: That is the mineral owner in land from the Crown.

Mr. SHAW: Quite right.

Mr. McMURRAY: In that case a separate certificate might refer to the minerals in the land.

Mr. SHAW: No, because no one can get a certificate of title covering a leasehold interest from the Crown. Before a certificate of title will issue there must first of all be a grant from the Crown. The Crown must have divested itself of its property. Section 9, as I have pointed out, deals only with a taxable person who is a holder of a certificate of title. Surely the section itself shows very clearly that there is no intention to interfere with the rights of the Crown at all. Now section 10 purports to deal with the other class of cases. It deals with the case of a lessee and I direct the attention of the hon. member for Simcoe to the wording of the section:

> In the event of payment of the tax and of the penalty not being made within one month from the despatch of such notice, the minister shall, in case the parcel in, on or beneath the surface of which the minerals lie in respect of which the tax has not been paid belongs to a non-taxable person, proceed to enforce the payment of the tax by suit or by distraint levied in the same way and to the same extent as if the minister were a landlord who had demised the surface of the parcel of land and the minerals in, on or beneath the same to the mineral owner.

That section clearly covers the case where the Dominion government for a longer or shorter period has leased the mineral rights to a taxable person. It provides that in such a case if the taxes are not paid, the minister may proceed to enforce the payment of the tax by suit, or distraint levied in the same way and to the same extent as if the minister were a landlord. In other words the minister gets all the rights that a landlord would get in making a distraint upon property.

Sir HENRY DRAYTON: As regards the right of distraint, would the hon. member, or would he not, say that there is a substitution of the province for the Dominion at that point? I was thinking for the moment of cases where we had royalties on leases. We have a general order—I forgot now what the royalties are—on petroleum and other things. In the late government we spent a great deal of time in regard to the matter and some people thought we were charging so much for oil they would never get anything out of the leases. The Dominion has rights as landlord. Under this act the province gets rights as landlord. What is the position?

Mr. SHAW: I will deal with the matter in this way. A number of years ago a case went to the Privy Council, a case which is practically on all fours with the case that would arise under section 10, the section to which I have been referring. The council of the rural municipality of Vermilion Hills sought to impose a tax upon a grazing lease held by a gentleman called Smith from the Dominion government. The case arose in the province of Saskatchewan. Surely, that case would be one exactly parallel to the case where the Dominion government had leased its mineral rights to an individual. This particular case was decided in the year 1916. Might I just refer to some of the remarks of Lord Haldane:

> This appeal arises out of an action in which the appellant—

The appellant being Mr. Smith.

> —was held liable in the courts below to pay a sum of $3,118.78, being the amount assessed as tax upon certain lands in the province of Saskatchewan. The appellant's interest in these lands was conferred by leases from the Crown, granted to him by the Dominion government, for grazing purposes. The lands were situated within a local improvement district—

So, the question arose as to the right to impose this tax. The Attorneys General for the Dominion and for Saskatchewan intervened and were heard before the Privy Council. Lord Haldane says:

> It is thus clear that the authorities of the province have no power to tax Crown lands, and the real question is whether this restriction prevents them from imposing the tax in controversy upon a tenant of Crown lands. The appellant was tenant of the parcels of land to which the taxation was directed under two leases from the Dominion government, for terms of years determinable upon notice, and with restrictions on assignment.

The Minister of Justice referred to the fact that there were restrictions on assignment in connection with these mineral leases.

> The leases were granted for grazing purposes.

After a considerable argument, Lord Haldane, speaking on behalf of the Privy Council, affirms the judgment of all the lower

courts, and holds that the appellant was duly assessed in respect of the lands comprised in the two leases, and that the assessment was entirely valid. That simply follows out a series of cases including the Calgary and Edmonton Land Company vs. the Attorney General of Alberta. In this case it is abundantly clear that the rural municipality had a perfect legal right to assess these grazing leases and to collect its taxes.

Sir HENRY DRAYTON: What was the basis of the assessment and how was it arrived at?

Mr. SHAW: This report unfortunately does not disclose that, but my impression is that under the statute in question there was either a rate per acre or a sum for the total acreage, I have forgotten which. The hon. member for Medicine Hat (Mr. Gardiner) informs me that it was a certain rate per acre similar to the mineral taxation act now in controversy. There can be no question in any event under the general law as it stands, that a landlord cannot under any circumstances distrain upon the property of the Crown. In this particular case, the province takes the right to distrain upon the property of the tenant in the lease. That is all that is proposed or intended to be done, and the province has a right to enforce that assessment by distress or otherwise as they may see fit, because of course, if there is the power to assess, there must necessarily be the power to collect by distress.

These are the simple propositions in connection with this statute. Section 9 gives simply the ordinary forfeiture right in the event of non-payment of taxes by a taxable person. Section 10 gives the right of distress and seizure in the event of a lessee who holds from a non-taxable person, the Crown. I think it must be clear that in this case the law officers of the Crown have apparently acted without realizing to the full the land titles system, the Torrens title system which we have in force in Alberta. Upon no other ground can I understand their going astray in this particular matter. May I suggest that it is highly desirable in, perhaps, cases of this character that the Dominion government, instead of exercising the power of disallowance merely on its own motion, should refer the matter to the Supreme Court of Canada and get a decision whether the particular statute in question interferes in any way with Dominion rights and whether or not it is intra vires of the provincial government.

I cannot close without referring, but briefly, to what I think is a rather cavalier treatment that the government has administered to the provincial government of Alberta. It may be of course that it was quite unintentional, but the facts were that the Canadian Pacific Railway Company, the Hudson's Bay Company, the Calgary and Edmonton Land Company, and some western land company, all I believe affiliated companies, prepared their petitions to the government on July 17—perhaps one was made on July 23—a year ago. The government immediately forwarded copies of these petitions and complaints to the provincial government, and the provincial government replied promptly, I think early in September, to the allegations of the various companies. But these complaints are not the ones upon which the minister has disallowed the statute at all; he has ignored the complaints of the Canadian Pacific Railway Company and the Hudson's Bay Company and the other petitioners and without notice to the provincial government has disallowed the legislation on entirely different grounds. In view of the representations made to the government as well as of the effort made by the provincial government to secure the grounds upon which the government proposed to disallow the statute; indeed, in view of the representations made by some members on this side of the House to the government itself, it seems to me that the government might well have communicated to the province the precise reason for its disagreement with this particular statute and given the provincial government ample time while the legislature was still in session to amend the act and make it effective even admitting it was defective. That I think is the least courtesy which the Dominion government might have shown under the circumstances. The action of the government is regrettable in view of the nature of the legislation in question and of the embarrassment which must necessarily be occasioned the province in its financing; it is unfortunate I say that steps were not taken in ample time by this government to communicate with the provincial government. In my judgment there was no excuse for the failure in advising the provincial government of the reasons upon which the disallowance was proposed to be made. The report signed by the Minister of Justice (Mr. Lapointe), many portions of which he read to-night, was apparently drafted on February 2, 1924. The reasons he gave for disallowance are contained in that memorandum. At that time, if he had communicated with the provincial government, the legislature being then in session, ample changes could have been made to meet even the fastidious requirements of the Minister of Justice. I think this is unfortunate and will make for controversy over provincial rights.

Mr. LAPOINTE: If the memorandum which my hon. friend is quoting from bears date February 2 it certainly is wrong; the memorandum in its present form was prepared only a few days before it was submitted to council.

Mr. SHAW: I have a copy of the memorandum taken from the return brought down to the House and it is certainly dated Ottawa, February 2. Whether or not that is the right date I do not know. However, I think it is unfortunate that the reasons were not communicated to the provincial government while the legislature was still in session. Some hon. members of this House got in touch with the Prime Minister (Mr. Mackenzie King) and urged that whatever action was taken should be taken as soon as possible so that the provincial government might be enabled, while the legislature was still in session, to re-enact the legislation if necessary. I cannot help thinking therefore that the provincial government in this matter has been treated cavalierly.

Sir HENRY DRAYTON: What is the estimate of the revenue from that tax?

Mr. SHAW: My impression is that it was something over $300,000 per annum, although it must be more than that. The acreage owned by the Canadian Pacific Railway and the Hudson's Bay Company alone totals over 10,000,000 acres, and no one is exempted except those who hold an acreage not exceeding 10 acres.

Mr. McMURRAY: Section 10, I understand, deals with those cases where the surface is owned by non-taxable persons. Section 9 refers to cases in which the surface is owned by taxable persons; the minerals under section 9 may be owned by a man who owns the surface of the land or they may be owned by the Crown who has leased the minerals to someone.

Mr. SHAW: I do not get that.

Mr. McMURRAY: I am referring to section 9, which relates to the surface of the land when owned by taxable persons.

Mr. SHAW: That is to say, taxable persons who have certificates of title.

Mr. McMURRAY: Yes. The minerals, under that section, may be owned by the man who owns the surface or they may be owned by the Crown who has leased the minerals to a leaseholder. Under section 9, as I read it, the province of Alberta has the power to take over these minerals on three months' notice. If that is the case, if they have the power to take over the minerals belonging to the Dominion government, is not the province expropriating the leasehold and the minerals under it as obtained by the individual from the Dominion government?

Mr. SHAW: I think not. I did suggest that perhaps the wording was unfortunate, but under the act the minister requires the registrar to make a memorandum on the certificate of title, that is all; and then it says with respect to the particular certificate that all minerals included therein—that is the effect of it—shall belong to the province.

Mr. H. E. SPENCER (Battle River): I had intended to take part in this debate at some length, but the subject has been so well covered by the hon. member for Macleod (Mr. Coote) and the hon. member for West Calgary (Mr. Shaw) that I simply wish to say that I concur in their statements. I desire however to add a few words to what has already been said. If the minister really thought the act ultra vires he should have referred it to the courts to have the question of its validity determined as in the case of the Manitoba Act which attempted to impose a tax on grain futures. Attention has been drawn to the amount of taxation that might have been levied under the Mineral Tax Act. The House, I think, hardly realizes how much the province of Alberta has had to pay for two of the large corporations which are attempting to get out of the three cent per acre mineral tax. I want to quote these figures, which have been carefully checked and which I believe are correct:

A summary of the values of the claims of Alberta under the various items considered is as follows:—

C.P.R. Lands	$19,680,021
C.P.R. Tax Exemptions	9,802,502
Hudson's Bay Lands	3,142,200
Hudson's Bay Grants	177,846
	$32,802,569

Realizing this, one can understand why the people of Alberta do not feel at all kindly to the action of the federal government in disallowing an act which is going to penalise these corporations to the extent of three cents per acre for a mineral tax. At the present time the province is groaning under a very heavy load of taxation; the action of the federal government will only add to that burden. Further, it will probably have the effect of stimulating the present emigration from that province, for as long as the people realize that taxation is not going to be

lightened but made more burdensome, those who are hesitating about moving will probably make up their minds and leave.

The wild land tax of the province of Alberta taxes land without regard to value, just exactly the same as the mineral tax was intended to. The former tax was allowed; the latter was disallowed. The former is collected largely from small land owners; the latter from large and wealthy corporations. I consider that in disallowing this legislation the federal government has acted not only inadvisedly but very unfairly towards the province of Alberta

Mr. ALFRED SPEAKMAN (Red Deer): Mr. Speaker, I have no intention of challenging the right of disallowance of provincial legislation by the Dominion government, it being absolutely indisputable; neither have I any intention of challenging their wisdom in exercising that right on certain occasions; nor do I intend to deal with the legal aspect of the question, for I am not competent to do so, and moreover it has already been dealt with fully and ably. But I do wish to stress one point which to my mind has not been sufficiently stressed in this debate—the unfair way in which the right of disallowance has been exercised against the government of Alberta. The undisputed facts are that in the session of 1923 the provincial legislature passed a revenue act upon which it relied for a portion of its finances; during the summer following representations were made, particularly by two large corporations which would be severely affected by this act, to the effect that it should be disallowed; these representations were taken up with the Alberta government, and apparently their answer must have been satisfactory, because the objections were never again referred to.

Whether the final decision to disallow the legislation was arrived at by the Department of Justice on February 2 or not, I do not know, and I do not think it is material. During the twelve months which elapsed the Department of Justice and the Dominion government had an opportunity of fully ascertaining whether or not the act was intra vires of the province. I believe it has been laid down as a dictum, and accepted as a fact, that mere injustice or even immorality in a provincial act affords no ground for its disallowance by the federal government. The act in question was disallowed solely on the ground of being ultra vires of the powers of the province.

I do not pretend to say whether the legislation was intra vires or ultra vires; authorities differ on the point; but I do say that the Dominion government should be very careful indeed in the exercise of its undoubted prerogative—careful because of the effect which it would undoubtedly have upon the finances of a province, careful because of the effect which it would undoubtedly have—and undoubtedly has had in this case—upon public opinion in the province. Public opinion, which is perhaps not always fully informed, has come to the conclusion in many instances of disallowance that whatever the grounds given may have been, the real ground was the disinclination on the part of the Dominion government to see any large and influential corporations taxed. I am not saying that that was the ground in this case, I do not believe it was, but I do know that in my province that opinion is held by many people.

During the whole of last winter and early spring the legislature of Alberta was in session, and at any time during that period had they known the grounds upon which disallowance was to take place they would have had an opportunity to do one of two things,—either to change those parts of the act which were ultra vires of the province in the opinion of the Dominion government, or to take other measures to secure the needed revenue. But the action of the Dominion government was delayed to such an extent, in spite of repeated representations being made by the provincial government and others, that the provincial government was not informed as to the disallowance, and when the announcement came it was too late for any action to be taken by the provincial authorities. The result is that Alberta is suffering under the disability of being behind in its anticipated revenue, and will continue to suffer until the next session of the legislature. I cannot but feel, and I express myself quite frankly and emphatically, that the government of Alberta has not been dealt with fairly to that extent.

But it is of importance to the other provinces as well, because if the impression gets abroad that this is a precedent, and that similar action can be taken on a future occasion without proper notice or proper information being furnished to the provincial authorities, what province will feel safe in respect to any of its legislation, and particularly in respect to legislation providing for very necessary revenue? They will always be in doubt. So I say, Mr. Speaker, that the action taken by the Dominion authorities was not only unfair to the province of Alberta, but was unwise in regard to the other provinces, and will tend to engender disputes in the future respecting provincial and

Dominion rights which may lead to very strong disaffection on the part of the provinces. Therefore I can only express the hope that this remonstrance having been directed to the government, they will at least for the future walk carefully, that they will at least think closely, that they will at least consider long and earnestly before such action in such a way is again taken.

Mr. W. F. MACLEAN (South York): Mr. Speaker, the Minister of Justice has entrenched himself behind the opinions of previous Ministers of Justice, and one after the other they have established the claim of the Canadian Pacific Railway and the Hudson's Bay Company to certain interests in these lands. But there has also come out of this discussion, as it no doubt will come out again, that while certain rights may have been established, certain duties are imposed upon the government of this country in relation to those rights, among them the duty of trying, not to quench those claims, but rather to undertake with the companies for their cancellation on certain terms. I am not talking about the Hudson's Bay Company now, because they are entrenched; but the Canadian Pacific Railway Company is here almost every year, almost every day, asking some favour from the government, and that gives us an opportunity to negotiate. These claims were established years ago when the lands were acquired, the idea being that they would be sold for settlement. But take the Canadian Pacific: they have acquired certain mining rights and they have a claim on the oil deposits, the gas deposits, and the valuable mineral deposits. If I understand the situation rightly they contend that it is the duty of the government to make the necessary geological surveys, find out how rich these lands are in minerals and produce a statement on which they can sell the property and make a great income for themselves.

The minister speaks of past ministers of justice and their opinions. For myself I question it when he speaks of Edward Blake and David Mills; I thought they were the greatest exponents of provincial rights, as was Sir Wilfrid Laurier in the old days. But they are mentioned here to-night as being not quite so much in favour of provincial rights as of the rights of the companies that got these enormous land grants in the past. These monopolies are entrenched in the country to-day and in some way these claims must be wiped out, must be negotiated. For instance, Ontario recently gave to the returned men land in the township of Whitney in the Porcupine country that is worth millions, and gave it with an absolute title. I contend that it is the duty of the government to find some way of giving the public the title to these lands, even if they have to pay some reasonable consideration to the companies that now hold the grants. The government must also settle in some way the claims of the provinces, in the interests of the whole country. A great deal has been said to-night about the opinions of various ministers of justice with regard to the status of the companies, but there was not a word about the rights of the settlers in the Canadian West. It has been suggested that even when the companies sold the land to the settler the mineral rights still remained with the companies. That is not quite just, and it is not what we would expect from a Liberal party. I advise the minister to try to rectify this condition. Why not try to establish the public rights in regard to this thing?

Mr. JACOBS: May I ask my hon. friend a question?

Mr. MACLEAN (York): Yes, two.

Mr. JACOBS: Just one. Does he think the act should be disallowed, or not?

Mr. MACLEAN (York): I have not said that. I suggested a computation of the subject, whatever it may be, and I do not think a Liberal like my hon. friend would disagree with that. Perhaps as the next Minister of Justice he would also give an opinion in favour of the entrenching of these companies. That is not the question before the House to-day so much as the inauguration of a policy that would bring about the settlement of all these claims, get them entirely out of the way, because if that is done certainly some prosperity will come to the West.

Sir HENRY DRAYTON (West York): My right hon. leader (Mr. Meighen) was greatly interested in this subject, but unfortunately he had to leave to catch a train and so was unable to take part in the debate. I have been a great deal interested in what has been said, from more than one angle. I do not know that I am particularly enamoured of this kind of legislation. I do not know which is worse, this kind of legislation on the one hand or interference with Dominion or provincial rights on the other. So far as I can see, this legislation is not based on value, not based on the fact of the minerals, not based upon anything except that everybody who has land in Alberta has to pay a specific tax, if his holdings are over ten acres.

Mr. GARLAND (Bow River): Is it not true that that power of taxation is vested only in the event of the lessee or owner of the land having mineral rights in the land? It does not apply to every piece of land.

Sir HENRY DRAYTON: I asked that question and I am told that the application is to every piece of land, whether minerals are there or not; the whole thing is wide open. If it was really a direct attempt to get payment where the value was, that would be different, but it is not. I am not disposed to think that this is much worse than a whole lot of the half-considered schemes of taxation that are suggested from time to time. I am not quite sure that the disallowance of this bill is such a bad thing for the province. Some of the western papers have pointed out that some $75,000,000 worth of lands in Alberta will become the property either of the municipalities or of the province as a result of some of the taxes that have been referred to in this House by the very hon. gentlemen who have been inviting the government to take up land taxation.

An hon. MEMBER: Hear, hear.

Sir HENRY DRAYTON: An hon. member says, "hear, hear," but if the municipalities are to own the farms and that system is to prevail generally we shall not have much of a province. I am inclined to think that this is not a revenue measure. If it were a revenue measure we would be looking for value. Look at the way the act works. It does not matter a bit whether you have minerals or not. The 1st of August, the province gets busy; the 1st of September your return is due; the 1st of October, 10 per cent put upon it; the 1st of January, your title is gone, with the right of redemption within a year.

Mr. LAPOINTE: And a further penalty.

Sir HENRY DRAYTON: With a further penalty. That does not look to me quite as much like a measure for taxation as it does like a measure for confiscation. But I do not know that that is at all the business of the government.

Mr. SHAW: May I point out that there is a provision for surrender, so an individual who feels that he has no mineral rights that are taxable can readily surrender them to the Crown.

Sir HENRY DRAYTON: But look what it means. My hon. friend has a farm; he does not think there are any minerals there, and the chances are there are not. Somebody goes to the treasurer and says: I want to get this hon. gentleman's farm, because I know there are minerals there. They are put up and sold for a trifling figure, as they would be, and then he has the right to go on this farm and exploit it. That is how it works out. There may be no minerals there at all, but nevertheless under this act somebody has the right to go in there.

Mr. COOTE: Is the hon. gentleman not aware that that is the case now in regard to mineral rights in our homesteads, which are owned by this government? Some person may come on our homesteads and work these minerals, and we have nothing to say about it.

Sir HENRY DRAYTON: That may very well be where land is sold without the mineral rights, but I do not think that is a good way to sell it. I think it is wrong. But that is no argument for making it absolute everywhere. That is an argument against this act. But after all, that has not much to do with the Dominion's right of disallowing this legislation. I do not know whether it is going as far as the House went last year, when the House interfered in the case of the Nova Scotia bill, simply on the ground that it was a matter of injustice, and nothing else. There is one thing, Mr. Speaker, I think we should often congratulate ourselves upon, and that is that we have not got some other legislature that is always sitting in judgment upon us. I wonder how many of our bills would stand if there was just as much anxiety in connection with our legislation and its disallowance? It would be well in some ways if we had it, when we have bills like the bill of last year set aside, not as a matter of justice, but as a slight evidence of parliamentary insanity.

Mr. ROBB: We have the Senate.

Sir HENRY DRAYTON: Yes, but what does my hon. friend say when the Senate ever does anything?

Mr. SHAW: My hon. friend must be aware that the Lake Freights bill may yet be disallowed.

Sir HENRY DRAYTON: I do not think so. There would be an awful roar put up by gentlemen who do not mind disallowing local legislation, if any legislation of this House was disallowed by the mother of parliaments.

Yes, in that Nova Scotia case the only claim was injustice, and that claim was never put forward before as a sufficient ground for disallowance. Now we have another claim here. Mr. Speaker, it is a claim that I think ought to be very, very slowly exercised, and

it is a claim that I am perfectly frank in saying I have not been able to get hold of tonight. We have some troubles in connection with taxation, I can see that; but I do not know that they are very much worse than the troubles we would have had if the taxation were to be carried on in the ordinary way—assessments of the value of the lease and proceedings as in the case quoted by the hon. member for West Calgary. On the other hand, I am in this difficulty. We have officers stating that this is interfering with the Dominion parliament, and I can well see how it might be. If the Dominion ever does get a proper aggressive policy in connection with lands and minerals, and really wants to get a large programme going on and big discoveries made, I do not think they will be able to do very much in that direction if, by the statute of a province, that province is being put in the position of the Dominion. It may well be the province ought to get put in the position of the Dominion, but it ought not to get put in that position through machinery of that kind. I think, in other words, that that settlement which was going to be made, and which we heard so much about during the first session of this parliament, under which Alberta was to be given her natural resources, is the proper way of dealing with that question. The use of this power is a very dangerous thing, and I hope the government is not going to give us many more examples of it.

The House divided on the amendment (Mr. Coote) which was negatived on the following division.

YEAS

Messrs.

Bancroft,	Kellner,
Bird,	Kennedy (Edmonton),
Campbell,	Lucas,
Coote,	Maclean (York),
Davies,	Macphail,
Doucet,	Milne,
Elliott (Dundas),	Shaw,
Evans,	Speakman,
Gardiner,	Spencer,
Garland (Bow River),	Thompson,
Good,	Ward,
Hoey,	Warner,
Irvine,	Woodsworth.—27.
Jelliff,	

NAYS

Messrs.

Archambault,	Bowen,
Baldwin,	Boys,
Béland,	Brown,
Benoit,	Bureau,
Binette,	Cahill,
Boivin,	Cannon,
Bouchard,	Cardin,
Boucher,	Carruthers,
Bourassa,	Casgrain,
Chaplin,	MacLean (Prince, P.E.I.),
Chevrier,	McBride,
Chew,	McConica,
Chisholm,	McGiverin,
Clifford,	McIsaac,
Copp,	McKay,
Déchène,	McMaster,
Delisle,	McMurray,
Denis (Joliette),	Manion,
Denis (St. Denis),	Marcile (Bagot),
Desaulniers,	Marler,
Descoteaux,	Martell,
Deslauriers,	Mercier,
Desrochers,	Morin,
Drayton (Sir Henry),	Motherwell,
Ethier,	Murdock,
Finn,	Ouimet,
Fontaine,	Pelletier,
Forrester,	Power,
Fortier,	Prevost,
Gendron,	Putnam,
Gervais,	Rankin,
Gordon,	Raymond,
Gould,	Reed,
Graham,	Rhéaume,
Hammell,	Rinfret,
Harris,	Robb,
Hatfield,	Roberge,
Healy,	Robinson,
Hunt,	Robitaille,
Jacobs,	Ross (Kingston),
Johnston,	St. Père,
Kelly,	Savard,
King (Kootenay),	Séguin,
King, Mackenzie (York),	Senn,
Laflamme,	Sinclair (Oxford),
Lapierre,	Sinclair (Queens, P.E.I.),
Lapointe,	Stewart (Argenteuil),
Lavigueur,	Stewart (Leeds),
Logan,	Stork,
Lovett,	Sutherland,
Macdonald (Pictou),	Tolmie,
Mackinnon,	Vien.—104.

Mr. KAY: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted, I would have voted against the amendment.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

DEPARTMENT OF FINANCE

Finance, salaries—contingencies, $413,445.

Sir HENRY DRAYTON: I see there is a change made in that vote, as to the Commissioner of Taxation.

Mr. BUREAU: No, no, it is all right. The Commissioner of Taxation is to remain in office.

Sir HENRY DRAYTON: There is no vote for him.

Mr. BUREAU: There is a vote in the Department of Finance.

Sir HENRY DRAYTON: I am looking at the Department of Finance, page 82.

Mr. BUREAU: The $10,000 is in the estimates. There are two items. I think there is an item Business Profits War Tax, Act 1916, and the Income War Tax Act 1917. $2,200,000, and then the difference is somewhere else.

Hon. J. A. ROBB (Acting Minister of Finance): It is provided for in item 318, page 59. There is an item at the bottom: Salary of $10,000 for the Commissioner of Taxation.

Mr. BUREAU: To provide for the administration of the Business Profits Tax and Income War Tax, 1919.

Sir HENRY DRAYTON: Oh yes, it is inserted there. Then there is another one dropped, "Librarian, second grade." Do we get rid of the service there, or is there a change?

Mr. ROBB: We are likely dispensing with that service.

Mr. EVANS: Those in the Civil Service who are placed above the cost of living line have had their salaries increased, while those who, I might say, are well below the cost of living line have had theirs decreased. There is an inconsistency on the part of the government, and I wish to protest against these $10,000 salaries at the top of this page of the estimates.

Mr. ROBB: There is no increase.

Mr. HOEY: Is the salary of the Commissioner of Taxation increased from $6,000 to $10,000?

Mr. ROBB: No increase.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 12.25 a.m. Wednesday.

Wednesday, July 9, 1924.

The House met at three o'clock.

SELECT STANDING COMMITTEES

AGRICULTURE AND COLONIZATION

W. F. KAY (Missisquoi) presented the third report of the select standing committee on Agricultural and Colonization.

COMITE DE LA BANQUE ET DU COMMERCE

Mr. VIEN presented the thirteenth report of the select standing committee on Banking and Commerce as follows:

Your committee, have had under consideration the report of Dr. Tory on Agricultural Credits.

[Sir Henry Drayton.]

Said report shows that, of the nine provinces of Canada seven already have on their statute books laws for the purpose of establishing public systems of agricultural credit; and

Whereas, a study of the systems existing in these provinces shows that there is considerable variation in the systems, both as to method and detail; and

Whereas, it is the purpose of all such rural credit systems, to secure, through the better organization of security, loans for agricultural purposes at better rates of interest than have been current heretofore; and

Whereas, it is doubtful if this purpose could be best served by the establishment of a federal system operating in the above-mentioned provinces in addition to and in competition with the systems already in existence or in provinces where the need has not been sufficient, in the opinion of the provincial authorities, so as to justify the establishment of such a system; and

Whereas, it would seem to be wise, both from the point of view of efficiency and economy, if a federal system is to be established, that it be a common system for the whole of Canada and that, of necessity, would entail conferences between the federal and provincial authorities;

Therefore, your committee recommend that the investigation of the subject be continued, in order to determine whether it be possible to co-ordinate the various systems of rural credit now in existence into a federal system, applicable to the whole of Canada, and that legislation be prepared based on the said further investigations and calculated to meet the credit needs of the agricultural classes of the dominion, and submit it to parliament at its next session.

All of which is respectfully submitted.

THOMAS VIEN,
Chairman.

Mr. VIEN presented the fourteenth report of the select standing committee on Banking and Commerce as follows:

Your committee recommend that subsection (f) of section 76 of the Bank Act be amended by striking out all the words after the word "the" in the fifth line thereof and substituting therefor the following "without the unanimous approval of the directors present at a regular meeting of the board or meeting specially called for such purpose, provided that the notice calling any such regular or special meeting shall set out specifically such aforementioned purpose."

All of which is respectfully submitted.

THOMAS VIEN,
Chairman.

OFFICIAL REPORT OF DEBATES

Mr. G. H. BOIVIN (Shefford): Mr. Speaker, I beg to present the third report of the select standing committee to supervise the Official Report of Debates:

Your committee have had under consideration the following matters referred to them by the House, viz:

1. Whether Hansard should be a record of debates only containing such items of the proceedings of the House as may be necessary to make the report of the debates intelligible, or whether it should contain all of the proceedings of the House and of the committee of the Whole House as well as the record of debates.

2. Whether it is desirable, in the interests of economy of time, labour and expense, that the report of the debates in Hansard should be limited to such speeches as may be delivered when Mr. Speaker is in the chair, with or without a brief report of proceedings in committee.

3. Whether it is desirable to make Hansard an official record of all the proceedings of the House of Commons, as well as a record of the debates.

Your committee recommend that beginning with the opening of the next session of parliament and until otherwise ordered by the House, the record of the debates in Committee of Supply, be continued as at present but that there be inserted at the end thereof or at the end of the entire report of each day's debates, a list of all the estimates approved by the Committee of Supply with or without debate.

Your committee agree that economy of time, labour and expense in the conduct of the proceedings of the House and the report of the debates in Hansard is most desirable but considering the late stage of the session, the very limited debate in the House concerning the matter and the divided opinion of the members of your committee concerning the ways and means to be adopted to attain the desired results, your committee recommend that as soon as possible after the opening of the next session of parliament and after the members of the House have had an opportunity of expressing their views upon the subject, a special committee of the House be appointed with power to consider whether or not it is possible and desirable in the interests of time, labour and expense, that the rules of the House of Commons be amended or that the report of the debates in Hansard be curtailed, and to report their opinion thereon to the House.

Your committee recommend that the Votes and Proceedings do remain the official record of all the proceedings of the House of Commons and that Hansard remain a record of debates only with such items of the proceedings of the House as may be necessary to make the report of the debates intelligible and with the addition of a list of estimates approved by the Committee of Supply with or without debate.

Your committee further recommend that beginning with the opening of the next session of parliament and until otherwise ordered by the House, an additional copy of the Orders of the Day be supplied to every member, said copy to be distributed daily when issued through the post office of the House of Commons.

Your committee further recommend that the clerk of the committee have power before the opening of every session of parliament and until it may be otherwise ordered by the House, to correct and revise the permanent list already made and approved by the Debates committee, and prepare the annual complimentary list containing the names and addresses submitted by the members of the House of Commons, for the mailing of the six copies of Hansard which they are entitled to have distributed, the whole subject to the approval of the Debates committee when said committee has been appointed by the House.

All of which is respectfully submitted.

GEO. H. BOIVIN,
Chairman.

If I have the unanimous consent of the House, I move that the third report of the select standing committee on Debates be now concurred in.

Mr. GARLAND (Bow River): There are some hon. gentlemen who desire to scrutinize the report before it is adopted.

Motion stands.

OLD AGE PENSION

Mr. W. G. RAYMOND (Brantford): I beg to move:

That pursuant to the recommendation of the second and final report of the committee appointed to inquire into an old age pension system for Canada proceedings together with the evidence taken therein be printed as an appendix to the Journals of the House and that rule 74 be suspended in relation thereto.

Mr. IRVINE: Do I understand that this is a motion to concur in the report?

Mr. RAYMOND: No; this is as regards printing.

Mr. IRVINE: I should like to have somebody make the motion to have the report concurred in. I do not know whether I am in order, but I should like to see the report brought before the House and concurred in. Can I move that as an amendment?

Mr. SPEAKER: Notice must be given.

Mr. IRVINE: I will give notice.

Motion agreed to.

BUSINESS OF THE HOUSE

MORNING AND SATURDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move:

That on and after Saturday the 12th day of July instant, until the end of the present session, the House shall meet at eleven o'clock in the morning of each day except Sundays, and that in addition to the usual intermission at six o'clock, p.m., there shall be also an intermission every day from one to three o'clock, p.m., and that the various committees of the House be at liberty to sit during the sessions of the House, and that on Saturdays the procedure and order of business be the same as on Fridays.

Mr. BOYS: Will the government not consider putting the motion into effect from Monday? Saturday is an important day of the year to many of us; we have celebrations to attend. Our plans are already made, and it does seem to me that the business could be expedited equally well if we started morning sittings on Monday.

Mr. MACKENZIE KING: It was not the intention of the government in any case to sit later than six o'clock on Saturday, and there is no reason why we should not so arrange the order of business as to avoid taking up any contentious matter in which hon. gentleman may be interested.

Sir HENRY DRAYTON: The Prime Minister might let this motion stand as a notice of motion and bring it up to-morrow, when I have no doubt it could be disposed of.

Mr. GARLAND (Bow River): It is quite possible that a number of hon. gentlemen have already made arrangements that would prevent their attending on Saturday next and it might hardly be fair to sit on that day. I would suggest that we begin on Monday.

Mr. LEADER: It is the duty of members of parliament to attend to their business here; they should not let other engagements interfere with that duty.

Mr. BANCROFT: We sat on the First of July and I think we might sit on the Twelfth of July.

Motion stands.

INTER-ALLIED CONFERENCE ON DAWES REPORT

On the Orders of the Day:

Mr. JOS. T. SHAW (West Calgary): Press despatches having indicated that Premier Ramsay MacDonald has issued a memorandum with reference to the proceedings at the proposed conference regarding the Dawes report, and that the French press in discussing the memorandum has treated it as a formulation of British policy, I want to ask the Prime Minister (Mr. Mackenzie King) the following questions: First, has the government received such a memorandum? Second, will the government lay on the Table all the correspondence in connection with this matter? And, lastly, if for any reason the government is unable to table all the correspondence, will the memorandum referred to be tabled?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The government has not received a formal memorandum but has received a communication from the Prime Minister of Great Britain intimating the matters that would probably come before the Inter-Allied Conference. That communication is very similar in its content to the memorandum to which I think the hon. member refers, and which I have seen quoted in the press. It was an intimation from the Prime Minister of Great Britain to the government of Canada of the matters which would probably be discussed at the Inter-Allied Conference. There was, however, a further communication, requesting that the government should name a representative to meet with the representatives of the other British Dominions in conference with His Majesty's government in London this week. The conference, I believe, takes place to-

[Sir Henry Drayton.]

morrow and we have asked our High Commissioner, Mr. Larkin, to represent us at that preliminary conference at which, I understand, the policy of the British Empire in this matter will be considered. Pending authority from the British Government I should hesitate to place on the Table any of the communications which have thus far been received, but I shall have pleasure in communicating to the British government the request of the hon. member, with a view to ascertaining their wishes in the circumstances.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

JAPANESE ENTERING CANADA

Mr. LADNER:

1. How many Japanese women have entered Canada during each of the following years: 1919, 1920, 1921, 1922, 1923 and 1924 up to May 31st?
2. How many Japanese labourers have entered Canada during each of the said years?
3. How many Japanese other than labourers and women have entered Canada during each of the said years?
4. Has the government any information with respect to Japanese sailors or other Japanese deserting ships while in Canadian ports, and if so, how many desertions took place during each of the said years?

Hon. Mr. ROBB: In addition to the answer which I am tabling in reply to this question I desire to table some details which I wish to have appear in Hansard for the information of hon. members:

1.

Fiscal Year ended March 31, 1919	530
Fiscal Year ended March 31, 1920	389
Fiscal Year ended March 31, 1921	338
Fiscal Year ended March 31, 1922	300
Fiscal Year ended March 31, 1923	197
Fiscal Year ended March 31, 1924	233
April and May, 1924	73

2.

Fiscal Year ended March 31, 1919	208
Fiscal Year ended March 31, 1920	77
Fiscal Year ended March 31, 1921	34
Fiscal Year ended March 31, 1922	23
Fiscal Year ended March 31, 1923	26
Fiscal Year ended March 31, 1924	59
April and May, 1924	12

3.

Fiscal Year ended March 31, 1919	440
Fiscal Year ended March 31, 1920	245
Fiscal Year ended March 31, 1921	160
Fiscal Year ended March 31, 1922	148
Fiscal Year ended March 31, 1923	146
Fiscal Year ended March 31, 1924	156
April and May, 1924	50

4. Japanese deserters,—

Fiscal Year ended March 31, 1921..	7
Fiscal Year ended March 31, 1922..	13
Fiscal Year ended March 31, 1923..	36
Fiscal Year ended March 31, 1924..	37
April and May, 1924..	3

No returns available prior to April 1, 1920.

Office of the Deputy Minister of Immigration and Colonization

July 8th, 1924.

Memorandum.

Hon. J. A. Robb:

In connection with the answer to Mr. Ladner's question regarding Japanese immigration to Canada during the past six fiscal years it might be well for you to be in possession of information respecting the classification of the Japanese who have come to Canada during the past fiscal year and also during the first two months of the fiscal year 1924-25

The new agreement with Japan under which it is understood that not more than 150 agricultural labourers and domestic servants will come to Canada annually was completed last year about August and it is quite possible, in connection with the reply to Mr. Ladner's inquiry, that information may be sought as to the classification of the Japanese who entered Canada in 1923-24 and during the first two months of this fiscal year.

Of the 233 Japanese women who came in during 1923-24 and the 73 who came in during April and May last, the classification is as follows,—

	1923-24	April & May 1924
Domestic servants..	3	..
Agricultural class..	51	11
Labouring class..	70	30
Artisan class..	11	1
Trading class..	11	7
Unclassified..	87	24

Section 2 of the question relates to Japanese labourers and the 59 who came in during the past fiscal year and the 12 who came in during the first two months of this year are registered as general labourers.

Section 3 of the question inquires as to the Japanese, other than labourers and women, who came in during the past six fiscal years. One hundred and fifty-six were admitted during the past fiscal year and 50 during April and May last, their classification being shown in our returns as follows,—

	1923-24	April and May 1924
Farmers..	69	23
Children of farming class.. ..	6	..
Children of general labouring class..	6	4
Mechanics..	7	1
Children of artisan class.. ..	2	..
Traders..	12	10
Children of traders' class.. ..	..	1
Unclassified..	37	7
Children unclassified..	17	4

WHARF AT BIC, RIMOUSKI

Mr. BLACK (Yukon):

1. Have repairs been made to the wharf at Bic, in the county of Rimouski, during the present year?

2. If so, were such repairs made by day labour or by contract?

3. If by day labour, what is the name of the foreman in charge, what are the names of the men under his control, and what wages were they paid?

4. If by contract, were tenders called, from whom were they received and what was the amount of each tender?

Hon. Mr. KING (Kootenay):

1. Yes, during present fiscal year.

2. Day labour.

3. Paul Thibault, foreman, $4.50 per day; Joseph Thibault, carter, $3.50 per day; Romuald Lavoie, labourer, $2.50 per day; Ernest Paradis, labourer, $2.50 per day.

4. Answered by No. 2.

DR. H. A. BOWIE

Mr. SHAW:

1. Is Dr. H. A. Bowie of Essex, Ontario, employed in the government service?

2. If so, what position does he hold and what is his salary?

3. By whom or on whose recommendation was he appointed?

4. Did he have any military service, and if so, what was the nature and extent of same?

Hon. Mr. BELAND:

1. Yes.

2. Medical Officer of the Federal Appeal Board; $5,000 per annum.

3. The Federal Appeal Board.

4. He did not serve in the Canadian Expeditionary Force.

ALFALFA MEAL IMPORTATIONS

Mr. FANSHER:

1. What amount of alfalfa meal was imported into Canada during each of the years 1921-22, 1922-23, 1923-24?

2. What was the value of these imports each year?

3. What amount of duty was collected each year?

4. What was the amount and the value of alfalfa meal manufactured in Canada during each of these years?

5. What amount of alfalfa meal was exportd during the above mentioned years?

Hon. Mr. GRAHAM:

1, 2, 3, 4 and 5. No statistics are available, alfalfa meal not being shown separately in the trade classification or in the industrial census.

COMBINES INVESTIGATION ACT

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): Has a petition been received by the government, under the Combines Investigation Act, with regard to an alleged combine existing for the restraint of trade, the said petition signed by Hugh Bell and five others?

Hon. JAMES MURDOCK (Minister of Labour): An application has been received for the appointment of a board under the act and a commissioner has been named to make the necessary investigation.

Mr. STEVENS: Who is the commissioner?

Mr. MURDOCK: Major Lewis Duncan, of Toronto.

INSURANCE ACT, 1917, AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 175 to amend the Insurance Act, 1917.

He said: The amendment to which I desire to draw particular attention and which is the only really debatable one is the addition of subsection 2 to section 7 of the bill. The subsection provides that the section shall not come into force until a day to be appointed by the Governor in Council by proclamation published in the Canada Gazette. There is no good reason why the coming into force of the section should be deferred; there are on the contrary many reasons why the provision should be invoked as soon as possible: it imposes penalties for the transaction of business in Canada by foreign insurance companies which have not obtained the necessary license under the Insurance Act. We are not going to oppose the amendment but we wish to make it clear that the government in concurring reserves the right to recommend the proclamation of the section at any time it seems desirable to do so.

Sir HENRY DRAYTON (West York): Mr. Speaker, it seems to me that perhaps we have passed this legislation without giving it proper consideration. The effect of section 7 appears really to be an attempt by the Dominion to assume jurisdiction in a matter which has largely been held to be entirely within provincial jurisdiction. In effect we are providing for a reference to the privy council again. We have had several references on insurance and on each occasion the Dominion has lost. I do not know why we should in the first instance, simply provide work for the lawyers; or, in the second instance, endeavour to force Dominion jurdisdiction upon unwilling provinces. The question last came up objectively in connection with reciprocal insurance, and the provisions which we had put into effect in this respect went by the board. The broad question of insurance had been held by the privy council to be purely within the rights of the provinces and to be something which the provinces ought themselves, to look after. The reason for the Senate's amendment is simply to prevent a deadlock between the provinces on the one hand and the Dominion on the other while we try out this new method of wringing jurisdiction. That is the reason for the delay.

In order to point out what the situation is I will read the memorandum filed by the province of Ontario in connection with the matter, which deals with it clearly and succinctly:

> Section 7 of Bill 175 of the Dominion Insurance Act 1917 provides penalties against Canadian companies, aliens or immigrants undertaking to engage in any activities in connection with insurance without a license from the Dominion Department of Insurance. These penalties are intended as a sanction for the provisions of the said Insurance Act 1917, under which the Department of Insurance undertakes to regulate insurance contracts and the business of insurance.
>
> The privy council has in a number of decisions declared that the regulation of insurance contracts and the business of insurance is a matter for the provincial legislatures which have fully dealt with this subject.
>
> The proposed amendment is intended to re-assert the right of the Dominion to enforce its insurance regulations on the assumption that Dominion companies and aliens and immigrants are subject to Dominion jurisdiction to such an extent that they must obey Dominion insurance regulations which would not be binding on ordinary citizens. The contention of the provinces is that the real intent of the legislation is to regulate insurance and that, inasmuch as what cannot be done directly cannot be done indirectly, the said legislation is ultra vires.
>
> The provinces object to the re-assertion of Dominion control and the Banking and Commerce committee of the Senate has approved a provision to be inserted in the bill suspending the operation of section 7 until proclaimed by the Governor General in Council in order to secure determination of the constitutional question by reference to the courts. The Dominion Superintendent of Insurance urges in favour of the legislation that section 7 is necessary to protect Canadian policyholders, particularly in the case of reciprocal insurance, against the alleged infirmities of provincial legislation.
>
> The class of insurance known as "Reciprocal Insurance" was the subject of the recent decision of the privy council known as the "Reciprocal Insurance Reference 1923," in which an act of the province of Ontario containing regulations of this form of insurance was declared valid. The method of regulation adopted in the Ontario statute differs from that in the Dominion Insurance Act. Without regard however to the merits of reciprocal insurance per se or to the merits of the Ontario legislation, the provinces are united in claiming that it is a matter of policy for them to decide what form of regulation, if any, shall be adopted and that the matter is one entirely outside of Dominion jurisdiction. Similar questions of policy arise with respect to other forms of insurance such as the New England Mutuals and the English Lloyds with respect to which the province of Ontario has enacted comprehensive regulatory legislation effective on the 1st of January next.

I pause, Mr. Speaker, to point out that the provinces already have enacted laws covering this very question, which laws have been held by the privy council to be effective, and simply because we do not think that perhaps the provinces have made as good laws as they might

have made is absolutely no reason why we should to-day attempt to enter their field. To resume:

> Whether section 7 is passed with or without the Senate suspending provision, further litigation seems inevitable, but whereas, without the Senate provision, the provincial laws will be in confusion pending the decision of the courts, with the Senate provision, the question of validity may be expeditiously determined on reference to the Supreme Court of Canada without unnecessary embarrassment or conflict in legislation.

Other memoranda have been filed supporting in general the position taken by Ontario. This proposed amendment is thought to be in the interests of the insured. It is pointed out that the particular thing which is very largely going to be regulated under this caption of "aliens and immigrants" is reciprocal insurance. Now, the reciprocally insured have filed a memorandum stating that they do not want the proposed help, they prefer to be where they are, and these are the very people that we are supposed to be helping. I know of no reason why we should attempt, against the wishes of the provinces, to interfere further with their business. The one excuse for doing it, namely, that it is in the interests of Canadians insured, goes by the board because those Canadians say they do not want this interference, they prefer to be left just as they are. There remains one other reason only—that the Dominion desires to add to its present legal activities and thinks that it can do so by this particular method. I ask my hon. friend, why should not the section be struck out altogether; why should we have any more references in connection with this insurance matter to the supreme court or to the privy council; why should not the provinces, that admittedly have complete jurisdiction, be allowed to exercise it?

Mr. ROBB: I gathered from my hon. friend's argument that he was concurring in my observations that we should accept the amendment as introduced by the Senate. I have just stated on behalf of the government that we are accepting the amendment. As there seems to be an attempt to becloud the issue, not in this House but by agents of the reciprocal companies, I would point out that there is nothing in the bill which will make it necessary for reciprocals now licensed in Canada to withdraw; second, there is nothing in the bill which will make it more difficult for reciprocals now unlicensed to obtain licenses in Canada; and, third, there is nothing in the bill to prevent persons in Canada from insuring with unlicensed reciprocals outside of Canada, nor to prevent the inspection of risks and adjustment of losses in respect of such insurance by representatives of unlicensed reciprocals, provided the business is not solicited in Canada and provided the contract is made outside of Canada.

The situation in this respect will be exactly what it has been for the last fourteen years.

Sir HENRY DRAYTON: I am not opposing what the Senate has done; I only say that they did not go far enough. But why provide for more litigation in connection with this matter?

Mr. ROBB: I am not providing for more litigation.

Sir HENRY DRAYTON: That is what is being done. We are legislating upon a subject that the provinces have legislated upon and that the privy council say they have a right to legislate upon. By passing this legislation we are providing for two sets of inspectors, two sets of licenses and two sets of laws. If my hon. friend will not withdraw it, there is an end to it, but I submit that the amendment made by the Senate does not go far enough.

Hon. R. J. MANION (Fort William and Rainy River): I should like to put upon record some protests I have received from northern Ontario with regard to this legislation.

Mr. ROBB: We have them, but I do not object to my hon. friend's putting them on.

Mr. MANION: Unfortunately I do not happen to have them before me, therefore I cannot read them. But I have recieved from a large number of lumber companies in various sections of northern Ontario, from the Manitoba boundary to North Bay, wires and letters protesting against this legislation on the ground that it will greatly increase the cost of their insurance. They express what I think is the general view that, having regard to the depressed condition of business at the present time, it is not well without thorough consideration to bring in any legislation which will increase the cost of doing business. Apparently the Acting Minister of Finance has had the same protests; I did not know that. But I hope that before the Governor in Council puts the sections into force some consideration will be given to the necessities of business firms affected by this legislation. We should hesitate before putting too much pressure on those business concerns.

Mr. ROBB: That is why I made it clear that there is no change from what has existed during the last fourteen years.

Motion agreed to; amendments read the second time and concurred in.

CONVENTION WITH BELGIUM

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide that a certain convention of commerce dated the third day of July, 1924, entered into at Ottawa by the plenipotentiaries appointed by His Majesty and by His Majesty the King of the Belgians, be approved, and to give effect to the provisions of the said convention.

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

Sir HENRY DRAYTON: Will the minister explain this resolution?

Mr. ROBB: This trade treaty with Belgium will, I believe, be of material advantage to Canada. The customs tariff of Belgium is what might be termed a moderate tariff, but the coefficient of increase brings the rates up to a fairly high tariff. Article 6 provides for a surtax on goods from countries that do not apply to Belgian products under the most favoured nation treatment. The section reads as follows:

Article 2 of the same law provides that goods imported from countries having no commercial arrangement with Belgium and not applying to Belgium the most favoured nation treatment as regards commerce, navigation and customs, shall be liable to the duties fixed in the Customs tariff with an increase of 50 per cent. Goods which are not dutiable under the said tariff shall pay 15 per cent on the value thereof or shall be subject to an equivalent specific duty calculated on the basis of their average value.

We are obtaining the most favoured nation treatment from Belgium and in consideration thereof we are giving them Canada's most favoured nation treatment. We imported from Belgium for the year ending March 31, 1924, goods to the value of $5,340,875, while our exports to Belgium were $17,452,442.

Sir HENRY DRAYTON: The whole of our imports are by no means subject to the Belgian high duties. The majority of our exports to Belgium are foodstuffs. Will the Minister give us the main details of those exports, with the present rates against them?

Mr. ROBB: My hon. friend is quite right as regards foodstuffs. The exports of barley amounted in round figures to $335,000; oats, $355,000; rye, $104,000; wheat, $14,000,000; flour, $37,000; oatmeal, $19,000; whiskey, $64,000; cattle, $236,000; canned lobsters, $68,000; canned salmon, $422,000; butter, $96,000; cheese, $136,000; agricultural implements, $267,000; condensed milk, $48,000; automobiles and parts thereof, $217,000; asbestos, $358,000; meats, $35,000. There are a lot of other minor items.

[Mr. Robb.]

Sir HENRY DRAYTON: What are the present duties?

Mr. ROBB: On butter, for instance, per hundred kilos, maximum 60 francs, minimum, 20 francs; and the coefficient increase over that is 2, so that you multiply that by 2. On oats the maximum is 9 and the minimum 3; on wheat, rye and barley the maximum is 7.50 and the minimum free, so that the minimum tariff which we will receive will put them on the free list. These are the rates per 100 kilos.

Sir HENRY DRAYTON: Is my hon. friend right about the minimum tariff doing that? I thought the minimum tariff on wheat was the same as the general tariff.

Mr. ROBB: On flour of wheat, 10 francs and 2 francs; on meal of oats, 12 francs and 4 francs. The coefficient increase on the oats and meal of oats is 2, so that you multiply 12 francs by 2, giving 24 as against 8. Canned lobster, 60 against 20, with a coefficient increase of 2; that would be 120 against 40. Relatively that is about the way it runs all the way down.

Sir HENRY DRAYTON: Our main export is wheat; what is the rate there?

Mr. ROBB: Maximum, 7.50; minimum, free. This tariff it is expected will come into force in Belgium about October, 1924.

Mr. LADNER: What are the duties on canned salmon?

Mr. ROBB: The maximum rate on canned lobsters and salmon is 60 and the minimum 20, but the coefficient increase is 2, so multiplying 60 by 2 gives 120 and twenty as against 40.

Sir HENRY DRAYTON: That has to do with the exports of Canada. What are the main imports from Belgium?

Mr. ROBB: The principal items we imported are as follows:

Item	Amount
Canned vegetables	$ 93,000
Beans	197,000
Florist stock	32,000
Hatters' furs	144,000
Glue, powdered or sheet	17,000
Cotton fabrics, dyed	71,000
Cotton clothing, not otherwise provided	33,000
Silk fabrics	61,000
Velvets, other than silk	41,000
Worsted tops	25,000
Yarns	35,000
Artificial silk yarns	161,000
Furniture	13,000
Paper	86,000
Steel billets	54,000
Bariron or steel	27,000
Iron or steel beams	50,000

Cream separators	30,000
Guns and rifles	47,000
Railway spikes	33,000
Zinc in sheets and plates	121,000
Lamps, electric	68,000
Glass tableware	52,000
Common window glass	838,000
Plate glass not exceeding 7 sq. ft.	727,000
Plate glass exceeding 7 sq. ft. but not exceeding 25 sq ft.	272,000
Plate glass not otherwise provided	347,000
Diamonds, unset	702,000
Fertilizers	78,000
Zinc, white	88,000
Nitrate of ammonia	69,000

There are some other minor items. The total amounts to $5,340,000 as against some $17,542,000 of exports.

Sir HENRY DRAYTON: Will my hon. friend give our own duty on glass?

Mr. ROBB: The duty on common window, and colourless window glass is, intermediate 12½, general 12½; so the duty is exactly the same, but there will be 10 per cent under the treaty, and that will give 11¼ as against 12½.

Sir HENRY DRAYTON: What is the duty on plate glass?

Mr. ROBB: Ten per cent and ten per cent, the same; there is nothing off that.

Sir HENRY DRAYTON: On this question of glass can my hon. friend tell the committee what the result of the closing down of Canadian glass factories has had on the market? My information is that the price of glass to the consumer has gone up fairly substantially, that at first Belgian glass was a good deal cheaper than glass which could be turned out in this country, but that as soon as the Canadian factories were successfully closed up, the prices not only went back but have increased Has my hon. friend any information as to the effect on the public?

Mr. ROBB: If the facts as stated by my hon. friend are true, I should think the public are paying more for their glass; but that is a world-wide condition. My hon. friend will observe that under the British preferential tariff, the British preference is lower than this. I know that representations have been made to the government on behalf of the glass industry in Canada, and the government are very sympathetic to industries of that nature. We have no desire to close down any industry, but it was represented to us that unless we put on a specific duty, not on a percentage basis but so much a square foot, they preferred the duty to remain unaltered. These people are now and have been for years, importing glass, and if during a period glass was selling cheaper in Canada, so much the better for the Canadian people. My hon. friend will observe that under the treaty that we are arranging with Belgium, that situation is not altered, because the difference in duty is practically nothing; it does not make any difference one way or the other.

Sir HENRY DRAYTON: In the first instance, I do not know that I can congratulate my hon. friend upon his sympathy for the industry.

Mr. ROBB: We also have a little sympathy for the man who is going to build a house.

Sir HENRY DRAYTON: Yes, and the man who is going to build a house has to pay more, now you have closed the industry.

Mr. ROBB: I do not know anything about that.

Sir. HENRY DRAYTON: My hon. friend's sympathy is very much like the sympathy of the Walrus and the Carpenter for the unfortunate Oysters. The glass business in Belgium is controlled, and well controlled, by close co-operation among the industries. They arrange the market prices in the foreign countries to which they export. They have not a common price for the different countries; the price depends on whether or not there is production in that country. If there be production in any country, the price drops sufficiently to make production in that country not remunerative; but when once local production ceases, the interest of the Belgian glass manufacturer assumes exactly the same form as the interest of my hon. friend towards the Canadian glass industry. The Belgian glass manufacturer sympathizes very much, he is very much interested, but he raises his prices. And he has raised his prices. My hon. friend says he does not know. I should have thought that that would be one of the first things to know in connection with the administration of these customs questions. If, by reason of that "invisible bonus" the Globe itself speaks of, which is afforded by the drop in exchange, a 12½ per cent tariff is no good, and if as a further result the price is increased to the house builder, as it has been, one would think that was something one ought to know at least something about before dealing with tariff items. If, on the one hand, we have anything more than the interest of the Walrus and the Carpenter for the Oysters, so far as industry is concerned, or if we have any greater interest in the Canadian user of these goods than a mere pretended one, surely our interest does not stop by killing the Canadian industry.

It is easy to say that if we kill Canadian industry and make this a cheap country to live in it will be a splendid thing and that prices will go down. But that result does not follow and never has, it will not in this case. The Acting Minister of Finance says that he knows about this industry and has had representations made to him concerning it. Well, it is a basic industry so far as Canada is concerned, for in this country we have the sand and the other raw materials necessary for the manufacture of glass. We have everything except such a settled fiscal policy as will enable this industry to carry on in the face of present world conditions—a depreciated currency and the prevailing rate of wages in Belgium as compared to the rate in Canada. One would have thought that to provide for the continuance of such an industry in Canada would be a good thing to do if it were feasible and the glass could be produced at a reasonable figure. I should have thought that everybody would be of opinion that it would be a bad thing to close up such an industry and at the same time pay more for our glass as we are now doing. I ask my hon. friend how the negotiation of this treaty came about, who represented Canada in the negotiations, when those negotiations commenced, and where they were held?

Mr. ROBB: The negotiations have been conducted between the Belgian Consul in Canada and the members of this government, and the treaty was signed by my colleague, Hon. Dr. Béland, and myself, on behalf of the Dominion. I have answered my hon. friend's question, and now I will interrogate him. I observe that he has given very close study to the glass industry and to the general conditions of that trade. Will he tell me how the tariff has been changed in the slightest degree since 1910, and during the period from 1911 until 1921 when the government of which he is a supporter were in power?

Sir HENRY DRAYTON: It cannot be charged against me that I do not recognize changing conditions, and the necessity of taking action in order to meet conditions when they have changed. My hon. friend asks about the tariff. He knows very well, everybody is aware of it, that the real trouble —one of the very real troubles at any rate— is the question of exchange. My hon. friend asks what change has been made in the tariff? Why, we had a provision under which these factories would be running to-day if my hon. friend and his colleagues had not, for purely political purposes, scrapped it. We had a provision which would have enabled every single Canadian industry—the doors of which are closed to-day as a result of continental competition and low rates of exchange— to continue. We had our provision as to depreciated currency under which the duty could virtually be raised automatically to meet the ratio by which the outside competitor lowered his cost of production. These safeguards were all put to one side with a wave of the hand by my hon. friend's government.

Mr. ROBB: Under that arrangement—I am seeking for information—will the same number of square feet of glass buy a bushel of wheat as it does under the present arrangement? Because these are the products we exchange. They send us glass and we export wheat to Belgium.

Sir HENRY DRAYTON: My hon. friend talks about the ratio which glass bears to wheat. Perhaps he will enlighten us as to the extent to which this country can be helped in the case of an industry the producing power of which is destroyed. I point out to him that the change made by the present government, the very first year they assumed office, brought about the closing of the factory in question, and he can find that a lot of other factories in this country have been injuriously affected. No more thought is given to this industry than the Walrus and the Carpenter gave to the Oysters—not a bit. It would rather seem that the position assumed by the present government was: This is something which was done by the previous administration; it cannot be any good, throw it out. Well, the provision was thrown out, and a great many Canadian workers were thrown out with it. As a result the government are getting the country to a pretty pass in the case of several lines of industry. They have very largely added to the Canadian exodus as a result. Does my hon. friend suggest that the provision in question was not a very important addition to protection in Canada? And yet in answer to our representation all the hon. gentleman can do is to ask if there had been any change in the tariff since 1911. That is his whole answer.

4 p.m.

Mr. ROBB: It is right, is it not?

Sir HENRY DRAYTON: My hon. friend overlooks a matter of greatest importance. He overlooks that provision which absolutely protected the Canadian producer from what the Canadian producer suffers to-day in his own market. As the Globe puts it—in a moment of temporary clarity; it does not continue in that mood but there was a moment of comparative temporary clarity of thought —it was "an invisible bounty," and without

that "invisible bounty," and with the Belgium franc standing on the international exchange at six cents as against 20.8, it is easy to understand why the things to which I have drawn attention have happened. Can the government deny it?

Mr. BELAND: My hon. friend was inquiring by whom the negotiations in connection with this treaty had been carried on. He will remember that in 1922 the present Minister of Justice (Mr. Lapointe) and the Minister of Finance (Mr. Fielding) were in Europe. They visited Brussels on that occasion, and entered into negotiations with the Belgian government with a view to concluding a commercial agreement between the two countries. At that time, however, it was pointed out to these ministers that the Belgian government were considering the revision of their tariff schedules having in mind a considerable increase in them. They said that the moment was not opportune to enter into an agreement such as contemplated, but that later if it was agreeable to the Canadian authorities they would consider the matter further. The new tariff in Belgium has gone into effect, and I understand that if the rates under it were imposed on goods of Canadian origin it would very injuriously affect our present exports to Belgium. I will only mention the case of wheat, our exports of which, I think, amounted to 12,000,000 bushels last year.

Sir HENRY DRAYTON: Fourteen millions.

Mr. ROBB: No. 12,568,270 bushels which sold for $14,000,000.

Mr. BELAND: The figure I gave was the right one. Now, the duty imposed upon Canadian wheat, under the new Belgian tariff, will be 7½ francs per 200 pounds, which would mean about 35 cents for three bushels; let us say 30 cents for three bushels—and I think that is within the mark—or 10 cents a bushel. This agreement removes that obstacle of a duty of 10 cents a bushel on Canadian wheat going into Belgium, and this in itself is quite an appreciable advantage.

Sir HENRY DRAYTON: What duty do American exporters pay in that market?

Mr. BELAND: They have the same treatment in Belgium; but if this agreement was not ratified, our wheat would stand at a disadvantage on the Belgian market to the extent of 10 cents a bushel as compared with American wheat.

Sir HENRY DRAYTON: The Americans have a treaty?

Mr. BELAND: I understand they have. Therefore, as regards duty there is an advantageous side to the agreement. The duty on glass imported from Belgium is under the general tariff, 12½ per cent, and under the intermediate tariff, the same. Under the agreement the most favoured nation treatment is to be accorded to Belgian goods coming into Canada, and this would mean in this instance a reduction of the intermediate duty by 10 per cent, which is a trifling decrease, of course, as my hon. friend will admit. As regards the remarks of my hon. friend as to the closing of an important glass industry in Canada, surely that cannot be laid at the door of any agreement as ratified by parliament, especially as it does not come into force until next October.

Mr. CHAPLIN: This will not tend to make the industry any better.

Mr. BELAND: I am bound to say that it does not improve the condition of the glass manufacturing industry, but I am not ready to admit that it is hard treatment upon those manufacturers. This industry has been closed as a result of the existing tariff, a tariff which has been in force in Canada for a long period.

Sir HENRY DRAYTON: Perhaps my hon. friend had better answer the one argument made in connection with the tariff, that is the exchange situation.

Mr. BELAND: My hon. friend has made a statement to the effect that the price of common glass, window glass, has been increased to the consumer in Canada. I wonder if he is in a position to support that by facts. My personal information is to the contrary.

Sir HENRY DRAYTON: At what dates?

Mr. BELAND: My information, after special inquiries on my part, is that parties who have been buying window glass in my district did not pay about two months ago as much as they used to pay last year and the year before.

Sir HENRY DRAYTON: What are the prices?

Mr. BELAND: I do not know. I inquired about the price and they said that it was lower. Of course, that is a gratuitous statement of mine as much as my hon. friend's is.

Sir HENRY DRAYTON: I do not know why my hon. friend says that or what his authority is for saying it.

Mr. BELAND: I say it is an affirmation of mine from information I have received.

My source of information may be as reliable as that of my hon. friend.

Sir HENRY DRAYTON: My statement was not gratuitous. The figures are on file and if the government want them, they can get them.

Mr. BELAND: Another article that is favoured under this agreement and that concerns the eastern farmer, is butter. By this agreement, butter is going to enjoy a decided advantage on the Belgian market. It is true, our export of dairy products has not been very large to Belgium, although I am glad to be able to say that it has increased substantially during the last four or five years, due to the very useful action of the representative of Quebec in Belgium, Mr. Langlois, who has spared no effort, no work, in order to introduce Canadian cheese and butter into that part of Europe.

Mr. ROBB: Two hundred and sixty-seven thousand pounds.

Mr. BELAND: It is a respectable figure. There is no doubt that under the agreement our exports of butter to Belgium will be considerably increased. I am mentioning these two items only as a reason why I consider this an advantageous agreement. As regards the argument of my hon. friend that the glass industry has been or is or will be affected by this, I really do not see that it is very strongly based on anything substantial.

Mr. CHAPLIN: How much revenue will be lost by this treaty?

Mr. ROBB: I do not anticipate that there will be any loss of revenue. I think there will be an increased business.

Mr. CHAPLIN: The importations of glass in boxes according to the minister's figures amounted to $838,000, on which the duty is 12½ per cent less ten per cent. At 12½ per cent the duty on that glass, if we assume the same importation, would be $100,000. There is a loss there of 10 per cent of the duty or $10,000. You cannot get away from those figures.

Mr. ROBB: That is right.

Mr. CHAPLIN: On one item which the minister gives us there is a loss of $10,000 that we know of, and yet he tells us that this treaty does not mean loss of revenue to this country. What is the duty on plate glass?

Mr. ROBB: Plate glass does not all come under the one rate. Plate glass, not bevelled, in sheets and panes not exceeding seven square feet each, n.o.p.: intermediate tariff, 10 per cent; general tariff, 10 per cent.

Mr. CHAPLIN: There will be no reduction because of the French treaty?

Mr. ROBB: No.

Mr. CHAPLIN: What were the importations from Belgium of silk fabrics and manufactures of silk?

Mr. ROBB: Artificial silk yarns amount to $161,923 and silk fabrics $61,351.

Mr. CHAPLIN: And other manufactures of silk?

Mr. ROBB: I do not notice any others.

Mr. CHAPLIN: What about embroideries?

Mr. ROBB: I do not see embroideries.

Mr. CHAPLIN: What liquors are imported from Belgium?

Mr. BELAND: Very little.

Mr. ROBB: There is no liquor on the list I have.

Mr. CHAPLIN: What is the duty on the silk yarns?

Mr. ROBB: It is 17½ per cent. under the proposed tariff; at present it is 20 per cent.

Mr. CHAPLIN: What losses are due to the French treaty in regard to that product?

Mr. ROBB: There are none.

Mr. GARLAND (Bow River): The conflict in the House in this matter rather resembles the conflict in the press, judging by the reports; it seems to be a battle between the privileged interests of Montreal and those of Toronto, or rather between those of Quebec and those of Ontario. I have here a copy of the Toronto Mail and Empire of Tuesday, June 3, containing a long article headed:

Plate Glass Industry Requires Protection.—Reduction of Tariff Forces Closing of Libbey-Owens Plant. No Lack of Business.—John W. Hobbs Says Unrestrained Outside Competition Ruinous.

I turn next to the Financial Times of Montreal of June 6, 1924, and I read the following:

Rapid Progress of Glass Company as Shown by Satistics

The consistent strength in the market for Dominion Glass common and the possibility of an increased dividend in the near future draws attention to the strong position into which the company has worked.

In the 10 years 1914 to 1923 operating income has averaged $605,179 annually, with $435,179 as net income. Average earnings applicable on the common

stock have been 5.93 per cent, while only 2.9 per cent per annum has been paid out in dividends, leaving the average annual surplus $129,039.

It must be remembered that the first 5 of the 10 years were not good ones, and this, of course, reduces the average. Between 1919 and 1923 net earnings on the common have run between 6½ and 9½ per cent, with over 8¾ per cent earned in the latter year.

Working capital in the last seven years has improved steadily to $2,353,058 in the last report against only $1,100,337 in 1917.

There is then given a table showing the progress of the company year by year, and if I had the time I should like to put it on Hansard. The whole table is exceedingly interesting and shows the earnings rapidly increasing from 2.41 per cent. in 1916 to 8.77 per cent. in 1923. This statistical information from that reliable authority, the Financial Times, would not bear out the contention that the glass industry is in any great danger at the moment.

Sir HENRY DRAYTON: Does the hon. gentleman know whether they make bottles or not? Does he not know that they are turning out an absolutely different article?

Mr. McMASTER: Why should the glass-makers of Canada go in for an article with which they cannot compete when they can make other articles and compete?

Sir HENRY DRAYTON: They might think there was a limit to the drinking capacity of the country.

Mr. GARLAND (Bow River): To demand protection for a certain commodity which cannot be economically produced in Canada is subversive of the interests of the country, and such an industry can be sustained only at a great loss to the consuming public.

Mr. LADNER: This treaty is of material importance to our beloved province of British Columbia. Plate glass seems to have been the main consideration of the committee up to the present time and I believe it represents $2,000,000 of the goods which we import from Belgium to-day. I do not know what proportion of our exports to that country comprises canned lobster, but in amount the canned salmon export is $422,000. This treaty affords our province an advantage; without the treaty we would pay on a basis of 120 francs duty, whereas under the treaty it comes to 20 francs. In other words, we are paying at present six times more than we shall pay under the treaty. The canned salmon industry of British Columbia is and has been in a precarious condition largely because we lack markets and have not had the facilities which the United States and some other countries, principally Siberia, enjoy. On this item alone therefore the treaty is of very material importance to British Columbia, inasmuch as we anticipate there an increase in the export of canned salmon. We are also interested in the shipment of wheat through the port of Vancouver, and this matter, I believe, has been mentioned before in the House. I have forgotten the figures but I believe that we ship to Belgium some 12,000,000 bushels, which is a considerable item.

Mr. ROBB: We ship 12,500,000 bushels.

Mr. LADNER: The minister has mentioned a number of other articles, including butter, in regard to which we shall enjoy an advantage. The general effect of the treaty is to accord to Belgium the treatment which we have already extended to Italy; the treaty is practically the same in both cases. From the purely economic aspect of the question it seems to me that, considering all the items, either of export or import, weighing them duly, and balancing the respective advantages of the two countries, Canada will stand to gain under this treaty; I believe she will gain considerably. But then I propose to refer to something other than the purely material phase of the question. I am not one of those who in the short space of ten years can forget the heroic part which Belgium on her own initiative played in that great conflict when the German hordes crossed her border. She assumed full responsibility when the aggressor threatened to wipe out the nation, and when indeed, for a time, he did disrupt the economic, social and political structure of that small country so that every one thought it would be impossible to restore Belgium to normal conditions. I paid a visit to Belgium in 1921 and I did not find any boasting or unseemly publicity in regard to what she had done. But the way in which that little country has reorganized its business, rebuilt its factories and re-entered the markets of the world might well be an inspiring example to many other countries of the world.

I do not think any member of the committee would seriously say that we should not accord to Belgium the treatment which we have accorded to Italy. Belgium, France and Italy are very similar in many of their industrial and commercial activities, and apart altogether from the purely sectional view—I admit that I see in the proposed treaty an advantage to British Columbia—I think it will be generally admitted that this is a measure which the committee might well recommend for adoption.

Mr. BELAND: Mr. Chairman, if the hour for oratory and sentiment had not long passed during the present session, I also would indulge in some references of the kind made by my hon. friend a few moments ago. It is a very happy circumstance indeed that in the present condition of affairs the best-recognized business principles agree with matters of sentiment—the treaty is advantageous to Canada, and will undoubtedly be advantageous to Belgium, and I concur entirely in what my hon. friend says about Belgium's heroic conduct during the war.

Sir HENRY DRAYTON: The answer which the hon. Minister of Health (Mr. Beland) gave me might well lead me to despair, but nevertheless I will not give up. He says it is the same old tariff—no change at all. Of course, the hon. minister knows there was a war because he had very painful reminders of it, and since he has become a trade expert he also knows that as a result of the war there has been a depreciation of currency in Europe, and his perusal of the Globe must have convinced him that as a consequence of such depreciation the foreign manufacturer gets an invisible, but nevertheless very real, bonus as against the Canadian manufacturer whom my hon. friend is so interested in. I thought I had made it fairly clear why things are as they are, but in his attempt to answer me he overlooked the plain fact that today, as pointed out by the Globe, the depreciated currency of most European countries gives the manufacturers of those countries a very substantial bonus in competition with Canadian manufacturers. My hon. friend recognizes the great sacrifices of Belgium during the war, but he might also recognize the great sacrifices of this country during that struggle. And when recognizing certain facts, he need not stop at congratulating the government of Belgium for putting their country on its feet again; he might go further and ask whether the workers of this country are not entitled to similar consideration. He might have put the inquiry: "Why is it that this government, of which I am a member, sees Canadian industry declining?" He might also inquire as to the difference between the fiscal policies of the two governments, and ask himself what happens in the case of the country whose government is looking after its markets in contrast to what happens to the country which, unfortunately, is administered by his government and is not having its markets protected. It is no good looking the facts half in the face. Belgium is coming up. Are we? My hon. friend knows that we are not.

[Mr. Ladner.]

Mr. BELAND: I do not agree with my hon. friend.

Mr. ROBB: Oh, yes, we are coming up, too.

Sir HENRY DRAYTON: My hon. friend knows very well the position of Canadian industry. Does he seriously think that a debased currency makes no difference? Is the Globe wrong, is every economic authority wrong, and only the King government right? Until he comes to that conclusion it is idle for him to talk about the old tariff and say that the glass industry was ruined by it; and he must know it. But I suppose it is quite idle to look for any real interest by him and his government in Canadian industry one way or the other.

Mr. CHAPLIN: Would the minister give us again the imports of canned vegetables from Belgium?

Mr. ROBB: Canned vegetables, $93,708; beans, $197,492.

Mr. CHAPLIN: What is our duty on those items?

Mr. ROBB: Beans, not otherwise provided for, per bushel, 15 cents; 22½ cents; 25 cents.

Mr. CHAPLIN: What is the preference on that article?

Mr. ROBB: It is 2½ cents a bushel.

Mr. CHAPLIN: What about manufactured furs?

Mr. ROBB: Free in all classes—that is, for manufactured hats.

Mr. CHAPLIN: It is an extraordinary thing that in a country like Canada we should give special concessions to anybody to bring in beans and canned vegetables.

Mr. ROBB: What does my hon. friend think about other countries giving the same privilege to Canada?

Mr. CHAPLIN: We do not get it, though. If you examine the French treaty you will find that the duty on canned vegetables from Canada to France is higher than the duty on similar goods coming from France to Canada. That is my answer to the minister.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 247, respecting a certain trade convention between His Majesty and the King of the Belgians.

Motion agreed to and bill read the first time.

CONVENTION WITH FINLAND

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 239, respecting trade between Canada and Finland.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 2—Favoured nation treatment to goods of Finland.

Sir HENRY DRAYTON: Has my hon. friend the details as to the Finland tariff?

Mr. ROBB: I think the hon. gentleman will find them on record; they were given when the resolution was considered. On passenger motor cars the general tariff is 20 per cent and the conventional tariff 8¾ per cent; minimum duty per kilogramme, weighing not more than 900 kilogrammes, general tariff, 3.50 markkas; conventional tariff, 1.81 markkas. Weighing more than 900 kilogrammes, general tariff, 5.00 markkas; conventional tariff 2.18 markkas. Motor lorries, 10 per cent general tariff, but not less than 2.50 markkas per kilogramme. Wheels, 20 per cent general tariff and 8¾ per cent conventional tariff; minimum per kilogramme, 5.00 markkas, conventional tariff, 2.18 markkas. Phonographs per kilogramme, 150 general tariff; 112.50 markkas conventional tariff. Exports to Canada from Finland amounted to $6,090 for the year ending 31st March, 1924, while our exports to Finland amounted to $1,754,279.

Section agreed to.

On section 3—Orders in Council authorized.

Sir HENRY DRAYTON: Is this the usual clause?

Mr. ROBB: It is following the British clause.

Sir HENRY DRAYTON: Where is the provision with regard to the termination of the treaty?

Mr. ROBB: It is found in section 3.

Section agreed to.

Bill reported, read the third time and passed.

BANK ACT AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 240 to amend the Bank Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Inspector General of banks to be appointed.

Mr. SHAW: The Banking committee to-day reported to the House an amendment, which had been accepted, to another section of the Bank Act dealing, I think with certain provisions to be followed in the event of loans to directors. I would ask the minister if he proposes to introduce that amendment to the Bank Act, or if this is the only occasion when members will have the oportunity to move amendments to the Bank Act.

Mr. ROBB: My hon. friend will appreciate that the report of the Banking committee, which was presented only to-day, has not yet been considered by the House. This bill has been before the House for some time, and it will have to stand on its own merits. The other matter will be considered after the House has considered the report of the Banking committee.

Mr. SHAW: What I want to know is, does the minister propose to amend the Bank Act this session, other than is provided for in this bill,—because, as I understand the rules, any member has the right now to move to amend any provision of the Bank Act. It would be of value to members if they were aware whether the minister proposes to bring down a further bill.

Mr. ROBB: I will be frank with my hon. friend and say that I intend to put this bill through with the concurrence of the House just as it stands now.

Sir HENRY DRAYTON: I should think the minister would also recognize that we would prabably save time if we were to do now anything that we are going to do with the Bank Act and not bring down a further bill.

Mr. ROBB: We can consider that but frankly I have not had time to take into consideration the report of the Banking committee presented to-day. I understand there are still other resolutions before the Banking committee.

Mr. SHAW: I think there was only one amendment.

Mr. ROBB: I think we had better go on with this.

Mr. SHAW: My suggestion to the minister is that as there is only one amendment that passed the committee it could be incorporated in this bill and we could dispose of the whole matter now. Otherwise there will be no opportunity of presenting that amendment to the House.

Mr. ROBB: The weather is getting pretty warm and we are getting on.

Mr. SHAW: The weather has nothing to do with legislation or it should not have.

Mr. BUREAU: If you make the legislation as hot as the weather there will be something doing.

Sir HENRY DRAYTON: I think the minister ought to give us a pretty full explanation of this whole matter. We had a discussion the other day but it was not full at all.

Mr. ROBB: I would be very glad to repeat what I said in the Banking committee the other day, and on the resolutions, but I can see no good object that can be served by repeating myself. The bill speaks for itself. The government intends to appoint a competent, qualified bank inspector, and he is given fairly wide powers under the bill. He will take advantage of the Bank Act and use it so far as possible to avoid duplication of effort, duplication of expense, and if you will, duplication or irritability; for the bankers do not want—any more than anyone else—inspectors dropping in at any time. Under the Bank Act of last year auditors are selected from a list approved by the Department of Finance, and these auditors in addition to the reports they send to the Finance department are compelled under the act to send reports to each of the directors. This bill provides that they shall send these reports to the Inspector General, certified to and attested. It will also be the Inspector General's duty once a year to inspect the head office of each bank, and any branch where he thinks inspection is necessary. The government have entered upon this in the full belief that bank inspection will give additional security to the depositors.

Referring to the remarks of my hon. friend from West Calgary (Mr. Shaw), I do not want him to understand that I am averse at all to the suggestions that are contained in the Banking committee's report presented to-day, but I would like time to consider the report. In the light of the experience we will gain during the year from the operation of this bill, I think both the government and the House will be in a better position to make any necessary amendments to the Bank Act next session. I think that would be better than putting through any hasty legislation just now.

Mr. SHAW: Might I suggest that we proceed with the clauses of this bill, and then perhaps the bill could remain in committee, to give the minister an opportunity to consider the amendment proposed, which could then be incorporated in the bill without the necessity of bringing down further legislation.

Mr. ROBB: I will meet my hon. friend to this extent: I would like to make progress and put the bill through this House; and then, if we determine to do what my hon. friend suggests, the amendment to the bill could be made in the Senate. I would like to go pretty carefully into that report, because it may involve other changes, for wherever you touch one act another may be involved.

Mr. MACLEAN (York): I am altogether in sympathy with the proposal of the minister to have an inspector general in connection with our banks, but I think the minister would gather from the discussion that took place in the committee and in this House, that the powers of this officer ought to be broader than the bill provides. I think not only should he be a first-class man, but he should be given a high salary, with a view to bringing a man of the proper type forward and developing him into an officer something like they have in the United States, namely the Comptroller of the Currency. I will point out some of the duties that I think this inspector general ought to have. He ought to be the real head of our banking affairs in Canada, and in addition he should have these duties.

1. He ought to be comptroller of the Canadian currency, and chief officer of the Canadian treasury, in charge of all inspection of banks, trust, loan and insurance companies.

2. He should have charge of all federal issues, whether notes or metal, as well as reserves, including bullion.

3. He should have charge of the Canadian Mint.

4. He should have charge of federal re-discounting for banks.

5. He ought to be Deputy Minister of Finance.

We want a great state officer, if I may use the expression, in connection with our banks, a high-class man in the treasury department. Not only should he have the duties outlined in this bill, but he should centralize all the activities of the Department of Finance. Because in all the discussions we have had on banking, as hon. members who attended the meetings of the Banking and Commerce committee will remember, we found out that at present there is a distribution of responsibility in connection with our treasury—if I may use that word and I think it is a good term to employ. Sometimes we had information from the deputy minister; sometimes we had it from officials who had been identified with inspection work. We would like this department of the treasury to be organized and to grow into a system where there would be

further information available and further responsibility undertaken.

Now, as to the system which prevails in the United States. In the Banking and Commerce committee we had the evidence of high officials connected with the United States treasury that over there they have a high-class system in regard to bank examination. The system of inspection we have had in this country has been almost a failure so far. The high bank examiner we had as a witness before us was able to say "I would not be in a bank three days without being able to detect whether there was something wrong with it or not." There was something wrong with the Home Bank of Canada for years. We did have a system of inspection carried out in the last year or two but it was not effective. What we want in this country is a bank examiner, a high officer of the treasury, who would be able to tell his chief, and the country as well, within three days whether a bank was in a sound condition or not. In spite of the so-called inspection that we have had the Home Bank went on and issued its own notes although there had been an absolute impairment of all its capital. That institution issued its own notes on a capital of two millions at a time when there was not $100,000 of that capital unimpaired, and it took us eight years to find that out. What this great department in connection with the treasury of this country ought to do—and I am not criticising the proposition so much as I am declaring my desire to support the minister in creating this department—is to take charge of all the issues of notes and of all the securities on any kind of currency, to have charge of all rediscounting for the banks, and other matters of that kind and get them co-ordinated. I would also even extend the new controller's responsibility in another direction, perhaps associated with a committee of this House, and identify him with some simple way of dealing with the national debt. We have got a great national debt. It ought to be studied carefully and constantly by a committee of this House; and the main official in the Finance department, in studying this question would act as a sort of controller of the currency or secretary of the department. Such an officer I am quite sure—if he was working in co-operation with the standing committee and with the minister, who is and ought to be alert on these questions—would be able to do valuable work in the consolidation of our national debt and in securing a lower rate of interest than we now pay. At present these financial matters are more or less dislocated; I should like to see a thorough re-adjustment and co-ordination carried out. The minister might begin such work with this new inspector general. Let the minister give him a substantial salary and see if he cannot rouse in him a sense of responsibility, a desire to co-ordinate the various financial services and improve the conduct of the financial affairs of Canada. And especially ought he to assume some responsibility in connection with the study of the national debt. We can save, perhaps, a million a year if we can make a complete study of the national debt and evolve some way of consolidating it and lowering the rate of interest. An officer who could bring about these most desirable results would be worth any price you like to give him. If we can pay $50,000 a year to the head of the National Railways we can surely afford to give $25,000 a year to an officer who would be a real head of the treasury of Canada, and who would take charge of all the matters I have mentioned and especially of the inspection of the banks.

In regard to bank inspection we want to follow the American system which might be summarized as follows: The bank inspector is so alert in his business in the United States to-day that when he, or his assistant, enters a bank which has an impaired capital he calls the directors into consultation and says, "Gentlemen, you have impaired your capital; I give you one week to make the impairment good, and if you do not do it I will insist on the closing of your bank." That has happened in a good many cases and the bank examiner has brought the delinquent banks to time, he has forced them to make good the impaired capital and change some of the methods of conducting the banks. In that way he has proved himself to be a high class official and a real public servant. I hope the minister will accept these suggestions in a sympathetic spirit; that he will make out of this inspector general a real controller of the currency, a real secretary of the treasury, and that he will institute a thorough study of the national debt and how to deal with it. If the minister carries out these ideas he will make a reputation for himself, and I hope he will.

5 p.m.

Mr. SHAW: If there is any member of the House who, more than any other, is entitled to credit for this legislation, I consider it is the hon. member for Centre Winnipeg (Mr. Woodsworth). Because, last year, when the Bank Act was under consideration, that hon. gentleman submitted to the committee on Banking and Commerce an amendment which, in substance, contains the very principles, and indeed much of the language,

of the present bill. At that time the Minister of Finance argued that the government could not undertake a system of bank inspection because in the event of a bank's collapse the Finance department would be under a responsibility. In reply we urged, or some of us at least,--that it would be the government's failure to provide the safeguard of an inspection that would invite responsibility. I am very glad that a year's experience, and the further knowledge we have gleaned in the interim, has resulted in establishing the principle that the government must use every safeguard to protect the public, otherwise responsibility is at once invited. May I in this connection—to indicate the transformation in regard to this matter which has taken place in one short year—direct the attention of hon. members to the following excerpt from an editorial on government inspection of banks which appeared in the Manitoba Free Press of June 19, last:

The Faddists were right

Those who advocated the change were dreamers, theorists, visionaries, radicals, cranks, faddists: It is not probable that they escaped being called Bolshevists by the defenders of the existing system. Yet the bankers and the elder statesmen who took their advice as the last word in practical wisdom were wrong; and the faddists were right, as is now admitted.

There can be no question at all that the principle contained in this bill is a sound and safe one, and now we must only seek to ensure that the legislation which we are enacting into law is adequate for the purpose.

I have just one observation to make and I made it before the Banking and Commerce committee. The Inspector General, as the officer is called under this legislation, should have power, not only to put a bank into insolvency, but if he finds it desirable, to keep a bank in operation. We have only fourteen banks in Canada now, and I think, generally speaking, the people of Canada are not prepared to accept a greatly reduced number. Hon. members are aware that the shareholders of a bank are subject to a double liability. In the United States, under their banking statutes, that double liability, in the event of the impairment of a bank's capital, can be called upon in order to keep the bank in operation. Under our system the double liability can be called upon only in the event of a bank going into insolvency. I presented to the Banking and Commerce committee a resolution, which I regret to say was not adopted, to give power to the Inspector General to call upon that double liability in order to replace any impairment that might take place in the capital of the bank, and thus enable the bank to continue in business if in the judgment of the Inspector General, concurred in by the minister, that was found to be advisable. The Banking and Commerce committee did not concur in that suggestion, but I am quite satisfied to await the process of events for the justification of the amendment that I proposed. I have no objection, and will raise no objection, to the bill before the committee. It is satisfactory as far as it goes, but it will not, by any means, be a cure-all for the difficulties and infirmities of our present position.

Sir HENRY DRAYTON: What will this cost? What will be the salaries?

Mr. ROBB: I cannot give my hon. friend exactly what it will cost. He will observe that in the Supplementary Estimates we have made an appropriation of $50,000 to take care of it. I notice that the press understood that to be for the inspector general. That is not the intention of the government, that is for the general expenses.

Mr. SHEARD: Will that pay the wages of all the staff?

Mr. ROBB: We estimate that it will, but it does not make so much difference what the cost is, except that we want proper and efficient administration. We propose to assess the banks for the cost.

Sir HENRY DRAYTON: That is merely an assessment on business.

Mr. ROBB: It will be along exactly the same lines as my hon. friend's friends introduced into the inspection of corporate trust and loan companies. We copied that.

Sir HENRY DRAYTON: I am not objecting. I will go a little further than my hon. friend now that he brings this matter up. In connection with the Insurance bill, why is he not rebating to the insurance companies what they had to pay out for the trust companies, so that each bill would stand on its own bottom? There is no reason in the world why he should not.

Mr. ROBB: We have amended the act this year.

Sir HENRY DRAYTON: But the arrears have not been looked after, and they ought to have been. I am pointing out that this is merely an extra cost on doing business. The bank is going to take it out of the people, as everybody knows.

Mr. ROBB: I think so.

Mr. WOODSWORTH: It is not anything like so heavy an assessment on business as a bank failure would be.

Sir HENRY DRAYTON: That again is perfectly right. There is also no question about the advisability of keeping banks running, and that was my idea at any rate as to what the legislation of 1914 was for. There will be opportunity in the future if only somebody is courageous enough to handle it in order to see that banks will not fail. Subsection (5) reads:

> The minister may appoint or employ on the recommendation of the Deputy Minister of Finance and the inspector, such persons with training and experience and such clerical assistants as may be deemed necessary to carry out and give effect to the provisions of this section. Persons so appointed or employed shall receive such salary or remuneration as may be fixed by the minister.

Does my hon. friend not think the House should vote the salaries just as in the case of any other government employee?

Mr. ROBB: Hereafter, that might be reasonable, but we do not know just at what salary we can secure an efficient officer. The report will be made to parliament of what it does cost.

Sir HENRY DRAYTON: Surely it should appear in the Estimates next year.

Mr. ROBB: I have just said so.

Sir HENRY DRAYTON: There should not be carte blanche continuing, a right in the minister to pay just what he wants.

Mr. ROBB: No; I think that is a protection for the department and for the minister himself; hereafter, once this gets going, a reference should be made to parliament and it should be voted in the regular way. I quite agree with my hon. friend to that extent.

Sir HENRY DRAYTON: Does my hon. friend think the statute is very well worded if that is the idea?

Mr. ROBB: It has been carefully considered.

Sir HENRY DRAYTON: Has that ever been considered before? This subsection apparently gives the right to the minister to fix salaries just as he likes.

Mr. BUREAU: This year they do not know what the staff will be, what the equipment of the branch will be. It is hard to say that so-and-so will get so much and so-and-so, so much. As I understand the Acting Minister of Finance, next year when the branch is organized, there will be inserted in the estimates an item covering each employee under the heading of the office he occupies and his salary. This will be submitted to parliament and voted before he can be paid.

Sir HENRY DRAYTON: What control can there be by parliament when this legislation gives the minister the absolute right to fix the salary?

Mr. ROBB: How does the matter work out in the Insurance Act? I have not had time to look into it.

Sir HENRY DRAYTON: The salaries in that case are voted. They come down in the ordinary way. This very year there is an increase in the Estimates for the Superintendent of Insurance.

Mr. WOODSWORTH: Is there not a statutory provision for his salary? I believe this has been exceeded by a supplementary amount granted under an estimate.

Sir HENRY DRAYTON: My hon. friend is quite right, and the analogy is also correct having regard to this matter. The office of the Superintendent of Insurance was created for the purpose of inspecting insurance companies. The theory was that the insurance companies should pay for the inspection, just as the banks are to pay for the inspection under discussion. Apparently, there is practically an arrangement with the insurance companies, and the original act, which threw the liability on the insurance companies, fixed the salary of the superintendent, as a matter of fact, at $5,000. The House, of course, would have the right to increase that salary if they wanted to do so, but I doubt very much if they ever had the right to charge that increase of salary as against the insurance companies because under the act, which really was a matter of arrangement and agreement, he was to get $5,000 and it was put in the act specifically to fix that salary. That is some years ago, and as salaries have been climbing, the salary for this year is $10,000 according to the estimates. I do not know whether that will all be assessed against the insurance companies. I think it will.

Mr. ROBB: Yes. I may say further that representations have been made to the department on behalf of some of the insurance companies that the work the inspector is doing is worth more and that we might well pay him more. There have also been complaints filed with the department regarding the salary

of the Superintendent of Insurance, but those complaints have come from companies that he has rounded up for the protection of the public.

Sir HENRY DRAYTON: Doubtless if he treads on a company's toes, that company will not be agreeable to doubling his salary.

Mr. McMASTER: The public may be grateful for the protection given.

Sir HENRY DRAYTON: That is quite another thing; they ought to be but they rarely are. I fancy they know to a certain extent that all these things are just mirrored in the final cost to them; they pay a somewhat higher rate of insurance.

Mr. WOODSWORTH: Is it not a poor practice to have part of a salary provided for by statute and the other part dependent upon an estimate? Should not the whole salary be provided for by statute directly or else voted from year to year?

Sir HENRY DRAYTON: I think we shall have the opportunity of voting $10,000 this year. What is the view of the Minister of Customs regarding the wording of that section? It does seem to give absolute discretion to the minister, and that discretion apparently is permanent.

Mr. ROBB: Someone must assume the responsibility until we get the department organized and operating.

Sir HENRY DRAYTON: Of course.

Mr. BUREAU: I would provide for it in the act in view of the peculiar conditions that exist. You are creating a new branch which has got to get down to work; to do that a staff must be provided and they must be paid. Someone must determine for the time being what that staff shall be paid and the logical person to do so is the head of the department. When the staff is properly organized, should a minister come back and seek to have a change made then there might be criticism.

Sir HENRY DRAYTON: I merely want to get a frank statement from the government.

Mr. BUREAU: That is my personal opinion, and I think it is a sound one.

Sir HENRY DRAYTON: Then I gather that this power is intended merely to enable the thing to get started and that all the salaries will be provided for in the ordinary way after the organization is set going.

Mr. ROBB: That is quite reasonable.

[Mr. Robb.]

Sir HENRY DRAYTON: If that is the understanding I do not want to press the point.

Mr. ROBB: They could not be paid if the salaries were not voted.

Sir HENRY DRAYTON: Oh yes, they could be paid under the act.

Mr. BOYS: Does the minister contend that under the provisions of the act the salary to be fixed for the inspector general can be lessened in the future? Suppose it was fixed at $25,000, say; when the matter came before parliament the following year, if it were thought that a good man could be got for $20,000—

Mr. ROBB: I know what my hon. friend is leading up to, but I shall not say it; in fact, I do not think that the hon. gentleman would imply anything of the kind. But suppose that we determine, as we shall, upon an efficient and capable man; if there should be a change of government and the new administration felt that he was not as good as he had been considered to be, they might reduce his salary. They would have a perfect right to do so, although they would have to defend that action before the country.

Mr. BOYS: I do not like the case my hon. friend puts; that is not likely to happen, and it is not on that ground I base any criticism I have to make. Subsection 2 provides for the appointment of an officer during good behaviour and he may be removed only by reason of misbehaviour, incapacity, inability or failure to perform his duties. In other words, he is really appointed for life and good conduct.

Mr. BUREAU: And efficiency.

Mr. BOYS: Further on we find that the salary may be fixed by the Governor in Council on the recommendation of the minister. Surely when the salary is once fixed, and the officer is appointed for life and has entered on his duties on that basis, it could not thereafter be reduced. It might be increased, but it certainly could not be reduced; and that is too much responsibility and power to vest in the minster. There certainly should be some limitation. Possibly later on it might be found advisable to increase the salary, but to start with let us retain control at all events.

Mr. ROBB: I am not going to dispute the interpretation of the law; my hon. friend is a lawyer and I am not. I remember however that when I appeared before the committee on Banking and Commerce with a bill which was not quite so drastic as this, in regard to

the appointment of the inspector, the committee, if my recollection is correct, was unanimous in the view that we should make this provision ironclad so that the government might not be able to get rid of an efficient man. It was felt that the officer should be free to perform his duties without fear of being harassed by any government of the day. That is why these sections are drafted as they stand.

Mr. BOYS: I absolutely agree that the officer appointed should be free from any improper influence and should have a free hand so long as he does his duty faithfully and capably. But that is not my point; I am pointing out that whenever you fix a salary for the lifetime of an official it may not be reduced although it may be increased. And that is going too far. It has been suggested, in answer to this criticism, that the salary will be voted each year by parliament; the implication is that parliament will be in control. But that is not so; parliament will not be in control. The salary being once fixed and the officer appointed for life, he will get that salary for the rest of his days.

Mr. McMASTER: The point raised by my hon. friend (Mr. Boys), was discussed before the committee. The original bill presented to us had a maximum of $25,000, but a number of us felt that it was a mistake to have any exact amount stated in the bill. It would be difficult to get a man under $25,000 if that maximum were placed in the bill; it would be a sort of notice to all and sundry that the position was worth that much and that they had better ask for that sum if they were applicants. It was thought by the committee that it would be better to leave the matter to the discretion of the minister, as it might happen that a good man could be obtained for less than $25,000, while an exceptionally capable officer might be worth more. We felt—I presume, bearing in mind the present incumbent of the position—that he would be as careful of the people's money as he would be of his own and it would not be unwise to allow this matter to rest with the minister.

Mr. MACLEAN (York): I do not think that the present parliament can bind any future parliament, and such a view ought not to obtain. We do not propose to limit any future parliament in any respect and I will never vote for anything that may interfere with the freedom of a subsequent parliament. When we legislate to assess the banks to meet the salary of this official I do not think that we should have it understood in any way that the inspector general shall be regarded as an official of the banks; he is a servant of the people whose business it is to protect their interests, and the banks have no right to have any say either in his nomination or as to the performance of his duties. In that office he should be absolutely independent.

Mr. ROBB: That is understood.

Mr. BOYS: I cannot agree with my hon. friend. Let me give one illustration which I think in itself should suffice to show that he is wrong. When a man is appointed to the Supreme Court of Canada at a certain salary, will anyone argue for a moment that parliament can later on reduce that salary? Parliament can increase it, but a contract has been made with that judge for life, subject to good conduct. I am not suggesting that we should fix the salary in this bill, but I am suggesting how we should retain some control over it.

Mr. ROBB: How?

Mr. BOYS: By having the minister name the salary in the first instance, and thereafter parliament.

Mr. ROBB: I took the bill to the Banking and Commerce committee with a maximum.

Mr. BOYS: I agree with the hon. member for Brome (Mr. McMaster) that that was a mistake.

Mr. ROBB: They removed the maximum. I think my hon. friend had better not insist on any salary being inserted.

Mr. BOYS: I have just said that I agree with the member for Brome upon that point. But I do suggest that parliament should retain control. We have been assured by two ministers that parliament will have control because each year the estimates must come before parliament. But if you cannot reduce the estimates, where is there any control?

Mr. BUREAU: A member cannot move to increase any item in the estimates, the warrant of the Governor General being necessary for this purpose, but there is nothing to prevent him moving that an estimate be cut down.

Mr. BOYS: If this is fixed by the minister under the act, and if the officer appointed takes the position with his salary so fixed, and the position is for life, how can you reduce the salary? You would be breaking a contract if you made any reduction.

Mr. McMASTER: I think the member for South Simcoe is right, in that the contract once made with the man who is to fill this

office must stand. You cannot expect a high class man—and it would be useless to have any other—to give up his present work unless you hold out to him a fair chance of continued employment for a reasonable number of years at a fair salary. We were all agreed on that in the committee. I think parliament will have to trust the minister to make a reasonable contract.

Mr. BOYS: Then my hon. friend agrees with me that parliament will have no control in future; it can only increase the salary?

Mr. McMASTER: Yes.

Mr. BUREAU: The Governor in Council could.

Mr. McMASTER: If the salary were reduced, the man could not be obliged to remain in the position.

Mr. BOYS: I think he could sue for breach of contract.

Mr. McMASTER: I do not think that parliament is going to turn around a year or two after the minister has engaged a man and reduce his salary. It should not be done at any rate.

Mr. BOYS: It is being done on the National Railways just now.

Mr. McMASTER: I think parliament would be well advised if they left the choice of the man and the fixing of the salary to be paid him in the hands of the finance minister. That must be done in order to have an effective choice. I think it was wise to eliminate the maximum, lest that be taken as notice to all and sundry to ask for that amount. It might also be a deterrent in getting the very best man who might desire a little higher salary. I think the member for South Simcoe is perfectly right, that a contract for a term of years has got to be made, during which time the salary could not be reduced. But if we are to have this branch start properly we must give the minister a free hand to pick the best man he can get for this very important position.

Mr. CLARK: Is it absolutely essential that the items for these salaries should appear in the estimates?

Mr. ROBB: I think it would be quite reasonable that the procedure in the Insurance department should be followed here, and that parliament should know what is being paid.

Mr. CLARK: I agree that it is reasonable; but is it necessary under the law?

[Mr. McMaster.]

Mr. MACLEAN (York): Yes.

Mr. ROBB: The salary of the commissioner appears in the list, but the salaries of the other officials do not.

Mr. CLARK: The minister says that annually we will be able to discuss in the estimates the various items for the officials, and the Minister of Customs agrees with him. Under subsection 12 I notice that all salaries are to be paid out of the consolidated revenue fund, and that an assessment shall be made annually to recoup the fund for the amounts expended. Under those circumstances why should it be necessary whether as a matter of practice or legally, to have these items appear in the estimates? It seems to me that it is only a matter of courtesy to parliament if the government decides each year to put these items in the estimates, because these salaries are first paid out of the consolidated revenue fund, and then the fund is recouped by an assessment on the banks. I do not think the minister is quite right when he says that it is necessary for these items to appear in the estimates.

Mr. ROBB: I did not say it was necessary, I said it was reasonable. I maintain that position. We must come before parliament to have this money voted, and any member can ask for details, and if not satisfied he has the same right as on any other item to move for reduction of the estimate.

Mr. CLARK: I am only asking for information. My interpretation of the bill as it stands is that the minister can at any time draw on the consolidated revenue fund for such sums as may be necessary to pay these salaries. Therefore it is not necessary to ask parliament to vote these salaries at all.

Mr. MANION: Is the salary to be paid fixed yet?

Mr. ROBB: No.

Mr. MANION: The figure of $25,000 has been mentioned in the past and in the discussion to-day, and it was inserted in the first copy of the bill. I do not believe in opposing the payment of proper salaries, but we should not forget that our high court judges receive about $15,000—

Sir HENRY DRAYTON: They receive $10,000.

Mr. McMASTER: The Chief Justice of the Supreme Court receives $15,000.

Mr. MANION: All right—and our cabinet ministers receive about $14,000. Therefore I submit that an honourable position of this

kind should not carry any such salary as $25,000. I believe there is a tendency in Canada to-day to fix salaries too high for many positions, and I think parliament should put itself upon record that, if it be at all possible, we should get a thoroughly capable man for a salary of $15,000—and we can get many good men at that figure. I hope when the time comes to settle the amount of salary the government will take into consideration the fact that able lawyers are ready to accept judicial positions at $10,000 a year. And certainly we should be able to get a thoroughly capable man to fill a position of this sort for not more than $15,000 a year.

Mr. MACLEAN (York): Why not get a high class bank manager?

Mr. MANION: I do not think that is at all necessary. There are presidents of banks in this country who might not suit for this position at all, and there may be men who are not presidents of banks but who have had a good experience in banking and auditing which would qualify them for the position.

Mr. ROBB: I do not think the government will have any difficulty in finding someone for the position. There is a stack of applications quite high now.

Sir HENRY DRAYTON: Is this to be a life job?

Mr. ROBB: It is to be as provided in the bill.

Sir HENRY DRAYTON: We would simply like to know what we are doing. What does the minister say as to its being a life job?

Mr. ROBB: I will read the clause:

> The inspector shall hold office during good behaviour, but may be removed from office by the Governor in Council for misbehaviour or incapacity, inability, or failure to perform his duties properly.

I think that is a very clear statement.

Sir HENRY DRAYTON: But is that anything more than obtains with reference to the position of any member of the permanent staff?

Mr. MACKENZIE KING: It is intended to be the same.

Sir HENRY DRAYTON: If we are going to do anything more we will have to do as was done in the case of the Audior General, who has a specific clause in connection with his office and cannot be removed, as I recollect, except on the vote of both Houses. But my hon. friend looks upon it as permanent; it ought to be permanent. Another question: Does my hon. friend want to have this salary voted, or does he not? If he does he ought to add after the words "as may be fixed by the minister" the words "and thereafter by parliament."

Mr. BUREAU: And voted by parliament.

Sir HENRY DRAYTON: "Fixed by the minister and voted by parliament;" that is just as good. I am not objecting to it one way or the other; I just wanted to know what is intended to be done.

Mr. ROBB: I have no objection if the committee desire to add the words "and voted by parliament." But if the conditions were reversed and my hon. friend were sitting here I would have confidence in his seeing to it that proper salaries were voted. Indeed, you have the double protection in that other people are to be assessed for the cost and if too much is paid they will object.

Sir HENRY DRAYTON: I am not objecting; my hon. friend may do anything he likes, but let us know what we are doing, that is all. If my hon. friend says the amount ought to be voted, put it in; if he wants to have the door closed to parliament, leave it out. My only desire is to make it clear. My hon. friend must not think that the banks will ever be able to do anything toward seeing that a proper salary is paid.

Mr. MACKENZIE KING: I think what my hon. friend has in mind is covered by the supplementary estimates, wherein it is provided that an expressly fixed sum be voted by parliament for these particular payments.

Mr. BOYS: Even if that be so for this year, how can it be contended that it will apply to the years to come? Subsection 11 says:

> The inspector shall be paid a salary fixed by the Governor in Council on the recommendation of the minister.

That means either that the salary that is to be fixed will be a salary for life, or that the Governor in Council on the recommendation of the minister may at any time thereafter fix the salary at whatever sum he likes irrespective of the action of parliament. That is what I object to.

Mr. ROBB: The committee were most insistent upon that. A maximum was put in there, but the committee thought the minister should have a free hand.

Mr. BOYS: The House does not always do what committees do. I found that out very recently in connection with church union, so I do not think that is the last word to be

said on the subject. If the minister frankly says he is reserving this power to himself and his successors in office and that they are to be above parliament for all time to come, I agree he has an act that does that. But when I make this suggestion he answers me by saying, and so does the Minister of Customs, that it will be for parliament in the future. It cannot be for parliament in the future under the section as it stands.

Mr. ROBB: If my hon. friend desires to put in a safeguard by stating a maximum, I will not oppose it.

Sir HENRY DRAYTON: That is not our suggestion.

Mr. BOYS: I have already stated that I am not in favour of that. The language stated by my hon. friend (Sir Henry Drayton) is perhaps even more concise than mine, and it would give parliament control in the future. The minister is taking power here to appoint this man and the whole staff without one of them being under the Civil Service Commission. I have the utmost confidence in the present minister and I do not suggest for a moment that he would do anything improper. But I do not think it is a right thing to do. It certainly would afford a splendid opportunity for patronage if such a thing was ever in the mind of the minister.

Mr. ROBB: Does my hon. friend desire to add after the word "minister" the words "and hereafter voted by parliament"? If so, I have no objection.

Mr. BUREAU: Why "hereafter"?

Mr. BOYS: The salary is fixed in the first place by the minister. The Minister of Customs will have to watch the "hereafter" all right.

Sir HENRY DRAYTON: It will be necessary also to add the same words after the word "minister" in the last line of subsection 5.

The CHAIRMAN: Moved by Mr. Robb that the words "and voted by parliament" be added after the word "minister" in the last line of subsection 5, and that the same words be added after the word "minister" at the end of subsection 11.

Amendments agreed to.

Mr. ROBB: I desire to amend subsection 6 by adding after the word "charge" in the sixth line of the subsection the words "on the premises." so that it will read:

> The inspector, from time to time, but not less frequently than once in each calendar year shall make or cause to be made, such examination and inquiry into the affairs or business of each bank as he may deem to be necessary or expedient, and for such purposes take charge on the premises of the assets of the bank or any portion thereof.

My hon. friend will recall that he brought this point up on the resolution. This will clarify it.

Mr. McMASTER: Just what is the purport of that?

Mr. ROBB: When the resolution was before the House there was some question as to just what was meant by the inspector taking charge of the assets of the bank. What is really intended is that when the inspector goes into the bank, he says to the general manager: "I will take possession of your assets, your deeds and certificates and all that you have, while I am here," and he puts them under seal.

Sir HENRY DRAYTON: I thought it was an omnibus affair at first, but the minister says not. This does not mean that the inspector is taking over all the assets of the bank. It simply means that he is to have as much right as a bank inspector, and a bank inspector must have the right, the very moment he goes into the office, of taking charge of the assets, or otherwise funds might be switched from the safe, or put back into the safe. This will make it clear that our inspector will have the absolute right to go into any bank premises and take over everything on the premises, for the purposes of his inspection.

Mr. MARLER: The words are quite unnecessary.

Mr. WOODSWORTH: Why should those words be added? I do not see that they improve the clause, if it has been the custom of the ordinary inspector to take charge of the assets in this way. That is all the inspector general can take charge of anyway.

Mr. ROBB: It does not weaken the clause at all. It clarifies it.

Mr. SHAW: It limits the power.

Mr. WOODSWORTH: I do not know what other assets there might be. I presume the assets in reality are in the head office, or rather, the title to the assets is there, and that is all we are speaking of in any case. There might conceivably be cases in which certain assets might not be in the head office, actually on the premises, and yet ought to be sequestrated for the time being for the purposes of the federal inspection.

Mr. McMASTER: That is not the meaning of the words, for the clause says, "shall take charge on the premises of the assets." There may be other places. Honestly, I do not think you are improving the clause very much by that addition. It seems to me the inspector cannot take charge very well anywhere except on the premises. He cannot get twenty miles away, and say: "I am going to take charge of the assets here."

Sir HENRY DRAYTON: I was content to take the explanation of the minister.

Amendment agreed to.

Mr. MACLEAN (York): Subsection 16 says:

> The government shall not incur any liability whatever to any depositor, creditor or shareholder of any bank—

That is almost a confession, so far as this act is concerned, that the government is absolved, but I hope it still leaves it open for the government to assume some liability in connection with the depositors of the Home Bank.

Mr. GOOD: I have an addition to suggest to subsection 16 of 56a, as follows:

> And further, that a copy of this subsection, printed in large type, shall be posted in a conspicuous place in every office of every chartered bank in Canada where deposits are accepted.

The reason why I submit this is necessary is that there has been a misunderstanding, fairly widely prevelant in Canada, as to the responsibility of the government in respect to the safety of deposits and if inspection is established, as is now being provided for, it will make it more evident in the minds of many that the government is assuming a greater responsibility. It was pointed out in committee last year by Mr. Fielding that he objected to inspection, because he thought it would involve a greater degree of responsibility. That, I think, was a mistaken view, but at all events it indicates the attitude of many people towards the question of governmental responsibility. Now if the Home Bank depositors are reimbursed, it may lead also to an exaggerated idea on the part of the public of the responsibility of the government in this connection. It does seem to me very desirable that a public notice of the exact responsibility of the government should be posted up in every office of every bank, so that nobody can claim in the future that he was misled, or that he misunderstood the real situation. It seems to me that probably the best way to do that would be to have this particular subsection, which defines the legal responsibility of the government or its lack of responsibility, posted up in the branches of all banks, so that depositors may be notified of the exact situation. I beg leave to move, Mr. Chairman, that addition to subsection 16.

Mr. ROBB: The clause under consideration is simply a declaration of the general law. I desire to submit in this connection, for the consideration of the committee, the opinion of the Deputy Minister of Justice:

> The proviso set forth in subsection 16 of the proposed amendment of the Bank Act denying liability on the part of the government for any loss or damages sustained by depositors, creditors, shareholders or other persons by reason of anything done or omitted to be done under the section of which it forms part, is in my opinion declaratory of the law. The government is not at common law responsible for the default, misfeasance or nonfeasance of its officers or servants, and there is no authority for paying indemnity or compensation for losses suffered thereby unless it be specially provided by parliament. The proviso is incorporated only for the purpose of making it clear by express provision that the common law rule applies in this particular case in which new duties are created and assigned by the amendment in question.

Now supposing we adopted the suggestion of my hon. friend from Brant (Mr. Good), what would happen? Persons newly arrived in Canada, or people who do not go into a bank every day, might go in and see this notice posted up and say: "Oh, this bank is in danger", and they might immediately draw out their money, and in that way create a run on the bank. Or it might bring about another condition. As every hon. member knows, we have 3,000 miles of international boundary, and the most thickly populated parts of the country are adjacent to that line. People going into Canadian banks and seeing this notice posted up might very naturally think that our banks were not safe, and draw their money out and deposit it in banks in the United States which are not as solid as our Canadian banks. There is no good purpose to be served by the suggestion of my hon. friend which has already been threshed out in the committee on Banking and Commerce. I opposed the suggestion there, and I oppose it here.

Mr. MARLER: In addition to what the Acting Minister of Finance says it seems to me that if my hon. friend from Brant (Mr. Good) will read section 16 carefully—and he probably has—he will find it will be perfectly useless simply to post up that one section alone because that section has reference to other parts of the act. This particular section would therefore be perfectly unintelligible to anybody reading it unless he had all the other sections before him at the same time. I simply throw that out as a suggestion to my hon. friend.

Mr. McMASTER: Is there not this consideration also: I think it is an impossible task for any legislature to, in advance, try to prevent misconceptions which may arise in the minds of certain people. It cannot be done; and I am afraid that if you try to do it in certain instances, as you cannot do it in all, you may cause more harm than good by it.

Mr. SHAW: Suppose some of these gentlemen should read this provision in the Bank Act, do you think there is any more danger of misconception in that case than if they read any other notice?

Mr. ROBB: But this will not apply to any particular bank; it will be general.

Mr. SHAW: The intention of the hon. member for Brant is to have some sort of placard which shall say "Section 56, sub-section 16, of the Bank Act of Canada reads as follows". That is all.

Mr. McMASTER: In answer to the question propounded by the hon. member for West Calgary it would appear to me first of all that what the hon. member for Brant is endeavouring to attain is to give notice to people who are more or less unfamiliar with the situation in Canada, because every educated and instructed person in this country knows that the Dominion government has never held itself responsible in any way, shape or manner for the safety of deposits in banks.

Mr. MACLEAN (York): Yes, deposits in the government savings banks.

Mr. McMASTER: That is true, but we are discussing chartered banks. I say that the government has never held itself responsible for the safety of deposits in those banks, therefore it is only the ignorant that the member for Brant, in his laudable endeavour, is trying to protect. But my view is that it will be no real protection for the ignorant, and that we will err if we attempt to try to prevent the mistakes and troubles that arise through people's ignorance. The government, I am afraid, cannot do it. If the government tries to do it, although it may succeed in some cases, in the long run it may do more harm than good.

Mr. WOODSWORTH: Like the hon. member for Brant I cannot follow the reasoning of the hon. member for Brome at all. Surely in connection with all our legislation we try to give as wide publicity as possible. I know that with regard to the game laws we have the provisions posted up in prominent places so that the people will have some knowledge of those statutes and will be prevented from violating them. I know perfectly well that as respects fire risk in our northern forests notices are posted, even in the most inaccessible places, warning people of what may or may not be done respecting the lighting of fires. It seems to me that if this section is a declaration of what the minister says is the law on the matter the information ought to be spread as widely as possible among the people. Notwithstanding the assurance of the hon. member for Brome I am quite confident there are a very large number of persons throughout this country who have absolutely no idea of the law in this regard. Again and again in connection with our debates in the committee on Banking and Commerce it was said that almost anybody ought to know whether or not the banks were safe, and that in making deposits they took their own risk. In this particular instance it is simply spreading abroad this knowledge a little bit more widely, a thing we are accustomed to do in every other department of business. I know if you ship goods by railway you very often have presented to you the statement that they refuse to accept risks. In this way only can they avoid responsibility. But we have to use the railroad even though there is a refusal on their part to accept responsibility. It seems to me there is nothing whatever to be lost by taking the people into our confidence and frankly stating that they need not expect recompense from the government, although I must say that I do not think the government can altogether refuse to accept a certain responsibility from the moral standpoint even if they do refuse to accept responsibility on legal grounds.

Mr. GARLAND (Bow River): I think the remarks of the last speaker have very much force, especially when we remember that propaganda was carried on throughout this country encouraging the people to believe that the government was responsible, directly or indirectly, for the security of bank deposits. I may say that I quoted from the Financial Post an excerpt which has more than once been used in this House and is already on Hansard, to the effect that the Canadian banks, chartered under the Bank Act provided all safeguards for deposits, and that the depositor encountered no risk in placing his money in those banks. In all honesty and fairness if we are to offset that kind of propaganda it seems to me the best and most equitable way to do it would be to adopt the suggestion of the hon. member for

Brant. Personally I san see no objection at all to putting that suggestion into effect. In this matter my view is very much the same as in the case of immigration propaganda; that it is better to tell the whole truth than to circulate what may simply be half truths.

Amendment (Mr. Good) negatived.

Mr. GOOD: Just before you pass from this item I want, on Mr. Spencer's behalf, to give notice that when this bill is proposed for third reading he will move:

That it be not now read a third time but that it be referred back to committee of the whole with instruction—

The CHAIRMAN: I draw the hon. member's attention to the fact that this is not the proper way in which to give notice.

Sir HENRY DRAYTON: Six o'clock.

Mr. ROBB: Is not the bill through?

Sir HENRY DRAYTON: The amendment has been defeated, that is all.

The CHAIRMAN: Shall the section carry?

Mr. SHAW: No.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

The CHAIRMAN: All the sections have been passed except the title.

Mr. SHAW: I did not understand that they were all passed.

The CHAIRMAN: There is really only one section. An amendment was moved by the hon. member for Brant (Mr. Good) which was defeated and the section was passed.

Mr. SHAW: I want to refer just for a moment to the amendment—I did not know whether it was passed or not—to subsection (6). The words "on the premises" were placed after the word "charge" so that the subsection would now read:

For such purposes take charge on the premises of the assets of the bank.

The CHAIRMAN: That was passed and another amendment was introduced and voted upon and declared lost.

Mr. SHAW: It was passed so quickly that some of us who wanted to make some observations in connection with it were not able to make them.

The CHAIRMAN: If that practice is followed, there is no reason why every section cannot be reviewed.

Mr. SHAW: There should be no necessity at the outset for review. The insertion of those words materially limit the power of the inspector general. I do not think it is or was the intention that that should be done, and I think the amendment should be withdrawn. The language as originally framed in the committee was adequate and satisfactory for the purpose.

Mr. ROBB: I hope my hon. friend is not right. It was not the intention at all to limit the power of the inspector general. It was just to clear it up. My hon. friend perhaps was in the committee at the time when this question was under discussion.

Mr. SHAW: I did not hear the discussion.

Mr. ROBB: There was some objection to the section when it came up and these words were inserted to clarify it.

Mr. MACLEAN (York): On the advice of the Minister of Justice?

Mr. ROBB: No, I have not consulted him about it. The balance of the bill was submitted to the Minister of Justice. My hon. friend will recall that some persons said that this was unreasonable; that the inspector would go and take possession of the bank and tie it all up. The real intention is that he take possession of all the assets in the bank. Among the assets in the bank, there may be deeds for property in other parts of the country and securities held by the bank. It is the usual procedure of any inspector going into a bank. That is all it means.

Mr. SHAW: Certainly, the procedure suggested by the minister is the only possible one under the circumstances. The bank inspector goes into the bank, he takes charge of the assets; he seals them and then he verifies them. But there may be assets that are not in the bank at that particular moment and under the amendment he has no control over them. He may desire to go out and appraise certain assets; there may be assets on the way to the bank; all sorts of things may happen, and he has no control over such assets.

Mr. ROBB: I think he has control over them. If he has not, we will clarify that point.

Mr. GARLAND (Bow River): I said in the afternoon that I thought the addition of these words was wholly unnecessary and that

they were intended simply to add confusion to the act. The act itself and its terms are very clear that the inspector shall for such purposes take charge of the assets. Why confuse the whole thing by adding those words "on the premises"? It must be clear that the powers of the inspector will be governed by the practice in the past in a matter of this kind. I am afraid this amendment will simply increase the difficulty of the inspector in carrying out this section of the act.

Mr. ROBB: If the committee will let the bill go through, I shall have this matter looked into carefully by the Justice department, and if there is any doubt about it I shall have it corrected through the other House.

Title agreed to.

The CHAIRMAN: Shall I report the bill?

Mr. GARLAND (Bow River): I wish to ask for an assurance from the minister that the passage of this bill at this time will not preclude amendments to the Bank Act that may be sent forward to this House by the Banking committee. Indeed, one was sent forward and reported to the House this afternoon by the Banking committee.

Mr. ROBB: It is the privilege of any hon. member to bring in an amendment to any act, and my hon. friend has the same right as I have in that regard. But as I stated earlier in the day, it is true there was a report adopted by the Banking and Commerce committee this morning and that report was presented to the House. It has not yet been considered by the House, and I do not want to anticipate what the House may do or to make any commitments.

Mr. GARLAND: (Bow River): There will be no question that the report will be presented to the House for concurrence?

Mr. ROBB: That is entirely with the Banking and Commerce committee, or with the chairman. I am not going to obstruct it.

Mr. GOOD: Regarding the matter that has just been raised, I understand that any member can move concurrence in a report of any committee that has been presented. It is quite in order to move concurrence in this report at any time.

Mr. ROBB: The Chair will determine that.

Bill reported.

[Mr. E. J. Garland.]

CUSTOMS ACT AMENDMENT

The House resumed from July 4 consideration in committee of Bill No. 236, to amend the Customs Act (Hon. Mr. Bureau), Mr. Gordon in the chair.

On section 1—Limitation of allowance upon brittle goods imported by railway or vehicle.

Sir HENRY DRAYTON: Why should the House consider this bill to-night? What is the justification for this legislation?

Hon. JACQUES BUREAU (Minister of Customs and Excise): It is to meet the requirements of the trade. When goods are damaged in transit either by water or by water and land there is an abatement of duty. A period of fourteen days is allowed the claimant in which to have the damages assessed. There is a second provision in regard to damages accruing to perishable goods such as vegetables and fruit, in which case the period allowed for assessing the damages is three days. Under section 79 of the act, providing for damages to perishable goods, there are included the words:

Brittle goods, such as crockery, china, glass and glassware.

The importers of these particular goods claim that three days is not long enough to enable them to ascertain the extent of damage sustained; the goods are bulky, they are hard to transport and much incovenience is involved. They therefore ask that these goods be removed from section 79 so that the general provision of fourteen days shall apply to them as well as to all other goods.

Sir HENRY DRAYTON: Why is the period of fourteen days fixed upon?

Mr. BUREAU: I do not know. That particular regulation did not originate with me and I have never taken the trouble to look into the history of the matter to find out what inspired the author of the act to fix upon fourteen days. The fact is that this has been the provision for a number of years; it is altogether arbitrary, but it meets the convenience of the trade.

Sir HENRY DRAYTON: Has the period of fourteen days been found satisfactory?

Mr. BUREAU: We have never had any complaints.

Sir HENRY DRAYTON: Will the 15 per cent apply to brittle goods?

Mr. ROBB: Yes.

Sir HENRY DRAYTON: The 15 per cent limitation applies to perishable goods and also to these brittle goods.

Mr. BUREAU: They simply asked us to remove brittle goods, such as crockery and glassware, from the category of goods in regard to which the period of three days applies, and we have done so. No representations have been made in regard to the percentage in the case of these goods.

Bill reported, read the third time and passed.

DEPARTMENT OF CUSTOMS AND EXCISE ACT AMENDMENT

Hon. JACQUES BUREAU (Minister of Customs) moved the second reading of Bill No. 237, to amend the Department of Customs and Excise Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Deputy Minister and Assistant Deputy Minister substituted for Commissioner and Assistant Commissioner.

Mr. LEWIS: As a result of this change will there be any difference in the salaries paid these officials?

Mr. BUREAU: No. No change of salary is involved; it is only the nomenclature we wish to change. All other officers in the service occupying similar positions are designated deputy ministers and this is to bring this department into conformity with the rest. The present titles of commissioner and assistant commissioner sometimes cause embarrassment and the officers of the department themselves have requested the change.

Sir HENRY DRAYTON: I do not know that there is any objection to the proposal. While there is a good deal of wording in connection with the section I fancy it is merely to cover the different activities of the officials. The section deals with another matter, however, and I think the minister should give an outline of what is going to be done in regard to the collection of these taxes. What is proposed to be done under this legislation? what changes are anticipated, what savings can be brought about, and what superior efficiency can be attained?

Mr. BUREAU: I explained the matter fully the other day when the resolution was under consideration. The officers are convinced that by merging all collecting departments under one head an economy can be effected. I cited the case of Quebec province as one with which I was more familiar. In that province we have customs ports in all the large centres as well as in the smaller places such as Sherbrooke, Shawinigan Falls, Three Rivers and Grand Mere where there are industries and manufacturing activities in operation. For purposes of income tax we have two offices, one in Montreal and one in Quebec with two different staffs. They are absolutely separate and they do nothing but collect the income tax and the business profits war tax. Our idea is to utilize all the officers who are collecting either excise or customs taxes to collect the income tax. In this way we expect to save a good deal in the way of rent as well as in regard to the personnel engaged in the collection of the taxes.

The Inland Revenue and Customs departments were absolutely separate up to 1920, when an act was passed for their merger, but nothing was done; in 1921 the merger began and was completed in 1922. To-day, instead of having duplicate offices and duplicate sets of officials in every port, we have but one office and one set of officials, and the work is running very smoothly and satisfactorily. The first object was to bring all collections under one head; the second, to save money and secure greater efficiency. The question was raised the other day that it would be very difficult to educate these men in the collection of taxes, but the only additional tax they will have to collect is the income tax. Apparently every man who is liable to income tax is able to make out his return. Therefore I take it for granted —although I have never had anything to do with the income tax except to pay the very little that I contribute to the exchequer according to my revenues, which are not very heavy—that the collection and administration of the income tax will present no unusual difficulties to these men. Of course, I am not talking of appeals, because they will be dealt with in the central office to which all disputes are referred. It ought not to take very long to instruct the customs officers, who are trained in the collection of revenue, to decide what should be returned in income tax, and as these men become conversant with this added branch of their work their instructors will be let out, and in that way we shall decrease the number of employees in the department. Usually a local man is better acquainted with the means of his fellow citizens and their liability to income tax, and therefore he is in a better position to require payment from them. Another reason for the change is that in the Customs and

Excise department we have auditors who go around the country inspecting the books of those who are liable to sales tax to see whether they make correct returns. The Income Tax department also has auditors who go around to ascertain whether those liable to income tax are making correct returns. Now, there is no reason why the system of auditing for income tax and for sales tax should be duplicated, and by this merger we shall get the whole work done by one set of auditors and effect a considerable economy without sacrificing efficiency. There may be difficulties, we do not say that we are going to accomplish this in a turn of the hand, but by co-ordinating the collection of all these taxes and securing co-operation from those engaged in the work so that one head will control the whole organization we shall avoid duplication and overlapping and secure greater efficiency from a smaller staff.

Mr. EULER: I gather that it is the intention of the government to combine in the Customs department the collection of customs, inland revenue, sales tax and income tax, the particular purpose now being to combine the collection of income tax with these other collections?

Mr. BUREAU: Yes.

Mr. EULER: With the object, of course, of effecting economy. But the minister probably knows that these economies cannot be effected unless all these various collecting agencies are housed in one building. I draw this to his attention because of what obtains in the city of Kitchener—and perhaps in other centres as well—where we now have the customs and sales tax collecting office in one building, the express business of the customs office in another building on another street, and the income tax office in still another building in another part of the city. To make the proposed co-ordination effective, I think the government should study the situation with a view to housing these various services in one building, else the project will fail to a large extent to effect the hoped-for economies.

Mr. BUREAU: That is the exact object of the bill.

Mr. EULER: I direct the attention of the minister to the necessity of studying the situation in the city of Kitchener.

Mr. BUREAU: My hon. friend talks of the express business. Some express parcels are very bulky and the collecting office must be near the railway. In regard to post office parcels the customs officer must have room in the post office, otherwise every recipient of a parcel would have to take it from the post office to the long room and back again, which would entail danger of parcels going astray. We locate a customs officer at the post office for the purpose of opening parcels received by parcels post and appraising the contents for duty, and if the appraisal exceeds $100 there has to be a re-appraisal in the long room by men who deal with the larger amounts. But if we make the collector of customs also collector of income tax, I do not see why we would have to rent one building for him and another building for the collector of customs duties and sales tax.

Mr. EULER: I think the minister and I are arguing for exactly the same thing. In the city of Kitchener a portion of the customs is collected in the post office building, the express part is in still another building, and the income tax office is in another part of the city.

Mr. BUREAU: The express part has got to be near the railway. It would be very inconvenient to have express parcels taken to a building in another part of the city for appraisal. It is different with freight. The cars are sealed and the appraisement is made when the cars are opened. The appraiser or the express officer will be at the office where the work can be more readily done.

Mr. EULER: The express customs office in this instance is not at the railway. The express parcels upon which customs duty is levied are taken to another building entirely apart from the one in which the other items are collected. I think it would tend to efficiency to have them all in one building. The express customs office is not a railway building at all.

Mr. BUREAU: That is a question that deserves to be looked into. I have always been in favour of having all federal offices under the same roof so that when a man has occasion to deal with several offices he can find them all in one building.

Mr. EULER: I am quite in agreement with that.

Mr. ROSS (Kingston): Is there a customs officer at the post office in all cases?

Mr. BUREAU: There is an appraiser in the post office building in all the larger centres.

Sir HENRY DRAYTON: With regard to our experience in connection with customs and excise, I agree with my hon. friend; after all, he is only following what we started for him.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: What is the laughter for? Is it possible that hon. gentlemen do not know that the act was passed by the former administration. I really thought everybody knew that. The minister said so himself; he gave us the date of the act as 1920.

Mr. BUREAU: Yes, I did not change that.

Sir HENRY DRAYTON: Of course it was not changed, but the minister is hampered in getting through his legislation by the laughter of hon. gentlemen who do not know the facts, who did not know that we had passed that act.

Mr. BUREAU: I may be mistaken, but does my hon. friend charge me with—

Sir HENRY DRAYTON: Oh, no, I only charge the minister with having unfortunate supporters.

Mr. BUREAU: We are satisfied with them.

Sir HENRY DRAYTON: The only thing they think they have to do here is to laugh. Sometimes they are right, but not often. Well, as I was saying, before we had this pleasant interlude, all that has been done in connection with the combination of customs and excise has been the carrying out of a well developed policy. The minister did not junk the act as was done in some other departments simply because the previous administration brought it in; he went on and carried it out, and he was right. There is a good deal of difference between the duties of excise or customs officers and the duties of officials under the Income Tax Act. The class of activity is different; the object of the investigation is different. It takes quite a long time to make officials competent in connection with income tax questions. The minister points out that this question of income taxation is a very easy thing.

Mr. BUREAU: I was referring not to income taxation but to the collecting of income taxes.

Sir HENRY DRAYTON: The collecting of income taxes, he says, is a very simple thing. I can remember, when the hon. gentleman was here and I was over there, the things that were said about the complexity of the income tax, the complexity of the returns, the complexity of the legislation. I invited hon. gentlemen to make any suggestions they liked in connection with the form which had to be filled in, with a view to simplifying it, but while I got lots of complaints I got nothing in the way of suggestions. The significant thing is that the act stands just as it was then so far as these collections are concerned and so far as the return made by the taxpayer is concerned. Well, that has all become simple—so simple!

Mr. BUREAU: I hope that my hon. friend in referring to my judgment on the income tax, is not attributing those remarks to me. As to my judgment with respect to the tax being simple, I said that personally I might be a little more obtuse than others, but it seemed to me a complicated thing. I base my judgment on the fact that my hon. friend himself said to every man on the street, "Get your form and make it out." In other words, he put too much up to the people in asking them to do a thing they could not understand.

Sir HENRY DRAYTON: Yet my hon. friend or his government have not changed it, nor is there any thought of doing so.

Mr. BUREAU: I never had anything to do with it.

Sir HENRY DRAYTON: I admit that, but the Acting Minister of Finance and the Minister of Finance have not changed it. My hon. friend practically admits he cannot make out his own tax return.

Mr. JACOBS: Nobody can.

Sir HENRY DRAYTON: Another hon. gentleman says nobody can; we are getting more confirmation. Are there any more? Well, everybody else apparently can, so we have got two.

Mr. BUREAU: I am not so sure. If they were not shy perhaps you might have more than two.

Sir HENRY DRAYTON: Well, two will be enough; that is pretty good fishing at the moment. My hon. friend says it is all simple because under the legislation for which I was responsible the people were asked to make out these forms. Well, the situation was the same before when all these attacks were made upon the system. He says they are simple because now people have not only to make them out but have also—

Mr. BUREAU: I did not say they were simple; I say they must be since the hon. gentleman has done that.

Sir HENRY DRAYTON: I am pointing out that that is the reason given. That reason, of course, is absolutely fallacious and nobody knows it better than my hon. friend.

Mr. BUREAU: Oh, no.

Sir HENRY DRAYTON: The way the thing is done is the only way it can be done. It is at any rate the only way I see of doing it, and it is the fairest way of doing it. And this government, which is so ready to find everything wrong that we did, has not been able to make even a suggestion of an improvement.

Mr. JACOBS: Does the hon. gentleman lay claim to the invention of that system?

Sir HENRY DRAYTON: I lay claim to nothing except that so far as I knew it was the only thing to do. If my hon. friend wants to debate the origin of the system and what ought to be done with it, I am content to do that. I would like to get the force of his interruption, and I pause for that purpose.

Some hon. MEMBERS: Carried.

Sir HENRY DRAYTON: My hon. friend apparently interrupted for the sake of interrupting.

Mr. JACOBS: Not at all. I put a question, and I will put it again: Does the hon. member lay claim to having invented that system, or was it not adopted from the American or the English systems?

Sir HENRY DRAYTON: I told my hon. friend that I did not lay claim to anything. After investigation I thought it was the best thing to do. If my hon. friend has anything better, perhaps he will tell us. He admits he cannot make out the form, but of course under this legislation any customs man at any of these ports who has nothing to do with book-keeping and never had in his life will know all about it, and there will be no trouble. The thing is ridiculous. I say that any one who says that the present form is simple and that any one can look after it, does not know the form. It is as simple as we can make it. I would like to make it simpler, and I would like to have had some suggestions, when I was in charge that would have enabled us to get something simpler, and at the same time preserve the revenue, but I have never been able to get it. The present system works in this way: The forms are made out by the public and sent in to offices where we have men who have been taught to look after these matters as well as they can be taught, and their duty is to check up these forms and really to make the right assessment. I do not think it would be a good thing to transfer that duty to the collector of customs at any local port. It is the duty of these people particularly to make the assessment, and the taxpayer is looked after by the provisions as to refund. He is absolutely protected, and he ought to get, and did get when I was there, practically immediate refunds in the case of overpayment.

Mr. BUREAU: I did not criticise the form or the system.

Sir HENRY DRAYTON: But I am pointing out to my hon. friend that the system as it now is means this: The returns are sent in, and the taxpayer then has nothing more to do with them; it does not matter what the post office address is. Then the proper assessment is made by people who are competent to make it, with the information before them. More than that, not only is the assessment made as a result of the return which is sent in by the taxpayer, but it is also checked from information from a dozen and one different sources as to the man's business and all the rest of it. Dividend cheques, bond payments, and all that sort of thing are checked up for the purpose of seeing whether or not a fair return has been made. Now I do not think that can be done in the hundred and one offices to which my hon. friend refers—not a bit of it. If his idea is to utilize these places simply as places where forms can be got and then handed in, and the proper checking will be done as it is now being done—

Mr. BUREAU: The checking up will be done in Ottawa just the same.

Sir HENRY DRAYTON:—I do not see very much wrong in it, but if my hon. friend expects to make collectors of income taxes out of the hundred and one collectors at the different ports he is going to find himself mistaken. He will have to get extra men in each one of those offices, and that would be only a greater expense. My hon. friend shakes his head. I do not know what it is costing him now to collect the customs tax, but I know it used to be 3.8 per cent. It may be a little lower, or it may be a little higher, but I think it is about that.

Mr. BUREAU: I did not expect the question to-night, but I will find out what the figures are.

Sir HENRY DRAYTON: I think I am about right, and if my hon. friend does not object, I am going to accept that as the figure.

Mr. BUREAU: Until I find it is wrong, I will accept that.

Sir HENRY DRAYTON: I do not know what it is costing my hon. friend in connection with income tax, but when I had to do with it it cost 2.2 per cent. I think it cost about 1½ per cent less to collect the income tax than it did to collect the customs tax, and one reason why it costs more to collect the customs tax is that you have a concentration of offices in connection with the income tax, while you have a diffusion of offices in connection with the customs tax. That is frankly the real reason.

Mr. BUREAU: How much did my hon. friend say it cost?

Sir HENRY DRAYTON: I think it cost my hon. friend about 3.8 per cent.

Mr. BUREAU: In 1922-23 it cost 2.62 for customs.

Sir HENRY DRAYTON: And the income tax cost 2.2. There is no reason why customs taxes should not be collected cheaper than income taxes, because you have not the amount of auditing and checking to do as in the case of the income tax, but the real reason is that we have a multiplication of offices in connection with customs tax, with ports all over the country.

Mr. BUREAU: There is all the difference in the world between them. You not only have more clerical work in connection with customs, but you have men travelling all over the country from one port to another, boarding ships, and so forth.

Sir HENRY DRAYTON: When my hon. friend looks after the income tax, he will find there is a great deal of checking up to be done.

Mr. BUREAU: My hon. friend does not assume that we are going to abolish the head office, does he? I am not going to make the collector of customs the court of last resort. There is an office here in Ottawa where we have people who check up everything. We have a Commissioner of Taxation, and he is going to look after that checking up, but in the meantime we are going to educate the collectors of customs. My hon. friend surely does not pretend that because a man is a collector of customs he cannot learn anything about the income tax? It does not require a person of more than ordinary intelligence to do this work. My hon. friend does not pretend that they are all supermen in the Taxation branch?

Sir HENRY DRAYTON: It has to be a better man than the hon. member for George Etienne Cartier, on his own statement, and a better man than the Minister of Customs, on his own statement.

Mr. BUREAU: Certainly. I can find fellows working under me who can make out an income tax return better than I can.

Sir HENRY DRAYTON: If my hon. friend does anything more than simply use these outside places as places where the forms may be got and returns made, he is going to add to his cost just as sure as anything. An hon. gentleman says it will avoid the rush. I do not know how it will avoid any rush. The only rush is when people have held up their returns. There is no need for rush. All they need to do is to drop the return into the nearest post office box, and there are more post office boxes than there are customs offices. So I do not think there is very much in the question of rush. On the matter of auditors, my hon. friend is right. There is no question that an economy can be made in connection with auditors; it should have been made before, and I hope that my hon. friend will see that the auditors we now have are put together immediately in connection with both these taxes. There is the one place where a real economy can be made, and where there is something in this proposition.

Mr. GOOD: In regard to the point just raised by the ex-Minister of Finance I may say that I know one income tax station where one stenographer, a girl, apparently does all the important work. It is a fairly large station, and the man who is supposed to be in charge does very little. I think with a little training a person with ordinary intelligence can handle a great deal of this business.

Section agreed to.

On section 2—Advisory board constituted.

Mr. GOOD: I should like to make a few observations on this clause.

Some hon. MEMBERS: Oh, oh.

An hon. MEMBER: Dispense.

Mr. GOOD: The other day when this matter was before the House in the form of a resolution I felt as though I could endorse the proposition definitely and warmly, but I am not altogether satisfied that the clause

as drafted here embodies the idea that the minister conveyed to the House when the matter was last discussed. In lines 3 and 4 we read:—

—the duty of the board shall be to investigate and study the various modes of taxation with the view of simplifying and improving the existing system.

Now, I am afraid that that may mean that this board shall have no powers to do other than to investigate existing systems or modes of taxation in Canada with a view to simplifying or improving what already exists. That is not the idea the minister gave us the other day, and I am going to propose the following alteration of the words:

The duty of the board shall be to investigate and study various modes of taxation—

Leaving out the word "the" because it makes it apply definitely to the existing modes—

—to the end that existing systems of taxation may be simplified and improved or a better system introduced.

I cannot support the proposal in its present form, but if the minister will modify it so as to enlarge the powers of the board to bring them into harmony with what he stated the other day it will be quite acceptable.

Mr. MARLER: Will the hon. member be good enough to read his amendment again slowly?

Mr. GOOD: I shall read it again.

Mr. BUREAU: The change proposed is in the fourth line where it states that it shall be the duty of the board to investigate?

Mr. GOOD: The amendment, beginning in the third line, would read as follows:

And the duty of the board shall be to investigate and study various modes of taxation—

Mr. BUREAU: You are striking out the word "the"?

Mr. GOOD: Yes, striking out the word "the".

Mr. BUREAU: I shall leave the question of grammatical construction to my English friends to decide.

Mr. GOOD:

—to the end that existing systems of taxation may be simplified and improved or a better system introduced.

I think this is entirely in accord with what the minister said the other day.

Mr. BUREAU: That is what I want to convey too. My hon. friend asked the question the other day if these investigations were to be confined to Canada only and I said "No", the object is to study systems of taxation outside." The only purpose we have is to try to alleviate the burden of the taxpayer by simplifying existing systems and making them efficient and economical. I am not going to discuss the question of the correctness of the phrasing; I leave that to my English friends.

Mr. LEWIS: It seems to me that the wording proposed by the hon. member for Brant would carry out in a better way the idea which the minister has expressed, and I will support the change.

Mr. HOEY: I have very grave doubts as to the wisdom of this legislation. I do not like it in its present form, and I am even more opposed to the amendment suggested by the hon. member for Brant. He urges the necessity of studying different modes of taxation with the object no doubt of adopting them in this country if it were considered advisable to do so. Does any hon. member, who sanely thinks for a moment, imagine that any government could adopt a new system of taxation, even though it were recommended by a board, without making it a public issue in an election. It seems to me that in the creation of this board we are building up another department, the expense of which will become increasingly onerous, and that too at a time when there is a universal demand for economy in this country. I was deeply impressed by the remarks made on this legislation by the leader of the opposition a few days ago. Since that time I have given the proposition considerable thought and have been unable to discover any merit in it. This might be said, however: If the scope of this board was extended at the present time so as to include a study of tariff schedules, with the object of advising the government as to how the tariff could be reduced with the least disturbance to Canadian industry, something might be said in its favour; but I understand that apart from this board altogether another board is to be appointed, or at least a couple of advisers, to advise the Acting Minister of Finance as to the tariff schedule, that being the case I cannot see any necessity whatever at this time for the creation of this board. It seems to me that the work outlined here may very well be undertaken by the officers of the department, and if they are incapable of undertaking it perhaps other officers more capable might be employed. I am opposed to the creation of a permanent board of this nature.

Sir HENRY DRAYTON: I really do not know why my hon. friend should go on with this board at the present time. It may be proposed to simplify existing modes of taxation, but we are certainly not doing anything to lessen the burdens of the country and we are creating new offices. At a time when positions should be contracted we are creating new offices. That is what we are doing. There would be a certain amount of humour in this situation if it did not have its pathetic side. There are two sets of experts to be appointed. One set is to be placed in the Treasury department to advise the Minister of Finance as to what he ought to do in the matter of taxation. Another set of experts is to be installed in the Department of Customs and Excise to see that the minister is right in what he brings down.

Mr. BUREAU: The trouble is that I do not bring down.

Sir HENRY DRAYTON: I repeat that my hon. friend is providing for two different sets of boards of experts.

Mr. BUREAU: Two sets?

Sir HENRY DRAYTON: Yes, two sets. One set is to be attached to the Department of Finance.

Mr. BUREAU: Where is that?

Sir HENRY DRAYTON: We find it in the estimates now before the House.

Mr. BUREAU: We are not discussing the estimates, we are discussing this bill.

Sir HENRY DRAYTON: I am pointing out what the government are doing in connection with this idea of experts. They are now proposing—my hon. friend can contradict me if I am wrong—to put experts in the Finance department to tell the Finance Minister what to do.

Mr. BUREAU: Oh, no, no.

Sir HENRY DRAYTON: My hon. friend is proposing to have experts in his department to tell him what to do.

Mr. BUREAU: I take exception to that. They will not tell me what to do. The object of the bill is not to shirk any responsibility that the government should assume. My hon. friend has often said that we were so ignorant that we did not understand our laws. Under the circumstances he ought to help me along and assist in securing men who will investigate and advise.

Sir HENRY DRAYTON: I never accused my hon. friend of ignorance, but I did accuse the government of passing laws that no one can understand.

Mr. BUREAU: You accused the Minister of Customs of not knowing what he was administering. It is all right, I do not pretend to be one who knows it all, but when I lack information I make inquiry; that is one virtue I have.

Sir HENRY DRAYTON: As a matter of fact it was not the Minister of Customs I referred to. The gentleman I had in 9 p.m. mind was the Acting Minister of Finance who was handling the question under discussion at the time.

Mr. BUREAU: It was the two cent stamp on drafts you had in mind. I looked it up in Hansard.

Sir HENRY DRAYTON: No, my hon friend is wrong.

Mr. BUREAU: I looked it up.

Sir HENRY DRAYTON: My hon. friend is quite wrong but then there are so many things he can very easily get wrong about.

Mr. BUREAU: Far more reason for boards of advice.

Sir HENRY DRAYTON: What I was referring to was the sales tax regulations in connection with lumber which, during this very session of the House, were read to the Acting Minister of Finance who had to do with that legislation, and he could not tell me what they meant. I took the position then and I still take it, that legislation of this kind should be so written that we do not need any expert to tell us what it means; that every man knows what the law is. I think it is much cheaper to make that legislation and those regulations such that they can be understood than it is to get experts to tell us what they mean. There is the proposition—two experts for the Department of Finance to advise in connection with the tariff and a board in the Department of Customs to advise what is to be done. If we really have any sense of economy, both these proposals ought to be voted down. I do not know that it is worth while pleading with the ministers to observe economy. Many things are done in the name of economy, but it is certainly very much against economy in one year to start two new boards or two new sets of expert advisers. I suppose, of course, they will have to be appointed apart entirely from the Civil Service Commission, from my hon. friends' friends.

Mr. FORKE: There is an old saying: "Many men, many minds," so that there is always room for difference of opinion. I find in this instance that I am not at one with my desk mate (Mr. Hoey) in regard to this matter. I think all hon. members are in favour of economy and against needless expenditure of money. This, however, seems to me to be a question that will largely be decided by the character of the men who are appointed to fill these positions and the way in which they undertake their work. A year from now, if they have been appointed and have been doing their work, we shall be in a position to judge whether they have been of service or not. In the meantime, I can see the necessity of an investigation of this kind and I am willing to take the risk. Taxation is one of the most complicated things and requires an expert to understand it. Very few people, when a tax is imposed, understand exactly who pays it. Very often the one who pays the tax is not in reality the one who is responsible for raising the money to pay the tax. In every country there are different methods of taxation, and perhaps there is no subject upon which there is greater diversity of opinion than that of the method of raising taxation. We have now the sales tax and there are disputes every day as to who pays it and as to the method of collecting it. I am sure no hon. member has a definite idea what a proper income tax consists in, how it ought to be imposed upon the people and who ought to pay it. We see it stated often that those who are paying taxes on large amounts are paying too much and that industry is suffering because men will not make large profits if they are going to be taken from them. I would not support that idea—it may be true or it may be otherwise.

The hon. member for West York (Sir Henry Drayton) has made the statement that new jobs are being created. I have no sympathy with the creation of new jobs; I am really anxious that the cost of government should come down; but I believe that a board of this kind, with proper men undertaking the work, can be of great value to the country in giving us some idea of proper methods of taxation. I think it was stated the other day that no country has any such system as this. I am pretty sure that the state of Wisconsin has had a board of taxation for many years functioning continuously in advising and guiding the state legislature in methods of taxation. I quite agree with the hon. member for Brant (Mr. Good) that I would go outside of the bounds of our own country and if we can find better methods of taxation, we should adopt them. At the same time, I do not believe in making rapid changes. I do not believe in taking a plant out of the hothouse and turning it out in the sun so that it will die.

If changes are to come, let them come gradually; but let us have the information that will enable us to make those changes. I am in favour of having this board appointed, trusting that the right men will be appointed to do the work.

Mr. WOODSWORTH: Is this board to be appointed temporarily simply to bring in a report in the next year or so, or is it proposed that it should be of a permanent character?

Mr. BUREAU: As long as this system of taxation exists and as long as we require investigation and some remedy to alleviate the burden, the Governor in Council will decide how long the board will last. I suppose it will last as long as its services are required and it performs its duty. There is no fixed term.

Mr. HOEY: That will be during our day.

Mr. GOOD: I should like to give an illustration which I think is entirely pertinent. A joint commission composed of representative citizens, public men from Canada and the United States, was sent over to Europe in 1913 to study the whole question of rural credits. Attached to that commission was a gentleman from the United States who had had very extensive training in economics. He acted to some extent as secretary of the commission and he was also a special representative of the United States government. He spent some further time in Europe studying this question. When he came back, not only did he collaborate with Dr. Tory of the University of Alberta, who was also a member of or attached to the commission, in writing the report of the commission, but he was engaged by the United States government to draft the land bank legislation which was brought down in 1914, and to see that the legislation got through the House of Representatives and the Senate. Arising out of his work I think we have one of the most important and far-reaching bits of legislation and institutions that are in existence at the present time in the United States. The whole system of long term rural credit has arisen out of that investigation and largely out of the work of that one man. The developments in the Canadian provinces are also due to the same work. This was work undertaken outside of North America for the purpose of investigating a particular question. I can see immense advantages which

have accrued to this whole continent and which may yet accrue in the future, arising out of this work. Why should it not be possible that a first class commission or board could also study the whole question of taxation, with a view not only of simplifying and improving existing methods in Canada, but of finding out whether or not there are methods in existence elsewhere which we might apply with great profit to ourselves?

Mr. HOEY: Does the hon. member mean methods of collection or forms of taxation?

Mr. GOOD: Not methods of collection.

Mr. HOEY: Well, forms of taxation are matters that pertain to the functions of parliament and to surrender any such function would be to surrender one of the vital principles of government.

Mr. GOOD: I am not suggesting that parliament should surrender its right as the representative of the people to decide on matters of this sort. Did the United States government surrender its right to decide as to the land bank legislation? Surely not.

Mr. HOEY: There is a distinction between banking and taxation.

Mr. GOOD: I do not see the distinction in this particular matter. We want information and we are not likely to get it unless we make a special effort for the purpose. And this promises something at all events in the way of securing pertinent information upon which we may subsequently decide as to what we shall do. It goes without question that this parliament has the right to adopt or reject any method of taxation. We have had in our hands, and shall retain, power over all systems of taxation. But that does not render it undesirable that we should secure expert and specific information concerning this particular question. I mentioned the other day that the government had appointed Dr. Tory to investigate the question of rural credits, and upon the report submitted in consequence it is probable that legislation will be brought down next session. That seems a sensible way of going about the business of the country. We are not committing to Dr. Tory the right to determine our legislation. Not at all; we are simply employing him to act as an expert in collecting information and advising us; and I am willing and glad to take the advice of men who have time and opportunity to go into any matters such as this and make a thorough investigation. When they bring down their reports, as they may do in the future, we shall then have an opportunity to digest them and to arrive at a sound and satisfactory conclusion.

Mr. STEVENS: I am not desirous of aligning myself in opposition to the bill but after reading the clause I must confess that it seems to me very vague and indefinite. It erects a new commission with comparatively large salaries and with the power to appoint a considerable staff; and all this is vaguely described without any definite limitations but certainly involving much expense. There is no particular objective aimed at. The House can only take cognizance of the situation as it is set forth in the bill; that is all we have to guide us. And the bill provides for the appointment of an advisory board to investigate and study various modes of taxation with a view to simplifying and improving the existing system. Is this to be a permanent board, or is it just merely another royal commission? Is it merely a transitory institution which will perhaps make a study of the theory of taxation and then submit some sort of report at some future time without any definite object in view? I can see some force in the suggestion that there should be established out of the personnel at present engaged in the various departments, some board to act in an advisory capacity, and including for instance a representative from the Department of Finance, another from the Excise branch and another from the Customs department, whose duty it would be to study the present miscellaneous forms of taxation and coordinate them, thus avoiding needless expenditure. Such a body I conceive to be of advantage. But simply to add to the present wide range of civil service activity another board whose duties are indefinitely described, and the purposes of which are not revealed in the bill, is I submit merely to add to the burden of taxation without any tangible result. Take the clause we have before us; it certainly does not give to the committee a clear-cut and concise understanding of what is intended. I gathered from a few words dropped some months ago—it may have been in the budget debate but I am not sure—from the lips of the Minister of Customs (Mr. Bureau) that he had in mind something along the lines of what I have suggested. But certainly this bill does not give effect to any such idea. Now, the minister is a practical man and usually he is very frank in his utterances in this House. But I doubt whether he will rise in his place and assure us that there is any definite objective here. I can

see nothing in this legislation but a suggestion that he is responding to some ill-defined demand on the part of the public for some more orderly method of taxation. That is all I can perceive in it; a sort of apology or excuse for a response to that demand.

Mr. BUREAU: No demand was made.

Mr. STEVENS: My hon. friend, I say, is usually frank and I cannot charge him with the drafting of this bill; I do not even suppose that he fathered the idea.

Mr. BUREAU: He pleads guilty; go for him now.

Mr. STEVENS: Well I am disappointed, because after fourteen years' acquaintance with my hon. friend I did give him credit for a great deal more practicality than he has displayed in this bill.

Mr. BUREAU: The hon. gentleman is not well disposed to-night; he does not see it in the proper light.

Mr. STEVENS: This bill does not sufficiently define the duties of the board.

Mr. BUREAU: The Governor in Council will.

Mr. STEVENS: That is very unsatisfactory. Why should this House simply authorize the appointment of another royal commission because that is what it amounts to. You may not call it a royal commission, but that is what it is; it is virtually another royal commission which will have unlimited authority to wander hither and thither expending the public money without any definite instructions as to what they shall do. I can tell by simply looking into the minister's gaze that he knows that what I am saying is true.

Mr. BUREAU: Oh no. The hon. member generally is very logical but I am smiling because he is wandering so far afield to-night.

Mr. STEVENS: The minister realizes that I have put my finger on the very weakness of the bill.

Mr. BUREAU: Not at all.

Mr. STEVENS: The minister uses the word "logical;" I do not think he would apply it to this clause, for if he did it would be a libel on the word. There is nothing logical about the thing at all. I had expected from the minister something of a practical character. If we had before us a measure which would bring into existence a body that was ordered by terms of legislation to simplify the modes of taxation now imposed on the country, then such a bill would receive my hearty support. But this legislation is wide open; it is loose and ill defined. The duties of the board are not stated and it will merely add to the burden of taxation a further expenditure. I find that the chairman is to receive $10,000 and there are I believe two other members at $7,000. That is $24,000 for three commissioners, with a staff, and with travelling and other expenses—all of which merely adds to the burden of taxation.

Mr. BUREAU: Cut out the travel. The work will be done in the Connaught building here.

Mr. STEVENS: With what possible object? Nothing is stated in the bill to direct the board anywhere.

Mr. BUREAU: You do not consult a technical expert to direct him.

Mr. STEVENS: There is no objective.

Mr. BUREAU: There is absolutely, and it is in very simple words.

Mr. STEVENS: The measure should define the duties of the board and declare what is to be its object, and so give to the country an opportunity of at least getting some return for the large added expenditure involved.

Mr. EVANS: Mr. Chairman, I want to add my protest to the appointment of this board. I view with suspicion the creation of a permanent advisory board, so-called, for this work. Apparently it is to be permanent because the minister has said nothing to the contrary; neither have his colleagues. I oppose the bill on the ground that the creation of the proposed board involves a useless expenditure of public money. The Dominion is already top-heavy with officials of this kind in all departments, and the salaries of the highest among them are being increased year after year. I cannot help thinking that this advisory board is to be nothing less than a tariff commission—

Sir HENRY DRAYTON: They have another for that.

Mr. EVANS:—and I have been surprised at my friends to my right opposing the bill.

Mr. STEVENS: We are asking for light.

Mr. EVANS: If, as the ex-Minister of Finance (Sir Henry Drayton) says, "They have another for that", surely there is no room for two boards. I view the whole thing with suspicion. Any board of this character

can never take away the responsibility of parliament with respect to taxation, and the further responsibility is attempted to be removed from the people's representatives the worse it will be for the country. I have watched the appointment of various commissions. We had one conducted by the ex-Minister of Finance at great cost to the country.

Sir HENRY DRAYTON: How much was that?

Mr. EVANS: I do not know.

Sir HENRY DRAYTON: You would not say it was conducted at a great cost if you knew the amount.

Mr. EVANS: I do not think the hon. ex-minister does either.

Sir HENRY DRAYTON: Yes, I do.

Mr. EVANS: I have seen the Railway Commission doing what we thought at the time some of the work that this parliament should have done. However, under the chairmanship of Judge Mabee that commission became an institution of benefit to the people. Since his death it has become nothing but the plaything of party politics.

Mr. BUREAU: That is not right.

Mr. EVANS: And that is what all commissions are likely to become if they are made permanent. If the minister could state definitely what the purpose of this board is to be and how long it will be in existence, perhaps I might change my mind, but in the absence of some better explanation than that already offered I shall vote against the appointment of this board.

Mr. MARLER: Mr. Chairman, I had hoped to be able to obviate speaking to-night on this measure, but in view of the remarks of my hon. friend from West York (Sir Henry Drayton) and my hon. friend from Vancouver Centre (Mr. Stevens) I fear that it requires certain additional explanation.

Mr. STEVENS: Hear, hear.

Mr. MARLER: Explanation, as far as I can see, is quite unnecessary, because it appears to me that this measure is one of the most praiseworthy and valuable pieces of legislation which has ever been brought before this House. The bill is perfectly clear in its statement. It proposes the appointment of an advisory board, consisting of three members, for the purpose of investigating and studying various modes of taxation, with the view of simplifying and improving the existing systems. I will not deal for the moment with the amendment suggested by my hon. friend from Brant (Mr. Good); but what difficulty my hon. friend from Vancouver Centre has in understanding such a clearly worded measure is quite beyond me. This proposed board is to study all existing systems of taxation with a view, if possible, of simplifying them.

Objection is raised by other hon. members to the expense which will be incurred in the creation of such a board. There is no question whatever that certain expenses will be involved, but I am bound to say—and I have some knowledge of financial matters—that if this board is properly constituted and properly operated at least four times its cost will be saved to the taxpayers, and probably a great deal more.

One of the principal reasons for the creation of a board of this description was most aptly put before the House by my right hon. friend who leads the opposition (Mr. Meighen), when he said:

> We have had to devise new ones—
>
> Speaking of systems of taxation.
>
> —and devise them pretty rapidly to meet the exigencies of a world situation unprecedented in history. In devising new ones we necessarily made errors.

He was perfectly right in that statement. No one would suggest for a moment that after the transition period in this country from indirect taxation various unintentional errors would not be made in the laws which were enacted, and I think the country as a matter of fact is to be congratulated at not being involved in even greater difficulties owing to the haste with which, of necessity, those laws were brought forward from time to time.

Mr. HOEY: Will the hon. member continue the quotation?

Mr. MARLER: Yes. I had intended to do so later on, but I will accommodate my hon. friend now. The right hon. gentleman continued:

> If we had a hundred commissions to advise us we would in my judgment make just a hundred times the errors. The commissions could not possibly have been of any assistance to us at all. The errors were cured in the main by experience.

I will controvert that in a few moments if my hon. friend will have a little patience. I think we should try to get clearly before us to-night and build up from a solid foundation the reasons for the particular advisory board which this bill proposes to create. A tax is nothing more or less than a contribution levied on persons or property for the use of

government;—I think that is admitted—and the object of any tax is nothing more or less than to pay debts incurred or to be incurred, for the benefit of the nation as a whole. If that object is to be attained, taxation must be spread over as broad an area as possible so as to ease its incidence on the individual and on the business taxed because if it interferes with the freedom of the individual or with the freedom of the business taxed, then the very object for which the tax was intended will not be achieved, for the source of the tax will be killed and no revenue will result from it. Therefore I repeat, the tax must be levied in as simple and light a manner as it is possible to levy it, and its collection must be made as easy as it is possible to make the collection of any tax. I doubt if in the imposition of our taxes we have followed these assumptions. It has always seemed to me that instead of making taxes rest as lightly as possible, instead of spreading them as much as possible, we have looked at certain businesses or certain individuals and decided that there was a place where it would possibly be easy to collect taxes. If a man, a business or a class of business was very successful we very likely said to ourselves that taxation should be imposed there because of the readiness with which it could be collected.

Mr. HOEY: Would not the government be still the final authority, and would not political motives enter into the matter anyway? Will it not be always popular in certain quarters to tax heavily certain interests that have amassed wealth?

Mr. MARLER: Not at all. The authority of the government is not in the slightest degree derogated from by this bill.

Mr. HOEY: That is the weakness of the board.

Mr. MARLER: It is not the weakness of the board, if I may contradict my hon. friend; it is the strength of the board, as I shall attempt to show. We should treat the people of this country and the business of this country as partners with the nation. We should advise them as to what taxes are to be imposed, in what measure they are to be imposed, and we should seek to have those taxes simplified and collected in the easiest possible way. If we simplify taxation, and if we spread taxation in the manner that I have described, the amount of taxes collected will be greater and the opportunities for diminishing the taxes will be increased. But more than that, if we simplify the method of collection, the method of making returns and all the various intricacies of taxation as they exist to-day, we shall also make the cost of doing business a great deal less. The cost of doing business in the last ten years has very largely increased; it has risen from 50 to 60 per cent of the cost before the war. That cost has to be taken up in the price of the goods supplied by the business in question, and it follows that if the cost of taxation and the cost of doing business are lessened, the cost of the goods will be considerably reduced. It has always occurred to me that many of the bills passed by this House have wanted intensive study. There occurs to my mind the amendment made last year to the income tax law. I do not think anybody can say that that amendment was studied as it should have been studied. It was made with the best of intentions, just as hon. gentlemen on the other side when they were in power prepared their legislation with the very best of intentions. But when that amendment was passed there was a hue and cry from all over Canada as to what would happen when the law should be put into effect. All that could have been avoided had a study been made of the subject by an advisory board, which would have the opportunity of consulting the various interested parties. Had that been the case such an amendment might never have been passed. Take another instance—and I have mentioned it before in this House—the amendments made to the sales tax last year. All these amendments were made, I say, with the very best intentions on the part of the government, but I do not think the effect was properly understood. I do not see how the effect could have been understood by any body of men congregated in the House of Commons or by any body of officials. How could we expect to understand every business? How could the officials of the department understand every business? It is a physical impossibility. Consequently we passed that law and I doubt if there were six people in the House who understood the amendments, I can say with all frankness that I personally was not one of the six. An amendment to a law of that description should be considered by a board of experts before being made effective. Not only should that board of experts, as is suggested in this bill, study the proposal, but they should bring together the various businesses interested and deal with the matter in the light of all the facts and circumstances there brought out.

Mr. FORKE: What was the amendment to the sales tax of last year to which my hon. friend refers? I cannot just recall it.

Mr. MARLER: There was a very serious amendment to the Special War Revenue Act, section 19BB.

Mr. WOODSWORTH: Why could such studies as these not be carried out by departmental officials?

Mr. MARLER: That is a perfectly proper question. The study can be carried out to a certain extent by departmental officials. But what I want to see brought about is not the study by any particular department or departments in various parts of Ottawa; I want one central body which will correlate these various ideas and bring them together, so that all the opinions of all the departments will be included in the joint and studied opinion of this advisory board. More than that, I hope—and I believe it is the intention of the measure—that this advisory board will see business men, will see bankers, will see everybody that it is necessary to see, and discuss any amendments that may be proposed. I say frankly that I welcome this measure. I do not think anybody can accuse me of wanting to spend the people's money. I believe in economy as much as anybody in this House, and more. But I believe in this measure because I feel that it will make for added economy in the administration of our laws. I myself have had a certain amount of experience in financial matters and I can see a great deal that could be done by a properly constituted board operating under a bill of this description. I referred to this matter when speaking on the Address, but the subject has been mentioned by many others; it has been before the people now for a considerable time. There has been a hue and cry for an advisory board of this description. Never before in the history of this country has it so frequently been said that many of our laws are not understandable. And that is not the fault of governments or of government officials. My hon. friend (Sir Henry Drayton) laughs. But surely we are not magicians. We cannot step from an old system into a new one and make up a set of laws the effect of which is fully understood. Does my hon. friend still laugh?

Sir HENRY DRAYTON: Still.

Mr. MARLER: He must remember certain luxury taxes that he himself imposed in May, 1920, but which, as he subsequently found, had a very detrimental effect upon business, so much so that he repealed them. He remembers that, I suppose. Why did he not foresee this result?

Mr. JACOBS: If the hon. gentleman invites the member for West York (Sir Henry Drayton) to discuss the luxury taxes we shall be here until October.

Mr. MARLER: I am not inviting him to do that.

Sir HENRY DRAYTON: The hon. gentleman knows that we have a very good case, and he does not want it drawn in.

Mr. MARLER: I am not saying whether the luxury taxes should have been put on or taken off; that is not my intention at all. What I do say is that the effect of a tax, if possible, should be studied before it is put on, instead of putting on the tax and then finding out the effect. That is what this advisory board will do. I was going on to say that this board has been asked for on more than one occasion. At a meeting of the Canadian Bank of Commerce held last year, Sir John Aird, the general manager, spoke in these terms as regards the proposed amendment to the income tax which I discussed a moment ago, and coming from a man occupying that distinguished position a clear-cut statement of this description is of some value, I think, to all hon. members of this House. He said:

> Surely the time has arrived when a commission should be appointed to study the questions arising in connection with taxation. How can the necessary revenue be raised with the least injustice, the least irritation of the citizen, the least detriment to production and business generally, and to the finding of capital for the enlargement of existing and the creation of new enterprises.

In addition to that, take the statement of the Financial Post of the 21st of December last, headed: "Unscientific taxes burden for business." In that article it discussed these various taxes in somewhat the same manner as Sir John Aird did, and it goes on to state

> Time and time again the Financial Post has urged the necessity for the appointment of a board of practical business and economic experts to act in an advisory capacity to the Minister of Finance in the framing of the tariff and other taxes under the national budget.

Mr. GOULD: Is it not a fact that the Financial Post is prejudiced against the principle of direct taxation and in favour of indirect taxes?

Mr. MARLER: I cannot answer that question because I do not know, but I do not think it is. Let me revert to the point raised by my hon. friend who leads the opposition, when he said in his usual clear and careful way that we in this country had to create new taxes. Hon. gentlemen must realize the tremendous change from the indirect system of taxation which existed in this country

before the war to the system of direct taxation which came into vogue after the war—direct taxes such as the business profits tax, income war tax, the sales tax and other various direct taxes which we did not have an opportunity to study, but which had to be placed on the statute book to provide the necessary money for the country, and for which no precedent existed in this country. Take, for example, our taxation before the war. I shall give the House only a few figures which I think are illuminating, as showing the very marked transition between these two periods. The total revenue collected in 1914, less post office and railways—I do not include them because they are in the nature of services and one about offsets the other—was $136,000,000. Of these customs and excise amounted to $126,000,000, leaving a revenue from all other sources, of $10,000,000. Then take the after the war period. For the fiscal year ending March 31, 1923, in indirect taxes alone we collected $172,000,000, as against all taxes collected in 1914 of $136,000,000, but the point I desire to impress upon the House is that in indirect taxes we collected for that fiscal year $172,000,000.

Sir HENRY DRAYTON: What year was that?

Mr. MARLER: The fiscal year ending March 31, 1923. I quote those figures to show that we had passed from a period of indirect taxation into a period of direct taxation, necessitating the enactment of very many new laws.

Let me pass to another subject, as to whether other countries have systems of boards such as this. The United States at the present time has not a board of the nature which is proposed under this bill, but the United States has had boards, and numerous boards, under the various revenue laws existing in that country from time to time. Under their internal revenue law of 1918, and I would say for the information of hon. members that the taxation under all the internal revenue laws of the United States is collected through the one bureau, there was appointed an advisory tax board, and that board had powers, not entirely similar, but somewhat similar to those of the board which we propose to inaugurate under this legislation. That board in the United States had to deal with a variety of taxes, the income tax, excess profits tax, war profits tax, inheritance tax, transportation tax, insurance tax, various taxes on beverages and tobacco, various amusement taxes and other taxes of that description.

[Mr. Marler.]

Mr. HOEY: Was that a permanent or a temporary board?

Mr. MARLER: It was a temporary board. The board was appointed for a period of two years. It was a government board, consisting of not more than six members, appointed by the commissioner, and the commissioner, as my hon. friend knows, is substantially the same as the deputy minister under our law. The revenue law of 1918 was amended by the law of 1921, in the United States, and under that law there was created an exceedingly valuable board called the Tax Simplification Board. That board functioned for a considerable time and took up various important systems of simplifying taxation. I hold in my hand one of their reports.

Mr. McMASTER: How many years did that board function?

Mr. MARLER: It functions up until December 31, 1924.

Mr. McMASTER: When was it appointed?

Mr. MARLER: Under the revenue law of 1921. I hold their first report in my hand, for the year 1922. This report takes up very many subjects which certainly could be taken up by an advisory board such as is suggested under this bill. I do not intend to lay stress on this report, or to weary hon. members by reading many parts of it, but with the permission of the House I would like to quote one or two paragraphs to show the questions which arose in the minds of this board, and which certainly must arise in connection with the administration of our own laws.

Mr. HOEY: Before the hon. member proceeds with that, could he give us any idea as to the personnel of that board? Was it composed of economists, or what type of men were they?

Mr. MARLER: Speaking from memory they were very prominent men. I say that, for the reason that I have on a file in my room upstairs the names of most of these men, but I cannot recall their names to memory, nor could I, from memory, tell my hon. friend from Springfield (Mr. Hoey) exactly what qualifications these men have. But as I was going on to say, this Taxation Simplification Board in this report, dated December, 1922, emphasizes the points which must arise under all new systems of taxation. These are some of the points which it brings up:

> While much thought and consideration have been given in this country to tax legislation, comparatively little attention has been paid to the equally important and difficult subject of tax administration.

It goes on to speak then of the cost of the business profits tax and alludes to the difficulty in deciding what are profits and what are not profits. In another part it speaks about the large amounts outstanding under the business profits tax of the United States, an amount of over one billion dollars, which it had collected very largely in part. Further than that it speaks about these questions of forms to which my hon. friend from West York (Sir Henry Drayton) alluded to to-night, and says in that respect:

> It is desirable on the one hand to make forms of return as simple and clear as possible so that they may be understood and made out by the ordinary tax payer without the services of an expert.

Sir HENRY DRAYTON: Did they bring down an amended form? What my hon. friend has quoted is a truism; we would all agree to that.

Mr. MARLER: I am not prepared to say that the board did bring down an amendment form.

Sir HENRY DRAYTON: I do not think they did.

Mr. MARLER: I do not think the board did bring down an amended form as a matter of fact.

Sir HENRY DRAYTON: No they did not.

Mr. MARLER: However, I am only emphasizing these various matters which came up in connection with the Taxation Simplification Board of the United States in order to show that under the United States internal revenue laws they thought it necessary to have boards somewhat similar to the board proposed under this legislation for the purpose of studying and simplifying the laws of that country.

The same board brought in a further report in 1923 bringing out most important and most vital points not only in the interest of the country but also in the interest of the taxpayer. It is true there is no advisory board in the last legislation of 1924, but there is a board of tax appeals. Consequently what I desire to impress on you, Mr. Chairman, is this, that throughout the United States legislation, laws regarding taxes—very much akin to our own legislation, and having a distinct influence as regards our own question of taxation—these advisory boards, simplification boards, or tax boards are all looked upon as integral parts of that particular legislation, and as being necessary in the understanding of and in the simplification of those laws which had been called into vogue and brought into effect by reason of the war on the spur of the moment when it was essential that laws of this description had to be enacted for the purposes of revenue. The legislation before the House to-night is for that purpose: It is for the purpose of studying our own laws; it is for the purpose of simplifying and co-ordinating our laws; for the purpose, if necessary, of showing how collection can more be maintained; but more than that, as was suggested by my hon. friend from Brant (Mr. (Good), this legislation contemplates an inquiry as to whether we are following the best system of taxation. That, to my way of thinking, is one of the most essential things we have to consider in this country to-day.

We had read in the press time and again complaints respecting our systems of taxation. We have had the taxation of the United States held up to us, times without number, as being lower than ours, as being taxation that we have to follow in so far as it is possible for us to do. The Montreal Star in its issue of November, 1923, when the Mellon bill was brought down said:

> Canada cannot be indifferent to the movement in the United States to reduce taxation. Mr. Mellon, Secretary of the Treasury, recommends downward revision of all the income taxes with sweeping cuts in surtaxes. "The benefits of the reduction," he says "will be distributed among all classes of taxpayers and a revision generally will help to free business and industry of vexatious interferences and encourage in all lines of industry a more healthy development of productive enterprise."

But the part of that editorial which I wish to read to the House—because it is very germane to this particular question of the taxation advisory board now before us—is this. It goes on to say:

> In the United States public attention is centred to a remarkable degree upon the problems of taxation. During this week delegates from thirty-seven states have been in conference in New York in the endeavour to re-adjust the incidence and ease the burden of taxes. It is realized that industry must be stimulated and enterprise encouraged and capital made available for the normal and necessary activities of the nation. In Canada the whole problem is almost neglected and we seem to be content so long as the Minister of Finance is able to squeeze out of the people, by methods however onerous and destructive, the revenue he requires.

It concludes by saying that there never was a time when a fearless examination of the methods of taxation which are choking enterprise and destroying the resources of industry was made necessary. It is that point exactly which has been brought up in the press time and time again; not only in the remarks, as I have said, of Sir John Aird of the Canadian

Bank of Commerce, but in section after section of the press. Take the article in the Financial Post of November, 1923. It also states, and stresses the point in pretty much the same language that I have employed, the necessity that the people should understand their taxes before they are imposed; that they should have a board of experts to go to and discuss these taxes with before the taxes are levied, so that when the taxes are levied they will be fully understood. That is also emphasized in the report to which I have made reference. The Montreal Gazette of the 17th December, 1923, speaking about the sales tax and other taxes, brings the point again before the people. It speaks about the collection of the sales tax and goes on to say:

> This condition is the inevitable result of ill considered legislation and it is doubly unfortunate in the fact that it aggravates a situation already difficult enough by reason of onerous taxation applied from other angles. The Department of Customs and Excise is not altogether to blame for its evident inability to interpret and administer smoothly and equitably an unworkable statute; it is caught in the general muddle and has already acknowledged one serious error by recalling its October ruling with reference to the showing of the tax as a separate item on invoices.

Let knowledge grow from more to more,
But more of reverence in us dwell—

Then it goes on to say that the proper time has arrived to provide for a taxation advisory board. I can see in this legislation very distinct and very great advantages. I do not think the cost to the nation by the operation of the board created under this bill will be very great. It certainly will not be as great as the advantages which will be derived from the legislation itself.

There is one other point regarding this bill on which I wish to say a word: This board of experts can bring together the various systems of taxation as existing. More than that they can bring together a fair and concise system of accounts which will be understood by all the people of the Dominion. They can tell us what war taxes are and how those taxes have been expended. They can tell us what taxes are ordinary taxes and how those taxes have been expended. They can put before us a distinct statement as to how our various taxes are used and for what purposes they are used, such as we have asked for and the country likewise. I have no hesitation whatever in supporting this bill as a measure very well worthy of the consideration of the House.

Mr. HOEY: Will the hon. member express an opinion whether this board should be a temporary or a permanent board in view of the temporary nature of the work undertaken by the board in the United States?

[Mr. Marler.]

Mr. MARLER: I think the best way to answer that question is to attempt to put myself in a position where I would need a board of this description. I can see, for a board of this description—and I say I can see, because I know how I could employ such a board—sufficient work ahead of it for many years to come. Whether it should be absolutely permanent is a question which, perhaps, my hon. friend does not expect me to answer. But I should think the duration of the board would be a considerable number of years.

Mr. McMASTER: It was a Scottish statesman years ago who, when an English king invaded Scotland for the purpose of arranging a marriage between his son and a Scottish princess, said that he had no objection to the marriage, but he had a very serious objection to the manner of wooing. I feel very much the same about this legislation that is before the committee. I am in full sympathy with the desire of the minister to have further information and to have work done regarding the simplification of taxation; but I am utterly opposed to the creation of a new board, manned by a chairman at $10,000 a year, with two commissioners at $7,000 a year, with a secretary who ought to get, I suppose, from $3,500 to $5,000 a year, and with the numerous appendages or hangers on of such a board who will inevitably gather around it. I was told once by a gentleman who occupied high official position in this country that one of the things which administrators had always to contend with was the desire of any one who was put in a position such as a deputy minister or a head of a board, to magnify his office, to show how important his work was to the country and to do so by gathering together a personnel and making his office appear as important as possible. I am quite in sympathy with the desire to have all the information:

> Let knowledge grow from more to more,
> But more of reverence in us dwell—

Reverence for the principle of economy, reverence for the principle of ministerial responsibility.

Mr. MARLER: Does my hon. friend not see any possibilities in a board of this description effecting great economies?

Mr. McMASTER: I see the possibility of great economy being effected by a coordination of the taxing powers, by putting the taxing powers under one minister, instead of being under two ministers or three ministers as the case now is. But I see no necessity for the creation of a permanent board for the purpose of effecting that development.

Mr. MARLER: Then my hon. friend will admit that our laws are at present in a sufficiently understandable state to leave them alone?

Mr. McMASTER: That, I think, is a non sequitur, if I may say so.

Mr. MARLER: I do not follow the hon. member.

Mr. McMASTER: A "non sequitur" means a non-logical observation.

Mr. MARLER: That is better.

Mr. McMASTER: We have the Finance Minister who imposes taxation and who collects certain taxes through the Commissioner of Taxation, who is in the Taxation department. We have the capable and genial Minister of Customs and Excise (Mr. Bureau) who collects from us taxes through a customs tariff and by taxing spirituous liquors by way of excise. I can see the advantage of having those things correlated and of having an extensive study made of the question. But I believe that can be better arrived at by appointing either men in the department or if no such men are in the department, by employing men outside of the department for the purpose of making an investigation and a report on which legislation will be based. But I feel that I am voicing, not only my personal feelings in this matter, but the opinion of the great mass of Canadian taxpayers who will object to the formation of what must inevitably, it seems to me, if this legislation goes through, create another permanent organization which I do not think is necessary.

Mr. MARLER: How does my hon. friend make his statements agree with the frequent demands in the press for such a board?

Mr. McMASTER: The present situation of more or less confusion amongst the taxing powers and the taxes is not one which might not have been foreseen. It arose out of a number of new taxes being imposed in this country. Once we get the question of taxation on a reasonable basis men of intelligence who will be members of any administration in this country will be able to keep things on a proper basis and to administer the laws once they are co-ordinated, without having to refer to a permanent body which, I think under ordinary circumstances, would be a fifth wheel to a coach. The hon. member for St. Lawrence-St. George (Mr. Marler) whose observations are always listened to with attention and pleasure in this chamber, because he brings a wealth of industry and of application to any observations that he makes to the House, has endeavoured to show certain ways in which this board can be of value. He said that this board could study what the effect of taxation would be and that it would do so by communicating with business people and bankers. I do not know whether it is the business people and the bankers who are likely to be taxed who would be communicated with by these boards. If it is, I am afraid the board would be very much discouraged by the information they would get from these gentlemen in respect to any taxation it was proposed to lay before them.

Mr. MARLER: That is an unfair interpretation.

Mr. McMASTER: I do not think so. It seems to me that it flows exactly from the argument which my hon. friend has made. He says that Sir John Aird thought it would be well to have a taxation commission. If Sir John Aird meant to have an intensive study made of the whole question of taxation by someone who would do it for a certain time and then report, I have no objection. I think there is room for such an investigation. That economic experts should advise the Minister of Finance is perhaps not unreasonable, but I do not think we need to have a permanent board of such experts appointed. They should be found in the Finance department if it be properly constituted. My hon. friend went to the United States for examples. I gave him credit for frankness because the examples that he gave us from the United States destroyed the case, for in the United States where they are face to face with situations not unlike our own, they had temporary boards. There was the Tax Simplification Board which, I think he said, would do work similar to what was suggested. That was appointed in 1921 and after three years' work it reported in 1924. I have no objection to that.

Mr. MARLER: In answer to the hon. member for Springfield (Mr. Hoey), I distinctly said that it was impossible to say how long the board would function.

Mr. McMASTER: I have not much doubt that if you appoint a chairman at $10,000 a year, two commissioners at $7,000, a secretary at $3,500 and ten clerks at salaries ranging from $1,000 to $1,800 or $2,400 a year, the board will function for a considerable time. I would trust that we can get together on legislation. I think the government is interpreting the desire of the country in proposing to have an investigation made and

simplification arrived at and a better collection devised. But if the government persist in this legislation and if they insist on creating a board such as is outlined, they will be going against the practically unanimous feeling of the country.

Mr. GOOD: There seems to be a little doubt as to what the board will be, particularly as to its permanence. I am not enamoured of the idea of permanence nor am I altogether enamoured of the arguments presented by my hon. friend (Mr. Marler). I do believe, however, that there is room at the present for an investigating board. I do not know how long their investigation will take; it might be a year or two or possibly longer. I agree with the hon. member for Brome (Mr. McMaster) that it might be just as well for us to get together and devise some amendment which would meet the desires of practically every one in the House.

Mr. BUREAU: My hon. friend from Brome (Mr. McMaster) if I understand him, admits that it is necessary to have someone who will devote his time to the study of some method of simplifying taxation. And he says that if we have not the proper officers in the department we should get them outside, I am bound to say, in justice to the officers of the department, that in my opinion it would be impossible to get better officials than are to be found in the Department of Customs. No hon. gentleman in this House, whether he be Progressive, Tory or Grit, can possibly have any fault to find with these officers. The efficiency and knowledge of the heads of the various branches in the Department of Customs—I leave aside altogether their unquestionable courtesy—are a matter for pride, to me particularly; I feel it an honour to be at the head of such a department. I say emphatically that there could not be found a set of men better qualified to administer the collection of taxes in this country. And there is not one of these men whom we could dispense with; there is not one of them in any of the branches who is not overworked every day in the year. On the whole, therefore, I repeat, they are public servants than whom no more qualified, no more efficient and painstaking officials could possibly be found. Now, admitting this condition, my hon. friend says that we should get the proper men outside. I rather gathered that he suggested something of incompetency in some respects; but I think it can very easily be proved that the officers in question are on the contrary highly competent. So that there is nothing in that suggestion; these men are competent, they are altogether efficient, and more than that they are constantly working overtime. Why, therefore, should we place upon their shoulders these additional duties? To do so would be to create inefficiency rather than to promote efficiency. We are told to get the men outside. Well, what are we doing?

Mr. McMASTER: But you are making it a permanent board.

Mr. BUREAU: We are not establishing a permanent board merely because we are appointing an expert to advise on technical matters in regard to which he is well posted. We simply desire to have some qualified person examine into the various systems of taxation not only in this country but in all other places where taxes are imposed, with a view to suggesting some means of simplifying our own methods in order to lighten the burden of the taxpayer and to obviate as far as we can the present state of perturbation which exists in the trade and commerce of the country. You want us to define the duties of these men. We shall call them into consultation; we shall tell them that we have been doing something which when inaugurated was new to the country; and we shall want to know, in the light of the experience of this and other countries, what are the best means of simplifying the present system for the purposes of economy and of satisfaction generally. As the hon. member for Brome (Mr. McMaster) observed, we have never had some of these direct taxes before, and the collection of them gives rise to many grievances, as numerous letters written to the department will show. Now, you cannot ask the already overworked officials of the department to look into these complaints and to investigate the various matters which we have in contemplation in this legislation. The head of a branch has certain arduous responsibilities and he must see that the law is properly administered. What can we do, then, except appoint outside men? You may call them a board of taxation; but whatever hon. gentlemen may call the organization, the fact is that it will be under the immediate control of the Governor in Council from whom it will take its directions. The board will be established in the customs building and will have no administrative powers at all; they will not assume any of the responsibilities of government whatever. Their duty will be to obtain information and offer advice which will tend to help trade and industry by lightening as far as possible the burden of those who have to pay taxes.

If the House considers that this legislation is bad I am willing to submit to its judgment. But I am sure that if hon. gentlemen were conversant with all the details that arise in the department and which cannot be looked after as they ought to be under present circumstances, they would concede the wisdom of this legislation. Personally I think we should pass the legislation. I do not think that we should lay down any hard and fast directions as to what these men ought to do; we should leave some leeway to those who are in immediate contact with the taxpayer so that they may be able to get the information which is required and make proper reports upon the grievances and the complaints which are brought to the attention of the department. Of course, if hon. gentlemen wish to insinuate that the government, or the Minister of Customs, wishes this legislation to go through so that jobs may be provided for party friends, then in that case there is nothing to be said. The suggestion can only be denied.

Mr. McMASTER: No such suggestion came from me.

Mr. BUREAU: The suggestion, I think, has been made. As I have intimated to my hon. friend (Mr. Stevens), I assume full responsibility in this matter; and I say that the legislation is necessary, having witnessed the difficulties and the grievances that have existed and do exist in connection with the collection of taxes. I have seen the difficulties against which the officers of the department have had to contend and I know quite well that, with the present burden they have to bear, they could not possibly make a special study of these matters. If this board were appointed you would get the services of thoroughly qualified men. And let us remember that such men cannot be got for nothing. It is all very well to talk about extravagance; but to spend $28,000 for the purpose of saving the country $280,000 can hardly, I think, be regarded as a piece of extravagance. There is a difference between squandering money, spending money to no purpose, and spending money to make money.

Mr. STEVENS: No matter how honourable or honest the board might be, would it not require a very considerable length of time, possibly a year or more, or at any rate many months, for them to acquire a knowledge of the very facts and details which the minister tells us are now in the possession of the department? If that is so, would it not be more desirable for the minister to avail himself of the services of these expert officials whom he has at present? They are highly trained and very efficient, as I admit, and indeed gladly acknowledge from personal experience. Why not take advantage of their accumulated information rather than have an uninformed board? That is the point I tried to make clear a moment ago. It would I think be desirable to erect a board for the time being from amongst the experienced officials of the department whose training and knowledge have primed them, so to speak, with the practical ability necessary to meet the needs of this bill.

Mr. BUREAU: From my hon. friend's point of view his argument is right, because if I acted on the basis of his suggestion I should simply be appointing three chumps who would have to go to school to the officers of the department. But the object is to select men specially qualified for this work, men who will be teachers rather than pupils.

Mr. STEVENS: It is not a question of ability at all; it is a question of familiarity with detail, which is something vastly different. You can take the most learned man in Canada and if he is not acquainted with the practical problems daily arising in the Department of Customs, in the Excise branch, in the Income Tax and the Special War Revenue departments, he must be considered as uninformed. If he is not absolutely familiar with these details he is uninformed in this respect no matter what his general ability may be.

Mr. BUREAU: It is not a question of ability but of information.

Mr. STEVENS: Hear, hear.

Mr. BUREAU: Outside the officers in the various departments, in Canada and the United States, there are men who make special studies of these things, and apart from theory altogether they are quite practical men who find out on the spot just what the conditions are. They serve to guide the men who are devising modes of taxation. These are the kind of men we want on the board. Of course, if I am to take for granted what my hon. friend says, that we will have to stop the department for so many months to teach those fellows how to handle the business, I do not want them; we can carry on better without them. But if you start from the basis that these men are there knowing their business, your argument falls to the ground. My hon. friend shakes his head—well, we will agree to disagree, but I say he is wrong. Those men are coming to tell our men, after taking cognizance of the facts,

after considering the complaints of taxpayers, "We have gone elsewhere and we have found there that the collection is smoother and that they can get along by imposing a lesser burden on the taxpayers." That is discussed, and we may even go to council with it. It is the information we want to get, and it is a practical way of co-ordinating all these things so they will be less burdensome to the people who have to pay. If that is not worth $28,000 a year, I leave the responsibility with the House; I will not assume it.

Mr. FORKE: There does not seem to be very much difference of opinion as to the advisability of securing further information as to modes of taxation; the chief objection is against the permanency of the proposed board. At the commencement of the debate I spoke in favour of such a board, but if it was sought to establish another board with a big salary list, to be carried on indefinitely, I certainly would be opposed to the project. I am perfectly satisfied that the minister means well and is anxious to get all possible information in regard to taxation. It has been suggested that he might find men in his own department who would be well able to undertake this work. I am opposed to the suggestion, not because I question the ability and single-mindedness of these officials, but because I question very much if departmental men are desirable judges of the best methods and modes of carrying on the work. They think along certain lines and do their work day by day according to instructions, and without wishing to say anything derogatory of these men I cannot help thinking that the bureaucratic mind is not suited to study a change of system. For instance, I would not go to the Commissioner of Taxation to tell me how to collect income tax or what method of taxation should be employed. The member for St. Lawrence-St. George (Mr. Marler), whose remarks we all enjoyed, raised some suspicion in the minds of certain members in this part of the House when he mentioned that the board might consult certain individuals in regard to taxation. This created in our minds the impression that the ears of the commissioners would be open to suggestions from certain individuals only.

Mr. MARLER: Might I interrupt my hon. friend to correct any misapprehension in his mind or in the mind of any other hon. gentleman? Such was not my idea at all. My idea was that if this advisory board desired to get advice they could get it; but that it was not necessary for them to go to anybody to advise them at all, they were not to take dictation from anybody either directly or indirectly. Let me make that abundantly clear.

[Mr. Bureau.]

Mr. FORKE: I did not mean to cast any blame upon the hon. member.

Mr. MARLER: Probably I was not clear in my expression.

Mr. FORKE: But when he mentioned one or two names, suspicion was naturally aroused that they would get the ear of the board much easier than some other classes of our people.

Mr. MARLER: Oh, no.

Mr. FORKE: I know perfectly well that the statement made by my hon. friend was quite sincere. It seems to me the great difficulty we have is in regard to the permanency and the cost of the proposed board. Is there no way in which we can overcome this difficulty? Some years ago in the province of Manitoba we had a board of a somewhat similar character to inquire into methods and systems of taxation from the provincial standpoint. This board was composed of a professor of economics in the University of Manitoba and one or two other gentlemen. It was not a permanent board. They sat from time to time, made inquiries, and in due course submitted their report to the government. We have a great many experts in economics and taxation whose services might be available without the necessity of creating a permanent board. For instance, many of our professors in economics are not engaged in their professional duties for four or five months of the year, and their services might easily be obtained. I would suggest to the minister that he let the bill stand over for a little while and perhaps in the interval we can come to some agreement acceptable to all parties in this House for the formation of a board along the lines I have stated, and thus remove all fear of a permanent board with its attendant annual expense.

Mr. McMASTER: Mr. Chairman, I think the essence of legislation is trying to arrive at a reasonable compromise, and I would suggest, with all respect to the minister, that after the words in 3 (a) "This board shall have such powers and perform such duties as are assigned to it by the Governor in Council," the following words be added, "and shall hold office for not more than three years from the date of their appointment." If this suggestion was accepted we could get together on the legislation. I do not like the idea of creating the proposed board, calling one man "chairman" and the others "commissioners," and giving one $10,000 a year and the others each $7,000 a year; but when the minister states that it is really necessary

to the administration of his department and will be helpful to him to have such a board, I am prepared to go half way, and vote for it provided the limiting words suggested are accepted.

Mr. MACKENZIE KING: Mr. Chairman, in regard to the length of time during which the board may hold office, the clause as it stands indicates that its powers shall be confined to such duties as are assigned to it by the Governor in Council. The Governor in Council can fix any length of time that it may think best in assigning such duties to the board. Perhaps if I were to indicate to hon. members some considerations that come before the government when the budget is being prepared they will see in a moment the intention underlying the purpose here suggested. We have to-day annually to raise taxation, not to the extent, as it was a few years ago, of between one and two hundred millions, but of nearly five hundred million dollars. The government has to find ways and means from a variety of sources and by a variety of methods such as have never hitherto been the subject of consideration by any administration. If we were content to raise all taxation from one source or by one method there would be no need for expert advice or opinion on these matters. But take such a question as this, for example: It is suggested that one form of taxation which has not been resorted to in this country but which might prove beneficial is a tax on advertisements. That appeals to a great many people. The government comes to consider a question of that kind; how is the government to be guided in a decision on that matter unless it has some expert opinion to advise it? You may say, refer these matters to the permanent officers of the department. The permanent officers, as the minister has indicated, are more than busy; their time is taken up beyond the hours fixed by the statute, and they cannot get any time to work out or think out new ideas or new methods. Similarly, a government comes into office and a minister takes charge of a department. He is not a tax expert at the outset; no members of the government have had special training or have given special study to the ways and means and methods of raising taxation. It is false economy for a nation not to be guided by the best, most enlightened and scientific opinion that it is possible to have on a question of this kind. That is the sole motive the government have in asking parliament to give it the right to establish a board with powers to advise on methods of taxation or on any questions of taxation which the minister may refer to it. The minister will have to indicate to parliament what the board is doing, how it is discharging its functions. If parliament at the end of one year thinks there is no place in the country for the board or that it is a waste of money to continue it, parliament has only to refuse to vote the money for the board. Each year the government has to ask parliament for an appropriation for whatever outlay it may make; then is the time when the review of the board's work will be made by the House, and I venture to say that before three years have passed we shall be in a position to indicate pretty clearly to the House whether the services of the board during the preceding year or two have been such as to justify its continuance. I think it would be a mistake to fix any definite time. Three years might prove too long.

Mr. McMASTER: Not more.

Mr. MACKENZIE KING: I think if it is left to the Governor in Council with the understanding, of course, that parliament should at any time when the estimates are before it, have the opportunity to pronounce upon the work of the board—and that is stated in the law itself—that should be a sufficient guarantee against the continuance of the board's work for any longer time than its services may be deemed necessary. Let me say quite frankly that in asking the House to support the government with respect to certain forms of taxation that are proposed the ministry would like to be able to back up its request by information as wide and as sound as it is possible to obtain. The Minister of Customs or whoever has charge of income tax should be in a position when he is asking this parliament to support a certain form of taxation to give to parliament all the information that it is possible to gather from any source, as to how that method of taxation is operating in different countries and how it is likely to operate here. That kind of information for the guidance of parliament cannot be obtained except through expert advice and expert opinion, and it is because the government is anxious to be able to fortify any policy it may present to the House by such expert advice and opinion that it is asking parliament to assist it in that way.

Mr. BOYS: Does the Prime Minister think that really competent men could be secured to fill this important position if they felt that their services might be required for only two or even three years?

Mr. MACKENZIE KING: I do. The remark of the hon. member for Brandon (Mr. Forke) a moment ago appealed to me: I believe you could obtain from some of our universities, from some of the organizations that at present exist in this country dealing specially with the question of taxation, the services of one or two men who would be prepared to serve on a board of the kind for a year or two years but might not be able to do so for a longer period. I think the Governor in Council should be given freedom to choose the men where they can best be found and under such conditions as may be necessary to obtain their services. It is to the government's interest to try to get the best men, and I think it should have a little freedom in making the choice.

Sir HENRY DRAYTON: I must confess that the hon. member (Mr. Marler) almost convinced me that we should perhaps support this measure. But I am afraid I cannot quite follow him, though I would like to be able to do so. In following him it seems to me that we would have to abandon all constitutional precedent. The hon. gentleman made some very strong arguments. He pointed out, for example, the mess that was made by the amendment to the income tax law last year embodying legislation that the government did not understand. He pointed out also the mess that was made by the amendment to the Sales Tax Act last year, legislation which the government did not understand. My hon. friend could go further. We have seen this very session the case of the lake rates, where legislation had been brought down by this government which it did not understand. But it is the duty of governments to understand, and my difficulty is to see a constitutional way in which we can appoint any board of experts as wet nurses to the government. After all, the government has to take the responsibility; after all, it is governments that decide whether legislation shall be brought down or not. The government do these things whether they have expert advisers or not. We do not get very much help from these expert advisers. Why, it was stated in connection with the lake freight rates that the proposed legislation must be all right because a body of experts had been going round taking evidence and the like, yet we could not have had a worse mess. It is the government that have been making these mistakes, whether they have experts or whether they have commissions or not. I pointed out to my hon. friend that the government were getting advice from two boards, from two sets of experts, and the Minister of Customs did not question that. I want to refer to the estimates in this connection. Item 484, page 12 of the supplementary estimates, is as follows:

Additional amount required for Board of Customs and Inspection, to provide for salaries and expenses in connection with the Advisory Board, including chairman of the board with salary at a rate not exceeding $10,000 per annum and two commissioners with salaries at a rate not exceeding $7,500 per annum each, notwithstanding anything to the contrary in the Civil Service Act, $28,800.

Then on page 11, item 481, we find provision for another set of experts, as follows:

To provide for salaries and expenses of the advisers engaged in tariff inquiry. Payments may be made notwithstanding anything in the Civil Service Act or regulations thereunder, $30,000.

We might just as well look it in the face at once. We are erecting two permanent bodies. What is the reason? The Prime Minister has made it clear that it is a permanent body, because it is a body that is to advise in connection with the annual budget. My right hon. friend referred to that particularly; the board was to advise in connection with matters that come up for consideration by the government at the time of the annual budget. Well, there is a budget every year. My right hon. friend further points out that it is open to parliament at any time to get rid of the board if they do not want it any longer. My right hon. friend knows that he is not treating the country fairly. When does parliament ever get rid of boards? When does it ever get rid of employees? It will be a new experience when we see it. We know very well it is never done. We know very well that if this legislation goes through as it is, with the intention, as declared by the right hon. the Prime Minister himself, that its advice is required annually for the budget, it must be a permanent board. They will be there; they will be looking for pensions and everything else, and they will be entitled to them; they will be on the regular pay-list; they will be there notwithstanding anything we have in the Civil Service Act, and there they will stay. Let us at least know what we are doing. Here is an initial expense of $58,500, and notwithstanding everything that has been said I am very, very emphatically against it. I see no reason why, on the other hand, the minister cannot get practically everything he wants without any bill at all. He has a general appropriation in his vote every year, and there is always enough in that appropriation to get the opinion of an expert, and I

venture to say that one man will do a great deal more than a board of three in connection with work of this kind.

Mr. BUREAU: The Auditor General will not pass the expenditure unless it is voted by parliament.

Sir HENRY DRAYTON: There is a miscellaneous vote to which it could be charged. The minister also knows that the government has not much trouble in issuing Governor General's warrants, as these estimates show. There is no difficulty whatever in getting information if the government are really in a hole and want it, any more than they have any difficulty in retaining counsel, as they do from day to day and from time to time.

Mr. BUREAU: I see there is a lot of conflict of opinion over section 2. I would ask that section 2 stand and that we consider section 3, which is just to transfer the income tax to the Customs department.

Section stands.

On section 3—Schedule amended.

Mr. BUREAU: At the end of the Customs and Excise Act hon. members will find a schedule which provides that all taxes except the income tax shall be collected by the Department of Customs and Excise.

Sir HENRY DRAYTON: Carried.

Section agreed to.

Mr. BUREAU: As far as section 2 is concerned, I have done what I think it was my duty to do. I have had three years of experience in the Customs department, and I have had occasion to meet people who claimed to have suffered in the way the taxes were imposed and collected, and this legislation has been suggested to me by people who pay all sorts of taxes. I must say that my relations have not been with the bankers; they are a class of people I do not see very much, and I have had no communication with them. My information has come from the man who is in business and who pays a small tax, not from the man who draws a cheque for $100,000. I consider that I have done my duty to the country in bringing this legislation forward, I have done my duty to the officers of the government, and I have done my duty to the House. I am willing now to let the House decide and throw out that clause if they choose to do so. I now move that the committee rise and report progress.

Progress reported.

FISHERIES ACT, 1914 AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 66, to amend the Fisheries Act, 1914.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—License fee for salmon cannery decreased.

Mr. NEILL: I would like to say a few words in support of this act. It was passed last year by this House but defeated in the Senate, largely I think for lack of information as to its meaning. One of the reasons alleged for its defeat was a letter produced from the Hon. Mr. Ballantyne, the late Minister of Marine and Fisheries, in which he said that the only reason for passing the act was because it was recommended by "the foolish Duff report". The Duff report referred to a commission which sat in British Columbia in 1922. Of course, Mr. Chairman, it is a matter of opinion whether that report was foolish or not, but I would like to point out that in some respects that commission was different from those that had gone before. For one thing it took a very short time in its operations. We had a Fisheries Commission a year or two before that, and it was two years before we obtained its report. I have heard of other commissions which went out like the Israelites into the wilderness and have never been heard of since.

Mr. JACOBS: May I point out that the Israelites were heard of afterwards.

Mr. STEVENS: At least in the House of Commons.

Mr. NEILL: I admit the particular and peculiar knowledge possessed by my hon. friend, but I would like to point out to him that the Israelites I was speaking of went out into the wilderness and stayed there; they died there. He is thinking of their descendants. This commission was appointed some years ago, and possibly in time their children would have reported, but I believe the government cut off the source of supply, which brought the commission to an abrupt end.

The other commission, which somebody has alluded to as "the foolish Duff commission" at least was short in its operations. It covered a very large amount of territory and did a great deal of work, and compared to previous commissions it was particularly cheap, as far as the financial cost of it goes,

and the results were very considerable. Not only was the report of some extent but, another peculiarity, the report was acted upon, a most unusual thing in the history of fisheries commissions in the past. I think the commission made a mistake in two somewhat unimportant items, but they were set right the next season. Otherwise, what was done was generally acceptable to the industry, and I think will prove of benefit to it. In case any members who were on that Duff commission, especially the gentleman who was associated with it as chairman, should feel discouraged, I might mention that the hon. gentleman in the Senate who produced this letter as evidence that the bill should not be passed, admitted in answer to a question that he had never read the report of the commission!

I just want to refer to the report to show why it was recommended that this bill, which is to reduce the license fees of canneries, should be put into effect. The commission reported as follows; I will give the substance.

A comparison of the fees charged for licenses on the Atlantic seaboard demonstrated that the British Columbia industry had been unreasonably overtaxed. The report then went on to point out that these fees were enormously increased in 1918, at the very peak of the high prices in the salmon industry, which ran down very badly from that time on. The return from British Columbia fisheries in 1918 was $14,000,000. In 1921 it had fallen to $5,900,000, considerably less than half.

Then there is the further point: These high licenses were put on more or less in consequence, practically, of a mistake, of an error. The policy of the department up to the year 1912, was that the number of canners' licenses should be restricted, and not only that the licenses for canneries should be restricted but also the waters in which they fished. So that the canneries got very often a complete monopoly of a very large area and could prevent any one else from fishing in that area. One gentleman on the west coast of Vancouver island had a monopoly of 200 square miles of fishing ground. Of course any one can see the advantage of that system to those who were engaged in the industry. But that system only prevailed up to the year 1912. After that the policy of restriction was departed from conditionally and in 1917 the canners were informed that thereafter the conditions would be removed entirely and that any one could fish in anybody's waters so to speak. The Sandford Evans Commission, who investigated the question in that year, recommended a reversion to the restrictive policy but with a stipulation. In return for the enormous monopoly that was going to be conferred on these people—because they were going to revert not only to the restriction of cannery licenses but also to the restriction of the area of waters in which fishing could take place so that it would be a very great advantage to those canneries then in existence—they recommended an increased tax on the principle that if the canners were going to get an enormous monopoly they should pay for the privilege. But fortunately or unfortunately as the case may be—fortunately I think—the department did not adopt the principle as regards restriction but they did adopt the principle of increasing the taxation which was hardly fair to those canneries which were in operation at the time; they did not get the quid pro quo which they were supposed to get in consideration of this enormous increase in taxation. I should like to point out that at that time the taxation on canneries was increased from $50 to $500, and there was a large taxation per case put on as well which would have yielded probably about the same. What is proposed in this bill, and what was recommended by the 1922 Duff commission, is not to cut off both those taxations but only one of them. They proposed to cut the license down but to allow the per capita tax to remain as it was.

There is another thing I should like to point out; Another reason why the commission of 1922 proposed to give the cannery men some reduction in the licenses was this: They had in several ways contracted the operations of the canneries and made it less profitable for them to operate, in the way of further conservation of the fish, and other changes of that character, and it was felt that it was only just to the cannery men, who were not in the most prosperous condition, to give them some compensation. I should also like to point out that the cannery industry differs from perhaps any other industry almost in the world in this regard. First the season is so short that the whole business of the year has to be conducted in a few weeks, or a few months at the most. Also the industry has been confronted for a number of years past with high costs ever increasing and an ever reducing output or catch. In any other business, for example in the making of motor cars, if a man went into that industry and invested his money with the intention of making, we will say, 15,000 motor cars in a year, subject to unforeseen circumstances, he would have a pretty good idea of the exact cost of each of these motor cars because he would know what it would cost to make

a certain quantity with given machinery and so on. But the very reverse is the case in the cannery business. You have to arrange beforehand, months beforehand, not for what you intend your pack to be but what you hope or trust it may be. I have known a cannery to provide for a pack of 15,000 cases and owing to conditions they could not possibly help—a poor run, a change of weather with a preponderance of rain or a lack of rain—experience a falling off. Instead of putting up 15,000 cases they were only able to put up 4,000 cases. Then, too, a large part of the expense is due to cans. These cans cannot be picked up in a five cent store at a week's notice. They have to be contracted for months if not a year ahead, and once delivered they must be used or they are practically lost—they rust and deteriorate before another season comes. The running expenses must also be provided for. A contract must be made with the men who run the cannery, or the operating part of it, for so many thousand cases perhaps six months before the run begins; and if the cannery only packs 4,000 cases although it had expected to pack ten or fifteen thousand cases they must pay on the larger basis because a contract cannot be made in any other way. And so they are confronted with the certainty of a large outlay although it is doubtful whether they will make a good catch or not. These are the reasons that make the cannery business so very uncertain on the coast.

I should further like to point out that in addition to the $500 license fee which they pay the Dominion government, the provincial government is kind enough to step in—why I do not know—and charge them $400 as well. In addition to that the Dominion government charge a per case tax of four cents and the provincial government charge a per case tax of three cents, the whole thing together averaging in the case of a very ordinary sized cannery a total as regards the two governments of something like $2,000 before they make a nickel for themselves, and utterly irrespective of the fact that they may sustain a heavy loss on their operations, that $2,000 has to be paid to the Dominion and provincial governments in any case. I would submit that this is an excessive burden. Again, the canners have to pay a sales tax on the output of their canneries; but if the fish are put in cold storage or sold fresh there is no sales tax at all. There is an additional burden which has to be paid by these men. I do not think that I can be accused in any way of being a representative of or special pleader for the cannery interests of British Columbia, but this is a case in which I think they are fully entitled to the relief which will be provided them by the provisions of this legislation. I think my hon. friend the member for Vancouver Centre (Mr. Stevens) will endorse my statement that many of the canneries are in a bad way. Many of them are more or less in deep financial waters and they are being sold out, or bought out by one or two other firms. At any rate they certainly are not in a prosperous condition to-day and they need all the assistance they can get.

11 p.m.

There is one more reason why I should like to urge the passing of the bill and it is this: At the present time the $500 tax on the operations of the cannery is levied whether you put up one case or 20,000 cases. This prohibits the man in a small way from operating at all. In support of this I should like to give a concrete case that is within my own knowledge. I was in the northern part of my district last fall and there was a large sound there, rather remote, which was full of fish at the time, but owing to the distance it had not paid any of the big canners to send their fishing boats there. The consequence was that it was full of fish which nobody was able to catch and the local fishermen there were unable to get any fishing. There was a small cannery there owned by a couple of returned men who had established a small business of putting up crab meat which can be done only in the winter months. Had they been able to avoid this heavy tax, they could have fixed their machinery to put up two, three or four hundred cases of salmon and this would have been a godsend to the local fishermen who would have had work for two or three months. They were unable to do this because they had to pay $900 before they put up a can which made the fee prohibitive. Had there been this per capita tax only and a small flat rate, they would have gone into the business and put up perhaps two, three or four hundred cases for the benefit of everybody in the neighbourhood and to the detriment of no one at all. I think in any case the license fee should be at least limited to the amount named in the bill, $20, up to a pack of 500 cases. This is, I think, more than sufficient justification for passing this legislation as it was passed last year.

Mr. STEVENS: I merely wish, very largely, if not wholly, to endorse the remarks of my hon. friend (Mr. Neill) which very adequately outlined the situation. May I point out just this one feature to the committee which in itself forms a justification for this bill? That is, when the original

heavy tax was imposed an exclusive area was allotted to each of the different canneries and reserved for that cannery. That has been done away with now and others may enter those areas and fish, thus removing the monopoly or the exclusive right and also at the same time, in my estimation, doing away with the justification for the heavy tax. This bill has my hearty endorsation.

Sir HENRY DRAYTON: It might help a good deal in the Senate if the minister were to give the concrete facts which were apparently lacking last year, just what loss of revenue this means and such information. I think perhaps the loss of revenue was rather exaggerated.

Mr. CARDIN: The loss of revenue will be about $29,000.

Mr. STEVENS: I do not think it would be fair to let that go in its rather unvarnished state. The loss of revenue from the reduction from $500 to $20 would be $29,000, but others, such as my hon. friend mentioned, would operate and they would put up a pack upon which a certain revenue would be received which must be deducted from the $29,000 loss.

Sir HENRY DRAYTON: How does the deficit stand now with reference to the Pacific fisheries?

Mr. CARDIN: The total expenditure of last year, 1923-24, was $385,877.89 and the total revenue was $122,435.24.

Sir HENRY DRAYTON: It is getting worse. What is the reason of that?

Mr. CARDIN: In 1922-23, the total expenditure was $403,992.84 and the total revenue was $223,656.57. It might be well to place upon Hansard a resolution which was adopted at a meeting of the Canadian Fisheries Association held in Montreal on the 4th of July. This resolution is reported by La Presse of Montreal and I will try to make a translation:

A resolution was adopted asking the Minister of Marine and Fisheries to do everything possible to reduce the amount of the license for salmon canneries in British Columbia.

Sir HENRY DRAYTON: What is the charge on the Atlantic now?

Mr. CARDIN: Unfortunately I have not the information before me now, but the charge is very small.

Sir HENRY DRAYTON: What are the figures as to the deficit on the Atlantic?

[Mr. Stevens.]

Mr. CARDIN: I have not the details here. I have only the details with reference to British Columbia.

Mr. STEVENS: The minister, I think, will also admit that the expenditure which he refers to covers all classes of fisheries and is not limited merely to salmon fisheries.

Mr. CARDIN: It covers all fisheries.

Section agreed to.

Bill reported, read the third time and passed.

FISHERIES ACT, 1914, AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Fisheries Act, 1914, and to provide,

1. Except as otherwise provided in the act, no one shall engage in the manufacture of fish meal, fertilizer, oil, glue or products of a similar character from fish, fish offal or marine animals, except under license from the minister.

2. That the annual fee on a license for the operation of an establishment for dry-salting herring in British Columbia shall be twenty-five cents on each ton or fraction thereof of dry-salted herring put up in the establishment during the season.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. CARDIN: The object of the first part of the resolution is this. We propose to change section 9, which reads:

In the province of British Columbia no one shall engage in the manufacture of oil or other commercial products from sea-lions, hair-seals, sharks or dog-fish, except under license from the minister.

Instead of limiting the manufacture to the products mentioned in this section, we propose to say that:

Except as otherwise provided in the act, no one shall engage in the manufacture of fish meal, fertilizer, oil glue or products of a similar character from fish, fish offal or marine animals, except under license from the minister.

Mr. STEVENS: What is the reason for this change in phraseology?

Mr. CARDIN: The explanation which has been given to me is that the reduction works are now being used for the conversion of other fish into fish meal and so on. Fish meal is an important food and this change is made in order that these plants should be under proper control. Under the previous section it was necessary to obtain a license only for the manufacture of oil or commercial products from sea-lions, hair-seals, sharks or

dog-fish. Now we propose that there shall be a license for the manufacture of fish meal and all products of any kind from fish, fish offal or marine animals generally.

Mr. STEVENS: Let us take the case of a concern which has a lot of waste material such as the heads and other parts of the offal of fish. Would they have to take out another license in addition to the cannery license if they had in connection with their cannery a fertilizer or reduction plant?

Mr. CARDIN: No.

Sir HENRY DRAYTON: What about the fee?

Mr. CARDIN: In section 19 of the amendment of 1922 the fee was based on a graduated scale: 50 cents per ton for a quantity not less than ten tons, and so on. Now we propose to make the fee a flat rate per ton.

Sir HENRY DRAYTON: Will there be a loss of revenue?

Mr. CARDIN: Without being definite, I may say that the information I have is that there will be no loss. This will simplify matters. Another amendment is intended to correct a clerical error in section 67.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 248 to amend the Fisheries Act, 1914.

Motion agreed to and bill read the first time.

Mr. CARDIN: I move that the bill be read the second time.

Motion agreed to and bill read the second time.

Mr. SPEAKER: When shall the House go into committee on the said bill?

Mr. CARDIN: At the next sitting.

SUPPLY

NATIONAL DEFENCE

The House in committee of Supply, Mr. Gordon in the chair.

National Defence—administration, $301,000.

Sir HENRY DRAYTON: I do not want to detain the minister but we had no notice that these estimates would come up. We could object, but I understand that the minister merely wants to have an item called so that he may get the supply.

Hon. E. M. MACDONALD (Minister of National Defence): Yes.

Mr. EVANS: I desire to bring to the attention of the committee a matter of general interest; I refer to the rights of parents and relatives to the bodies of those dear to them who were slain on the field of battle during the years from 1914 to 1918, and the question as to the power of the government to give to those desiring to do so permission to remove such bodies for final interment. The father of a boy who was slain at Passchendaele located the body of his son in the fall of 1920 and after having unmistakably identified it he placed it in a coffin and buried it in Tyne Cot cemetery at Passchendaele pending completion or arrangements to bring it home to Canada. I will read a paragraph or two of his own words. He says:

> After my return to London I went to see Sir George Perley, and on reference from him, went to the Imperial War Graves Commission, but could not get consent to bring the body home. Thereupon I consulted a solicitor in England who assured me that the question of the control of the body of a soldier in France and Belgium had been taken up in the House of Commons in England and that parliament had decided that parents had control of the bodies of their sons killed overseas. Whereupon I took on my own account to bring the body home. I appointed Lieutenant Colonel Cawston, an officer in uniform in the Imperial Army, my attorney under power of attorney to ship the body home. Lieut-Colonel Cawston proceeded to do his work and as I learned from him afterwards he brought the body as far as Antwerp and placed it in a morgue in a properly sealed metallic casket awaiting the sailing of the boat. However, before the expected boat arrived the Imperial War Graves Commission instructed the Belgian police to remove the body from the morgue and bury it. They did so and the body I believe is now where they buried it in a cemetery outside Antwerp. We made two trips as above indicated and succeeded in locating the body, laid out considerable money and had all but completed our task when we were so heartlessly interrupted. If the advice of the lawyers is correct the Imperial War Graves Commission had no authority to take the body from us and some person has shockingly exceeded his authority, causing immense pain, suffering and sorrow to my wife, my daughter and myself.

I believe, Sir, that the whole matter rests with the Imperial War Graves Commission. In their agreement with the Belgian government the following article appears:

> Exhumation of bodies buried in cemeteries or military graves with a view to their transport to the United Kingdom or to another part of the British Empire should only take place in agreement with the Imperial War Graves Commission.

The Belgian government has instructed its burgomasters to refuse all applications for permission to remove these bodies unless preferred through the commission. So I request that the government seek such authority from the Imperial War Graves Commission for the removal of bodies under circumstances such as I have described.

Mr. MACDONALD (Pictou): Mr. Chairman, the case to which my hon. friend has called attention is rather a peculiar one; the father is obsessed with the idea that the body of his son should be brought home to Canada. The rule which has been applied by all administrations, including the administration in Great Britain, is that the bodies of those who died in France should remain buried there. While one can understand that fathers and mothers may desire to bring home the bodies of their boys—and that is the case with the gentleman to whom my hon. friend refers—to grant such permission would be in violation of the agreement which has been made among the various governments. I think the well-considered sense of the country has been that the proper course was that followed by the government of the day—to leave the bodies of our boys where they fell. To inaugurate any other course would mean at once a demand for an immense expenditure by Canada and by other countries engaged in the war to bring home the bodies of their slain. After all I think this would not be advisable. The gentleman of whom my hon. friend speaks has brought this matter before every minister of my department since the war, and he is evidently obsessed in this regard to a degree greater than most men. I will not go into the circumstances, because he and Lieutenant Cawston acted in a way which brought about Cawston's arrest by the Belgium government. I think the House and the country will agree with me that the proper position to take is that the sons of Canada who fell in the Great War should lie where they are until the resurrection morn.

Mr. GRAHAM: Mr. Chairman, like most of those whose sons were lost overseas, I had a very strong desire to bring the body home. I went to London, examined all the plans that were being prepared for the cross of sacrifice, for the headstone, and for the cemeteries, and I gave an interview of about a dozen lines and cabled to the then government that in my opinon if the boys could be consulted they would say: "Let us lie where we finished our day's work beside our chums." I believe that is the proper course to follow. Their graves mark the sacrifice of men from all parts of the Empire, and are a record of what the men of Canada accomplished side by side with men from other parts of the Empire and their allies, and will witness to future generations just what kind of a race Canadians belong to. The history of Canada and of the Empire cannot be fully recorded unless the bodies of our boys are left where they fell to form part of that history.

[Mr. Evans.]

Mr. POWER: Mr. Chairman, I understand that after the war our neighbours to the south decided that the bodies of their soldiers who fell in France should be brought back to the United States. After considerable trouble and a great deal of expense some were brought back; I do not know how many. I remember reading in the newspapers that those bodies were transported to New York, but many of them had to be buried somewhere in the vicinity because no one came to claim them. The experiment was not successful.

Mr. EVANS: Mr. Chairman, I appreciate the force of the arguments of the hon. Minister of National Defence (Mr. Macdonald) and of the hon. Minister of Railways (Mr. Graham). Two of mine were at the front, but luckily they came back. I can understand the feelings of parents whose sons were slain. I hope this case is ended once for all, and that the parents will see the force of the arguments we have listened to. For myself, I abide by the decision.

Progress reported.

CANADA SHIPPING ACT AMENDMENT

Hon. JAMES MURDOCK (Minister of Labour) moved the second reading of Bill No. 216 to amend the Canada Shipping Act, to give effect to certain draft conventions adopted by the International Labour Conference of the League of Nations.

Motion agreed to and bill read the second time.

Mr. MURDOCK moved that the House go into committee thereon.

Sir HENRY DRAYTON: I would point out, Mr. Speaker, to my hon. friend leading the government (Mr. Graham) that while this is only one little bill, it is a long one to move into committee at this hour of the night.

Mr. MURDOCK: The apparent length is due to the four conventions being included in the schedule.

Sir HENRY DRAYTON: Perhaps we can shorten it. Is there anything in this bill other than what we have already discussed under this resolution?

Mr. MURDOCK: Nothing whatever.

Mr. SPEAKER: It is understood that the two resolutions are embodied in the one bill.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

On section 2—"child;" "ship;" "young person."

Sir HENRY DRAYTON: Is there anything in the act as drawn which does anything except follow the convention?

Mr. MURDOCK: Not anything.

Section agreed to.

Bill reported, read the third time and passed.

On motion of Mr. Graham, the House adjourned at 11.35 p.m.

Thursday, July 10, 1924.

The House met at three o'clock.

REPORTS OF COMMITTEES

MISCELLANEOUS PRIVATE BILLS

Mr. H. B. McGIVERIN (Ottawa) presented the eighth report of the select standing committee on Miscellaneous Private Bills.

NATIONAL RAILWAYS AND SHIPPING

Mr. W. D. EULER (North Waterloo) presented the fifth and final report of the select standing committee on National Railways and Shipping, as follows:

Your committee to which was referred for consideration and for report to the House, the estimates of the Canadian National Railways and the Canadian Merchant Marine, held fifteen meetings in the course of which it examined sundry witnesses including: Sir Henry Thornton, K.B.E., President and Chairman of the Board; Major Graham A. Bell, C.M.G., Deputy Minister of Railways and Canals; Gerard Ruel, K.C., Vice-President and General Counsel; W. D. Robb, Vice-President in charge of insurance, lands, express, telegraphs, colonization, development, and so forth; C. B. Brown, Chief Engineer, operation department; R. L. Fairbairn, Manager, passenger service bureau; T. H. Cooper, General Auditor, and R.A.C. Henry, Director, bureau of economics.

In connection with its consideration of the estimates, your committee made careful examination of the annual report, both of the Canadian Government Merchant Marine and Canadian National Railways. Our conclusions and recommendations with respect to the Merchant Marine have already been reported to the House.

Considerable evidence was adduced in regard to the purchase by the management of the Canadian National Railways of a property in Paris, from which it appears that the sum expended to April 30, 1924, amounts to about $2,600,000 in Canadian currency. If the property is retained, the remodelling of the building for office purposes is estimated to cost from $400,000 to $700,000 in addition, this amount depending upon the requirements of prospective tenants.

The evidence indicates that the management is of the opinion that adequate quarters in Paris are desirable and that its action in acquiring the property was legal. From the evidence given before the committee, it appears that the price paid was not in excess of its value and that rental values in this section of Paris are increasing.

The evidence further indicates that the management of the Canadian National Railways did not originally propose to make a large capital investment in Paris real estate; therefore, if it can be done advantageously and adequate quarters for the purposes of the Canadian National Railways retained, your committee is of the opinion that this property might be sold, so as to reduce capital investment.

Your committee is of the opinion that the acquisition or sale of property for railway purposes, involving large sums of money, ought not to be possible except by authority of order in council previously obtained.

Your committee reviewed, so far as time permitted, the operating statements of the company and, on the evidence adduced, is of the opinion that the customary and necessary maintenance of the permanent way, structures and equipment has not been slighted, but that the general standard of the company's physical property has been improved.

In regard to the transport of His Majesty's mails, the evidence submitted indicates that there is at present an unequal distribution of mail services between the different railways—in some instances resulting in inferior service to the public. Your committee feels that adequate mail service is of paramount importance in the public interest and should take preference over the interests of any railway. Your committee suggests that the government take steps to review the whole question as to the transport of mails throughout Canada in order that an equitable distribution may be effected.

Item No. 137 of the estimates before the House provides for an amount of $56,000,000 to meet expenditures by the company for the coming year on the following accounts:—

	1924-25	1923-24
(a) Interest on securities notes and other obligations; also, rentals for lease of lines..	$18,745,639 58	$22,609,260 34
(b) Equipment principal payments, sinking fund-miscellaneous maturing or matured notes and other obligations secured or unsecured.. ..	5,867,633 33	8,507,699 33
(c) Operating income deficit whenever incurred or ascertained..	1,467,138 48	10,400,000 00
(d) Construction and betterments, including coordination, acquisition of property and purchase of equipment..	29,919,588 61	33,033,040 33
	$56,000,000 00	$74,550,000 00

From the evidence given your committee feels that the amounts asked for are necessary for the purposes of the company during the coming year and should be granted.

Your committee suggests that in regard to all matters relating to immigration and colonization the Canadian Pacific and Canadian National Railways be invited to co-operate as closely as possible with each other and with the departments of the government concerned with such matters.

Your committee desires to direct the attention of the government to the apparent unnecessary competition and duplication of services between important centres by the Canadian National and Canadian Pacific railways and to suggest that the railways be invited to consider the whole question with a view to the elimination whenever possible of unnecessary duplication and

competition, so as to conserve the revenues and resources of both companies while still rendering adequate service to the public.

Your committee is of the opinion that the capital sum upon which interest charges are now computed in making up the annual income statements of the Canadian National Railways is excessive and desires to suggest that the government give early consideration to the feasibility of reducing same.

Your committee desires to direct attention to the following remarks of the president of the Canadian National Railways upon the completion of his examination by the committee:

"It is, in my judgment, quite essential that there should be some vehicle of discussion and communication between the administration of the railway system and the representatives of the shareholders, who are the people of Canada, and those representatives are, of course, members of the Dominion Parliament. Now, all of the discussion we have had, from my point of view, has been extremely illuminating, has been of great assistance, and I only hope that some method will be provided of enabling the administration to discuss with some suitable body of the House the various questions with respect to which there may be misunderstandings. I hope that something will be done to provide a vehicle of that sort. As far as the members of this committee are concerned, although presumably their duties and responsibilities will end with the report, and the adjournment of the House, still I should like very much to be in a position to discuss from time to time, not only this year, but in subsequent years if I am here, matters which affect the people of Canada, and their railway system, and discuss these matters with the accredited representatives of the people, who are necessarily members of the Dominion Parliament."

Your committee desires to lay on the Table of the House a copy of the evidence and of certain statements requested of attending officials, which have been printed with the evidence. In doing so the committee desires to record its appreciation of the assistance and co-operation of such representatives of the Canadian National Railways and Shipping as appeared before it.

Your committee wishes to point out that it did not commence to function until June 17th, and the review of the estimates and annual statement was necessarily limited.

Your committee begs to recommend that its proceedings, together with the evidence taken, be printed as an appendix to the Journals of the House and that rule 74 be suspended in connection therewith.

All of which is respectfully submitted.

W. D. EULER,
Chairman.

Mr. EULER moved:

That in accordance with the recommendation contained in the fifth report of the select standing committee on National Railways and Shipping, the proceedings of that committee, together with the evidence taken, be printed as an appendix to the Journals of the House, and that rule 74 be suspended in connection therewith.

Motion agreed to.

BANKING AND COMMERCE

Fifteenth and sixteenth reports of the select standing committee on Banking and Commerce—Mr. Vien.

[Mr. Euler.]

BUSINESS OF THE HOUSE

MORNING AND SATURDAY SITTINGS

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I beg to move:

That on and after Saturday, the 12th day of July instant, until the end of the present session, the House shall meet at eleven o'clock in the morning of each day except Sundays, and that in addition to the usual intermission at six o'clock, p.m., there shall be also, an intermission every day from one to three o'clock, p.m., and that the various committees of the House be at liberty to sit during the sessions of the House, and that on Saturdays the procedure and order of business be the same as on Friday.

Mr. W. A. BOYS (South Simcoe): Mr. Speaker, when the Prime Minister (Mr. Mackenzie King) made this motion yesterday I thought that possibly the importance of the day had been unintentionally overlooked, and that on this being brought to their attention the government would let us have this Saturday free. Many of us, without the slightest thought of the day being taken, have made engagements. We would like to keep them, and I think it is unfortunate that at such short notice this should be selected as the first day on which to begin morning sittings. I would also remind the leader of the House (Mr Graham) that it is not usual to resort to morning and Saturday sittings until we are in sight of prorogation. Now we may or may not be in sight of it—I think every member knows what I have in mind when I say that—and I would again suggest that morning sittings be deferred until Monday.

Some hon. MEMBERS: No.

Mr. GRAHAM: Of course, Mr. Speaker, we are in the hands of the House as to what ought to be done. I thought all the members were very anxious to get home,—

Mr. McBRIDE: So we are.

Mr. GRAHAM: — and we had arranged for a very short council meeting on Saturday in order that we might not be absent from the House. We thought we were really voicing the sentiments of the vast majority of members that we should meet on Saturday.

Mr. BOYS: The Prime Minister stated yesterday that the House would rise at six o'clock on Saturday, so the sitting would only be about five hours.

Mr. GRAHAM: There is no intentional slight on the day, for we worked hard on the First of July. I know parliament would excuse those members who have made engagements, and we have tried to arrange the programme so as not to take up any business

which would embarrass them on account of their absence from the House. But we are in the hands of the House; we will do whatever members say.

Some hon. MEMBERS: Carried.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Will the leader of the House say whether or not the government has yet decided to bring down legislation for a vote of money to the Home Bank depositors?

Mr. GRAHAM: The government has that under consideration. I should not like to make any further statement in the absence of the Prime Minister.

Mr. SPEAKER: Before discussing that subject we might dispose of the motion before the House.

Mr. MEIGHEN: It is because of something I wish to say on the motion that I asked the question. The government, not yet knowing what its own legislation is to be, not yet knowing whether it is to bring down one of the most important pieces of legislation of the session, and before all legislation is on the order paper, and before we are able to fix the date for prorogation, asks that we sit morning, noon and night every day of the week. Parliament cannot adequately perform its functions in that way. The request is unprecedented. The government that proposes this motion called parliament for March 1, or rather we did not get down to business until that date, the mere formal opening taking place on February 28. This is in very startling contrast with all the promises by my hon. friends opposite some time ago. But, worse than that, it is not right; it is not just to parliament; it is not just to the members, for we cannot perform our functions under circumstances such as these.

Mr. H. C. HOCKEN (West Toronto): Mr. Speaker, according to the Prime Minister, no business of what he terms a contentious character is to come up on Saturday; it is to be a sitting during which nothing of any importance is to be dealt with. The leader of the House (Mr. Graham) intimated something to the same effect in answer to my hon. friend from South Simcoe (Mr. Boys). Under these circumstances it seems to me we might very well adjourn on Friday night and not sit on Saturday. I do not think the fact that we sat on the First of July is an excuse for sitting on Saturday. I do not think the House should have sat on the First of July; it did so in the face of the protest of my right hon. leader (Mr. Meighen). If the leader of the House undertakes to put that as a precedent or give that as an excuse for beginning Saturday sessions this week, I do not think he is on very strong ground. It looks very much as though the motion to sit on Saturday was deliberate.

Some hon. MEMBERS: Oh, no.

Mr. JACOBS: I wish to protest against sitting on Saturday, on the ground of religious scruples.

Mr. GRAHAM: Surely the hon. member for West Toronto (Mr. Hocken) is not serious in saying that I would take it upon myself—because I do not speak for anybody else—to have the House sit on his glorious day, the twelfth of July. Why, we would not do a thing to interfere with the happiness of the memory of King William. If there is strenuous objection to meeting on Saturday the government want to be reasonable, but we do want to get through with the session. Every time we try to speed up we are asked to speed backward. We want to meet the wishes of the House, but we want to impress upon the House that it is necessary to speed up if we are not to be here all summer.

Mr. T. G. McBRIDE (Cariboo): Mr. Speaker, I think it is the wish of the House that we do meet on Saturday. We from the West who have been here now since the middle of February think it is about time we should be getting home. We are here to do the business of the country; let us sit and do it.

Mr. THOMAS VIEN (Lotbiniere): If we were to agree, no matter how much we desired to comply with the wishes of the hon. member, to adjourn for the twelfth of July, we should also have to agree to adjourn on the seventeenth of March and on the twenty-fourth of June.

Mr. BOYS: We are asking that we adjourn not on account of its being the twelfth of July, but because it is Saturday and we have not been sitting on Saturday.

Mr. VIEN: It is because it is the twelfth of July, I am sure; if it were not the twelfth of July my hon. friend would surely be willing to sit and expedite the business of the House. It is suggested that in order to be agreeable to my hon. friend we should not sit on Saturday the twelfth of July, that he may be enabled to make some of those speeches which have been referred to on several occasions in the past, and that hon. members may be enabled to pass resolutions which are not very complimentary to members on this side. In those resolutions they were requesting—

Mr. SPEAKER: Order. There is a motion before the House, and I would appeal to the good sense of hon. members not to introduce subjects which do not bear upon that motion. The question is whether or not the House shall sit on Saturday.

Mr. VIEN: Am I in order in speaking on the motion?

Mr. SPEAKER: The hon. member is surely not in order in referring to resolutions passed on the twelfth of July. That has nothing to do with it.

Mr. VIEN: Am I in order in referring to the question of sitting on Saturday next, which is the twelfth of July? If my hon. friends say that the House should adjourn on the twelfth of July, a thing which I would be agreeable to do were it not that we have reached so late a stage in the session, then would it not also be necessary out of courtesy to our Irish friends to adjourn on the seventeenth of March, and out of courtesy to French Canadians to adjourn on the twenty-fourth of June?

Mr. BOYS: So we will, when it is Saturday.

Mr. VIEN: And out of courtesy to all Canadians we should adjourn on the first of July. But if we can best serve our country and discharge the duties of our office by sitting on the seventeenth of March, the twenty-fourth of June and the first of July, I do not see any reason why we should not expedite the work of the House by sitting next Saturday.

Mr. GRAHAM: If I may be permitted, Mr. Speaker, I should be sorry to have the discussion proceed in such a way that we would be cross at each other with regard to the motion now before the House. If the twelfth of July were on Friday I would not submit for a moment to adjourning on the twelfth of July under the circumstances.

Mr. BOYS: You would not be asked to.

Mr. GRAHAM: I think possibly I would not.

Mr. MEIGHEN: You never were.

Mr. GRAHAM: I do not know that I ever sat here on the twelfth of July before.

Mr. MEIGHEN: Oh yes, many a time.

Mr. GRAHAM: Perhaps under all the circumstances we had better make it Monday, if the House is agreeable. There is this about it, I may say in confidence: If any group in the House did not want to let us do business on Saturday we could not do much, because they have some marathon talkers over in that corner. I think we had better change that and make the motion read Monday instead of Saturday. That will expedite business.

Mr. SPEAKER: By leave of the House the motion is amended to read as follows:

That on and after Monday the 14th day of July instant, until the end of the present session, the House shall meet at eleven o'clock in the morning of each day except Sundays, and that in addition to the usual intermission at six o'clock, p.m., there shall be also, an intermission every day from one to three o'clock, p.m., and that the various committees of the House be at liberty to sit during the sessions of the House, and that on Saturdays the procedure and order of business be the same as on Friday.

Motion as amended, agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 243 (from the Senate), to incorporate Joliette and Northern Railway Company.—Mr. Denis (Joliette).

Bill No. 244 (from the Senate), for the relief of William Smith Scott.—Mr. Clifford.

Bill No. 245 (from the Senate), for the relief of Rebecca Smolkin Koffler.—Mr. Martell.

Bill No. 246 (from the Senate), for the relief of Earl James Sharpe.—Mr. Jacobs.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CHINESE IMMIGRATION

Mr. NEILL:

1. What is the total number of Chinese registered at the close of the period allowed for registration, June 30 last, under the provisions of the Chinese Immigration Act of 1923?

2. Are there any number of Chinese who have not registered?

3. What was the Chinese population of Canada as shown by the last census returns?

4. Since the census was taken, what number of Chinese have (a) entered Canada; (b) left Canada; (c) died in Canada; and (d) been born in Canada?

Hon. Mr. ROBB:

1. 48,331; returns incomplete.

2. Some will undoubtedly fail to register.

3. 39,587.

4. (a) 2,817; (b) 1,124 registered out of Canada and did not return; (c) and (d) According to figures compiled by the Dominion Bureau of Statistics 292 Chinese died in Canada in the calendar year 1921 while the births numbered 295. In the calendar year 1922 there were 306 deaths and 346 births;

1923 returns not available. The figures for 1921, showing the Chinese population at the time of the census, include the births which took place during the first five months of that year but do not, of course, include the deaths during the same period.

PAYMENTS TO TORONTO GLOBE

Mr. CHAPLIN:

Referring to the question asked as follows, and answered July 4th—

"What amount was paid by the Canadian National Railways to the Globe Newspaper Company for a full page advertisement that appeared in that paper during the month of December, 1923, or the month of January, 1924?

and the answer given, viz.: $488.

How many times did the advertisement referred to appear in the Globe newspaper?

Hon. Mr. GRAHAM:

Once. Edition in question was 14th Annual Financial Survey which appeared Wednesday, January 2, 1924.

Mr. CHAPLIN:

Referring to the question asked as follows and answered July 3rd:

"What amount was paid by the Department of Trade and Commerce to the Globe Newspaper Company, of Toronto, for a full page advertisement that appeared in that paper during the month of December, 1923, or during the month of January, 1924?"

and the answer given, $488, reprints, $15.90—

How many times did the advertisement referred to appear in the Globe Newspaper?

Hon. Mr. GRAHAM: Once.

BIC—PROPOSED TUNNEL

Mr. DOUCET:

1. Has a petition been presented, signed by the electors in Rimouski County, requesting the government to open a tunnel across the railway line at Bic?

2. If so, is it the intention to grant the request contained in the petition?

Hon. Mr. GRAHAM: A petition was received in December, 1922, from the residents at Bic asking that a new crossing be constructed at a point where an overhead bridge would be possible. The General Manager, Canadian National Railways, Eastern Lines, went into the matter and reported that the traffic over the crossing was light; that the crossing was protected by an electric bell, and under the circumstances the management could not provide an overhead crossing unless the municipality was prepared to assume a proportion of the cost.

PETITE RIVIERE POSTMASTER

Mr. HANSON:

1. Who is at present holding the position of postmaster at Petite Rivière, Lunenburg county, Nova Scotia?

2. Is it the intention of the government to make any change in the incumbent of this office?

3. If so, what are the reasons for such change?

4. Have any charges been laid against the present postmaster?

5. If so, is an investigation being held?

Hon. Mr. STEWART (Argenteuil):

1. F. H. Jodrey.

2. Yes.

3. More convenient site.

4. No.

5. Answered by No. 4.

WAINWRIGHT PARK BUFFALO

Mr. HANSON:

1. Was a contract given for slaughtering of Buffalo at the Wainwright Park?

2. Were tenders called for?

3. If so, from whom were tenders received and what was the amount in each case?

4. If no tenders were called for, what was the reason for departing from the tender system?

Hon. Mr. STEWART (Argenteuil):

1. Yes.

2. No.

3. Answered by No. 2.

4. The slaughtering of these wild animals is a difficult matter as the killing must be done on the open range. They also require special handling to ensure the meat and the heads and hides being in first-class condition for market. The year preceding, Mr. A. S. Duclos, of Edmonton, carried out an experiment for the Department of the Interior in the slaughter of two hundred and fifty of these animals. Mr. Duclos carried out this work very satisfactorily. He is the only one who has had experience in slaughtering buffalo on a large scale. He also has several years' packing house experience.

CANADIAN NATIONAL RAILWAYS—MAIL CAR DESTROYED

Sir. HENRY DRAYTON:

1. Was a storage car containing mail attached to a Canadian National Railway train destroyed by fire, in whole or in part, at or near Mallorytown, Ontario, on the night of the 26th or morning of the 27th of February, 1924?

2. If so, to what extent was the mail in the storage car destroyed or damaged in consequence of the fire?

3. What became of the mail that was partly destroyed?

4. Did the storage car contain any first-class or letter mail?

5. If so, was any portion of the first-class mail destroyed or damaged?

6. What did the storage car mainly contain?

7. Was an investigation held to determine the origin or cause of the fire?

8. Did the fire originate in consequence of collision or outward interference of any kind?

9. If an investigation was held, by whom was it conducted?

10. Did the Post Office Department officers hold an inquiry? If so, with what result?

11. Did the fire originate inside of the car?
12. What amount of insurance or indemnity has been paid by the Post Office Department on parcels—insured—contained in the car in question?
13. Have all the claims for indemnity alluded to in preceding paragraph been paid?
14. If not, why?
15. Was the full indemnity paid on parcels which were destroyed only in part, i.e., the full value of the parcel as claimed by the sender?
16. Has the cause of the fire been definitely determined, and if so, what was it?

Hon. Mr. STEWART (Argenteuil) (for the Postmaster General):

1. Yes.
2. Approximately three-fifths of the mail was destroyed or damaged.
3. Mail matter partly destroyed was sent to destination where possible; the balance was sent to the Dead Letter Office awaiting claim.
4. No.
5. Answered by No. 4.
6. Principally parcel post mail and news matter.
7. The department understands that inquiry was made by the railway company, but is awaiting official information from the company.
8. Answered by No. 7.
9. Answered by No. 7.
10. The Post Office department has no jurisdiction.
11. Answered by No. 7.
12. $579.15 has been paid in actual claims to date.
13. Yes.
14. Answered by No. 13.
15. Indemnity was paid in each case for actual loss sustained. Indemnity was not paid for any portion of mail matter remaining intact.
16. Answered by No. 7.

STEAMSHIP PETREL

Hon. Mr. STEVENS:

1. Did the government call for tenders for the purchase of steamship Petrel, Vancouver, about two years ago?
2. If so, was a bid of $12,200 received, was this the highest bid and was same accepted?
3. Did the government call for tenders in 1923 for the purchase of the said steamship Petrel, was a bid received for $12,515, was this bid accepted or rejected, and if rejected, on what grounds?
4. Is it the intention of the government to again call for tenders for the purchase of this vessel? If so, when?

Hon. Mr. KING (Kootenay):

1. Yes.
2. Yes, but the bid was not accepted.
3. Yes, tenders were called for in 1923, and a bid of $12,515 was received, but was not accepted as the amount was not considered large enough.
4. It is not the present intention to dispose of this tug.

CANTEEN FUNDS

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, on behalf of my colleague, the Minister of Soldiers' Civil Re-Establishment (Mr. Beland), I desire to give notice that to-morrow the House will be asked to go into committee on the resolution standing in his name under Government Notices of Motions. I desire to say that His Excellency the Governor General has been advised of the contents of this resolution, and recommends the same to the favourable consideration of the House.

Mr. SPEAKER: Shall I dispense with the reading of this resolution?

Mr. MEIGHEN: I do not see much value in dispensing with everything. We all have to read this anyway.

Mr. SPEAKER: The resolution is as follows:

Resolved, that it is expedient to bring in a measure to provide for the distribution of the Canteen Funds by distributing the same as follows:—

(1) The sum of $20,000 to be held for payment of any outstanding accounts;

(2) The sum of $100,000 to be paid to a Central Board of three trustees appointed by the Governor in Council, without remuneration, to be used in such amounts and such manner as it may deem best for the maintenance and assistance of an adjustment service and bureau for the benefit of ex-service men and their dependents;

(3) The sum of $50,000 to be paid to the United Services Fund of Great Britain, and the sum of $50,000 to be paid to the American Red Cross, to be used by them, respectively, in such manner as they deem proper for assistance in specially meritorious cases of ex-members of the Canadian Expeditionary Force who have served in France or England, and their dependents, resident in Great Britain or the United States, as the case may be, and who are in genuine distress;

(4) The residue of the Canteen Fund to be divided into nine provincial allotments in the proportion indicated by the following percentages:—

	Per cent
Alberta	7.346
British Columbia and the Yukon	10.286
Manitoba	10.702
New Brunswick	4.203
Nova Scotia	6.439
Ontario	41.641
Prince-Edward Island	.857
Quebec	12.718
Saskatchewan	5.808
	100,000

(5) The provincial allotments to be paid to a Provincial Board of Trustees, appointed by the Lieutenant-Governor in Council in each province, without remuneration, empowered to receive and hold the

provincial allotment and to ascertain the wishes of those interested and residing in the province concerning the disposition of such allotment and to determine the object to which the allotment should be devoted, and to administer the same for such object or to provide for such administration by others, and to do such other things as may be indicated in the order in council appointing them. The expenses in connection with the trust to be a charge on the allotment.

Mr. SPEAKER: Shall I read it in French?

Some hon. MEMBERS: Dispense.

Mr. THEODORE GERVAIS (Berthier): Read it in French. We will maintain our rights.

Mr. SPEAKER:

La Chambre est d'avis qu'il y lieu de soumettre une mesure pourvoyant à la répartition des fonds de cantine comme suit:

1. La somme de $20,000 à retenir pour payer les comptes en souffrance s'il en est;

2. La somme de $100,000 à payer à un bureau central de trois syndics nommés par le gouverneur en conseil, sans appointements, et devant servir selon les sommes et la façon qu'on jugera opportunes pour le maintien et l'assistance d'un service et bureau de règlement au profit des anciens soldats et de leurs familiers;

3. La somme de $50,000 à payer aux Fonds des services unis de Grande-Bretagne, et la somme de $50,000 à payer à la Croix-Rouge américaine, pour qu'ils l'emploient respectivement de la façon qu'ils jugeront opportune en vue d'assistance dans les cas méritoires signalés chez les anciens membres de la troupe expéditionnaire canadienne qui ont fait du service en France ou en Angleterre, ou chez leurs familiers, et qui demeurent en Grande-Bretagne ou aux Etats-Unis, selon le cas, et qui se trouvent dans une misère réelle;

4. Le reliquat des fonds de cantine sera divisé en neuf allocations provinciales, dans la proportion indiquée par les pourcentages suivants:

	Pour cent
Alberta	7.346
Colombie-Britannique et Yukon	10.286
Manitoba	10.702
Nouveau-Brunswick	4.203
Nouvelle-Ecosse	6.439
Ontario	41.641
Ile du Prince-Edouard	.857
Québec	12.718
Saskatchewan	5.808
	100.000

5. Les allocations provinciales à payer à un bureau provincial de syndics nommé par le lieutenant-gouverneur en conseil dans chaque province, sans rémunération, aura pouvoir de recevoir et détenir l'allocation provinciale, et de s'assurer des désirs des intéressés domiciliés dans la province sur la disposition de l'allocation susdite, et de déterminer le but dans lequel l'allocation sera utilisée; d'administrer l'allocation à ces fins, ou pourvoir à l'administration par d'autres, et de faire les autres choses qui pourront leur être indiqués dans l'arrêté ministériel qui les nommera. Les frais relatifs à cette fiducie sont imputables à l'allocation.

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): I direct the attention of the government to some questions I placed on the order paper which were partially answered on April 2. Two of them related to dismissals for political partisanship, an investigation having been held by Thomas R. Mayberry. The following were among the questions asked:

What investigations have been made by Mr. Mayberry since appointment?

What remuneration has been paid or promised to Mr. Mayberry?

The reply to the questions contained these statements:

Charges of political partisanship preferred against James T. Shields, Augustus Blackburn and John Waldroff, employees on the Cornwall canal.

Mr. Mayberry has been paid the sum of $188.75.

I was certain that the information contained in these answers was not correct. Accordingly I placed further questions on the order paper asking for information, and the questions were passed as orders for returns. Three of these returns have been brought down, one of them having been tabled to-day. I am satisfied, therefore, that the information given in the answers referred to is not only not correct but it is absolutely misleading. I am referring to this case because it is not the first time this has happened this session in connection with questions which I have placed on the order paper. I should like to know from the government whether they will see to it that these particular questions are answered correctly and that the desired information is brought down.

Hon. CHARLES STEWART (Argenteuil) (Acting Postmaster General): The information with respect to three of the questions came from the Post Office Department. The other answer had reference to the Department of Railways and Canals.

Mr. SUTHERLAND: Three of the investigations dealt with by the returns brought down are not referred to in the answers previously given at all. I repeat, those answers are entirely misleading; in fact they cannot be considered as answers at all. I ask the government whether they will see to it that the correct information is brought down in connection with all these questions.

Mr. STEWART (Argenteuil): I shall be very glad to ascertain the facts in connection with the information desired from the Post Office Department. I had assumed that all the information had been brought down as regards that department. The remainder of the information sought for by my hon. friend relates to employees of the Department of Railways and Canals.

Mr. SUTHERLAND: The minister's statement does not alter the fact. I asked:

What investigations have been made by Mr. Mayberry since appointment?

Now, the appointment was made in January, 1923, and the answers so far given do not relate to the three investigations as to which returns have been tabled by the minister this week. Consequently the answers alluded to must have been absolutely incorrect and misleading.

Mr. STEWART (Argenteuil): Is there any complaint about the information that I have tabled?

Mr. SUTHERLAND: None whatever. What I complain of is that I put these questions at a sufficiently early date in the session to get correct answers, which I have not got. Had correct answers been forthcoming when they were sought it would not have been necessary to move later on for returns on the subject.

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. W. C. GOOD (Brant): Could the government inform the House as to when they intend to proceed with the alternative vote bill?

Hon. Mr. GRAHAM (for the Prime Minister): My answer would have to be, No.

Mr. ARCHAMBAULT: On the twelfth of July.

SUPPLY

DEPARTMENT OF FINANCE

The House again in committee of Supply, Mr. Gordon in the chair.

Offices of the Assistant Receivers General—
Salaries.. .. .. $118,000
Contingencies.. 15,000

Mr. STEVENS: This would be a suitable time for me to bring to the attention of the minister the question of an assistant receiver general's office in the city of Vancouver, and I shall occupy but a moment in doing so. The matter has been brought to the attention of the Minister of Finance on many an occasion before, and I will take this opportunity of again renewing the request. The situation as it now rests is, that there is an assistant receiver general in Victoria. I am not offering any criticism of that whatsoever, but I point out that the great bulk of the business, financially and otherwise, is done at the city of Vancouver; whenever the banks, or other parties, have business with the assistant receiver general they must go to Victoria by boat and there transact that business. I cannot give the exact figures, I do not happen to have them under my hand, but I venture to say that a very substantial proportion of the business emanates from Vancouver on the mainland. Has the minister given consideration to the request made by the banks and others, that an office for a receiver general should be located at Vancouver in order to facilitate the transaction of business?

[Mr. Sutherland.]

Hon. J. A. ROBB (Acting Minister of Finance): I may say frankly to my hon. friend that representations such as he has made have been presented to us a number of times, and the department are inclined to agree with those who say the office should be in Vancouver because of the greater volume of business at that city. The question is now under consideration.

Mr. TOLMIE: Does that mean that the minister proposes to move the office from Victoria?

Mr. ROBB: No. I should not like to get into a controversy between my two genial friends—the one representing Vancouver and the other representing Victoria; I should like to please them both. However, we must endeavour to do business economically. I will look very carefully into the matter in order to see if the office in Victoria has sufficient business to warrant its continuance there. I gather that my hon. friend (Mr. Tolmie) is opposed to removing the office from Victoria. He has very strong support in some of my own political friends who live in that city.

Mr. TOLMIE: I quite appreciate what the minister says. While I do not object to an office being opened in Vancouver for the convenience mainly of the Vancouver people, the other office has been established in Victoria for many years. Victoria is the capital of the province, and I think an office should be maintained there.

Mr. MACLEAN (York): If this office is removed to Vancouver, will a government savings bank be established there?

Mr. ROBB: There is a post office savings bank in Vancouver now.

Mr. MACLEAN (York): Is there a government savings bank?

Mr. ROBB: Yes, there is, in one of the cities in British Columbia, I am not sure which one.

Item agreed to.

Printing Dominion Notes, $475,000.

Mr. GOOD: Is this the cost of printing alone, or are any other costs included?

Mr. ROBB: This includes the printing of all the notes and stamps for the different departments of government service.

Mr. GOOD: Does it include any more than the Dominion bills, the paper money?

Mr. ROBB: The government by contract I understand provides for the printing of Dominion notes, the postage stamps, and the different stamps required by the collecting agencies of the government.

Mr. GOOD: Do I understand that, included in this item are the Dominion notes, the post office stamps and the war revenue stamps?

Mr. ROBB: I think that will come in another item.

Mr. SPENCER: Will the minister explain to the committee the reason of the decrease. Is it because the work is being done more cheaply, or because less printing is being done?

Mr. ROBB: Is there a decrease in the general item?

Mr. SPENCER: Forty thousand dollars.

Mr. ROBB: I suppose it is the effect of economy in the department, and perhaps less printing. This is the estimated cost.

Mr. MEIGHEN: The minister's explanation, when he knows nothing about it, is that it is economy.

Mr. ROBB: Economy is a good reason.

Mr. MEIGHEN: The minister has not answered whether this includes anything but Dominion notes. There has been a constant increase in this vote for years. It used to run about $200,000, up to $285,000. It became $300,000 in the 1921 estimates. Then it ran up to $515,000, and now it is $475,000. It is still a very large amount over what it was previously, and the heading is for "Printing Dominion notes." It would seem to me very unlikely that anything but Dominion notes is included; but if anything else is included it would be only such smaller paper as the Finance department utilizes, not what the Customs and Excise department uses, and certainly not what the Post Office department utilizes. If so, the heading is a very gross misnomer. Assuming it to be what the minister says it is, the printing of Dominion notes, will the minister give us some idea of what the cost is, and why we should have to pay half a million dollars a year to get Dominion notes printed? Is there any real competition? If there is not, has the government considered, rather than paying this price—which is nearly twice the amount which was paid for years—the advisability of adopting some plan of doing the work themselves?

Mr. ROBB: My hon. friend did not hear me. I did say at first that I thought the Chairman had called the whole item. This particular item under consideration is for Dominion notes only. We will come to the other later. In reference to this item, my hon. friend is correct in his statement that there has been a gradual increase since the contract was given. It is generally given by tender after competition.

Mr. MEIGHEN: Between whom?

Mr. ROBB: I think there were tenders from three different companies. The last contract that was given was awarded by the desk mate (Sir Henry Drayton) of my right hon. friend who was then Finance Minister, and who was held up for an increase, I think, of approximately 14 per cent at that time.

Mr. MEIGHEN: What year was that?

Mr. ROBB: It runs to 1920. The present contract expires in 1925, and we have recently called for tenders. Not later than this morning I instructed the deputy minister to return the cheques to the tenderers and advise them that the tenders were not sufficiently attractive. It has been represented to us that if we were disposed to offer a longer period than five years, it might induce some houses to come in and erect a plant, and tender at lower figures. There is this to be said for the present contractors—the work has been satisfactory, no government has found fault with it; indeed, you could not have any better work. But it is felt that they have been charging a little more than they should; and it has been represented to them that the government should have a little lower price.

Mr. MEIGHEN: Who are the contractors?

Mr. ROBB: The contractors have been here for many years, and they have been awarded the contracts by different governments. I think the contract was renewed twice by Sir Thomas White, once by the present member for West York, Sir Henry Drayton, and twice by the Finance Minister (Mr. Fielding). They were primarily the American Bank Note Company. I think a year ago they changed their name to the Canadian Bank Note Company, and they are doing business now under that name. The increased cost means additional business. My hon. friend must know that.

Mr. GUTHRIE: Has the minister any idea what it would cost to erect a plant to do the printing?

Mr. ROBB: I would not like to go into the details of that because I have not looked

into it. Members supporting both parties in this House have questioned the wisdom of establishing a printing plant. At one time we did our printing by contract. We changed the system and now the government does it. I am not going into a controversy on that question this afternoon. I have no opinion as to whether it is cheaper or more expensive to do it ourselves. In addition to the printing there is the macerating plant for the destruction of the bills, and there is the signing and sealing plant; these are included in it. But the principal item in this amount is the printing of the Dominion one-dollar notes, two-dollar notes, five-dollar notes, and the fractions.

Mr. LEWIS: What is the price of the printing?

Mr. ROBB: The price is $62 a thousand for dollar notes, $62 for the two dollar notes, $80 for the five dollar notes, and $60 for the fractions.

Mr. LEWIS: What is the total amount of the issue?

Mr. ROBB: I have not got that.

Mr. MEIGHEN: The minister says it is more. Does that mean that we are issuing more Dominion notes all the time?

Mr. ROBB: There is one reason. The contractors represent that the increase obtained in 1920 was due to an increased cost of labour. They submitted to me statistics showing the cost of labour as compared with pre-war figures, and in some cases there were advances up to 75 per cent, 100 per cent, and 112 per cent. They claim that the profit has not increased proportionately with the increased cost of labour, but the department does not admit that.

Mr. MEIGHEN: Who are the people who have tendered?

Mr. ROBB: We had a tender from the Canadian Bank Note Company, another from a new organization known, I believe, as the Dominion Note Company, and one from the British-American Bank Note Company. The last mentioned company, I believe has relations with a very large house in London, England, who do this sort of work throughout the world.

Mr. MEIGHEN: Does the minister say that the American company, now called Canadian, has had all the Canadian business since 1896?

[Mr. Robb.]

Mr. ROBB: No, not all; some others have had some of it as well. In 1915 or 1920—I am not sure whether it was in the time of Sir Thomas White or under my hon. friend opposite (Sir Henry Drayton)—they represented that they wanted all or none of the business and since that time they have had it all. That, however, does not include bonds.

Mr. MEIGHEN: Who prints the bonds?

Mr. ROBB: I believe they were printed by the British-American company and another concern; there were only two companies up to that time.

Mr. SPENCER: What is the life of a bank note?

Mr. GRAHAM: It depends on who has it.

Mr. ROBB: It varies; my hon. friend might get a new bank note this afternoon and before six o'clock it might be destroyed.

An hon. MEMBER: He might burn it.

Mr. ROBB: I don't think he would do that.

Mr. SPENCER: The point is not at all as funny as it seems. I understand that these notes, after they have been used a certain time, are destroyed. If that is so, the question is quite pertinent as to whether a bank note is supposed to last one year or more. It is costing the country 6.20 per cent to have them printed and they charge the banks 5 per cent on them, so that the country apparently is running a losing business. Is that correct?

Mr. ROBB: This is a new theory—that a bank note once used is destroyed. I have never heard it advanced before.

Mr. SPENCER: Does the minister know what the life of a bank note is?

Mr. ROBB: I have not that information.

Mr. IRVINE: For the sake of economy the old bank notes ought to run a couple of years at least.

Mr. ROBB: The hon. gentleman might find fault with a ragged bill.

Mr. GUTHRIE: What is the cost of printing the various denominations? There is a fluctuation; what does it cost to print bills of $1,000 denomination?

Mr. ROBB: I do not know, but I understand there is a difference.

Mr. GUTHRIE: Is there a substantial difference?

Mr. ROBB: I do not think there is.

Mr. GUTHRIE: About 6 cents is charged for one-dollar bills, and if the same ratio were maintained in the case of thousand-dollar bills the printing of this denomination would be a pretty expensive thing.

Mr. ROBB: I think they reduce the cost in proportion; there are not many of us who can afford thousand-dollar bills.

Item agreed to.

Printing, advertising, Inspection, express, etc., $125,000.

Mr. STEVENS: What advertising is done?

Mr. ROBB: This item is to take care of:—(1) Express charges on notes, bonds, silver and bronze coin shipped to and from offices of the Assistant Receiver General; also express charges on gold shipments to New York. (2) Printing War Loan Interest Cheques (approximately 1,000,000 per annum are needed for this purpose.) (3) Sundry expenditures of an unforeseen nature.

Mr. MEIGHEN: What is the advertising?

Mr. ROBB: I have nothing separate for advertising mentioned in my list. I might give some of the express charges that have been paid. In 1910-11 they amounted to $34,-721; in 1919-20, $92,406 and in 1922-23, $51,-790. Printing and stationery amounted in 1910-11 to $317; in 1919-20 $30,502 and in 1922-23, $17,178. Sundries amounted in 1910-11 to $3,088, in 1913-14 to $20,185, in 1921-22 $18,163, and in 1922-23 $26,891.

Mr. GUTHRIE: Was any portion of the vote expended in advertising last year?

Mr. ROBB: I have no record in regard to advertising, but it is possible that there was advertising in connection with the bond issues.

Mr. HANSON: Is this the vote under which in days gone by expressage on American currency, especially silver, was paid? Since the policy of sending American coinage out of the country has ceased, in eastern Canada at all events, we are about swamped with American silver to the exclusion of our own coinage. It seems to me that where we have an expensive plant in the Mint which is practically idle so far as silver coinage is concerned, and in view of the relatively small cost of shipping that material out of the country and, as I am informed, of the very great profit which there is in the coinage of Canadian silver, the government should reconsider its position with regard to this question. Has the government under consideration the question of shipping American silver out of the country, especially when it is defaced? This is an important matter and from the standpoint of profit alone it is one that might well engage the attention of the government. I have had conversations with some of the officials of the Mint—I will not mention any names—and am informed that there would be a substantial profit, as there was during the war, in the coinage of our own silver. Has the minister anything to say in this regard?

Mr. ROBB: I take no objection to the views presented by my hon. friend, but my observation is that there is much less United States silver in general circulation in this country now than in recent years. Of course, my hon. friend will understand that during the tourist season the large influx of tourists from the United States results in considerable American coinage being put in circulation here, and naturally it will remain in circulation for some days. But generally speaking our own silver is in circulation, and we try to encourage it.

Mr. HANSON: That is not the case in eastern Canada. I do not think any effort is made there to ship out American silver. The banks will not ship it out at their own expense; and, from what I have observed in New Brunswick, they simply pay it over their counters. Of course, we are glad to get the money of American tourists, but I do not think it should be allowed to remain in circulation, especially when our own can be coined at a very substantial profit. I do not see so much American silver in circulation in Ottawa as I have observed in eastern Canadian cities. There is no profit in selling American silver coins to the banks; of course, on bills they will pay a premium. I wonder if the government has any idea of the value of American coins in circulation in the Dominion? The cost of shipping them out is not very great as compared with the profit of minting our own silver, and I think it would be greatly to our advantage to have this done.

Mr. ROBB: I will have the matter looked into.

Sir HENRY DRAYTON: I can corroborate what my hon. friend (Mr. Hanson) has said. We used to get rid of all American silver for a very small charge. If the minister will look at the returns from the Mint he will see that we are minting very little silver today, and as that is the chief source of profit of the Mint we are really losing a great deal of money. I admit that when the Minister

of Finance (Mr. Fielding) terminated the arrangement we had with the banks it looked as if he was saving money, but as a matter of fact the result was directly opposite. We paid a very small percentage to cover the cost of the banks segregating American silver and getting rid of it; they made no profit on the transaction. I find I am fortunate enough to have three quarters in my pocket. I notice one of these is an American coin; that is one in three so far as my experience is concerned. There is a great deal of American coinage in circulation among us now, and it would be well to have it withdrawn and returned to the United States, as there is a substantial profit upon our own silver coinage.

Mr. GARLAND (Bow River): What are the duties of inspection under this item?

Mr. ROBB: These officers do not seem to be classified as inspectors; they must be senior clerks.

Mr. GARLAND (Bow River): I am more interested in their duties. The simple statement that a man inspects something or other does not fulfil my idea of a satisfactory explanation. I do not wish to be in any sense discourteous, but I should like to ascertain what the inspector inspects and how much he is paid.

Mr. ROBB: I will get the information for my hon. friend later on.

Mr. SHAW: Under this vote is inspection made of the central gold reserve as well as of the Receiver General's office? Is the inspection yearly, or half-yearly, and under what circumstances?

Mr. STEVENS: While we are speaking of silver coinage, I wish to call the minister's attention to our nickel recently introduced and to our old silver five-cent piece. In my estimation the latter ought to be withdrawn from circulation. One reason is that slot machines have to be adjusted to the new coinage, but the main reason is the confusion in handling two coins so vastly different. There is this further reason, that far more profit accrues to the country from the issue of the nickel. I agree with my hon. friend from York-Sunbury (Mr. Hanson) that we should endeavour to withdraw from circulation all American silver and replace it with our own currency.

Mr. ROBB: Last year I think the Minister of Finance stated that it was proposed to gradually do away with the silver five-cent piece. Answering my hon. friend from West Calgary (Mr. Shaw), I regret that I have not the deputy beside me, and there is no record before me showing the exact nature of this inspection. I shall be glad to get the information for my hon. friend.

Mr. SHAW: I should like the minister to consider the advisability of placing this inspection under the new Inspector General of Banks.

Mr. ROBB: I will take that into consideration.

Item agreed to.

Commission for payment of interest on public debt, purchase of sinking fund, auditing, $125,000.

Mr. STEVENS: Will the minister explain this increase?

Mr. ROBB: The increase of $25,000 is to provide for commission to the banks for cashing interest coupons of the renewal loans at three-sixteenths of one per cent. It is estimated that these payments will aggregate $25,000. When the war loans and Victory loans were issued a commission was paid to the banks, including charges for their services in connection with the flotation of the loans and also for cashing coupons until the loan matured, as follows: 1915-1925 war loan, one-quarter of one per cent; 1916-1931 war loan, one-half of one per cent; 1917-1937 war loan, nine-twentieths of one per cent. When the Victory loans matured in 1922 and 1923 the banks demanded payment for their services in connection with cashing interest coupons of the renewal loans. After negotiation it was agreed that the commission payable should be at the rate of three-sixteenths of one per cent. This work of redemption is carried on at over 4,000 points throughout Canada.

Mr. HANSON: I can understand why the government should pay one-quarter of one per cent or even one-half of one per cent on the original flotation on the large loans during the war, but for the cashing of coupons it does seem to me that the government is paying more than a private individual would pay. While the coupons are payable at par by the banks, the banks make a charge against individuals on the cashing of coupons of provincial bonds or industrial or municipal bonds.

Mr. ROBB: But not of Dominion bonds.

Mr. HANSON: No. But if you have any quantity of coupons you do not have to pay as high a commission as three-sixteenths of one per cent; one-eighth is more than ample. It is true the banks have to insure the coupons in transmission through the mails, but in the large centres a considerable quantity of these coupons would be cashed on their maturity

date and the registration fee would be practically the same for a thousand coupons as for a dozen. I think the rate is high; I think the minister could have made a better bargain. I am satisfied that a private corporation could get this service for one-eighth of one per cent and if it happened to have a particularly good pull with the bank the rate might be one-tenth of one per cent. Even one-sixteenth of one per cent would pay the bank well.

Mr. ROBB: It must be remembered that many of these amounts come in in small quantities, involving their transmission to the head offices and so on. Apparently the department did not consider the charge unreasonable. That my hon. friend's argument is not far out is shown in the fact that on large amounts the Department of Finance pay one-eighth of one per cent; that is what we pay the Bank of Montreal for handling the business in connection with New York coupons. The Bank of Montreal get one-sixteenth of one per cent on the redemption of bonds, and one-quarter of one per cent for cashing Grand Trunk Pacific coupons.

Mr. HANSON: In my own town, for instance, millions of dollars' worth of these Victory bonds are held, and on the interest maturity dates the banks cash thousands upon thousands of the coupons. There is a very substantial profit in transactions of that character, and it does seem to me that the government could have said to the banks: We will pay you one-eighth of one per cent and no more.

Mr. ROBB: I am impressed with the views of my hon. friend. I think there is a chance for revision there.

Mr. IRVINE: I agree with what the hon. gentleman (Mr. Hanson) has said about the charges. Part of this vote, I notice, is for purchase of sinking fund. I am interested in knowing from whom we purchase the sinking fund, who does the purchasing, what it is purchased with, and how much we pay for it.

Mr. ROBB: I will give my hon. friend just what we do with this $125,000. I have already mentioned the three-sixteenths of one per cent for collection. Then there is an amount required for payment to the Bank of Montreal for services as financial agents in London at the rate of £150 per million of debt, $50,-400.22. That would be a part of the sinking fund coming in as it matures in that market. Amount required for commission for the Bank of Montreal, New York, for cashing interest coupons at one-eighth of one per cent; charges for registration of bonds domiciled in New York, also fee as registrar of the 5 per cent 1942-52 loans in New York, estimated, $25,000; amount required to pay commission to Bank of Montreal for purchase of sinking funds, estimated, $3,000; auditing, estimated, $21,-599.78.

Mr. IRVINE: That is not exactly the information I wanted. I would like to know the process here: If we have paid so much for the purchase of this sinking fund, why have we the next item of $7,000 for brokerage and purchase of sinking fund? Would it not be brokerage in the first instance, or the equivalent of brokerage?

Mr. ROBB: That might have been at some other point in Canada.

Mr. IRVINE: I do not quite see the meaning of this.

Mr. GARLAND (Bow River): I think the idea of the hon. member (Mr. Irvine) is that some of the members here would like to know what is the process of establishing a sinking fund. How is it done? Where are the funds secured, and so on?

Mr. ROBB: My hon. friend will understand that I have not all the details as to who offer the bonds that are bought up to apply on account of sinking fund.

Sir HENRY DRAYTON: As I recall it, this service is handled through government agency, the particular agents in this case being usually the Bank of Montreal.

Mr. IRVINE: What is the purpose of this sinking fund? Is it to meet interest charges on the national debt?

Sir HENRY DRAYTON: No; it is the retirement of obligations. Some obligations provide sinking fund requirements. The hon. gentleman will notice that in the accounts there is a charge to sinking funds and there is a credit in connection with sinking funds. We ought to provide regularly for sinking fund payments not only for the purpose of retiring obligations but also to maintain a proper credit in the financial markets of the world. The procedure is usually that of picking out some agency that will purchase these bonds cheaply for the government, the process being the buying of our own obligations at the lowest possible price. The Bank of Montreal were our agents and they were also the agents of Ontario. One of the troubles that is now being dealt with in Ontario is in connection with the very purchase of these funds, it having been shown that while the Bank of Montreal was purchasing at a given rate,

acting as agents in the ordinary course of business, bonds were at the same time purchased at a much higher rate for professedly the same purpose. The agent gets a percentage; I forget what it is, but my recollection is that it is one-eighth. It may be one-sixteenth; it is a sixteenth usually when we are handling large transactions, but I should think from the size of most sinking fund transactions it would be an eighth, because they are not very large as a rule. There are two items in the expense account: first, what we have to pay for our obligations, and secondly, this one-sixteenth or one- eighth, whichever it may be.

Mr. GARLAND (Bow River): Am I right in understanding that the government keeps a line of credit with the Bank of Montreal or some other responsible broker just for the purpose of debts alone?

Sir HENRY DRAYTON: Yes. It is the cheapest way of paying our debt.

Mr. SHAW: The purpose of a sinking fund, as I have always understood it, is the creation of a fund for the purpose of meeting maturing obligations. The government instead of setting aside a definite fund purchases its own obligations; is that it?

Sir HENRY DRAYTON: Yes.

Mr. SHAW: What does it do with them?

Sir HENRY DRAYTON: They are cancelled. We are reducing the amount right along, and we ought to do it to an amount sufficient to provide for the sinking fund proper. It is cheaper to do it this way because these obligations are bought upon the market, and as a general rule they are bought subject to fairly liberal discount. If the discount is big enough, then, of course, it is more profitable than it is merely to set aside and to hold the cash. That is done now pretty universally.

Mr. IRVINE: I am very glad to have the information we have just received. I suppose it would be a fair question to ask the Acting Minister of Finance if, in his opinion, we are reducing our debts by at least as much as we are paying brokerage for the sinking funds?

Mr. ROBB: A statement of the reduction of debt was given in the budget speech.

Sir HENRY DRAYTON: That is not a fair way of putting it at all. The way of finding out what we are doing in reducing our debt, so far as sinking funds are concerned, is to look at the credit which sinking funds have, and there you have it.

Item agreed to.

[Sir Henry Drayton.]

English bill stamps, postage, et cætera, $3,000.

Mr. SHAW: Why English bill stamps?

Mr. ROBB: These are required in connection with the administration of loans in London, England. The expense on this account in 1910-1911 was $45,017.80. I suppose the amount fluctuates according to the size and number of loans we have. In 1913-14 the expenditure was $17,031.16. Those were the years just prior to the war, and hon. gentlemen will see how the figures dropped afterwards. The expenditure in 1919-20 was $1,733.01; 1920-21, $2,707. It runs along about the same up to the year ending March 31, 1924, when the expenditure was $2,704.87, so it was almost stationary.

Item agreed to.

To provide for temporary clerical work in connection with the transfer and registration of bonds, et cætera, and the flotation of loans, and authority for these purposes to employ a temporary staff, fix their rates of remuneration and otherwise wholly regulate their services, without reference to and notwithstanding anything contained in the Civil Service Act; and also to pay additional remuneration to any employee engaged in conncetion with the flotation and redemption of loans for work done outside of prescribed hours, at such rates as the Treasury Board may approve, $125,000.

Mr. ROBB: From this appropriation are paid the salaries of temporary employees engaged in the transfer and registration of bonds, the flotation of loans, and so forth.

Mr. GARLAND (Bow River): I think it was understood, when a resolution was passing the House some time ago, that there was the possibility of the minister borrowing large sums of money, even to the extent of $300,000,000, in the near future. In view of that, what is the reason for the decrease in this item? Does not the minister expect to require the temporary help in the issue of these new bonds?

Mr. ROBB: We are taking authority to raise $300,000,000, but that is to provide for maturities from now until 1927. We have something maturing next year, and the following year, but this year we have only to provide for the $107,000,000 that matures in November. We will try and get that money at as reasonable a price as possible, and in a way that will involve the smallest possible expense to the department.

Mr. GARLAND (Bow River): But the minister has not explained the reason for the decrease. I am not expressing any disapproval of it; I am very glad to see it, and I hope it will continue.

Mr. ROBB: I think all these things are very likely based on the experience of the

past year. The amount required last year was $115,549.47, and it is estimated that the amount here will be a fair provision to carry on the service this year.

Item agreed to.

Unforeseen expenses, expenditure thereof to be under order in council, and a detailed statement to be laid before parliament within fifteen days of next session, $75,000.

Mr. ROBB: This is the same amount as last year.

Sir HENRY DRAYTON: What was spent last year?

Mr. ROBB: Last year, $35,515.62.

Sir HENRY DRAYTON: It is really to provide for unforeseen expenses; it is a contingency. Just so as to straighten the matter out—or was it straightened out?—a moment ago my hon. friend referred to the issue for the reduction of the debt, and I want to point out to him that it had nothing to do with the sinking fund figures. I have just looked up the Public Accounts. During the year we increased our sinking fund by $2,960,275, there is no dispute about that, and that increase is available for the purposes of the debt.

Item agreed to.

Expenses in connection with the negotiation of treaties, $20,000.

Mr. ROBB: This is the usual vote. There was no expenditure in 1923-24. In the previous year there was an expenditure of $8,264.83.

Sir HENRY DRAYTON: I am afraid my hon. friend is wrong when he says that this is the usual vote; it is an extraordinary one.

Mr. ROBB: What I mean by that is, this item was first included in the estimates in 1922-23. At that time there was a conference on the subject of the cattle embargo, and the expenditure charged against the item was $8,264.83. Last year there was no expenditure.

Sir HENRY DRAYTON: The fact is that we voted $40,000 in all for this purpose, and in two years only $8,000 has been really spent. I really think the proper thing to do is to drop the item. There is no reason why we should carry unnecessary items and unduly swell the figures of the national expenditure; they are bad enough as it is. What used to be done in connection with this matter was to provide for any expense that might suddenly arise in connection with the negotiation of a treaty, or anything of that kind, by a Governor General's warrant. If it was not done in that way the expenditure could be met out of the vote for unforeseen expenses which each department has at its disposal. Usually every treaty negotiated has to do with some department, and the necessary expenditure can be met out of the vote for unforeseen expenses. We have already passed a vote of $75,000 to cover unforeseen expenses. I do not know that any treaties are looming up at the present time. We spent nothing for such a purpose last year. At any rate it is an easy enough matter to take a trip to Washington and come back again if any matters there necessitate attention; it will not cost very much. I really think the wisest thing to do would be to cut out the paper charges, and this is really a paper charge.

Mr. ROBB: I should not like to cut the vote out. We know exactly what we are paying under this head at the present time. I point out that as a result of the expenditure of $8,264.83 in 1922-23 we were able to put through, no later than yesterday, a treaty with Belgium and Luxembourg, countries where the balance of trade is in favour of Canada to the extent of three to one. As my hon. friend says it does not cost much to go down to Washington. Well, it would be worth while to go down to the capital of the United States if we could secure an arrangement.

Mr. HOEY: Reciprocity?

Mr. ROBB: An arrangement which would enable our cattle and other farm products to circulate more freely in that market. I think there is no evidence of extravagance in connection with this item, and I am of opinion that it should be allowed to go through as it is.

Sir HENRY DRAYTON: I am not saying there was any extravagance in connection with this expenditure.

Mr. ROBB: My hon. friend is quite right.

Sir HENRY DRAYTON: Nor am I saying for one moment that we should not negotiate treaties. All I am suggesting is that we should not carry in the estimates an omnibus item which in all probability will not be used and which is unnecessary. In the past we got along very well without it and there never was any difficulty.

Mr. GARLAND (Bow River): I think there is some force in the argument of the hon. member for West York. When amounts of this character are placed in the estimates there is always the temptation to spend them.

Whether the money is spent or not may depend on whether or not there is an opportunity. If the money is voted the greater the temptation to spend it will be.

Mr. ROBB: The inclination was not very apparent last year.

Mr. GARLAND (Bow River): Perhaps the opportunity did not arise, but in future there may be an opportunity. May I ask the minister—I do not want to be unduly harsh in this matter—if he anticipates any demand for this $20,000 next year?

Mr. ROBB: I say frankly to my hon. friend that we are looking anxiously to the results of the election in the United States this fall.

Mr. GARLAND (Bow River): Reciprocity?

Mr. ROBB: I did not say that.

Mr. GARLAND (Bow River): Why not say it if the hon. member has that idea in mind. I would be glad to think that he has a proposition like that in view.

Item agreed to.

Grant to the National Battlefields Commission—	
(a) For expenses of administration	$ 6,000
(b) For maintenance of the National Battlefields park	35,000
(c) For maintenance of martello towers	500
(d) For new works in the park	5,500

Mr. LEWIS: Would the minister explain the last item? The others are self-explanatory?

Mr. ROBB: It will be a combined public comfort and police building.

Mr. SHAW: What is the rest of the vote for?

Mr. ROBB: I have all the items here:

Salaries	$4,000
Office rent and taxes	1,162
Commissioner's travelling expenses	300
Telephone	60
Electric light	12
Legal expenses	225

I think that was to arrange for some deeds or some expropriation of property down there.

Office supplies	$150
Contingencies	91
National Battlefields Park—Maintenance—	
Labour	$17,500
Police	4,500
Supervision	3,300
Electric light	2,100
Machines	1,500

I believe that would be lawn mowers and that sort of thing.

Plants, seeds, fertilizers	$ 800
Fuel	1,200
Tools and small machines	300
Snow removal	800
Insurance	500
Placing old guns	600
Contingent	1,900

Mr. SHAW: Where are these battlefields?

Mr. ROBB: On the plains of Abraham.

Mr. GARLAND (Bow River): Did the minister read out an item of $4,500 for policing these battlefields?

Mr. ROBB: Yes.

Mr. GARLAND (Bow River): What is the extent of that park?

Mr. ROBB: Has my hon. friend never been in Quebec city?

Mr. GARLAND (Bow River): Yes, I have been there, but I have never measured the park and my judgment is not sufficiently acute to be able to tell offhand the exact acreage.

Mr. ROBB: The sum of $4,500 would not represent the payment of very many men on a park of that size.

Item agreed to.

Grant in aid of the Canadian General Council of the Boy Scouts Association, $15,000.

Mr. WOODSWORTH: How is this money expended?

Mr. ROBB: I imagine it is a grant given to the association and they appropriate it. The Canadian Council of the Boy Scouts Association exists for the purpose of aiding generally the object of the movement in Canada. The chief scout for Canada is His Excellency Baron Byng of Vimy; Chief Commissioner, Dr. James W. Robertson; Assistant Chief Commissioner, John A. Stiles; Honorary Dominion Secretary, Gerald H. Brown; Honorary Treasurer, D. M. Finnie. This grant has been given since 1914. The first grant was $5,000, and it continued at $5,000 until 1921-22. In 1922-23 it was increased to $15,000.

Mr. GOOD: I attended the annual meeting of the association in this building this year, and I was very favourably impressed with the work they were carrying on. The grant is justified, so far as I can find out from the meetings.

Item agreed to.

Royal Canadian Academy of Arts, $2,500.

Mr. STEVENS: Under this item I presume would come the expenses of those who selected the paintings to represent Canada in Great Britain.

Mr. ROBB: No, I do not think so. The officials are: President, G. Horne Russell, Montreal; Vice-President, Henry Sproat, Toronto; Secretary, E. Dyonnett, Montreal; Treasurer, C. W. Simpson, Montreal. The object of the society is to promote interest in fine arts. The members of the society give their services gratuitously. Grants are made to the Toronto exhibition and other large exhibitions. The grant was started in 1910-11 at $2,000; in 1913-14 it was increased to $5,000; in 1917-18 it was reduced to $2,500; in 1921-22 it was again increased to $7,500 and remained there up to and including last year. We are now reducing it to $2,500.

Item agreed to.

Grant in aid of the Dominion Council of the Girl Guides, $3,000.

Mr. LEWIS: Last year I spoke in favour of this item, and I was in favour of increasing the amount. We pay $15,000 to the Boy Scouts, and it seems to me it is just as important the girls should get the same amount of mental and physical training as the boys. It is just as essential for the wellbeing of Canada that the girls should be trained as well as the boys. For this reason I think the vote should be increased in the same ratio.

Mr. ROBB: We will keep that in mind.

Item agreed to.

Grant to the Inter-parliamentary union for peace, $200.

Miss MACPHAIL: This vote of $200 to the Inter-parliamentary union for the encouragement of peace is a very encouraging thing, at a time when we are spending about twelve millions in preparation for war. It is encouraging but it is small. What does it mean? Is it to keep peace between parliaments, or is it to keep the peace of the world?

Mr. ROBB: I think it would cost more than that to keep the peace of the world. This is a grant to the Inter-parliamentary Union. This amount has been voted annually since 1914. The secretary of the institution is Mr. Charles Lange, and the head of the institution is in Switzerland.

Mr. GARLAND (Bow River): What does it accomplish?

Mr. VIEN: May I be permitted to add a word of explanation, as I happen to be the joint secretary of the Canadian group of the Inter-parliamentary Union? This union was organized a few years ago at the instance of a group of French parliamentarians. It is now composed of parliamentarians of about twenty-eight countries. This group formed national groups for each country. We have the pleasure of having a Canadian group, the president of which this year is the Speaker of the House of Commons. Last year the president of the Canadian group was the Right Hon. Senator Sir George Eulas Foster. These groups meet in conference every year. Last year the conference was held at Copenhagen, the year previous it was held at Vienna. At these conferences the parliamentarians of all countries discuss and study questions of interest for all the countries, and try to evolve a plan which would eliminate war for all time. Of course they have a lot of work to do to attain their aims; but I think we have a most commendable object, and this amount which is voted here is paid to the general secretary who is in Geneva, Mr. Lange, who is Secretaire Generale of the Inter-parliamentary Union. It is to contribute to the expenses of the secretariat of the whole union. This year we have had a meeting of the members of the Canadian group, which is composed of senators and members of the House of Commons, and we have a right to appoint delegates to the twenty-second conference which will be held in Berne and Geneva in August next, and six parliamentarians of Canada have already accepted an invitation to attend and represent Canada. We have nine votes and six have been chosen already. If three more members would consent to go to Geneva or Berne in August next, it would be a great pleasure to the union. Needless to say delegates from all countries are obliged to pay their own expenses, but the $200 which is voted is sent as the contribution of the Canadian group, our share of the expenses of the general secretary.

Mr. WOODSWORTH: I would like to know whether the Canadian members of the union will be prepared to support a motion to reduce the armament to be maintained in Canada.

Mr. VIEN: I think these are questions that are being discussed at the conferences. A question has been put to all groups, to which the Canadian group has submitted answers, in respect to treaties and the right to declare war and to make peace.

Mr. WOODSWORTH: The hon. member has not answered my question. If we are going to do anything for peace, it seems to me that we must be active in Canada as well as at the conferences at Berne and eisewhere, and my question was whether the members of the Canadian sction of this union would be prepared to support a motion looking to the reduction of our armaments.

Item agreed to.

Grant to the Canadian National Institute for the Blind, $10,000.

Sir HENRY DRAYTON: What is the reason for the decrease? If there is anything we want to look after it is an institution for the blind.

Mr. ROBB: This institute was formed by a combination of existing organizations and it operates in close affiliation with local bodies of a similar nature. The total expenditures exceed $200,000 per annum and the grants are received from the federal, provincial and municipal authorities, being augmented by private subscriptions. The first federal grant was made in 1919-20. In that year the Department of Soldiers' Civil Re-establishment made an agreement with the institute whereby an annual grant of $10,000 was to be given in consideration of work done for blind soldiers. This agreement covered a period of five years, expiring with the grant of 1923-24. Since 1921-22 an additional grant of $10,000 for administrative purposes has been provided. The decrease in the vote is explained by the fact that for 1924-25 the Department of Soldiers' Civil Re-establishment will pay the institute for services rendered blind ex-soldiers a similar amount. Accordingly the present vote is reduced by $10,000.

Sir HENRY DRAYTON: The same work will be carried on but provision will be made from some other source.

Mr. ROBB: Yes.

Item agreed to.

To provide for the expenses of a Royal Commission to inquire into proposed prohibition or restriction of the export of pulpwood, $20,000.

Mr. STEVENS: I notice a number of items for this very commission; in the Supplementary Estimates I think there are two. Can the minister give us the complete total of the expenditures to date, together with the full amount to be voted this year?

[Mr. Vien.]

Mr. ROBB: There is a sum in the Supplementary Estimates and also a vote in the same estimates covering Governor General's warrants. I gather from my hon. friend's preliminary canter that he is not altogether sure that we are getting value for the money we are spending.

Mr. STEVENS: I have said nothing yet from which the minister can draw any such inference; I simply asked for facts.

Mr. ROBB: I can asure the hon. gentleman that I am anxious to have the report of the commission and to get them off the pay-list. The commissioners were appointed by order in council in August, 1923. The chairman is Mr. Joseph Picard of Quebec; the deputy chairman, Mr. William A. Anstie, of Vancouver; and the commissioners, Messrs. Joseph G. Sutherland, of Clyde River, Nova Scotia, A. B Kerr, Toronto, and R. W. McLellan, Fredericton, New Brunswick. The chairman is paid $35 per day with a living allowance of $15 per day and the other commissioners receive each $25 per day with a living allowance of $15. This is exclusive of transportation. In addition to the $20,000 voted for 1923-24 the Governor General's warrant was issued for $30,000 on January 15, 1924, and the total expenses up to March 31, 1924, amounted to $48,172.51. Hearings of the commission have been held in various places throughout Canada and witnesses examined. The report is now in course of preparation and I have the assurance of the commission that it is almost complete.

Mr. GARLAND (Bow River): The minister has overlooked Item No. 480 of the Supplementary Estimates which provides $7,500 for the commission.

Mr. ROBB: I did not overlook it; I have given a list of what has so far been spent.

Mr. GARLAND (Bow River): The minister mentioned $48,000 odd as the amount expended, but the actual amount asked for is $57,500.

Mr. ROBB: Yes, but the hon. member must bear in mind that what I have given is the total expenditure to March 31, 1924, and I must provide for payments from that time on. As I say, however, I hope the report will be submitted very shortly and that the commission will be removed from the pay list.

Mr. IRVINE: In view of the great need for economy which has characterized the minister's utterances for some years, and in view also of the comparative uselessness of this commission,—

Mr. ROBB: I do not admit that.

Mr. IRVINE: —would the minister be willing to reduce the remuneration of the gentlemen of this commission to a trade-union wage—that of bricklayers, say?

Mr. STEVENS: Why insult the bricklayers?

Mr. IRVINE: What does the hon. gentleman mean?

Mr. STEVENS: I mean that the suggestion is an insult to the bricklayers, that is all.

Mr. IRVINE: Not in so far as the wages are concerned.

Mr. STEVENS: What in the name of common sense did this commission go to New York and Washington for? Why spend the country's money to enable the commission to go upon a jaunt down there?—an expensive commission drawing an allowance and salary amounting to some $170 or $200 a day. The commission goes to New York and Washington to get evidence in regard to the export of pulpwood! What for? Why, the only dispute on the matter was between my hon. friend from Quebec South (Mr. Power) and some other hon. gentlemen opposite who thought that there was a difference of opinion as to whether or not pulpwood should be exported from the province of Quebec. That is really the genesis of this commission, and to spend some $50,000 to $60,000 of the people's money merely to bring about a little peace within the ranks of the government party is really more than anyone can justify.

Mr. ROBB: It was for no such purpose.

Mr. STEVENS: The object was very largely to restore peace within the ranks of the party opposite in which there was a cleavage on this question. And to aggravate the whole situation this commission has travelled down to New York to take evidence, ostensibly for the purpose of reporting upon the advisibility or otherwise of exporting pulpwood from the province of Quebec and other places in this country. That in my opinion is a flagrant waste of public money and I gather from the attitude of the Acting Minister of Finance (Mr. Robb) that he was not responsible in any way for this appointment and that he is not particularly enamoured of it. I therefore acquit him of all blame in the matter. I want to place myself on record however as being absolutely opposed to this commission, now, as I was at first. I have criticised and questioned the propriety of the government spending these large amounts on this commission, and I agree with the minister that the best thing to do under the circumstances is to get it off the pay list as early as possible.

Mr. ROSS (Kingston): In spite of our previous opposition to this commission, I think that in view of what the minister has stated we should have a little charity and forgive the government for having put the country to this expense, seeing that the hon. gentleman is anxious to get the commission out of the way. The minister no doubt wants to get rid of it and avoid any further reference to the subject, so that we may not reflect too much on the value of the commission.

Mr. IRVINE: If the minister would undertake to get rid of the commission I would not say more about the matter.

Mr. ROBB: Let us get the report first.

Sir HENRY DRAYTON: I think we should have more than that from the minister. We should have some evidence of a real change of heart, some evidence that in the future the government will function as a government and not as an appointer of commissions. This is an excellent illustration of what the government always does; it is an evidence of how a permanent commission such as we talked about yesterday would function. It is simply another buffer for the government, another agency through which a government with no mind of its own can get one, and the country pays for it. There was a vote last year of $20,000 for this commission. There is a vote of $20,000 in these estimates. There is a vote of $30,000 in the supplementaries for Governor General's warrants, and there is a vote of $7,500 in the supplementaries for the specific purpose, making a total of $77,500.

Mr. ROBB: It does not mean it will all be spent.

Sir HENRY DRAYTON: But think of leaving that in front of their noses! We expected this commission to deliver itself during this session of a predestined message written before they ever sat, but they are still going, and we are still leaving the bunch of carrots there.

An hon. MEMBER: Call them in now.

Sir HENRY DRAYTON: I think we should call them in. The minister would be well advised to strike out this item of $20,000. With the $20,000 of last year and the $37,500 this year he has a total of $57,500, and that is a lot of money to spend in order to find out whether the large American concerns interested in pulpwood object to a proposed policy of looking after Canada. If the minister is sincere in seeing that this commission stops wandering, surely he will strike out this item of $20,000.

Mr. ROBB: No, I would not like to strike out the item. The commissioners were appointed by order in council, after there had been evidence of a considerable division of opinion throughout Canada whether we should have an embargo or not. A man named Barnjum, after he had sold all his own limits, started a campaign to put on an embargo; then in the press throughout the country there was a campaign for and against an embargo. Representations were made to us by different provinces—Quebec is not the only province interested in the matter; in fact, it is one of the least interested, because a great many of the limits there are taken care of under the Crown Lands Act, and I imagine there is more pulpwood manufactured into paper in Quebec than in any other province. The commission as a whole did not go to New York or Washington. Members of the commission started out for there, but as soon as my attention was directed to it I wired them and they returned to Canada.

Mr. STEVENS: I want to compliment the minister on that action. It is one redeeming feature of the whole business. He ought to have a leather medal struck immediately for that—a sort of life saving proposition. Did they return?

Mr. ROBB: Yes.

Mr. STEVENS: That is another evidence of victory on the part of the minister. There is at least a silken thread running through the fabric of this administration, represented by the honesty and integrity of the Acting Minister of Finance—a remnant at least of respect for the interests of the country. It is the first time this session I have discovered anything that really could be commended. The ordering of this commission back constitutes an oasis in the desert.

Mr. HANSON: The minister implies that Mr. Barnjum started this agitation for an embargo after he had sold his own limits. Now I do not know Mr. Barnjum personally—

Mr. ROBB: Neither do I.

[Sir Henry Drayton.]

Mr. HANSON: I hold no brief for him. Personally I am opposed to an embargo; I voted that way last year. I am opposed to it for the reasons which I gave in evidence before the commission when it sat at Fredericton. But it is not fair to Mr. Barnjum or to those whom he represents to say that he started this agitation after he had sold his own limits. I challenge the minister's authority to make that statement, and I should like to know what evidence he has to support it. I think Mr. Barnjum has shown the best of good faith in this matter. He may be mistaken; I think from the point of view of the farmers of this country he is mistaken. I am not so sure, however, that he is mistaken from the point of view of a survey of the whole situation. But in justice to Mr. Barnjum the minister ought not to imply that he was actuated by an improper motive; that he started this agitation after selling his own limits. He is a private citizen of this country and is not here to answer the imputation.

Mr. ROBB: He had ample opportunity to go before the commission to give evidence, but he was always dodging the commission.

Mr. HANSON: Other men bigger in the timber trade than Mr. Barnjum had ample opportunity to go before the commission but did not do so because they considered the commission was a huge joke. I can say unreservedly that some of the biggest timber men in New Brunswick took that view of it. The whole purpose of appointing the commission was to sidestep the responsibility that the government should itself have assumed. That was the feeling among the men who are probably most interested from a financial standpoint in eastern Canada. I did not feel that way myself. I felt that in justice to my constituents, in justice to the small farmers of the country, having regard to the economic conditions under which they were labouring, the views to which I gave expression should be voiced. I have not heard any dissent from the position I took in that respect. I rise only to protest against the imputation contained in the minister's statement as to Mr. Barnjum's motives.

Mr. GARLAND (Bow River): I am not particularly concerned with Mr. Barnjum's motives. All I have in view is that the actions of that one man have been sufficiently powerful to cause an expenditure on the part of the country of some $70,000. He is some man! Unless the minister can give some better reasons for continuing this $20,000

item it might be dropped. The point taken by the ex-Minister of Finance is well taken; I do not think we are justified in voting this $20,000.

Mr. ROBB: The justification of it is that we probably owe a part of it now. I do not say we owe it all, but we owe a part of it.

Mr. IRVINE: I still want to press my suggestion of a few moments ago: that if these gentlemen on the commission work eight hours a day and six days a week, and we give each of them $5 a day for their wages and pay them while they were in New York—where they ought not to have been—$2.50 a day for expenses, instead of $15 a day—if we went on that basis, which is reasonable in view of the fact that our working people are getting much less than that for doing the real work of the country, I imagine the $50,000 which the commissioners have already received would more than cover the bill. In view of the further fact that if we allow this item to stand they may continue another year or two in the preparation of their report, I beg to move that the item be struck off. This will perhaps help the minister to reach some definite conclusion as to whether he will take the advice of the ex-Minister of Finance (Sir Henry Drayton).

The CHAIRMAN: The amendment requires to be in writing.

Mr. IRVINE: I will write it out.

Mr. HANSON: While the hon. member is writing out his amendment I want to make an observation or two. It is true the Pulpwood Commission has been a long time on the job. It is also true, I think, that certain members of that commission should never have been appointed; but it is an undoubted fact that other members, particularly Mr. McLellan and Mr. Anstie, have done a great deal of valuable work, if only in connection with the collection of statistics. I think I am voicing the opinion of those who have come in contact with these two gentlemen when I say that they knew something about the work to which they were appointed, but I am sorry I cannot say the same with respect to the other members of the commission.

Mr. ROBB: Of course, my hon. friend probably knows those two gentlemen better than the other members of the commission. Perhaps he does not know the qualifications of their colleagues.

Mr. HANSON: I have met them all. I have no doubt that the chairman is a most capable gentleman in his own sphere of usefulness, that he probably knows the tobacco business from A to Z, but what in the world he knew about the timber or the pulpwood business that would qualify him for appointment on this commission is beyond my ken.

Mr. JACOBS: The hon. gentleman probably thinks he is not a blockhead.

Mr. HANSON: No, he is not.

Mr. ROBB: I am glad my hon. friend is satisfied with two members of the commission. What were their particular qualifications?

Mr. HANSON: Mr. McLellan is a lawyer—

Some hon. MEMBERS: Oh, oh.

Mr. HANSON: All right, now. All his life he has been connected more or less with the timber business and has been actively engaged in the pulpwood business in a very large way. In addition to that he is secretary of the New Brunswick Lumberman's Association, and I rather venture the guess that he was appointed to the commission because as secretary of that association he could represent in a proper way the New Brunswick interests most vitally concerned in the subject matter of the inquiry. While I do not know what Mr. Anstie's private business is, I am aware that he too is connected with the timber business in the province of British Columbia. These two men brought to their work a very considerable knowledge of the subject into which they were appointed to inquire. But what in the world some of the other members would know about it, it is beyond me. I criticised the appointment of the commission from the standpoint of the fitness of the majority of the personnel, and also from the standpoint of numbers. I do not see why it was necessary to appoint so many commissioners—five—at a cost to the country of several hundred dollars a day. I have reason to believe that when the report is brought down it will be found to be of considerable value, but I would suggest to the minister that he get the report in as soon as possible.

Mr. WHITE: If this item and the item in the supplementaries are passed and the Governor General's warrant is made use of, how long can this commission carry on without a further vote?

Mr. ROBB: I do not think they can carry on very much longer. We expect them to get through within a few days.

Sir HENRY DRAYTON: The hon. minister told me that he did not expect the commission to spend the $77,500.

Mr. ROBB: No, I do not.

Sir HENRY DRAYTON: How much does he expect them to spend?

Mr. ROBB: There will be the printing of the report.

Sir HENRY DRAYTON: The cost of that will not come out of this $77,500.

Mr. ROBB: Part of it. I have only the details of expenditure to March 31.

Sir HENRY DRAYTON: That expenditure was $48,000. Have any more bills been received since?

Mr. ROBB: There will be April, May, June and July to take into account.

Mr. STEVENS: When will the report be made?

Mr. ROBB: I understand that the report is almost completed. I am bound to say, in fairness to the commissioners, that they have asked for an interview with me—perhaps to present their report—but I have not had time to see them during the last ten days.

Sir HENRY DRAYTON: Does not the minister think that $57,500 would be enough? I should think every one else would think so.

Mr. ROBB: Had this $20,000 been sufficient we would not have put a further amount in the Supplementaries.

Mr. SPENCER: What part of the cost of printing will be charged up to this vote?

Mr. ROBB: I have not the details, but I understand there is an arrangement between the different departments and the Printing bureau.

Mr. HANSON: It is not intended to print the evidence?

Mr. ROBB: No.

Mr. WHITE: Will the report be out before parliament prorogues?

Mr. ROBB: I hope so.

The CHAIRMAN: The question is on the amendment moved by Mr. Irvine, that item 362 be reduced to the sum of $10,000.

Mr. POWER: I rather resent the reflection made by my hon. friend from York-Sunbury (Mr. Hanson) on the chairman of the commission. It is true that he is not intimately connected with the lumber business, but it seems to me that perhaps that would rather be a reason for qualifying him as chairman of the commission. In my part of the country the lumbermen are divided in opinion on the subject of an embargo on the exportation of pulpwood, those who hold freehold lots or who are dealers in pulpwood are prejudiced in favour of exportation, while those who happen to be connected with the manufacture of pulpwood or newsprint are equally prejudiced in favour of an embargo. So it would have been extremely difficult to choose an unprejudiced man from among those interested in the lumber trade in the portion of the province from which I come. Mr. Picard is one of the most solid representative business men of the city of Quebec, he has been chairman of the local school board and in that capacity had to do with an annual expenditure of several million dollars, and I know he has been consulted by the provincial government and by the municipal authorities of Quebec on a great many financial problems. I cannot think of any one else in that city, where there are a large number of lumbermen, who would be more competent to preside over an inquiry of this kind, and who would give to the work more of his energy, and whose judgement would be more balanced and more unprejudiced.

Mr. IRVINE: Before the amendment is carried, Mr. Chairman, I wish to explain, that my original intention was to move that the whole item be struck out; but in view of the fact that the minister has explained that already part of the money has actually been expended I do not want to place him in the embarrassing position of being presented with accounts which he has no money to pay. So I thought that if we could take a guess at the amount he wanted, and save $10,000 from the bottom of the abyss to which it is in danger of going if we do not vote for the amendment, it would be generous and perhaps wise to cut the vote in two instead of wiping it all off.

Amended negatived; Yeas, 34; Nays, 54.

Mr. MEIGHEN: I suppose this Pulpwood Commission has now jollied along until we will get no report this session.

Mr. ROBB: I hope to have the report.

Mr. MEIGHEN: Oh, the hope has been expressed almost daily for months.

Mr. ROBB: I agree with my hon. friend to that extent.

Mr. MEIGHEN: It is perfectly absurd. The commission was appointed last year with the idea of taking action then, and they have been sitting all through this session, or

at least extracting the money from the treasury, and the farce is still kept up; the money is going out, the pulpwood is going out, and the government are doing nothing.

Item agreed to.

Auditor General's office—Salaries, including Auditor General at $10,000 additional to 7-8 Edward VII, chap. 6, $278,460; Contingencies, $90,500.

Mr. STEVENS: The minister might give us a brief statement regarding the reorganization of the Auditor General's office, and just how far it has proceeded.

Mr. ROBB: The Auditor General, as my hon. friend knows, is Mr. Gonthier, who was a chartered accountant, with a very wide and splendid reputation in the part of the country from which he comes. All the details of the office will be found on page 81. Hon. members will recall that under the Audit Act of last year a Board of Audit was appointed, and this board is working with the Auditor General examining into the different departments, and we hope they will be able to present a report to parliament next session which will be useful to us. They intimate to us that after the reorganization is complete, if the government accepts the recommendations of the Audit Board, considerable economy may be effected and greater efficiency brought about in the administration of the different departments.

Mr. MEIGHEN: I do not know whether the minister is really hopeful of the Audit Board doing anything, but I certainly am not hopeful. I consider the whole thing an anomaly. Here is the Auditor General, whose duties are undoubtedly heavy and exceedingly responsible, duties distinctly appertaining to audit, and he, a new man, is asked to get two other auditors and assume, in conjunction with them, the duty of reorganizing the Civil Service, and to make recommendations, something for which their training would not give them the least qualification in the world, and something which if it is done is the duty, by statute, of another organization, another organization thoroughly trained, experienced, and paid for out of the treasury for the very purpose. The government duplicates that organization with another body with the Auditor General at the top, a man who, if he does his duty, has no time for any other work at all, a man who, if he had other work, has no qualifications at all for this task any more than any other auditor in the country; he associates with himself two other men equally disqualified, and they are supposed to be reorganizing the Civil Service of Canada, and are going to make a report and make recommendations. They were asked, as a sort of side-stepping performance in connection with the postal clerks' appeal for more wages after the government took off a part of the bonus, to work in co-operation or co-ordination, or something, with the Civil Service Commission. Now the government knows their work there was perfectly worthless. There was not a single thing they said that did not prove to be utter nonsense, not one recommendation they made that the government could accept—not a single one. They were simply a block on the wheel.

Mr. GRAHAM: Their report, in a large measure, was very much like that of the Civil Service Commission.

Mr. MEIGHEN: I will tell you how it came to be like it.

Mr. GRAHAM: Speaking from memory, there were a few grades as to which they were apart, but the two reports were identical as to the great majority of the grades, so it is not fair to say that their report was not of any use.

Mr. MEIGHEN: If the two reports were absolutely identical, I presume the minister would say the Audit Board would have been very useful. If they had said, "the Civil Service Commission is right," they would have been 100 per cent useful? In so far as they made any comment on the Civil Service Commission's work, that comment proved to be worthless, and naturally it would. How could it be anything else? They never heard witnesses; they never had experience in any similar task; they were strangers to the whole undertaking, and everything they said was negatived by the commission, and not only negatived, but the commission's reasons were absolutely overwhelming.

Mr. MURDOCK: The Board of Audit did hear witnesses on both sides, the officers of the department and the representatives of the employees, on more than one occasion.

Mr. MEIGHEN: It did not seem to do them much good.

Mr. GRAHAM: My hon. friend said they did not hear witnesses.

Mr. MURDOCK: It did them good to the extent of suggesting an increase of salary in sixteen different classifications.

Mr. MEIGHEN: An increase which never took effect, an increase which was proven to

be illogical by the Civil Service Commission's report, and an increase which the government itself did not grant. The delegation of this duty to the Audit Board was accompanied by a proclamation through the press of the country that this was for the purpose of diminishing the expense of the country, a new attempt at economy. Now the Minister of Labour tries to show the Audit Board was useful because it recommended certain expenses in addition to what the Civil Service Commission recommended, which additional expenditure never took effect.

Mr. MURDOCK: It could not, on account of your law.

Mr. MEIGHEN: Then why do you not amend the law? If you do not believe in the law and want some other board instead to make recommendations, or want the government to do it itself, instead of complaining about the law, whining about it day in and day out, why not manfully come in and recommend a change? I do not hear any answer.

Mr. MOTHERWELL: Will my right hon. friend support it?

Mr. MEIGHEN: No, because I do not believe in it. I am not whining about it. The law is all right; I believe in it and support it but hon. gentlemen opposite do not.

Mr. ROBB: No doubt my right hon. friend will recall that at one period he did attempt to amend the law.

Mr. MEIGHEN: And we did amend it.

Mr. ROBB: No, no, my right hon. friend withdrew the Spinney bill.

Mr. MEIGHEN: No we did not withdraw the Spinney bill. The Spinney bill went through the House but we took full responsibility for the change.

Mr. ROBB: It did not go through as presented.

Mr. MEIGHEN: It was presented merely in skeleton form, just like the Redistribution bill was, and the details were filled in by a committee and the government accepted those details, put the law through and took the responsibility. Just a few more cases were added to those which the commission had power to recommend being excepted from the Civil Service Act, but very few more. With referrence to those few more though hon. gentlemen opposite raised a howl to high heaven as being a violation of the principle of the act. But immediately they got into office they took steps to see that those cases were multiplied about tenfold—just about tenfold. However, this is aside from the question. That was the Spinney bill. Now we have a trained body, which has an organization for the purpose and after we secure it and are paying out the good money of the people of Canada for its maintenance, the government under the plea of economy, bring another body into existence and put at its head a man whose duties if he performs them are as onerous already, certainly as responsible, as those of any man in the service of the country—a man who, if he performs his own duties, can hardly do anything else. And then they bring two other men in who have had no association with the service and no experience of it in the world, and these three men are supposed to be now investigating or re-organizing the Civil Service of Canada. I do not know that anything could be much more absurd. We are just multiplying one body after the other. First of all we have the Audit Board as a court of appeal over the Civil Service Commission. Then the other day we had a new taxation commission, or some such sonorous name is given to it as an excuse to give men a lot of high salaries to do something that certainly we ought to do if it requires to be done at all. And then besides, apparently to check their conduct, there is to be another commission in the Finance department. It is time we quit piling up the super-structure of government, in this way. Instead of providing machinery to add to the cost of government by bringing in new legislation, let us apply ourselves to reducing the cost by doing our duty in this parliament.

Mr. SHAW: With much that the leader of the opposition has said I find myself in thorough agreement. I did not anticipate last year, when the legislation creating a Board of Audit was before parliament that the government had in mind some sort of organization which was going to sit in appeal on the Civil Service Commission. It occurs to me that if the Civil Service Commission is not properly functioning, if the act under which it operates is not satisfactory, then certainly one of two courses should be followed—either the Civil Service Commission should be removed, or else the act should be changed in order to make it more effective and more efficient. Now I happened to sit on a committee last year which was engaged in remodelling, if you like, this Civil Service Act. The committee, I think almost unanimously, came to an agreement with regard to several very important amendments. None of these

amendments have been given effect to at all, except the one dealing with superannuation. Instead of that we find this Audit Board created; and in going through the estimates and the government's legislation for the session I find numerous provisions—some contained in the very item we are discussing—indicating that the appointments referred to are to be made without reference to the Civil Service Act. This same phrase exempting positions from the operation of the Civil Service Act, this same re-introduction of patronage, is manifest dozens and dozens of times throughout these estimates and in the legislation brought down by the government. I think it is unfortunate that we should be going back to patronage, and in this covert way our steps are certainly being retraced. It is my opinion that the impotence of this Audit Board, so far as regards its influence outside of the Auditor General's department, was certainly very apparent in connection with the post office situation. In that particular case what happened was this, as I understand it: The matter of post office salaries was referred to the Civil Service Commission, the Audit Board and also to the deputy ministers. An attempt was made apparently to have a conference. The Audit Board, for some reason, withdrew, and then after a report on the subject was made to the government by the Civil Service Commissioners and the deputy ministers, and after they had heard representation from all parties, the government referred the report back to the Audit Board. The board called witnesses, heard evidence and discussed the matter all over again, and then finally the report had to go back to the Civil Service Commissioners because they were the only body empowered by law whose report the government could accept; the report of the Audit Board could not be accepted by the government no matter what its nature might be. I think that one incident has indicated the impotence of this particular board. What we should do is to fashion one piece of machinery and make it really effective, make it really function, instead of multiplying the machinery as we are doing not only in this regard but in numerous other cases. I impress upon the government that they should not be retracing their steps in the direction of patronage; that they should make an effort to get real, efficient service and to remove the evils of patronage entirely.

Mr. MARTELL: Can the hon. member dispute the fact that under what he terms the iniquitous patronage system we got some of the ablest men in the Civil Service, whereas under the present system we got faddists rather than practical men?

Mr. SHAW: All I can say to my hon. friend is that if what he states is true then accidents do happen.

Mr. MARTELL: My hon. friend does not understand the situation at all. I happen to be one of those who refused to sign the report of the committee last year. I will be very frank in stating this: I do not care what party is in, the man who represents the county, knowing the people in the constituency, is well qualified to recommend to the government of the country the proper persons to fill all positions. I will stand by that and will run my election on it. I am in favour of the patronage system because it is the proper system and the most democratic one.

Mr. MEIGHEN: It is fortunate for the hon. member that he was not in the House or he would have been called upon by the party whip to take exactly an opposite stand.

Mr. MARTELL: I would not have taken it.

Mr. MEIGHEN: I will not say the hon. member would have taken it, he might not have, but if he did not he would have shown a good deal more courage than any of his colleagues of that day. I want to make a little reference to the question of salary. I have no exception to take—I do not know in fact much about it—to the qualification of the appointee in this case. Certainly I raise no objection to the gentleman appointed, and I take no exception to his qualifications, but I do deprecate the continual tendency to yield to this demand and that for extraordinary salaries in the service of Canada. It is easy enough to say when you go out into the business world to get the very best man you can select that you ought to pay him proportionately. That is true, but if this course be followed in the case of every appointment in the Civil Service we shall have a scale of salaries in this Dominion that will outclass the richest country in the world if it does not do so to-day; we shall have a scale millions or tens of millions over what we have to-day. I do not say that we are going to run into that, but if we follow this practice we cannot help but run into it; and if we cannot follow the practice we should not commence it. Certainly if we lost to-day, say, the Deputy Minister of Justice and had to get the best lawyer in Canada to take his place we would have to pay him a lot more than the Deputy

Minister of Justice now receives. The same would be true in any department of administration. But the fact is that this cannot be done in the public service, this rule really cannot be adopted; we must get some other rule and go by it. And we should follow that other rule in the Auditor General's department the same as in any other department. We have to follow the rule, for example, of promotion, and rarely should that rule be abandoned or deflected in the case of the public service. I do not pretend to any special acquaintance with the personnel of the Auditor General's department but one would think there would have been opportunity there, by the principle of promotion, to fill this office as it has been filled throughout the history of Canada, without establishing these precedents of—I do not know what. I see $10,000 extra salary—$10,000 increase over what it was before. Where is this thing going to end? The government have yielded to importunity since it came into power, notwithstanding the fact that the high cost of living has certainly been no higher. They have yielded to importunity from the deputy ministers until they have lifted the scale there virtually universally to $8,000. They commenced, thinking they could stop, and found that they could not. They commenced in this case, no doubt, thinking they could stop. Why, they have not the moral muscle to stop. The thing will go right on certainly as long as the government is in office. We will have the fancy salaries here, there and everywhere, with the consequent discomfiture of other members of the service, the consequent envy, jealousy and failure to cooperate, and the consequent lack of spirit. All these things are the inevitable harvest of the course the government is pursuing. There must be a stern hand in the service, to prevent the special examples of exalted salaries, and I think the same can be said even in the sphere of our National Railways. We cannot get into that habit. This government will have to call a halt upon that habit. It is true we must have good men, but a government, managing a great service, must follow the principle of promotion far more sedulously than any private company is compelled to do. The service is so very extensive that the very fact that it is a public service, as distinguished from a private service, gives to the other members of the service a right, and a basis of complaint infinitely stronger and infinitely more dangerous than could the same basis be in any private company. Therefore, I say the government is on a very dangerous road and is yielding very weakly to the temptations that beset the path of every government and that only strong governments can resist.

Mr. EULER: The hon. member refers to employees of the National Railway. I would say they are not civil servants in the ordinary sense.

Mr. MEIGHEN: I know that.

Mr. EULER: But would the hon. member hold that it would be possible to have an efficient staff in the National Railways and put them on a scale lower than that on which the services are paid for, we will say, on the Canadian Pacific Railway? Does the hon. member think that would be possible?

Mr. MEIGHEN: I have not gone so far as to advocate that; but I am disposed to think the scale is higher, when consideration is given to the number of highly salaried posts. I will not say we can follow the same course in the National Railways in every way that we can in the public service. There is a distinction I admit, but we have got to set ourselves against an inevitable tendency to advance not only the members of this House in high office, but the level of salaries in high office even in the National Railways.

Item agreed to.

Insurance—Salaries, including Superintendent of Insurance, $5,000 additional to salary authorized by 7-8 Edward VII, chap. 69, $70,550.

Mr. ROBB: If hon. members have no objection, we might take this item, the usual vote for Insurance department.

Mr. MEIGHEN: We cannot go on after six o'clock.

Mr. ROBB: All right.

At six o'clock the committee took recess.

After Recess

TRADE AND COMMERCE

The committee resumed at eight o'clock.

Trade and Commerce—Salaries, $434,854.98.

Hon. J. A. ROBB (Acting Minister of Finance): In the absence of my colleague, the Minister of Trade and Commerce (Mr. Low), I will explain these estimates this evening. Hon. gentlemen will observe a considerable reduction in staff and consequently a reduction in the vote.

Mr. STEVENS: The services of the Director of Commercial Intelligence have been lispensed with. What was the reason for the change in the organization and, if it was considered important, on what ground was it made?

Mr. ROBB: The Director of Commercial Intelligence has been transferred to Trinidad.

Mr. COOTE: Have the services of the expert in grain chemistry been dispensed with?

Mr. ROBB: He is being continued in office until we have the report of the Grain Commission.

Mr. COOTE: The estimate provides for a gratuity and I thought that possibly this official had been discharged.

Mr. ROBB: That is two months' gratuity which he has been allowed; but in the Supplementary Estimates provision is made to carry him on until we have received the report of the commission.

Mr. COOTE: This official is Dr. Birchard?

Mr. ROBB: Yes.

Mr. DOUCET: The other evening when we were discussing Item No. 375, Commercial Intelligence Service, I said I thought the intelligence service was not very satisfactory, at least to those who subscribed to the French version of departmental publications. The minister (Mr. Low) on that occasion replied that the French version cost a good deal more than the English; but in my humble opinion that does not seem reasonable inasmuch as the French publication is always smaller by 8 pages than the English version. However, as the minister is not in his seat to-night I do not wish to burden the acting minister with this particular matter. I have a number of circular letters in regard to various industries in the Dominion and I have followed from time to time the various publications which are issued for the information of the manufacturing and commercial public of the Dominion. In many cases they are being sent out in English only. The other day I tried to get a French translation of the following reports: On the paper products industries in Canada, 1921-22; on the box, basket and crate industry in Canada, 1921-22; on the tobacco manufacturing industry in Canada in 1922; on the furniture industries in Canada for 1921-22; on the June employment situation 1924; on men's furnishing goods industries in Canada for 1922; on pickle, sauce, vinegar and cider industry in Canada for 1921-22; on coffee and spice industries in Canada for 1921-22. I find that those reports have not yet been issued in the French language, and there are dozens of other reports that are not yet available to the French commercial public in their language. If it is worth while having our bilingual system, I contend, Mr. Chairman, that every government publication dealing with the trade and commerce of this Dominion should be printed in both languages and circulated throughout the country.

Many of these trade reports are published from time to time in some of our largest daily papers of the province of Quebec, and also in trade journals. When it is considered that these newspapers are willing to give this information for the benefit of their readers, and that their translation of the reports printed in English must entail considerable expense, I submit that even if it did cost a few dollars more per annum to have the various publications I have referred to translated into the French language the work should be undertaken. I think this is of vital importance and should be considered in connection with the French issue of the Commercial Intelligence Bulletin which I brought to the notice of the minister last week. Every publication which emanates from the department in connection with statistice and trade and commerce should be printed in both languages and circulated freely so that the whole population may benefit therefrom. Having brought this matter to the attention of the minister the other evening, and of the acting minister and his deputy minister this evening, as well as to the attention of the whole House, I hope that in future steps will be taken to see that all government periodicals are printed in the two languages.

Mr. STEWART (Leeds): Is the salary of M. J. Cullen, Chief Inspector of Immigration, mentioned in this vote?

Mr. ROBB: No.

Mr. STEWART (Leeds): He was in this department?

Mr. ROBB: He was at one time.

Mr. STEWART (Leeds): Has he been transferred to another department?

Mr. ROBB: M. J. Cullen is now private secretary to the Minister of Immigration.

Mr. STEWART (Leeds): He is designated chief inspector.

Mr. ROBB: We will deal with that when we come to the Immigration estimates.

Mr. MEIGHEN: He has been translated or transfigured into a higher position at a higher salary against the act?

Mr. ROBB: I shall be glad to discuss that with my right hon. friend when we reach the Immigration estimates.

Mr. MEIGHEN: It is just as well to have the fact noticed as we pass.

Mr. STEVENS: I should judge that over $30,000 is provided for in this item for mechanical tabulators. How is this innovation working? I am informed that some departments have been urged to use these machines, in fact I have heard of one or two instances where they were used and found to be of no value. They might be of value in tabulating work where interim reports are not required, but where interim reports are required, the task of segrating the statistics in the old way must mean a duplication of expense. I shall be glad to know as to the success or otherwise of this system of tabulation.

Mr. ROBB: The experience of the department is that these mechanical tabulators and other contrivances are a very great benefit not only in enabling us to do work quicker but to do it more economically. The chief of the Bureau of Statistics, Mr. Coats, finds them of very great advantage.

Mr. STEVENS: I know that is claimed by the promoters of this new system, but from the information I have been able to gather it is a question whether that claim is sustained by actual experience.

Mr. ROBB: They have tried them out on a cost basis. It is true they are expensive, but they result in economy.

Mr. STEVENS: The system may work where you have one continuous and uniform class of statistics to get up. But in all government departments, especially when parliament is sitting—which runs to four or six months in the year—you are called upon constantly for reports that vary from these regular reports. For instance, if all that was asked for in the case of the customs statistics was the regular reports running along throughout the year on a uniform basis, I daresay this new system would work. But if it is a case of furnishing reports in the middle of the month or at any time, thus breaking into the continuity of the system, then the matter must be dealt with in some other way than by the mechanical tabulator, with resulting duplication of cost. Will the minister give the committee some evidence that the use of these contrivances has resulted in economy?

Mr. ROBB: If we did not have them we would have to have a much larger staff. I do not know what complaints have come to my hon. friend, but he will recall that when the power loom was first introduced there was objection.

Mr. STEVENS: Will the minister tell me of one use to which such machines are put that I could personally inspect with a view to seeing the value of the system? I am referring now to its introduction into a department; I do not want to go down to Vittoria street where the promoters of the scheme have set some machines up for demonstration purposes.

Mr. MURDOCK: If the hon. gentleman will come to the Labour department he can see one in operation any day.

Mr. STEVENS: Does my hon. friend give me the invitation?

Mr. MURDOCK: Yes, indeed.

Mr. STEVENS: I shall have to take advantage of it and to have a look at this apparatus.

Mr. GARLAND (Bow River): What is the work that is done in the Division of Demography?

Mr. ROBB: These are the social and vital statistics of the country, the work being done in co-operation with the provinces.

Mr. GARLAND (Bow River): I find in the estimates the following items:

1 Director, motion picture bureau	$4,200
1 motion picture photographer	2,880
1 film editor	2,730
1 artist	2,400
1 junior motion picture photographer	2,280

Leaving out the artist, I find that the total amount expended in salaries in the motion picture department is $12,090. Will the minister give the committee some idea of the work that is being done in this department and whether it is really important work?

Mr. ROBB: This department gathers photographs of scenes in different parts of Canada, and there is a working arrangement with picture houses all over the world which pay us for the privilege of exhibiting the pictures. Our revenue from that source is from $10,000 to $15,000 a year. The arrangements are made by our trade agents in the different

[Mr. C. W. Stewart.]

countries. The exhibition of these pictures has the double advantage of showing other countries the products we have to sell and of attracting tourists who will travel over our railways and thus bring a revenue to the country.

Mr. GARLAND (Bow River): Is this the only department undertaking motion picture work?

Mr. ROBB: This department does the work for all the other departments, which pay for the services thus rendered.

Mr. HANSON: Are we to understand that the department has a complete bureau of vital statistics, and if so is that work not largely a duplication of work done by provincial governments? Down in New Brunswick, under a system lately established, we are deluged with vital statistics; every time a man winks it is recorded. Is this not a duplication of work that is properly done by the provinces?

Mr. ROBB: There may have been duplication in the past, but we are gradually getting away from it. The provinces work in conjunction with this central department. This work is urged upon us by many associations throughout Canada, and it is a very valuable work.

Mr. HANSON: If it is done by the provinces why should it be again done here?

Mr. ROBB: We centralize it so that it goes out in general form and on a uniform basis. We have the records for all the different provinces.

Mr. HANSON: That is simply an admission that the work is duplicated here.

Mr. ROBB: It has been in the past, but we are getting away from that.

Mr. DOUCET: In respect to the plea I made with regard to the printing of reports in both languages, which in my opinion should have been an effective plea, is the minister prepared to say that in future all periodicals emanating from the statistical branch of his department will be printed in both languages? The expense would not be so large as to prevent its being done. The public wish to know if they may rely on getting such information in the Franch language as is given out in English.

Mr. ROBB: We are yearly making progress along those lines. I listened to my hon. friend the other night criticising the administration and the issue of the weekly Journal of Commercial Intelligence, and I wondered why my colleague did not think at the time of reminding my hon. friend that it was his government that introduced the Journal of Commercial Intelligence, and we are gradually getting it up to the point where we think the French edition will go out in as perfect a form as the English edition, which has been published for some years. Generally speaking, and I have heard this discussed in council, the policy of the department is, when correspondence is received in French, to reply in French. There is not the slightest desire not to do justice to the French language.

As regards the various reports to which my hon. friend referred, I recall that when I was in that department I found some fault with the Director of Statistics because I believed they were sending out many reports, I am speaking now particularly of reports in English, that people never read. My policy would be to give the people only what they wanted, and what they were prepared to pay for. I would be disposed to put it on a commercial basis, and if people wanted to get a report in English or in French, they should pay something for it. The charge would be very small; of you like, only the cost of production, but I see no good reason why in this country we should load up the mails with these reports and keep a trained staff, when many of them are not read. I understand that in the United States you cannot get a report on anything, practically, without paying for it; it may be only three, five, ten or twenty-five cents, but you have to pay something for it, and I think my hon. friend will agree with me that that is sound business.

Mr. DOUCET: I quite agree that some of the reports might be eliminated without causing any great inconvenience, and if those which are published were published in both languages, I think that would be just about what this country wants. As to making a charge, I do not wish to criticise unduly, but I brought this matter to the attention of the minister the other evening, and I did not catch his reply as it appeared in Hansard the following morning. I think that when the same charge is made for the French version as for the English version of the Journal of Commercial Intelligence, and the French edition week after week contains eight pages less of material than the English edition, this department is not doing justice to those of the French language who subscribe to that bulletin. If it is thought wise in the interests of economy to eliminate some of the reports, no one will quarrel very much with that, but those which are published in the English language should likewise be published in French and be circulated just as freely as the English edition.

Mr. ROBB: I think my hon. friend is right in that.

Mr. MANION: I would like to ask which of the statistical branches in the various departments have now been brought under the Department of Trade and Commerce, or have they all now been brought together under one head?

Mr. ROBB: As contemplated by the act of 1918, the statistical branches in the Railway department, Customs department, Forestry branch and I think some other departments, are all supposed to be concentrated in the Department of Trade and Commerce, but some of the customs statistics are not yet being handled in that department.

Mr. MANION: The reason I ask is this: I remember very well that previous to 1918 it was difficult to get statistics from almost any department of the government, whereas at the present time, and since 1918, the bringing together of the various statistical branches has made it very much more simple for a member of parliament or anybody else to get the statistics he wants.

Mr. ROBB: I think it is a most complete system.

Mr. MANION: I agree, and I wish to say a word in favour of the system, because after all we indulge in a great deal of criticism of the Civil Service in this House at various times. Since these various statistical branches were brought together by Sir George Foster, the service now given is invaluable to hon. members. I remember well that previous to that time, about the beginning of 1918, if one wanted to get statistics from a certain department he would ring up, say, the Mines branch, and perhaps he might get them, but if not he would be referred to some other branch, which in turn would refer him to some other agency. At the present time, on the other hand, one may ring up almost any office in the statistical branch of the Department of Trade and Commerce and get the information he desires, and I just wished to say a word in commendation of the system, which I repeat, we started, but which my hon. friend and his government are carrying on. I think the sooner all these different branches dealing with statistics are brought together under one head, the better for the country, and the better for members of parliament and the public generally who wish to get statistics of various kinds.

Mr. GARLAND (Bow River): I can very well support the viewpoint of my hon. friend from Fort William and Rainy River. I wish to congratulate the department upon this very excellent publication, this year to year book, but I am afraid their efforts are being handicapped by the inaction of the government in one particular matter at least, and that is the securing of information with regard to emigration from Canada. I understand that we have no really effective methods of checking the numbers and classes of people who leave this country. I think there is an attempt being made by the bureau to do all they can in this regard, but it is handicapped by an apparent unwillingness on the part of the government to give it the necessary facilities for gathering this information. In all other respects I think I can support everything that has been said by my hon. friend (Mr. Manion). I see in the details the position of "Chief, Census of Manufacturers, salary $3,300." What are his duties?

Mr. ROBB: I imagine that his duties are to compile statistics relating to products and employees, and everything pertaining to manufacturing concerns.

Mr. GARLAND (Bow River): It is not just a census of manufacturers? It is down here as "Census of Manufacturers."

Mr. ROBB: I imagine he will have supervision of everything pertaining to that particular work.

Mr. MEIGHEN: I notice that the chief of the Intelligence office is out of the salary list here. Would the minister say what has become of him?

Mr. ROBB: My right hon. friend was not in earlier when I stated that the chief of the Commercial Intelligence has been transferred as trade agent to Trinidad.

Mr. MEIGHEN: What will be his salary there?

Mr. ROBB: Mr. H. R. Poussette was appointed trade commissioner in January, 1909, at Durban, South Africa, at $3,000 a year; transferred to Buenos Aires, February 1, 1911; proceeded overseas with the 4th Canadian Mounted Rifles, 1918; appointed director, Commercial Intelligence, July 6, 1920, at $6,000; increased to $6,600, October 1, 1921, and to $7,200, October 1, 1922; salary from March, 1924, $7,200; transferred to class of trade commissioner, grade 3, with salary at minimum of class, $5,040, and living allowance of $800, and residing at Trinidad as from April 1, 1924.

Mr. MEIGHEN: The salary in the estimates for 1921-22 was $6,000. It could not have been raised in October because there was no vote provided.

Mr. SHEARD: Could the minister tell me something about the item "Chief, Division of Demography"? I do not know what "demography" is. I should like the minister to tell me, and also to state what the duties are, and how many officers there are in the division?

Mr. ROBB: My hon. friend could not have been in when I gave that information a moment ago. That has reference to the vital statistics.

Mr. HANSON: Although the bouquets were coming thick and fast a few moments ago in regard to the Bureau of Statistics, I recall to mind several complaints I had from business men in my own constituency about the demands that are made upon them from time to time to furnish statistics to the department, and I wish to ask if the department has ever received complaints from business men as to the various demands that are made upon them for statistics—what are said to be useless demands, very aggravating in many respects, and from the standpoint of those who have to prepare them serving no purpose whatever. I have had within a month a letter from a business house in my city enclosing a copy of a letter which the principal had lately written to the chief of the bureau or one of the officials, I have forgotten which, complaining about the time required to be taken up in filling up schedules. I should like to know if there is much objection by business men to the demands made upon them to fill out forms with statistics?

Mr. ROBB: I recall at one time there was very great complaint; I had occasion to complain myself. When I was first connected with the department there were innumerable complaints; but I did not know that there had been any complaints recently. I agree with my hon. friend that there is considerable information asked for that is somewhat annoying to the people who have to fill out the forms. On the other hand there are hon. gentlemen in this House who expect to get that information, and find fault if they do not receive it. So the poor Dominion statistician is harassed between the two—between honourable gentlemen who desire information and complain if they cannot get it, and people in the country who find fault because they are required to furnish it.

Mr. HANSON: It usually happens that in the case of big manufacturing institutions or commercial houses the work of getting out this information is handed to one of the chief executive heads who, more often than not, is one of the most important men in the establishment.

Mr. ROBB: My hon. friend is quite right.

Mr. HANSON: I recall one instance where a request for information came to a man who was overseeing a business of millions a year. He could not dig out the information himself so the task was entrusted to a clerk but he had really to oversee the work and as his other duties were very onerous he made vigorous complaints to me. So far as curiosity on the part of members of this House is concerned I think the department should arrive at a happy medium between satisfying what is merely curiosity on the one hand and meeting a legitimate and necessary desire for information on the other hand.

Mr. MEIGHEN: The minister has so far forgotten to answer the question I asked him.

Mr. ROBB: Was that the vote for the Director of Commercial Intelligence?

Mr. MEIGHEN: Yes.

Mr. ROBB: I notice that according to the details of civil government for 1923 the last year was $7,200.

Mr. MEIGHEN: I know, but what has puzzled me a little is how the government's opinion of Mr. Poussette seems to have oscillated. At first they did not think he was paid enough, and they raised his salary up to $7,200. Now they seem to think he was paid too much and have reduced the salary to a lower amount than before.

Mr. ROBB: It is not a difference between Mr. Poussette and the government.

Mr. MEIGHEN: I did not say so.

Mr. ROBB: It is a difference of opinion between Mr. Poussette and the Civil Service Commission combined, and the government. Mr. Poussette was insistent upon being reclassified and reclassified until he got himself up to that salary. I will admit that an order in council was passed approving it but, speaking from memory, I am inclined to think that it was the government of which my right hon. friend was Prime Minister that approved the reclassification.

Mr. MEIGHEN: No it certainly was not, because the time came—

Mr. ROBB: Yes, but he had worked up, he had reached his maximum; he went up automatically.

Mr. MEIGHEN: In 1923?

Mr. ROBB: I read the statement a moment ago to my right hon. friend, and I will repeat it. He was appointed Director of Commercial Intelligence on July 6, 1920, at $6,000 per annum which was increased to $6,600 on October 1, 1921, and to $7,200 on October 1, 1922. But my right hon. friend will observe that it was the reclassification that was made October 1, 1921, that brought him up to the maximum of the class.

Mr. MEIGHEN: I do not observe that at all. I observe that the last increase took place almost a year after we were out of office.

Mr. ROBB: Yes, but by virtue of an order in council which my right hon. friend's government had approved the previous year.

Mr. MEIGHEN: Has the minister got the order in council?

Mr. ROBB: If my right hon. friend disputes it I will let the item stand until the order in council is produced.

Mr. MEIGHEN: There is no item here, it has been struck out. The hon. gentleman has got him now in Trinidad. I did not know where he was; I just wondered how the government's opinion had varied as to his qualifications.

I want to make a few remarks on the statistics question, and the minister's reference thereto. I have not heard of the complaints —I think it is mostly imaginary on the part of the minster—that statistics cannot be secured, that the details are not sufficient. I have never yet in the course of my own time as a member of parliament sought to get statistics that I could not get from the statistics office.

Mr. ROBB: Just a few moments ago an hon. gentleman across the way complained there were statistics he could not get.

Mr. MEIGHEN: I did not hear the complaint and I never encountered such an experience in my time. I think if he goes to the statistics office he will find that any details within reason, and many a time in my own judgment beyond reason, can be secured there.

Mr. ROBB: I agree with my right hon. friend.

[Mr. Robb.]

Mr. MEIGHEN: Why, of course and carefully tabulated too. The statistics are easily available, one never has to wait very long for them. My criticism would be not that the statistics should not all be handled in the statistics branch—I think they should; I cannot see any reason in the world for having a Labour statistics branch still in operation, especially as I was able to show some few nights ago a letter from a member of that branch writing to a correspondent and wanting to know where he could get certain statistics that were published by him, receiving in reply the information that they were secured from the statistics branch of the department of Trade and Commerce. The Labour man had been trying to get these facts and did not know they were to be secured in the department right across the road, and he found that out from this correspondence in the country. It is an indefensible duplication. I do think there is too much detail demanded of the business man. For example, I have seen questions put to business men—I think I have one of them in front of me—that really are amusing. I have not the authority of the writer to use his letter, but I can give the facts and I will show the letter to the minister.

Mr. ROBB: I quite admit it. I have no dispute with my right hon. friend; I am quite in accord with him.

Mr. MEIGHEN: It is a letter to the Department of Trade and Commerce, dated 4th July and reads:

> We are in receipt of your report on the carriage and wagon industry for 1921 and 1922. We have gone over parts of this very carefully, and wish to draw your attention to the following:
>
> Table No. 4—Vehicle supplies, products manufactured, 1921-1922.

Then follows the table, showing the number of hubs, the number of spokes, the number of felloes, the number of rims, the number of axles, the number of bolsters, the number of reaches, the number of poles and tongues, shafts, sleigh runners, sleigh banks, single whiffle trees, double whiffle trees and neck yokes. All these are given, and the number manufactured in Canada for the year 1922—not only the number, but the value. Well now, it passes my comprehension—

Mr. DUFF: Any ox yokes?

Mr. MEIGHEN: I do not know. The et cætera is not filled in at the end. What use is it to any human being to know the number of axles or the number of shafts or sleigh runners or sleigh banks that are made in

the country. After giving these details the following comment is made, which is still more interesting—

You will notice a considerable difference in these figures, and we do not see why this should be.

This firm reported to the department the number of bolsters made by that firm, the number of reaches, and so forth, and the value, and the table is given in the report of this firm and beside it the totals for the whole of Canada, as published by the department, and strange to say in several instances the totals for the whole of Canada are less than the numbers made by this firm. The letter says:

You will notice a considerable difference in these figures and we do not see why this should be. Figures we give you under the heading of "Our report to you" are taken from copy of report we submitted to you, and your report should at least include totals of our figures.

I might cite an example: poles and tongues are given as 7,845, and the total made in the Dominion was 3,865. Very valuable data this certainly must be.

Mr. GRAHAM: That is, if that letter is right.

Mr. MEIGHEN: If the minister knew the firm who wrote the letter he would accept their statement.

Mr. ROBB: Is that not a contradiction of the statement the hon. member made a minute ago of the value of the statistics we could get?

Mr. MEIGHEN: I say there is too much detail. When you go there you can get any detail you want, and get it promptly. I never had any difficulty in that respect, but it is over done. It is like giving the number of evolutions of a spider's web.

Mr. ROBB: The hon. member is right, but he has just proven the statistics are of no value whatever. They are not correct.

Mr. MEIGHEN: That is true. In this respect I can criticise them harder than I did, but I was sparing the minister.

Mr. ROBB: It is not the minister. I do not object to it.

Mr. MEIGHEN: I am sorry if I omitted any just criticism I might have made.

Mr. GRAHAM: Rather unusual for the hon. gentleman to do that.

Mr. DUFF: It is a rare fault.

[Mr. Meighen.]

Mr. MEIGHEN: The letter continues:

Also, it is not reasonable to suppose that out of fifteen manufacturers in the Dominion of Canada, we manufacture all the items of this nature; in fact we know absolutely that we do not. Your report shows that there are fifteen plants of this nature in Canada, made up as follows: Quebec 2, Ontario 12, Manitoba 1; whereas there is a plant in operation within one hundred yards of our own plant, manufacturing the same class of stock.

This plant is in Manitoba, but the government report indicates that there is only one plant there. The letter continues:

Under the above circumstances, and owing to the inaccuracy of your report we believe it is a waste of time and money to have this information compiled. It costs us from $100 to $150 per year to compile this information and forward the same to you, and when you get it, you cannot even copy our figures. Also, apparently our opposition do not have to send in their report and they therefore save that hundred or so dollars.

We therefore believe that in future it will be quite in order for us to refuse to make out any more of these reports.

Mr. HOCKEN: If this discussion will produce some relief, to the business men of this country in the preparation of their reports, our time will not have been wasted. There is not a business firm of any size in Canada that has not to engage chartered accountants, or else disarrange their whole organization in order to prepare these reports every year. The mass of detail that is demanded from business men to-day, partly by the provinces and partly by this government, is so enormous as to constitute a heavy tax on the revenues of the business, and as the right hon. leader of the opposition (Mr. Meighen) has pointed out, it is not collected or not prepared with such a degree of accuracy as to make it of value to any person. I have had many business men in my city complain to me bitterly, not only about the cost—and that is bad enough, because nobody wants to spend three or four hundred dollars in preparing a list of figures which does not mean anything to them—but about the disorganization of their clerical staff that results. The cost of course depends on their business and may run into thousands of dollars. The result is that the staff is disorganized, or the firm have to engage a larger staff of chartered accountants to go all over their business and produce something which is not of any value to anybody. I quite understand and appreciate the outlay in obtaining statistical information. I agree with the hon. member for York-Sunbury (Mr. Hanson) that it is a perfectly absurd proposition to have the vital statistics gathered by the provinces and then gathered again by the federal govern-

ment. If the federal government wants it they can surely get it from the provinces and do not require to prepare statements of their own.

Mr. ROBB: I am told the statistics are gathered from the provinces.

Mr. HOCKEN: Then there should not be very much cost about it, and it should not take very much time, but I hope the minister will give attention to the requirements of the business men in regard to these returns to be made to the government, and get the thing down to some reasonable basis, where business will not be taxed, business impeded and business men annoyed. The annoyance is greater than the minister is aware, unless he has had communications from those who have suffered.

Mr. ROBB: I think we are agreed apparently on that.

Mr. HOCKEN: I take it the minister will take some steps to reduce the number of returns demanded.

Mr. ROBB: We have already done so.

Mr. DUFF: Is it not a fact that this system was in vogue several years ago?

Mr. ROBB: It was in vogue several years ago, but like all systems it kept growing.

Mr. HOCKEN: The annoyance continues, and the demands are increasing. I think they should be diminishing. We should make a reform in that respect; and instead of having more and more to prepare every year, we should have less and less, until the thing got down to some basis that would be reasonable and of some value.

Mr. ROBB: I think my hon. friend is quite right.

Mr. McMASTER: I should be sorry to have the item carried with the impression left undispelled that this House was not thoroughly appreciative of the very great value which the Bureau of Statistics has proved to the members of parliament as well as to the country generally. Every serious member of the House who takes part in the discussions, especially those of an economic or business nature, has been grateful from time to time for the very great assistance afforded by the bureau and the able public servant who presides over it. I should like to see the Dominion statistician given more power of correlating in his department all the different statistics which at present are compiled, because I think there exists an unnecessary duplication in the gathering of information. In regard to the objections made by representatives of business men as to the trouble which is caused in regard to the making of returns, I think possibly the information is asked for in too great detail. But there is no doubt that it helps the business of the country as a whole to have reports as accurate as possible.

Mr. HOCKEN: If a man knew his business he would be sure of it.

Mr. McMASTER: The reports can be accurate only if business men will loyally comply with the requests that are made. A client of mine told me once how annoyed he was some years ago when asked to furnish a tabulated statement in regard to the cost of the commodity his company sold. He was the president of a large milk concern and he was very much annoyed when asked by the Board of Commerce to segregate his different costs which made up the price paid by the consumer. He objected at the time but he found afterwards that as a matter of fact it was one of the best things that had happened in his business because, as he put it, they learned how much things were really costing them and, in that way, what economies could be effected.

Mr. MEIGHEN: I do not want anyone to get the impression that I have not confidence in the head of the branch; but apparently errors have crept in as they will creep in in the case of any other branch. There is no better public servant than the head of this particular branch; nevertheless, the tendency exists everywhere, even in the best managed branches, to expand the work, to extend the service, and to multiply the entourage. In this particular case, the practice has resulted undoubtedly in too great a burden; too much in the way of details is required of business men, and a better example could hardly be found than the one I gave direct and authoritatively a little while ago. The minister would I think profitably direct his efforts towards two goals: let him take the statistics out of all other departments and concentrate them in one under Mr. Coats and, in the second place, see to it that even under Mr. Coats there is not too great an ambition to penetrate into every little figment of business and that only such statistics shall be required as are reasonably useful and likely to serve a public purpose.

Item agreed to.

Patent and Copyright—salaries—contingencies, $178,595.

Sir HENRY DRAYTON: What was the revenue of the department last year?

Mr. ROBB: For the year 1923-24 the revenue was $459,780.27 and the expenditure $227,090.94, leaving a balance of receipts over expenditure of $232,689.33.

Mr. STEVENS: Last year we revised the Patent Act, and it might be informative to hear from the minister what the results have been of the changes which were then made. I want to emphasize what I said then regarding the salary paid the Commissioner of Patents. This is just an indication of what happens when some very deserving officer of a department is increased; in every such case every other civil servant who can by any stretch of the imagination argue that his position is analogous to that of the person who has received an increase comes forward with a claim for similar treatment. Now, it is always regrettable to cite any individual before parliament as receiving an unreasonably high salary, but unfortunately there is no other way of getting matters commented upon and if possible adjusted. We gracefully pass items of this sort because we have some consideration for the feelings of officials, and as a consequence salaries unconsciously mount up. I cannot conceive of the Commissioner of Patents being entitled to a salary of $8,000 a year; I really do not see the justification for it. The Patents branch is of course an important one but it is more or less, in fact a good deal more than less, routine in its business. You have certain technical examiners, officers who are employed for the purpose of examining patents applied for, and so forth; and the commissioner's duties are more or less of a routine character. The minister will recall that when the Patent Act was up for revision last year some of my colleagues and I criticised the effort on the part of the commissioner to constitute himself a sort of tin god ruling over the whole business of patents. He had eliminated from the act as originally introduced all appeals from his own decision, but fortunately the minister at the time, recognizing the value of our criticisms, took steps to moderate that undue assumption of authority. I say, this is just an indication of the tendency that prevails and the danger which we should constantly guard against when any move is made in the direction of increasing salaries. It would be quite competent for anyone, citing the head of some department, to argue that if such an official is worth eight thousand dollars he should be worth ten or twelve or fourteen thousand dollars, or whatever sum you choose to name. And that is the way it goes. Only a few years ago we paid deputy ministers four thousand dollars and then we paid them five, and then six thousand; and because of length of service and of their value to the country it was considered that certain deputies should be increased to eight thousand and parliament was induced to make the concession. I remember that when this practice was instituted, the argument was that these positions were of a special character and that the increase applied only to this and the other official. But here we have the Commissioner of Patents, who does not rank at all with these first class deputies, whose services are not of equal value and whose experience is not on a parity with theirs, getting eight thousand dollars while officials whose services are more valuable receive a very much smaller salary. This is one of those glaring examples of the way in which an officer, who is by no means entitled to the high salary that is paid him, is pushed into a position that gives him this advantage. It is suggestive of the camel, which, putting its head into the tent, gradually works his body in as well. I wish to voice my objection to this practice. I think the minister would do a splendid service by reducing this salary to at least six thousand dollars or five thousand a year to make it commensurate with the service which is rendered by this official.

Mr. ROBB: I will admit that the deputies in certain departments of the public service should be well paid. Indeed, experience has taught us that when that is not the case they leave the service and get more lucrative positions with private corporations. As to the Commissioner of Patents, I think it was pointed out last year that the increases then made were on the basis of a certain number of years' service. My hon. friend will recall that the present Commissioner of Patents was formerly Deputy Minister of Agriculture. He was transferred to this branch—not by this government, but by their predecessors in office—with the rank of deputy minister, and it is in virtue of that rank and of ten years' service that the salary was fixed at the present figure.

Mr. MEIGHEN: The minister has not strengthened his case. I should like to have a list of deputies who have left the service because their salaries were not high enough.

Mr. ROBB. A gentleman whom my right hon. friend himself appointed as Deputy Minister of Immigration left the department for a position in another department of the government at a higher salary.

Mr. MEIGHEN: He got it from another department virtually—the Canadian National Railways. I included in my criticism this afternoon the National Railways too, and I do not retract a word of what I then said. Outside of this instance—and the gentleman was only in the office for a year or so, much to the disgust of hon. gentlemen on the opposite side, or some of them—I recall only one deputy minister who left the service.

Mr. ROBB: Another case comes to my mind—Mr. Butler, who at one time was Deputy Minister of Railways. He secured a position with a private corporation at a much higher salary.

Mr. MEIGHEN: That would be twelve years ago when the salaries were $5,000.

Mr. GRAHAM: Oh no.

Mr. MEIGHEN: I think so. They were certainly not over $6,000.

Mr. GRAHAM: Pardon me; as deputy minister and chief engineer he received $8,000.

Mr. HOCKEN: He had two jobs.

Mr. GRAHAM: He left the service because I think he was offered twice the salary by a private corporation.

Mr. MEIGHEN: I do not think the Railway department suffered at all because of that dire calamity; the position was not difficult to fill. The only other case I can remember was the Deputy Minister of Marine and Fisheries, and he returned to the service later on at the same salary. So this peril is pretty much imaginary. If it does occur once or twice, the change is very often a good thing.

Mr. GRAHAM: For the individual.

Mr. MEIGHEN: If a man wants to leave, let him leave: the vacancy can be filled and the service continued as before. It is true that Mr. O'Halloran was Deputy Minister of Agriculture. As such he was discontinued during the period of office of the present hon. member for Marquette (Mr. Crerar). I was a member of the government and take full responsibility. He had the salary of a deputy minister of that time. He certainly was not of my political persuasion, but we never in any case felt like reducing a man in the service. That seems to be a dogma pretty well established. Consequently when he was taken from that post he was given another position at the same salary, and a special provision was made that he should have that rank. But what is our astonishment to find that because this was considered the fair thing to do for him, he now uses the rank which he was then allowed to retain to increase his salary to $8,000. Now, the minister knows that while it may be too much to describe the office of Commissioner of Patents as a sinecure, it certainly is not any heavy responsibility requiring great capacity. What is the fact? The very first year of office the government allowed the water to flow over the dyke, and of course the whole dyke was swept away. When they were first going to let in some of the "most important" as they termed it, for an increase of salary they were warned that they would not stop. They did not stop, they were swept over by the current, and now all the deputy ministers are up to $8,000, and in many cases it is a grotesque extravagance to pay any such salary at all. In order that we may be specific, we point to this as an individual instance, but there are others—perhaps not quite so pronounced but almost so.

Mr. MANION: It would appear to me that to a great extent there is overpayment in some cases because of underpayment in others. In other words, it seems to be a recognized system in the service that if one man in a certain position gets a certain salary, another man who has the same title must get exactly the same salary, although his work may not be nearly so important. I think that is one of the greatest mistakes we are making in regard to these salaries. For instance, as the right hon. gentleman has stated, deputy ministers, with one or two exceptions, get practically the same salary. But the Deputy Minister of Railways, for example, who has a very large amount of work in other branches in an advisory capacity, and the Deputy Minister of Public Works, who has a very heavy department, surely are in an entirely different category from the Commissioner of Patents. I do not know the gentleman at all, so there is nothing personal in the citation. Surely no one will claim that he has responsibilities comparable with those of the two deputy ministers whom I have mentioned, and yet, if I recollect correctly, his salary is the same as theirs. I think an effort should be made by the government to pay salaries commensurate with the qualifications required of the men and the responsibilities and difficulties of the work they are engaged in. In the Department of Mines, for example, we have civil

engineers possessing various degrees and qualifications, and yet in some cases they are paid such low salaries that we have lost many good men to private corporations. That is where an exception should be made. Simply because men come under a certain classification they should not necessarily receive the pay of men in another department similarly classified but not necessarily having had the same technical training; the highly trained technical men should receive salaries commensurate with their qualifications and duties. I think the government should as far as possible change the whole system, and pay good salaries where good salaries are necessary, but not merely according to classification. I believe we have gone quite far enough with the salaries of most officers of the government, except those who have yearly advances coming to them. It should rarely, if ever, be necessary, as we were discussing yesterday, to pay such a salary as $25,000 for a life job. Our high cost of living is to a very large extent due to high taxation, and these high salaries are reflected in our taxation. If it is necessary to lower salaries in order to get back to normal times, the government should not lead in paying high salaries. But we should get away from the present system of paying all men classified in the same way the same salaries. We should pay good salaries in order to get good men in the service of the country, and lower salaries for men of mediocre type performing duties of a more or less routine character.

Mr. HOCKEN: I deprecate the practice of comparing the salaries of public servants with those of chief executives in business. There is no comparison at all between the duties and responsibilities of, and the requirements made upon, men in private employment and those in the service of the country. Men have left the public service and gone elsewhere to find that the easy conditions under which they had lived in that service were not to be found in the service of private firms. No man in the public service is required to show results; no man can hold a responsible position in private business unless he does show results. Without attempting to derogate from the abilties of any of those who occupy important positions in the public service, I venture to say that not many of them can go out into private employment and get as much money as they are getting to-day.

Mr. ROBB: Is my hon. friend leading up to the argument that a man is of more value in the public service if he does not show results?

Mr. HOCKEN: No, not at all. But a man in the public service does not have to show results. He can hold his position and he can get advancement purely on the basis of length of service.

Mr. ROBB: I do not think so.

Mr. HOCKEN: It is done over and over again. Because a man has been a long time in the service and can pass some kind of examination that this fool commission of the Civil Service sets, he gets promotion. It rests upon his length of service, not upon the results he is producing. In addition to that he has easier hours. Why, he comes to work at ten o'clock in the morning and goes to play golf at three or four in the afternoon, and the work that is not done to-day can stand until to-morrow.

Mr. GRAHAM: I wish my hon. friend were in one of the departments.

Mr. HOCKEN: If a man in private employment did not do work to-day that should be done to-day, he would lose his job, but with the work of the government, what cannot be done to-day may be done to-morrow, or to-morrow, or to-morrow. That makes life in the service very pleasant indeed. Under the old system, if they lived long enough and stayed in the service long enough, they would get a title for doing this kind of thing; but we have dispensed with titles, and now we are trying to make increased salaries take the place of the honours we used to give them. So I say that this practice of comparing what a man gets in the service with what he is assumed to be able to get outside is all bunk, in my judgment. I do not think it can be argued that the service is going to suffer from any such cause as that. I do not know anything about the Commissioner of Patents, but I judge from the work that has to be done in connection with that office that it is largely of a routine character. He goes over what has been patented; he knows a good deal about what has been patented, from his experience; and if he thinks there is some infringement of rights, why, the patent is not issued and that is all there is to it. And I suppose his underlings do most of that. But the cost of the public service should be cut to the extent of millions of dollars instead of unwarranted increases being granted to men holding routine positions such as that of the Commissioner of Patents. There is no initiative required; there is no particular energy required; there are none of the qualities necessary that a man must have to succeed in business or in the outside world. I quite appreciate that officers like the Deputy Min-

ister of Customs, the Deputy Minister of Railways and the Deputy Minister of Finance are in very heavy departments, but there are many other departments where the deputies have an easier time than most of their staff, and that their salaries should be boosted up to $8,000 a year is an imposition upon the taxpayers of the country.

Mr. GARLAND (Bow River): Ten thousand dollars.

Mr. HOCKEN: Some of them get $10,000; in this case it is $8,000. The minimum wage for deputy ministers is $8,000, I understand; if it is not, then let us get this man down to the minimum wage, whatever it is. Does he belong to the union, I wonder? If he does he cannot claim any more than the minimum wage. Let us get down to what is reasonable, because the people cannot stand any more taxes. They are being taxed to death. The depression that exists to-day is largely due to the excessive taxing of business. Hon. members from the West complain of the cost of manufactured goods. Let them go into the office of any manufacturer of this country and they will find that what has to be charged to taxation constitutes a very considerable part of the cost of the finished product. If we are going to bring that cost down we ought to begin right here in the public service. We could fill this service three times over with competent men at lower salaries than we are paying to-day. Now, I am not arguing for that; I do not say we should throw all these men out of employment, but I suggest to the leader of the government that he should take a holiday in the matter of appointments to the Civil Service of Canada. If a stenographer is required in one department, take an unnecessary one from some other department. If a clerk is required in one branch, get him from some other where there are now too many.

Mr. POWER: What would my hon. friend do with the Civil Service Commission if they did not have any appointments to make?

Mr. HOCKEN: My hon. friend knows what I would do with it; he knows what I tried to do with it when my own party was in power. But I say, except for such highly technical men as may be required, let us stop making appointments. Let us give the Civil Service Commission and its staff a holiday for a couple of years. Scarcely a day passes that we do not get a notice from the Civil Service Commission with a list of appointments to be made. They are adding to the service all the time. In fact, they have to add to the service all the time in order to justify their existence. If there were no appointments to be made we would be able to cut out three or four hundred thousand dollars that are spent on the Civil Service Commission. But let us declare a holiday for three years and let the deputy ministers or a group of them form a committee and ascertain where employees are available from the different departments to fill vacancies. I know that will be hard on the members of the government party who are looking for comfortable places in which to put their friends. But surely they have the interests of the country more at heart than the interests of the individual. I assume that, anyway, and if they do that they will be making at least some effort to lessen the burden of taxation that bears upon the people.

Mr. SPENCER: Is the hon. member in favour of continuing the Civil Service Commission?

Mr. HOCKEN: I thought every member of this House knew that I never was in favour of the Civil Service Commission. I opposed its appointment; I do not believe it is rendering or can render any good service. I do not believe that patronage has been abolished. What we did with it was to transfer it, that is all, from one set of persons to another; it still exists and it has been stated in this House that there is a back door to the office of the secretary of the commission by which appointments are filled.

Mr. POWER: We will walk with you on the twelfth.

Item agreed to.

Supplementary estimates, 1924-25—Mail subsidies and steamship subventions—Charlottetown and Pictou, steam service between—Further amount required, $17,000.

Sir HENRY DRAYTON: I think the House should ask the minister for a pretty full explanation as to why any more money should be granted on this particular vote. We had a long, long talk about it before, and we thought we were gettting rid of everything when we passed the other vote. Surely nothing was overlooked then.

Mr. ROBB: This is to provide for an improved service between Charlottetown and Pictou.

Sir HENRY DRAYTON: What is the name of this boat?

Mr. ROBB: The boat that is negotiating is the steamer Hochelaga, 175 feet long, 27.6 feet wide, 14.8 feet deep, with a net tonnage of 426 and a gross tonnage of 628. She has

a capacity for 200 tons of freight, will carry 200 passengers and has a maximum speed of 14 knots. She will carry 12 small or 7 or 8 large automobiles. She is well fitted for passenger traffic and also has accommodation for live stock.

Mr. LEWIS: Who is the owner?

Sir HENRY DRAYTON: Is this the right bower again?

Mr. ROBB: The owner is Mr. Simon. The details of the arrangement are not yet closed. Mr. Simon is also negotiating for a subsidy from the provincial governments of Nova Scotia and Prince Edward Island.

Mr. STEVENS: Was not a contract entered into last winter between the department and this company? What is the total amount of that contract or arrangement?

Mr. ROBB: It would be a yearly service, I imagine. Previous to 1921 there was no service on this route for several years. In 1916 the service had been run by the Charlettetown Steamship Company with the steamer Northumberland, for which they received an annual subsidy of $6,200. This was discontinued, and the Charlottetown people have been asking for the resumption of this service for some time. They claim that the Constance put on in 1921, and the Magdalen in 1922 and 1923, were too small for the traffic.

Mr. STEVENS: But the minister has not answered my question. I have not the details under my hand, but speaking from memory the amount to be paid this company runs into a very large sum. There is $17,000 in this item, and altogether, if I am not mistaken, it runs up close to $50,000. Would the minister give us the total amount to be paid?

Mr. ROBB: I see that vote No. 181 was for $8,000, but the contract has not been renewed yet.

Sir HENRY DRAYTON: The vote, as I see it in the estimates, is vote 181 for a steam service between Charlottetown and Pictou, $8,000. It was $8,000 last year also. What was the service then given?

Mr. ROBB: That would be the service to which I have just referred, and which was not satisfactory. The Constance was put on in 1921, and the Magdalen performed the service in 1922 and 1923, but they were altogether unfitted for the service. The Magdalen was 134 gross tons, capacity 80 tons freight, and passenger accommodation 60. She is 98 feet long and 21 feet wide.

Mr. SINCLAIR (Queens): I might explain to the committee that this is not the subsidy to which my hon. friend from Vancouver Centre refers. This subsidy is increased to give a better service between Charlottetown and Pictou. The boat that has been on this service for the past three or four years was a small boat, and it was unable to handle the traffic. It was not fitted for carrying automobiles. During the war the service on this route was discontinued. Previous to that time it was carried on by the Charlottetown Steam Navigation Company with the steamer Northumberland. In 1916, when the car ferry service was put on between Prince Edward Island and the mainland, a different type of service was given, and during the war the traffic was confined wholly to that route. After the war was over, an endeavour was made by our people, and successfully made, to have the government re-establish the steamship service by granting a subsidy. That was done in 1921.

Sir HENRY DRAYTON: What was paid then?

Mr. SINCLAIR (Queens): In 1921 it was $2,000. This was increased in 1922 to $8,000, and it has been at that figure during the last two years, but the whole amount was not earned; but $8,000 is the amount that was voted.

Mr. MEIGHEN: Only $2,000 was voted in 1922.

Mr. SINCLAIR (Queens): The amount voted was $8,000 in each year, and the amount earned $7,900 in 1922, and $7,700 in 1923.

Mr. MEIGHEN: I do not know where the minister gets that. I have the estimates here for 1921-1922, and the estimate passed that year was for $2,000. For the previous year 1920-1921 it was passed at the same figure, $2,000; that is vote No. 166 of the estimates for 1921-1922.

Mr. SINCLAIR (Queens): There were supplementary estimates.

Mr. MEIGHEN: That cannot be correct, because if one takes the next year, 1922-1923, it is $2,000 again, and the figure for the year before is there given as $2,000, which includes the supplementaries. So the cost of this ser-

vice in the years after the war was $2,000. This government raised it to $8,000, and now, persevering in the glorious path of economy, they have raised it to $25,000.

Mr. SINCLAIR (Queens): If my right hon. friend is through with his question, I will finish.

Mr. MEIGHEN: I thought the hon. member was through. Will he please explain those estimates.

Mr. SINCLAIR (Queens): I was just proceeding to explain when my right hon. friend interrupted. The service that was given during the last two years was inadequate, especially in regard to the automobile and passenger traffic. I was proceeding to say that we had a splendid connection in the car ferry so far as freight and railway passengers are concerned, but the tourist traffic that was built up previous to the war has not been developed since the war on account of that service. If you will refer to the statistics published by the Department of Trade and Commerce and also by the railways, you will see that the accommodation for automobiles via the car ferry is not such as will attract those who are wishing to spend their time sight seeing and touring. It takes three hours to cross, so that six hours is spent going and coming over the same route, but they can cross from Pictou to Charlottetown by the steamer that is on there this year in about the same time without any delays embarking, and that is one of the chief reasons why we want this service re-established this year. The province of Prince Edward Island is the most easterly of the provinces of Canada. The conditions there are such that it is impossible to develop any industries except the basic industries of fishing and agriculture. It is a decided benefit therefore to the people of that province to encourage the tourist traffic, and it is with that object in view that the improved service between Pictou and Charlottetown has been instituted this year. Previous to 1916 many thousands of dollars were invested in summer hotels along the shores of Prince Edward Island. These hotels attracted a fine class of tourists who were in the habit of visiting the province each summer. After the war the character of the tourist traffic changed. To-day it mostly consists of automobilists who only frequent places which they can pleasantly and conveniently reach with their cars. The investment in summer hotels represents a very large amount and our people have been pinched very hard during the past few years. It was mainly at the request of the boards of trade and the Tourists' Association of the province that the government has made this effort to establish a better service between Charlottetown and Pictou. The Hochelaga is about double the size of the vessel that was on the service last year. She is capable of carrying twelve automobiles, which can run on board under their own power, and make the trip between the points indicated without discomfort. The possibilities in connection with the development of tourist traffic are increasing each year. It is necessary to do something to help Prince Edward Island which has experienced a decrease during the past year of 4,334 in her population, due to migration to western Canada and elsewhere. It is hoped that the improved service we are discussing will help to restore some of the prosperity which Prince Edward Island enjoyed in past years. My hon. friend (Mr. Robb) has given full details with respect to the character of the new vessel. She will be nicely fitted up and made most suitable for this service. The accommodation on the route between Charlottetown and Pictou has been of such a nature during the past two years that it would almost have been better to have discontinued the service entirely than to have kept it up. It is with a view of trying to re-establish the route and bring back to the people of Prince Edward Island some of the benefits they enjoyed from tourist traffic emanating from different centres of the United States and Canada that the present vote is recommended.

Sir HENRY DRAYTON: I think we should have a little more explanation of the reason for this expenditure. According to the statement of the previous speaker Prince Edward Island wants to get back her old service; she wants it to be restored to what it formerly was. Prince Edward Island formerly had a service for $2,000 a year.

Mr. SINCLAIR (Queens): A subsidy of that amount.

Sir HENRY DRAYTON: Yes a subsidy of $2,000 a year. Well, the subsidy was increased from $2,000 to $8,000, and now we are asked to vote $25,000. The argument is put forward that Prince Edward Island is in a bad plight. I am sorry to hear it, but I do not know that the condition of Prince Edward Island is worse than that of any other part of the country. The minister tells us that Prince Edward Island has experienced a loss of 4,334 in her population, that the very fair and beautiful island has lost that number of people within the last year. But I point out that people have been leaving other parts of Canada also. What is proposed here is a

very expensive way of trying to make up for the sins of the government, and the effect of its policies which has re-acted on the country as a whole. What we see here is merely one small manifestation of what has happened since the present government has been in power. Why, it would be far cheaper for the government to commit political hari-kari at once than to go on multiplying subsidies in the way that is being done here. We are told this improved service has been recommended by the boards of trade, but there is not a board of trade anywhere in Canada that would not like to see some money spent in the improvement of local conditions. Surely the minister does not expect us to be satisfied with the explanations so far given in justification of this vote.

Mr. ROBB: My hon. friend will understand that all the information we have is that tenders were asked for and that this tender was received for the service in question. It is quite true that the subsidy has been materially increased, but as a result of that the service is very much better. No person will dispute that, and everybody who has visited "the garden of the gulf" will admit that in these days of automobiles there are great possibilities for traffic in that part of Canada.

Mr. THURSTON: Is any increase of population looked for?

Mr. McMASTER: Tourist traffic.

Mr. EVANS: I feel like protesting against the increase in this subsidy. It does not add to the productive powers of the Dominion by any means, it is simply for the purpose of catering to pleasure traffic. I cannot help comparing the amounts that are voted year after year for purposes like this in eastern Canada. In the West we are forsaken entirely by the government. We cannot even have railways in the outlying districts for productive purposes.

Mr. ROBB: Why does the hon. member advance that argument, when he knows that the Minister of Railways put through a number of bills for branch lines for the western provinces this year?

Mr. EVANS: There is that feature, of course.

Mr. HANSON: What about the ten million dollar benefit under the Crowsnest pass agreement?

Mr. EVANS: At the same time I represent a city in which the Dominion government has not erected any public buildings better than what can be called a shack, and nothing has been spent there for years, while the expenditures down along the St. Lawrence and on the eastern coast are increasing every year. I protest against it.

Sir HENRY DRAYTON: I really do not think we should look upon this as a sectional matter at all. Never mind what province it is in, if it is right to spend the money, let us spend it; and if it is wrong to spend it let us stop the expenditure. We will not get anywhere at all in advancing the cause which after all we all have at heart, namely the cause of the country, if we look at these things in any other way than I have outlined. My hon. friend (Mr. Evans) says nothing has been done for the West. I do not know if as much has been done for the West as ought to have been, but I think pretty nearly as much as we can afford to do has been done. I desire to point out that we have in central Canada 7,200 miles of railway, which gives facilities to by far the greatest bulk of the population of the country. We have in the West 10,000 miles of railway which serves a considerably smaller population. I know very well that there are local reasons—and I have urged them in this House myself—why railway service is more essential in the West than in the East. I have urged it and I have admitted it. I think I have very fully and fairly, in more positions than one, advocated the absolute necessity of the prairie farmer having ample railway accommodation; but there is no question that we have 50 per cent greater mileage in western Canada than we have in central Canada. Then we have the further fact that the central mileage of Canada, the 7,200 miles, is practically carrying the system and paying a deficit of $2,200,000 on western lines. I am not blaming the West for that. We have got to work together, but there is no use in representatives from one section of the country saying, "This expenditure down here in the East is all wrong because we are not getting anything in the West." If we look at the situation seriously and see what the figures are, we will realize that we are all getting something out of it. It is unfair to say this is not right, simply because it happens to be in the East, and it is not wrong simply because it happens to be in the West. I am still asking the minister to give us some real business reason for what is being done. The hon. member I think gave voice to a very good thought in connection with services which the country ought perhaps to pay for in order to help establish the country. Is it a service which will increase the productivity of the country as such, or is it something

which is only going to help those that are here for amusement? There is a difference between the two. There is the one which is essential to the success of the farmer and the industrial worker. There is the other which certainly will not advance their interests one way or the other. Is this in the interest of the great bulk of the community? The great bulk of the ratepayers in Prince Edward Island, for example, are not hotel keepers. Prince Edward Island is a beautiful country. I have stayed there more than once; but I will tell hon. gentlemen that the great investment there is not in the summer hotels my hon. friend speaks of. That is a comparatively small thing. The great interest there is the agricultural interest, and I would like to find out just exactly what service was asked for, what was called for, and what we had before. I would like to know how much more is asked for, for freight and the like? Of course it cannot be for that service because we now have a very excellent car ferry. The island has very good railway facilities. Communication now is kept up perfectly well. I remember when I was down at the island the boat Northumberland used to run across. I should have thought the Northumberland would have been good enough for any service. I thought it was a first class boat. I enjoyed my trip on her very much. Why do we need anything better than the Northumberland?

Mr. LOGAN: I happen to know something about this service. I know about the poor service under the old arrangement of last year; in fact as the hon. minister from Prince Edward Island (Mr. Sinclair) said, it would be better without any service than to continue that service. I do not want to discuss this matter from a Maritime province standpoint, but surely my friends from the West, particularly the hon. member for Saskatoon (Mr. Evans) should not raise an objection to this small vote for this beautiful island, the gem of the gulf, called the million-acre farm; but unfortunately this little province has lost all its natural production, and many thousands have left, until to-day, if I mistake not, the population is about 10,000 less than when the province joined confederation. They are not asking for any branch line, and it is the only province that is not asking for branch lines.

Sir HENRY DRAYTON: What about Ontario? We need branch lines, but we do not ask for them.

Mr. LOGAN: Ontario has no reason to complain of branch lines or of any other lines. We have dealt generously with that province in the last twenty years.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: Oh, oh.

Mr. LOGAN: Ontario which enjoys 1,200 miles of inland waterway without paying a dollar for the operating expenses, should not kick about $25,000 being given to assist the tourist trade in the Maritime provinces. As we all know, Prince Edward Island is not a manufacturing province and will never be a manufacturing province. It is an agricultural province and a resort for tourists. It is the paradise of the tourists. My hon. friend from West York stated that the scenery was beautiful, and the climatic condition most exhilarating. A few years ago a number of capitalists built a splendid summer hotel. I have in view now the hotel built near Charlottetown, I think they call it the Beech Grove Inn, which is a magnificient structure; but unfortunately I am told that within the last few years the owner is very much discouraged on account of the lack of tourists to patronize the hotel. Why? Because tourists to-day travel in automobiles. I saw in a local paper the other day the statement that in twenty days something like 3,000 automobiles crossed the neck of land that joins Nova Scotia to New Brunswick, the large majority of these being American cars. I do not say, Mr. Chairman, that it is our only hope in the Maritime provinces, but it is one of our greatest hopes, and I do not think anyone should object to a small vote to encourage that trade. When people come to the province of Nova Scotia, in order to get to the island they have to go around to the head of the bay, around by Cape Tormentine, and across the western part of the island. This boat that is being provided, as I understand, it, will be a first class boat, and will carry twelve automobiles, so as to permit the tourist to get from Pictou to Prince Edward Island, patronize the hotels, buy the produce of the people and leave money in the island. As this is about the only thing that the island is asking for, it seems to me that we should not be too critical in reference to the question as to whether the vote is so well warranted on general principles or not. It will be of benefit to the island and will assist the people in the tourist trade. After all we do not object in the Maritime provinces just now to getting a little assistance and one of the greatest helps we could get would be some encouragement to the tourist trade.

Mr. THURSTON: I want to emphasize the importance of encouraging tourist traffic in the Dominion, which I am convinced is one thing we have neglected to quite a marked extent in the past. It is illuminating in

glancing through the statistics of the state of Maine to see the important part which the tourist trade has played there; the assessed value of property in the state has considerably increased since they made a bid for the traffic. But we in Ontario feel that the tourist season is well over now, and when you get to the middle of July it is hardly likely that the government can spend to great advantage this year this money which we are voting now. What is the estimated number of tourists which Prince Edward Island expects to get this summer under this increased vote?

Mr. HAMMELL: I want to correct the impression of the hon. gentleman that the tourist traffic in Ontario is over by the middle of July. The traffic is only now commencing and August is the best month.

Sir HENRY DRAYTON: What are the details in connection with the service advertised for?

Mr. ROBB: It is to be a daily service, excluding Sundays, between Charlottetown and Pictou and return during the season of navigation. The steamer to be employed must be suitable for carriage of passengers, freight and automobiles, with a capacity of not less than 150 tons. No night accommodation is required but there must be a good day accommodation for 200 passengers and the vessel must have a speed of not less than 10 or 12 knots.

Sir HENRY DRAYTON: When was the matter advertised, and in what papers?

Mr. ROBB: It would be advertised in the newspapers of the Maritime provinces.

Sir HENRY DRAYTON: How many tenders were received?

Mr. ROBB: Only one.

Sir HENRY DRAYTON: How was the service advertised? Usually there are more tenders than one for a service of this kind.

Mr. ROBB: It was advertised in the press and a circular was sent to every steamship owner in the province.

Sir HENRY DRAYTON: Has the minister the recommendation from the department upon which council adopted the vote?

Mr. ROBB: No. It was the only tender received and apparently the boat was suitable for the service; in fact, it is a better boat than the advertisement called for. Regarding the inquiry of my hon. friend (Mr. Thurston), I do not know how many tourists it is expected will visit the island but I should say the number would be considerably greater than in past years because of the generally improved conditions. I take it that they would have to justify the continuance of the service from the experience of this year if it were desired to have the vote renewed next year.

Mr. THURSTON: When will the improved service begin?

Mr. ROBB: The boat is on the service now but the contract is not signed.

Sir HENRY DRAYTON: When was the tender received?

Mr. ROBB: On June 19, 1924.

Sir HENRY DRAYTON: Was the boat on the service before then?

Mr. ROBB: No.

Sir HENRY DRAYTON: Where was it running before? The Hochelaga is an old boat.

Mr. DUFF: This boat, known as the Hochelaga, orginally belonged to a Russian prince and was afterwards sold to the Canadian government. Three or four years ago she was used as the Governor General's yacht when His Excellency desired to cruise around the Eastern provinces. She was sold to a man in Halifax.

Sir HENRY DRAYTON: When was that?

Mr. DUFF: Just about that time, three years ago. I know the vessel and I can assure the committee that she is an excellent one, with splendid passenger accommodation. She is quite able to carry automobiles and freight.

Mr. HANSON: Who is the owner?

Mr. DUFF: John Simon.

Sir HENRY DRAYTON: Where did she run last year?

Mr. DUFF: She was not then in commission; she did not start until she was put on this service. The boat has been completely overhauled and is in first rate condition.

Sir HENRY DRAYTON: I have no doubt that a recommendation was made in this case and I should like to know the basis of it, having regard to the service, the terms of the contract, and the necessity for this vote. It may be perfectly all right, but as the custom is to submit a recommendation to council it might be just as well for the committee to know what was advised in this case.

Mr. ROBB: I cannot give the details of the recommendation but the matter was discussed in council and we thought it was worth trying out the service for the island.

Sir HENRY DRAYTON: I do not want to ask anything that took place in council; I have a lively recollection of the Murdock case and I know what difficulties the minister would find himself in if he revealed any of the business of the country. I merely want to know whether this matter came up in the ordinary way, and I think I have a right to know that. Was it supported by the usual papers? If it was, we have not got those papers here. However, for the purposes of calculation, what is the value of the boat?

Mr. ROBB: I have not that information.

Mr. DUFF: About $60,000.

Mr. HANSON: I understood it was $50,000.

Mr. DUFF: Fifty or sixty thousand. At any rate she is a splendid boat.

Sir HENRY DRAYTON: We will assume it is $50,000. What rate is allowed in the contract?

Mr. ROBB: The contract is not signed yet.

Sir HENRY DRAYTON: But there will be a contract?

Mr. ROBB: When the vote is passed we shall deal with that matter. My hon. friend knows that the rates must be approved by the department.

Sir HENRY DRAYTON: I am getting at something else. The minister knows, as I do, that there are in connection with contracts provisions which often work out in such a way that the subsidy is not earned. It depends on certain conditions. One of the circumstances that has to be taken into consideration is the value of the vessel, as well as the return to the owners.

Mr. ROBB: And the number of trips.

Sir HENRY DRAYTON: Yes.

Mr. JACOBS: There is one question my hon. friend failed to ask in order to complete his information. He might inquire as to the political affiliations of the owners of the Hochelaga.

Sir HENRY DRAYTON: I need not ask so superfluous a question.

Mr. JACOBS: I am curious to know.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: The hon. gentleman is not as ingenuous as he seems.

Mr. ROBB: I think he must be a ministerialist.

Mr. GOULD: Last session when estimates of this nature were before the House I hurriedly made a calculation of the money returned per capita to people in the Maritime provinces as compared with that returned to those livng in other parts of the Dominion. I rise now to say that some time some member of parliament is going to lay before this House the comparative per capita amounts which are returned to various parts of Canada through the medium of our main and supplementary estimates. As a member representing one of the constituencies in the hinterland, I have for a long time reflected on the injustice of the present system, because I have felt that my people have been simply hewers of wood and drawers of water to provide much of the money spent, not alone by this government but by all governments of this country. Some day a real protest is going to be registered on behalf of those people —I wish now to initiate that protest. I think the time is past when the people are going to stand for the government handing out subsidies for steamship companies and huge sums for wharves, breakwaters and various other public works in the Maritimes and other provinces at the expense of the hinterland. I make that protest not particularly on this item but on the sum total in the main and supplementary estimates. I am speaking on behalf of my people who have advised me upon this point. I reiterate my statement of last session, that some day some one is going to protest and demand remedial legislation. This practice must be discontinued, or else equivalent per capita amounts must be expended in other districts.

Mr. ROBB: Which would my hon. friend prefer?

Mr. GOULD: I have cited to the minister in a meek manner various places in the hinterland where expenditures might be made to improve conditions for the people—expenditures which have been denied me as their representative in this House. I ask for a fair and equitable distribution of the funds which are collected through the medium of taxation. I can prove—it is very easy to do so—that the moneys taken from the people are not being distributed equitably throughout the Dominion. I need not at this moment proceed to demonstrate that the people in the

hinterland contribute in taxation a sum proportionate to that contributed by the people in other parts of the country. I can assure the minister who challenges—

Mr. ROBB: No, I did not challenge my hon. friend. I simply want to know if he desires increased expenditure in the West or greater economy in the East.

Mr. GOULD: I simply desire an equitable distribution of the moneys collected through the medium of taxation.

Mr. CHISHOLM: That is impossible in any country.

Mr. GOULD: It seems to be, but I think the government will eventually realize that the people of my district, who contribute at least a million and a half dollars every year in taxes, do not get any return proportionate to that obtained by their compatriots in other parts of the Dominion.

Mr. DUFF: You get more.

Mr. GOULD: This may be provoking to hon. members who have been accustomed to receive an undue proportion of the public revenues for their constituencies, but I am speaking in all earnestness on behalf of my people. Let hon. gentlemen take their lead pencils and figure out whether I should ask my people to unquestioningly pay their quota of taxation year after year without receiving a proportionate return for the improvement of their district. Let the money be distributed equitably. I have, for instance, pleasure resorts in my country which should have a fair proportion of assistance.

Mr. STEVENS: We ought to have a redistribution bill on this.

Mr. GOULD: Possibly. Nevertheless I am exercising my right on behalf of my people who desire and expect a fair return of the moneys which they pay in the form of taxation; they resent the ignoring of their requests for equitable treatment. I see hon. gentlemen argue from time to time for the expenditure of public moneys in their constituencies; but the same arguments can be advanced on behalf of the people who live in the hinterland. They are not simply hewers of wood and drawers of water for men who argue better than I can—not at all. I claim that at this very moment the district of Assiniboia which I have the honour to represent has not received its fair share of the distribution of public moneys. I make this protest not only in respect to the main estimates but also the supplementaries.

Mr. LOGAN: When my hon. friend is making his protestation on behalf of the hinterland, I hope he will not forget the expenditure of over $1,000,000 of the good money of the people of Canada on the briquetting plant at Bienfait. We are discussing a vote of $25,000, and I suppose my hon. friend thinks in millions; but let us not forget that sometimes we live in glass houses.

Mr. GOULD: I had not in any way forgotten the great undeveloped natural resource in my district, but the briquetting project has proved an absolute success and amply warrants the small expenditure from the national exchequer. I would draw my hon. friend's attention to the fact that we have been paying taxes for an awfully long time, and this expenditure represents a very small proportion of the taxation which my people have contributed. Undoubtedly we have a perfect right to a certain expenditure there. Possibly this and other governments might have devised better methods, with the result that a larger expenditure might have been warranted on this experiment, but I do not for one moment admit that the money spent on the Bienfait plant has been lost, and consequently I do not think the hon. gentleman should argue that it has been lost.

Mr. LOGAN: I am not arguing that the money is lost, I am only pointing out the inconsistency of my hon. friend's attack on a small expenditure to help the little province of Prince Edward Island, which, incidentally, has paid a great amount in taxation for federal purposes and has received very little in return.

Mr. MacLEAN (Prince): I think my hon. friend from Assiniboia (Mr. Gould), than whom I am sure there is no fairer minded man in the House, has possibly got the wrong viewpoint on this expenditure, which is not for the sole benefit of Prince Edward Island but for the benefit of the Maritime provinces and the Dominion generally. The hon. gentleman himself may have the pleasure of taking a trip down there and getting some benefit from this small subsidy. Another point that our western friends sometimes lose sight of is the fact that a large amount of money is spent on terminals on both the Atlantic and the Pacific coasts the results of which are a direct benefit to the people of the country in general and especially to the grain producers of the West. Millions of dollars have been spent on terminal elevators especially for the grain trade, and we never object to that. Large amounts are spent on

canals over which there is free transport, to say nothing of the millions spent on railways, elevators and terminal facilities. Compared with these large expenditures the small amounts we get in the Maritime provinces are insignificant.

Mr. GOULD: Within forty miles of my own home I have quite as good a market as any that has been provided, but being of British stock I have submitted to the enormity of increased taxation in order that these facilities might be provided. I am doing that from a principle of loyalty, and there are hundreds of thousands of people in the West who take the same view. But it does not help their loyalty to find that the per capita expenditure has increased by 50 or 75 or 80 per cent, notwithstanding the sacrifices they are making.

Item agreed to.

Cheticamp and Port Hawkesbury, calling at intermediate ports, steam service between, $3,000.

Sir HENRY DRAYTON: Explain.

Mr. ROBB: Fall fishing at Cheticamp and Eastern Harbour began to be prosecuted a few years ago and was found to be very profitable. Unfortunately the local merchants could not buy the fish, as they had no cold storage or any other way of keeping the fish until spring. They therefore had to look elsewhere for their market. This boat carried 600,000 pounds of fish to cold storage at Port Hawkesbury and 200,000 pounds of bait and supplies to the other ports of call.

Sir HENRY DRAYTON: What is the reason for the change since the main estimates were down?

Mr. ROBB: This is to pay for a special service that was commenced on October 18, 1923 and continued until January 11, 1924.

Sir HENRY DRAYTON: Why was it not in the main estimates?

Mr. ROBB: The main estimates were prepared before that date; that is the only reason I can give.

Sir HENRY DRAYTON: We did not meet until after the whole work was finished, so that cannot be the reason. Why was this old thing dug up? If we can look upon it as an evidence of a shortly coming election, we will say, put it through at once. This service was carried on last autumn and ended last January. The main estimates are down and then for some unknown reason we find this item in the supplementaries. I think we should have some further explanation.

[Mr. A. E. MacLean.]

Mr. CHISHOLM: Although the season closed about the middle of January, this service was for the fall and winter fishing. That is, those engaged in the work would continue the fishing until the drift ice prevented them from carrying on their operations. This service was put on in order to assist the fishermen down there who in the fall of the year could not get a market for their fish. As the minister has explained, the local fish buyers would not buy because they had no suitable means of transportation, and this boat went into the service to take bait to the fishermen and carry the product of the fishermen's labour to the market. This fall fishing has only been carried on for the last two years. It was seen that it could be carried on if means of transportation were provided, but previously they did not have the means. The fish merchants did not want to buy the fish and salt them down, so they gave the fishermen to understand that they would not buy after a certain date. I placed the conditions before the minister and asked him if something could not be done to assist these men in order that they might be enabled to sell their fish. As a result of the valuable assistance by this boat, what is practically a new industry has been established down there. So far as the item not being in the main estimates is concerned, I do not think the minister knew at the time the main estimates were in course of preparation whether or not the work was over. Drift ice comes along the coast sometimes early in January and sometimes late in the month When the drift ice is not in evidence the fishing is good, and the later the season the better the fishing, particularly close to the coast line. I am satisfied that if my hon. friend (Sir Henry Drayton) was thoroughly familiar with the circumstances he would endorse this vote without the least hesitation. I may explain that in the case of other boats plying along the coast, when fresh fish are placed in the hold they are close to the engine and that is destructive to them. This boat was particularly suitable in that respect and was able to carry the fish in good condition to the nearest cold storage at Hawkesbury.

Sir HENRY DRAYTON: What is the name of this boat and who is the owner?

Mr. CHISHOLM: The boat is the Frances Boutilier, Captain Guy Smith of Port Hood.

Sir HENRY DRAYTON: I think this vote had better go through.

Item agreed to.

Grand Manan and the mainland, steam service between—additional amount required, $5,000.

Mr. HANSON: I know this service very well. It is a service that should be subsidized, otherwise a community out in the middle of the bay of Fundy would not have any kind of reasonable accommodation. I have always understood that the subsidy was fairly generous, but I would like some explanation of this additional appropriation.

Mr. ROBB: The service is four times a week, June to September inclusive, and three times a week during the remainder of the year. As to the reason of the supplementary estimate, in March 1923, requests were received from the people of Grand Manan for a daily service all the year round. Tenders were called for on April 9th, receivable up to August first, 1923. Four tenders were received as follows:

1. T, E. Farquhar—SS. Robina, daily service, $29,000 a year for 6 years.
2. Grand Manan SS. Company—SS. Grand Manan, also a smaller steamer to be built, daily service, $32,500 a year for 5 years.
3. John Simon—SS. Hochelaga, daily service, $45,000 a year for 5 years.
4. Grand Manan Steamboat Company, offered to continue the previous service at $20,000 a year. (4 trips a week in summer and 3 in winter).

The government did not find any of the above tenders satisfactory, but agreed with the Grand Manan Steamboat Company to accept tender No. 4 for six months, April 1 to September 30, to give time for further investigation into the alleged need for a daily service. The contractors are to be given notice before July 1st if the government wish to continue the service for a further six months to March 31, 1924.

Mr. HANSON: What is the present subvention?

Mr. ROBB: $15,000. This is an additional $5,000.

Mr. HANSON: I am not objecting to this vote. There is a good deal of commerce carried on at this important port in the county of Charlotte, and so far as the fishing industry is concerned, this is the most important port on the bay of Fundy. Personally I would like to see the minister give consideration to a daily service for these people. I think it could be done possibly for $20,000 a year, if the service were confined from North Head to the town of St. Andrews, which is not a long run. It will be urged, of course, that there should be one trip a day at least to the city of St. John for the purpose of having merchandise conveyed from the wholesale distributors in St. John to Grand Manan, but I do not think it would be possible to give a daily service if you give a service also from St. John to Grand Manan. Nevertheless, as this is only a temporary arrangement until the 31st of October, I wish that the minister, or whoever is in charge of the department, would look into the question of giving a daily service between North Head and St. Andrews. I believe a very efficient service could be given between those two points. The difference in distance is in favour of St. Andrews, though I am not sure just what the difference is. But it would be possible to maintain a daily service, I think, between Grand Manan and St. John because this service calls at intermediate points like Campobello and Eastport, which causes a detour, and if they had to make that detour they could not give that one trip a day, but they could make these intermediate calls if St. Andrews was the point of embarkation. I am not especially urging this at the moment, but I would like the minister to keep it in mind when he is considering a renewal of the service. The Grand Manan is a good boat, and it gives good service. I do not think any larger boat is required. A boat of the size of the Hochelaga would be quite beyond the requirements of the service.

Mr. ROBB: I have made a note of the observations of my hon. friend.

Item agreed to.

Halifax and Bay St. Lawrence, steam service between, $2,400.

Sir HENRY DRAYTON: Would the minister explain this?

Mr. ROBB: The period of service calls for three trips in the spring, and three trips in the fall of 1924 with intervals of about 14 days between trips. The ports of call are:

Halifax, St. Peters', Soldiers' Cove, Grand Narrows, Iona, Baddeck, Whycocomagh, Little Narrows, Nyanza, Boularderie Centre, Boularderie, Marble Mountain, West Bay, Washabuch Centre, Johnson's Harbour, Irish Cove, Big Pond, East Bay, Castle Bay, St. Ann's, Murray, Englishtown, Ingonish, North Ingonish, North Gut, McKinnon's Wharf, Neils' Harbour, Aspy Bay, White Point and Bay St. Lawrence.

This service was first put on via the south east coast of Cape Breton, in 1923, when the Bay Queen performed a fortnightly service throughout the season of navigation, making a total of 16 trips, carrying 1,665 tons of freight inwards to Halifax, and 1,325 tons outward from Halifax, or a total of 2,990 tons, for which she was paid $5,000 subsidy. This year the south east coast is being satis-

factorily served by the Arcadia from St. Peter's, and at the request of Halifax and other merchants, the Bay Queen route has been fixed through the Bras d'Or lakes, and thence up the east coast to Bay St. Lawrence.

Sir HENRY DRAYTON: Is there a vote for this service in the main estimates? I think not.

Mr. ROBB: No.

Sir HENRY DRAYTON: Then how does it come up now?

Mr. ROBB: It was proposed to discontinue the service this year, as the South Cape Breton ports are served by the Arcadia from Halifax via St. Peter's, and the northwest coast by the Aspy from Sydney. The Stella Maris, from Halifax, also calls fortnightly at Ingonish and White Point.

Strong protests, however, were received from the Halifax Board of Trade, the Premier of Nova Scotia and many local merchants, against the total discontinuance of this service. The minister, therefore, agreed to grant $400 a trip subsidy for 3 trips in the spring and 3 trips in the fall of the present year.

Item agreed to.

Department of Trade and Commerce—to provide for the salary of an expert in grain chemistry, for the balance of the fiscal year, $3,833.34.

Sir HENRY DRAYTON: We had quite a long talk yesterday about the necessity of having expert advisers for the government. I do not know that this looks quite as bad, but I think we should know something about it. It looks like a new job.

Mr. ROBB: No. This expert has been in the service for some years. This vote is to provide the salary for an expert in grain chemistry for the balance of the fiscal year. The full amount may not be expended, and the retention of the chemist's services is contingent upon the report of the royal grain commission.

Sir HENRY DRAYTON: What is the annual rate of salary?

Mr. ROBB: It is $4,600.

Sir HENRY DRAYTON: What is the expert's name?

Mr. ROBB: Dr. Birchard.

Mr. EVANS: May I ask if Dr. Birchard is to carry this work on?

Mr. ROBB: Until we have the report of the grain commission. They may recommend that the work be continued or discontinued, but the understanding is that it will be carried on until we receive their report.

[Sir Henry Drayton.]

Mr. EVANS: Where will the office be established?

Mr. ROBB: It has already been established for some years in Winnipeg.

Mr. EVANS: Is it out of the city or in the usual place?

Mr. ROBB: It is somewhere on Main street, Winnipeg.

Mr. BROWN: What has been the actual situation in that office? Has Dr. Birchard really been at work, or has his work been suspended for the last few months?

Mr. ROBB: I think he has been at work steadily. There is a feeling, however, that to be of use this office should be nearer that of the chief grain inspector.

Mr. SPENCER: Have there been any complaints as to the ability of Dr. Birchard?

Mr. ROBB: I have never heard of any.

Mr. SALES: Is there no mention of the work of Dr. Birchard in the interim report of the grain commission that is in the hands of the government?

Mr. ROBB: I have not read that report, but I do not think so. I think it deals only with conditions on the Pacific coast.

Mr. EVANS: When did Dr. Birchard furnish his last report, and why is it that we do not get regular reports from that office?

Mr. ROBB: I am told that is one of the complaints my colleague had against him—that he never was prepared to make a report. He was always so busy investigating that he did not report at all.

Mr. EVANS: I asked Dr. Birchard himself and he said he was not allowed to publish those reports. He was prepared to give them out regularly but was forbidden to do so.

Mr. ROBB: By whom? My hon. friend has made a statement. I should like him to go further and say who objected to him publishing the reports.

Mr. EVANS: He told me he was forbidden to do so. I took it that it was by the department.

Mr. ROBB: No.

Mr. BROWN: I have not been closely in touch with the matter for the last few years, but I know there was very great difficulty some four or five years ago in getting Dr.

Birchard's reports at all. Where the fault lay I am not sure, but it was almost impossible for us to secure the reports. We came to the conclusion that there was some attempt to suppress them.

Mr. ROBB: That is news to me. I will have that feature of the matter looked into.

Mr. MEIGHEN: I should think the government would probably raise his salary if he did not make any report. That seems to suit them in the case of the pulpwood commission and the grain commission.

Mr. SALES: It does not suit the farmers.

Mr. MEIGHEN: I understand the minister to say they thought of abolishing the office but on second thought decided they had better wait for the report of the grain commission. If this gentleman wants to hold his job I do not think he could ask for better terms than that.

Mr. GARDINER: Dr. Birchard is continuing the work until such time as the report comes down?

Mr. ROBB: Yes.

Mr. GARDINER: Will that report be discussed in the House before the minister takes any action in the direction of disposing of this gentleman's services?

Mr. ROBB: The report has not yet been received. I could not make any commitment on that.

Mr. SALES: It is very important in the interest of the men who grow grain that this work should not be discontinued. I should like to point out that this work is being carried on in the United States on a very extensive scale. Over there they have gone so far as to establish a mill in order to get practical results. The complaint is made in regard to Dr. Birchard's work that the outfit he uses is too small to give really practical commercial results.

Mr. MEIGHEN: Is too small?

Mr. SALES: Yes, his working apparatus is too small, and that the results obtained are of no practical value. That is the complaint as I understand it. I wish to point out that the quantity of grain, generally speaking, grown in this country at the present time demands that this work should not be curtailed but should rather be enlarged, and that suitable apparatus should be furnished to this department. Whether it is under the care of this particular gentleman or any other man this work should not be dropped, I also want to enter my protest against any curtailment of it.

Mr. GARDINER: Will the minister tell the committee the total amount that is being spent annually?

Mr. ROBB: No, I have not that information with me, but I can get it for the hon. member if he wishes.

Mr. GARLAND (Bow River): I wish to join my voice with that of the hon. member for Saltcoats (Mr. Sales) in regard to this matter. We have in Canada, as hon. gentlemen know, the finest grain in the world. The grain has a higher gluten content than that grown elsewhere except in some parts of Russia; but generally speaking we have the finest quality of hard milling wheat in the world. An attempt should be made by the government, in my opinion, to properly analyse our wheat and test it for its baking qualities in the production of first class bread —I suppose that is part of the work of this department also—and so let us know the results of these tests. At the present time there is a vast spread between number one and number five, a manipulated spread very largely, and until we can get complete control of our own agency for selling wheat we shall be at the mercy of those who set the spread. I understand from past tests which I have studied carefully, that there is in many cases absolutely no appreciable difference in the quality of bread baked from number one and that baked from number five. The only difference appeared to be in the quantity of the bran.

Mr. STEWART (Humboldt): I understood the minister to say that it was possible this matter would be finally decided by the department before the House would have an opportunity of considering the report of the commission. Am I wrong in that surmise?

Mr. ROBB: Yes, I did not say anything of the kind.

Mr. STEWART (Humboldt): I am very glad the minister contradicts the statement because I certainly understood him to intimate, in answer to a question, that it was possible that would be done. I would certainly protest against any such action as that. I wish to associate myself with those hon. members who have spoken on the importance of this subject to the grain growers of western Canada. There is very great dissatisfaction with the grading of our grain under the

present regulations. Those grades are based upon the physical condition and appearance of the grain, and they are not always accurate. Furthermore, the charges have been made, and certain experiments have seemed to establish those charges, that the inspectors are sometimes prejudiced against the locality from which the grain comes. The opinion has prevailed for some time that the grain grown in northern areas has not been fairly graded as compared with grain grown on the prairie. As a result an experiment was made last year in the province of Saskatchewan. A man who farms extensively in northern Saskatchewan placed his grain in an elevator, and had the operator of that elevator take a fair sample from a single bin which was divided into three portions. He mailed one of these three samples from his own station for grading by the chief inspector. He sent a second one to his neighbour, a few stations further south, and asked him to mail it from there for grading which he did. He sent the third sample to another friend on the open prairies and asked him to mail it from there for grading. The result was that the grain mailed from the prairie was given one grade higher than the grain sent from the northern portions of the province. I am not saying that experiment was conclusive evidence that the grain inspectors are prejudiced against grain from the northern districts; but I do submit that it lends colour to the claim which has been made that such is the case. If it could be established by a branch of the department such as we are discussing here, that grain grown in those districts is lacking in milling value there would be some reason for the grading; but if the grading is simply based on the physical appearance or condition of the grain, on the fact that its colour is somewhat lighter or a reason of that kind, there is absolutely no justice in grading grain grown in the northern sections a grade lower than the grain grown on the prairie. If our inspectors have from experience come to think that grain sent from certain districts is of a better grade than grain coming from other districts it is time we had a different inspection system.

Mr. GARDINER: I draw the minister's attention to a very important fact in regard to our grain grading system. The present system is not satisfactory to the farmers inasmuch as they do not receive the full milling value of their grain. I think it was in the year 1907 when Professor Ladd of North Dakota made experiments such as now are being made at Winnipeg on behalf of the Canadian government, and he demonstrated very conclusively that some of the lower grades of wheat—that is wheat graded No. 3, No. 4 and sometimes No. 5—were even of better milling value than some samples that graded No. 1.

Mr. ROBB: Is that Professor Snyder's report?

Mr. GARDINER: No, Professor Ladd. It is quite impossible under our present system of grading for farmers to receive the full milling value of their wheat. The value of our wheat is determined to a large extent by the plumpness, colour and so forth of the grain. But that does not always determine the full milling value. I would suggest to the minister that instead of curtailing this department it should be extended, because the time is coming when we are not going to accept the present system of grading, because it does not give us the full value of the produce of our labor.

Mr. ROBB: Hon. members who argue that the fair milling value of the wheat should be taken into consideration are quite right, but they overlook the fact that each of the large milling companies—and I think there are five or six of them in Canada—has its chemist and expert, and if the farmers want to know the value of wheat in a particular district, all they have to do is to watch the large milling companies starting to bid aginst each other and running up the price of wheat in a particular locality. They are in a position to do that, because they have their own elevators and mills and can take care of it. The best market for the man who grows wheat of high milling value is the Canadian market because the Canadian miller always pays more than the export price. But the man who buys the wheat altogether for export is compelled to put the lower grade wheat in with the higher. There is no other way to take care of it, when it gets to Fort William; so that the more we can increase the production of flour in Canada, the better it is for the grain grower and for the feeder in eastern Canada who requires the by-product. There is also the question which has been debated for many years—and I think the Grain Commission were given special instructions to consider this feature of it—the question of opening up a sample market, so that wheat would be bought on its milling value. Hon. members are quite right when they say there is a difference in the milling value of wheat, but it does not take the large milling companies of Canada very long to discover that

when the new crop starts moving in the fall and if you just watch them when they start bidding against each other, a cent here or a cent and a half there, you will know that the wheat which is the subject of this competitive bidding has good milling value.

Mr. SALES: The minister will agree as to the importance of this branch of the work being carried on?

Mr. ROBB: I think so.

Mr. SALES. Take the case of sprouted wheat—

Mr. ROBB: I am against the hon. member if he starts to argue that sprouted wheat is good wheat.

Mr. SALES: I am not going to argue it is or it is not, because I am not a chemical expert, but it has been proven I think by experiments which have been carried on that wheat slightly sprouted will produce a better loaf than the other wheat. But it does not matter to the farmer who has wheat whether it is slightly sprouted or very much sprouted, it is condemned as sprouted and the price is depreciated accordingly.

Mr. ROBB: Do not encourage the farmers of western Canada to sprout their wheat.

Mr. SALES: The minister knows as well as I do that they are very sorry to have sprouted wheat, and it is only owing to climatic conditions over which we have no control that we do have sprouted wheat; but he will not deny the fact that there is considerable reduction in the price whether the wheat is slightly sprouted and slightly depreciated, or whether it is sprouted to a greater degree and very much depreciated. There is that wide spread and, according to these experiments carried on by the laboratory, there is not that depreciation which the difference in price would indicate. The millers are only too anxious—and my hon. friend knows it as well as I do—to take advantage of any situation which will give them all the profit they can get. I do not blame them one bit; it is very natural.

Mr. ROBB: Will the hon. member not be fair to the millers of Canada? I am out of the business now, but I would ask my hon. friend to be fair to them and admit that the Canadian millers pay the highest price for wheat of any buyers in western Canada, that they are always bidding a little more than the other buyers for good wheat.

Mr. SALES: I do not believe they pay one cent more than the export market makes them pay.

Mr. ROBB: That is correct.

Mr. SALES: I never believed it in all my experience. Then to talk about the home market and all the wheat being ground in Canada is all bunkum. The price is all set by the export price which the Liverpool market pays; and if they do choose to take wheat from a certain district in preference to that from another district, it only proves they are skimming the very best of our wheat to the detriment of the rest.

Mr. COOTE: I should like to tell the minister a little personal experience I had with the Canadian millers, because he said that it was greatly to the advantage of the Canadian farmer that he should have as many mills in Canada as possible. In September of this past year I shipped a carload of wheat to Calgary which was graded No. 1 by the inspector. It was sold by a broker in Calgary to a milling company in Calgary. I had asked them to bill it on to Vancouver, but he told me it would cost a couple of dollars, and he said that I could sell it for as good a price in Calgary. He said, "Better let me sell it here," and I said, "All right." He sold it to the milling company in Calgary. When the car was sold they asked for a survey board to grade the wheat again. The survey board graded it No. 2 and it cost me 2 cents a bushel, because I sold my wheat to a Canadian miller. If it had gone to Vancouver there is absolutely no question that nobody would have asked to have it re-graded or graded by a survey board; so that it cost me $30 on that car. The next car I shipped to Calgary was graded No. 3 although I think it was exactly the same wheat. As far as I know, it was out of the same field. I asked for a survey board to regrade that car, but it had gone to Vancouver. The agent of the elevator company suggested that I let it go to Vancouver and have a sample taken from the car and have it graded there. This was done, and the sample graded No. 2. I went into the office of the inspector at Calgary later on to see the sample, and when I complained of the grade and told him that I thought it was No. 1 wheat he turned out on white paper, and pointed out to me a few kernels that were slightly coloured on the end, and said, "You see some of this wheat is not perfect," and I said, "No, and if you get the Canada Grain Act you will find that it

does not call for 100 per cent of the kernels to be perfect." He said, "The millers object to this colour on the end." I said to the inspector, "Are the millers setting the standard for our grades, or does the Canada Grain Act set it?" He tried to persuade me that I was very lucky to get No. 2 instead of No. 3 which was given to me in the first instance at Calgary. I talked this question over with a representative of an English milling company who was in Calgary last year. He said that the investigations he had so far made led him to believe that it was advisable for them to establish a mill in Canada. "The Canadian millers," he added, "have a big advantage over us inasmuch as they can buy better wheat for the same money, being on the ground and in a position to pick out the best." This gentleman represented the firm of Spillers, Limited, of England who have since decided to establish a mill in Canada. I want to see as many millers as possible in this country but from personal experience I am not inclined to think that the millers at present are enhancing the price of wheat to the grower in Canada.

Mr. ROBB: I will not dispute the point further than to say that on my hon. friend's own argument there would not seem to be anything wrong in a miller in Calgary asking for a survey of wheat. There were shipped two cars of wheat, one to Calgary graded No. 1. The miller asked for a survey and had it reduced to No. 2. Then the hon. gentleman shipped another car which he thinks was identical with the Calgary wheat and it graded No. 3; it went on to Vancouver and on a survey being asked for it graded No. 2.

Mr. COOTE: I shipped two other cars which went to Fort William and they both graded No. 1.

Mr. ROBB: I am not arguing about that.

Mr. COOTE: In this case it was the millers who cut me down to No. 2 and when I complained to the inspector he said that the millers had objected to the wheat in the sample. But according to the act I am not bound to have 100 per cent of the kernels perfect; yet the Canadian millers made complaints to the inspector simply because there were a few kernels that had a slight blight on the end. This is a disease which was quite common throughout my part of the country but it affected only a very few heads; only a very small percentage of the kernels were so affected. But the millers made representations to the inspector and consequently the wheat was graded No. 2; in other words the inspector was influenced. I am satisfied that had the millers in England received my wheat just as it left the elevator at my station they would have been glad to get it as No. 1. I showed a sample of it to an English miller and he said that they never get anything as good as that under No. 1 in England.

Mr. SPENCER: As stories on the grain trade are being told I think I may be permitted to tell one myself. If I may be pardoned a personal reference, I have relations in England who are in the milling business and some time ago I received a letter informing me that some wheat had been received this year through Vancouver, although in previous years shipments had always been made by way of Atlantic ports. My correspondent said that the peculiar thing was that the wheat which he received this year by way of the Pacific was a good deal better than the samples that he had been receiving from Atlantic ports, and he wondered what the reason was. I wrote to the grain commission in reference to the matter. This wheat had been bought as Manitoba No. 1. In reply to my inquiries the grain commission informed me that no Manitoba No. 1 had been shipped from Manitoba this year. But all Saskatchewan and Alberta wheat is graded on a basis of Manitoba No. 1 when it goes to England. It would therefore seem as though the sample was better by reason of its having gone through the port of Vancouver where there was no opportunity of its being mixed with inferior grain. The inference is that my correspondent received wheat of a poorer quality in the past because it was shipped via Atlantic ports, after having been mixed with inferior grain in transit.

Mr. ROBB: My hon. friend is quite right when he suggests that wheat going through the Pacific is better than wheat which is shipped by way of Atlantic ports, and I think we know what the reason is.

Mr. FORKE: The minister is practically admitting, I take it, that wheat is mixed when it goes over the American route.

Mr. ROBB: That I think is established.

Mr. GARLAND (Bow River): Where can hon. members secure reports of the results of experiments carried on in this branch? Are there any reports available for the use of the people who are paying for the upkeep of the service?

Mr. ROBB: Any reports which are in print are obtainable in the department but we have not had any reports recently.

Mr. GARLAND (Bow River): We ought to have some report because we are anxious to know what has been achieved through the experiments that have been carried on. We have been voting a lot of money and we hope to vote more, but we want to know what results are being obtained.

Mr. ROBB: The report is now in course of preparation.

Item agreed to.

To provide for salary of a clerk from April 1 to September 30, 1924, $650.

Mr. MEIGHEN: Why is this item in the supplementary estimates?

Mr. ROBB: This clerk was to be retired but it was decided to keep her on for a further six months.

Mr. MEIGHEN: Is she too abiding the report of the grain commission?

Mr. ROBB: No; her retirement is an economy. My hon. friend will see that in the main estimates there is a considerable reduction of staff.

Mr. MEIGHEN: The minister says that this particular clerk is to be retained; that would seem to be a case of economy abandoned.

Item agreed to.

Royal Commission to inquire into the Grain Trade—further amount required, $50,000.

Mr. MEIGHEN: Has the minister any explanation to offer in regard to this item?

Mr. ROBB: When the estimates for 1924-25 were being prepared it was expected that the duties of the commission would have been completed before the end of the fiscal year 1923-24; hence no provision was made. Late in March, however, the department was advised that the work of the commission could not possibly be completed by March 31, 1924, and the above amount is provided for expenses of the commission in 1924-25 as well as to pay accounts accrued but not paid at March 31, 1924. The accounts unpaid on hand awaiting the passing of these estimates amount to $33,422.25. The department understands that the commission has completed its investigations and is now preparing its report.

Mr. STEVENS: An investigation was held by the commission at Vancouver and an interim report was laid on the Table the other day.

Mr. ROBB: Yes, and it was ordered printed.

Mr. STEVENS: I had an opportunity merely to glance through that report but I had not time to study it as I had to hand it back. In fact I had to hand it right back to the clerk, but from what I was able to read it appeared that the fantastic charges which were made against the handling of grain in the port of Vancouver were very largely disproved. I think it is desirable that notice should be taken of that fact.

I think there is a recommendation, however, that the handling of grain at that port should be brought under the grain commission. I take this opportunity of very briefly expressing my views in regard to the matter. I have given a good deal of study to the administration of the Grain Act, and I have been brought to the conclusion that the whole grain movement ought to be directed under one piece of legislation, namely, the Canada Grain Act. But that act is far from being up to date, and to my mind one advantage that will accrue from this investigation will be the revision of the act at the next session of parliament. It is a very long and very intricate piece of legislation and could not possibly be dealt with this session. Therefore I would suggest to the minister that no time should be lost in directing the proper officials of the department to prepare a revision of the act. Do not let us open parliament next year and simply refer the act to a special committee to study and make a report on during the session; let us meet parliament with a draft revision and let that go to a committee to put into proper shape. The act is obsolete. A moment ago my hon. friend (Mr. Coote) was referring to the grading of his grain. If grain were graded strictly in accordance with the act a very substantial proportion of the grain of the prairies would have no grade at all. For instance, Marquis wheat does not come within the limitation of names, and there are many other cases showing that the act is absolutely obsolete.

Another suggestion which is made, if I recall the terms of the report correctly, is that the existing elevators shall be handed back to the government for operation by a new board to be elected under the Grain Act. I have no particular objection to the elevators being operated by the grain board, but I do object to bringing into existence a new commission for the purpose. I think we ought to be very careful and take no hasty action in regard to that part of the report.

Was an order in council passed actually transferring to the harbour board the title of the elevator referred to?

Mr. ROBB: Yes, it was handed over to the harbour board, but the board have not yet completed their part of the bargain and paid the government for the elevator.

Mr. STEVENS: The actual transfer has not been completed, although the elevator has been under the harbour board for the past year?

Mr. ROBB: That is a fair interpretation.

Mr. STEVENS: Let me say in defence of the harbour board, that in the operation of No. 1 elevator during the past year Mr. Colin McLean, the manager, certainly demonstrated his ability and handled the business in a very efficient manner. Undoubtedly criticisms can be offered of the manner in which the elevator has been operated, but consideration must be given to the conditions surrounding such operation. Let it be remembered that for the months of December, January, February, and perhaps March, an average of about eight million bushels per month passed through that one elevator. I am told by experienced and well qualified elevator managers that that is a record which perhaps has never been equalled in this or any other country. Hundreds of carloads would be standing in the yard at a time, and Mr. McLean and his associates were forced to depart from the strict interpretation of the act in handling the grain. They did so under a very excellent precedent which was established during the very short time that I occupied the position of the minister to cope with congestion in Montreal in the fall of 1921, one of the worst that ever occurred in that port. We authorized the management to ignore the strict intepretation regarding warehouse receipts. That is, under this authority, one shipper who had a ship ready to take grain was permitted to load grain in the elevator that belonged to another man, and this grain would be replaced from cars en route. Had that not been done the management would not have been able to handle one-half the grain that was actually dealt with. I merely state this in defence of Mr. McLean against whom charges have been made that I think were unreasonable.

Let me turn for a moment to the mixing of grain. This is perhaps one of the most delicate questions, as far as the producer is concerned, that we have to deal with, but it must be faced. Of course, I do not know what the grain commission may report, but whatever their recommendations, those who are preparing a revision of the Grain Act must deal with the mixing of grain. We might as well confess that as a matter of fact there is not a public terminal elevator in Canada that has not practised the mixing of grain; but it is absolutely contrary to the provisions and to the intention of the Grain Act. This mixing practice does not work to the advantage of the producer. But what I do think would work to his advantage in any section where there are ample storage facilities would be the establishment of a sample market, for this would enable the producer to get the full value of his grain. I may remind one or two of my hon. friends to my left in regard to the shipping of grain westward this year, that owing to the fact that there were not ample storage facilities it was not possible to create a cash market on the coast last season, but that will be overcome as soon as the physical facilities are supplied. But last year brokers who handled grain through the port of Vancouver made handsome profits in premiums. One shipper told me that on one large shipment of 13,000 or 14,000 tons he cleared $25,000 as a premium. This was No. 1 wheat that weighed 66 pounds to the bushel and brought a premium on the British market of several cents a bushel. The original shipper of that grain had no opportunity of sharing in that premium because no grain could be shipped to the Pacific coast unless the shipper had shipping facilities, cargo space, waiting to take his grain at the Pacific coast. To pursue any other course would mean that the elevator would be full of storage grain and the movement would thus be interfered with. But with the erection there of the No. 2 elevators, the extension of No. 1 and the completion of the large spiller elevator now being built, that will be overcome, in my opinion, and there should be established on the Pacific coast as early as possible a sample market in addition to the cash market which these facilities will bring into existence. If we have a cash market and if there is established there a sample market so that the foreign buyer can buy on sample, I believe that will go a long way toward giving the producer the full value for his product. I know I am not in accord with the opinion of some of my hon. friends to my left who have stuck tenaciously during recent years to the old system of contract grades and have not encouraged the establishment of sample markets. But I believe that the establishment of sample markets at Fort William or Winnipeg and at the Pacific coast, or at Calgary or Edmonton, whichever point is most convenient, would solve a great deal of the difficulty and do away with many

of the grievances of the producer in respect to his not getting the full value for his product. The minister this recess ought to instruct his experts to study the question and include provisions to that effect in proper form in the Canada Grain Act, the revision of which must undoubtedly take place next year. There are many other things one might speak of, but these are a few of the subjects which I desire to refer to at this stage based upon the report which was presented a few days ago.

Mr. SALES: I have not had the opportunity of seeing the report. I have tried to get it, but up to the present I have been unable to do so. I agree with my hon. friend (Mr. Stevens) that all grain should come under the control of the grain commission. I also agree that the legislation is out of date and the revision is long overdue. I would urge upon the government that when they undertake that revision they put nothing in the act which cannot be enforced. A lot of things in the act have gone by common consent; some of them have been held by judgments recently delivered to be ultra vires and unenforceable. With regard to my hon. friend's remarks concerning a sample market, if he urged a sample market for Vancouver I would certainly be in hearty accord with him. The situation there is entirely different from what it is at Fort William or Port Arthur. The British miller may go to Vancouver, purchase the grain on sample, load it in his boat and keep it under his own control until he delivers it to his mill in England. Under these conditions a sample market would be workable. But if the British miller tried to do that same thing through Fort William or Port Arthur and his wheat must go through the transfer elevators at the bay ports or at Montreal, he would not be sure of what he was going to get; the sample market under those conditions would be unworkable. It has been our contention all the time that under the conditions existing at the head of the lakes no sample market would work. Moreover, the question of mixing was always involved in the demand for sample markets; as I have stated before, the demand for sample markets was entirely a cloak under which the mixing privileges were sought to be obtained. I would ask the minister if possible to have the report of the royal grain commission printed and placed in the hands of members during the recess so that we may all be thoroughly acquainted with it before we come down to the session next year. It will be a voluminous report, I imagine; it will take quite a lot of study and should be in the hands not only of members but of the farmers of the West in order that they may thoroughly discuss it during the winter and make up their minds what changes should be made in that connection.

Mr. ROBB: The printing was ordered by the House some days ago, and we hope the report will be ready and distributed before the end of the session.

Mr. SALES: That was only the interim report.

Mr. ROBB: The other will be printed too.

Mr. GARLAND (Bow River): Will it not be necessary before prorogation to get the consent of the House to have this final report printed?

Mr. ROBB: Yes, my hon. friend is right in that.

Mr. GARLAND (Bow River): Will the minister undertake to have that done for us?

Mr. ROBB: I will inquire into the procedure and the legality of putting through such a resolution and will let my hon. friends know.

Sir HENRY DRAYTON: There is a substantial allowance for printing in this department, and in any event, although it might be a stretching of the Governor General's warrant, the matter is sufficiently important to justify such a course. It will take a long time before any one can really get to know what the report means, but undoubtedly it is within the power of the government to have the report printed and distributed. How much have we already voted for this commission and how much has been spent to date?

Mr. ROBB: The amount voted and provided for by Governor General's warrants for 1923-24 was $125,000. The amount expended in 1923-24 was $118,812.01. There are unpaid accounts on hand, awaiting the passage of this estimate, amounting to $33,412.25. That should be added to the $118,000, and the accounts are not all in yet.

Mr. COOTE: Was not there something voted last year?

Mr. ROBB: Yes, $50,000.

Sir HENRY DRAYTON: Then it stands this way: We voted $50,000 last year, we are now asked to vote another $50,000, and we have $75,000 covered by Governor General's warrants. That is $175,000. Is that correct?

Mr. ROBB: I should think that is correct.

Sir HENRY DRAYTON: Is there anything else?

Mr. ROBB: That covers it.

Sir HENRY DRAYTON: How is it this commission is so awfully expensive? What is the basis?

Mr. ROBB: The commission would have closed up long ago, had it not been for complaints that came to us from shippers on the prairies as to conditions at Vancouver. That added materially to the cost and length of the inquiry.

Sir HENRY DRAYTON: How are the counsel paid? Are they paid for every day the commission is still supposed to be functioning, or only for the days it sits?

Mr. ROBB: For the days it sits.

Sir HENRY DRAYTON: Is my hon. friend really right about that? I cannot see how these figures can be so tremendous in that case. What are lawyers' fees to-day, for example? I am afraid they are pretty expensive in this case.

Mr. ROBB: I am sorry I have not that information here but I can send it to my hon. friend to-morrow. If the committee desire further information I can get it and bring it down.

Sir HENRY DRAYTON: What is keeping the commission now?

Mr. ROBB: They are now preparing their report.

Sir HENRY DRAYTON: How long is that going to take?

Mr. ROBB: It should be closed up any moment now.

Sir HENRY DRAYTON: I think I am fair in saying that from week to week, almost from day to day, during this session, hon. gentlemen, particularly those to my left, have asked the Minister of Trade and Commerce when this report was coming down, and he was always "expecting it shortly". Can we not have anything definite as to when the report will be made?

Mr. ROBB: That is quite true, and the minister has wired the commission repeatedly for their report. May I repeat, the report would have been before us long ago had it not been for the complaints that came to us from the growers of grain on the prairies as to conditions at Vancouver. That necessitated a considerable delay.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: Just as a matter of general information, I would ask my hon. friend to tell us whether he has not yet come to the conclusion that government by commission is a pretty expensive thing?

Mr. ROBB: Yes, it does seem to be, but we have had commissions under different governments for years past. I recall that when we were pressed by hon. gentlemen opposite to appoint a commission to investigate the grain trade, I stated—I was then Minister of Trade and Commerce—that there was no trade in Canada that had been investigated by commissions more frequently than the grain trade. But public opinion at that time demanded an investigation.

Sir HENRY DRAYTON: I think, so far as this particular commission is concerned, the circumstances warranted getting at the facts. I was in favour of it, but it does seem to me there should be some more control exercised by the departments over commissions. There is such a thing as commissions running wild.

Mr. ROBB: They are easier to start than to stop.

Sir HENRY DRAYTON: Yes, but there should be some measure of control. There should be some ultimate amount of money that is available; that would soon stop them. I do not know that this is as bad as the pulpwood commission, because these gentlemen have really something to inquire into. The others had not; that was something that could be determined by anybody, simply by sizing up the situation, and looking into the figures and the like. One set of people wanted one thing, and the others another. There was something to be inquired into by the grain commission, I admit that; but my hon. friend will agree with me that this commission has taken up an awful lot of time.

Mr. ROBB: We will agree on that.

Sir HENRY DRAYTON: It should have closed up much more quickly, and it has cost the country a lot of money. If we are to have any more commissions, I do hope there will be something done to see that they will finish in a reasonable length of time and at a reasonable cost.

Mr. IRVINE: Is this commission still taking evidence?

Mr. ROBB: No.

Mr. IRVINE: When did it cease to take evidence?

Mr. ROBB: I imagine prior to the time when it prepared the interim report that is now under discussion.

Mr. IRVINE: Is there any hold at all on this commission, or does it just go on as long as it likes and make its report when it wants to? Is the commission on pay now? Are they all drawing their salaries?

Mr. ROBB: I repeat again, the minister has been pressing the commission for their report. I do not know whether the expert officers are on pay, but the commissioners and the secretary, Mr. Deachman, are still on pay.

Mr. GARDINER: I have not had the privilege of looking through the interim report of the royal grain commission, but from the remarks made by the hon. member for Vancouver Centre, one would think that so far as conditions at Vancouver are concerned there was not very much wrong. On the present occasion I shall only say that that is hardly correct, because we have substantial information to the effect that the situation at Vancouver is anything but what it should be. I trust that the interim report will be available to the members before the vote for an extension of credit to the Vancouver Harbour Commission comes up for consideration; but whether the report is then in the hands of members or not, I think we have information now in our hands that will be of very much interest to the members of the House, and more particularly to the government, who are responsible for placing the present members of the commission in the positions they now hold.

There is one other matter. We have had commissions looking into the grain trade before, but very often, unfortunately, we have not had a full report. Take the Price Waterhouse inquiry. Their report was never printed; it was simply pigeonholed. Before this vote passes, we want the assurance of the minister that when the report of the royal grain commission is finally submitted, it will be printed and put into the hands of members and made available to the people of this country.

Mr. ROBB: The printing of the interim report has already been ordered, and it is the intention to have the other report printed. My hon. friend possibly was out when we had the discussion, and it was suggested that we should not await the meeting of parliament to have the report printed. As regards the Price Waterhouse report, I do not know whether my hon. friend received a copy, but I myself arranged for some of his immediate associates to get a copy of it last year.

Mr. SALES: It took us seven years to get it.

Mr. McBRIDE: I think when an hon. member of this House makes a statement about a port like Vancouver, he should substantiate it more than the hon. gentleman who has just taken his seat has done. He should have some foundation for his statement, and give it to this House.

Mr. GARDINER: In reply to the hon. member for Cariboo, the reason why I did not give further information to-night is because I am awaiting the bringing up of the resolution of the Minister of Marine and Fisheries to extend a credit of $5,000,000 to the Vancouver Harbour Commission. I think that would be the proper time for me to lay before this House the information that I have received—information, I think, that will make the House stand aghast.

Mr. COOTE: I am going to ask the minister to allow this item to stand. My reason for doing that is the extremely large amount which we are asked to vote for this royal commission. If I have taken down correctly the figures that were given by the ex-Minister of Finance there has already been voted the sum of $175,000 and another $50,000 appears in the supplementary estimates, making $225,000 altogether.

Sir HENRY DRAYTON: It is $175,000 altogether.

Mr. COOTE: I certainly understood the total to be $225,000.

Mr. ROBB: No.

Mr. COOTE: It is apparently $175,000. Well, we do not know how many days the commission has sat. I am sure it could not have been more than 175 days and if so the cost must have been $1,000 a day. I really cannot understand why all this money has been spent. I think it is due the House that the minister should give us more complete information regarding this amount before he asks us to pass the item.

Mr. ROBB: I have repeatedly to-night given hon. gentlemen the details of this vote and the amount expended. The expenditure was brought about and the commission appointed because of the demands of hon. gen-

tlemen opposite. I resisted those demands and said the commission was not necessary. Now I propose to have this matter tested out to-night and to stand by the vote.

Mr. GARLAND (Bow River): The attitude of the minister is not at all fair to the members here or to the House. We are simply asking the minister for information. We want the details of the expenditure; they have not been given. We asked, for example, for the lawyers' fees and the amounts paid to the commissioners, and no information is available. We asked for further details and they are not given. Until that information is available I support the hon. member for Macleod.

Mr. SPENCER: I protest at the stand the minister has taken on this question. He is quite correct in saying that the request for the commission to be appointed came from this side of the House. The minister admits that he protested against the appointment of the commission. We are proving to-day that there was great need for its appointment.

Mr. ROBB: Then we must pay for it.

Mr. SPENCER: The minister himself will admit when the full report of the commission has been received that the commission should have started to work long before it did. Under the circumstances I think it is very unfair for the minister to hold this threat over the House that he is going to test its sentiment on this vote.

Mr. ROBB: I propose to ask hon. gentlemen whether or not they are going to vote for what they forced the government to undertake, and that was the appointment of this commission. I realize, as hon. gentlemen themselves do that the commission has cost too much but I knew it was going to cost money before it was appointed. That has been the experience with all commissions and there have been many in this country. I regret that I have not the details of the fees paid the lawyers before me, I have not the order in council, but I am ready to file it. The absence of that information is no reason why we should tie up this vote.

Mr. IRVINE: Perhaps it would be advisable to appoint another commission to investigate this commission and see whether it has been doing its work right.

Mr. GARLAND (Bow River): I really think it is due hon. members to have some more satisfactory statement from the minister. I think the minister did not mean what he said; I do not think he quite understood what was being asked for in perfect good faith. All we require are the details of this expenditure. We are quite satisfied to let the item pass if we get the details, we are clearly justified in asking for that information.

Mr. ROBB: There is no objection to my hon. friend getting details. If he will come down to the office we will show him the order in council. There is nothing to hide. The details will be given fully; they have got to be set out in the report of the Auditor General. I do not happen to have all the details here; in fact I do not know that all the accounts have been sent in yet to the department. We cannot give the details of accounts until we receive them.

Mr. COOTE: It is a very strange procedure to require us to vote the money before we get the details of the expenditure. How are hon. gentlemen going to vote on this question without information? If the money has been spent illegally or in an outrageously lavish manner must the House vote the money in any event?

Mr. ROBB: My hon. friend is a reasonable man. How does he expect me to give him the details until the accounts are rendered? How can we pay the accounts until we get the money?

Mr. COOTE: I submit the minister has given us very little detail as to how any of this money has been spent. So far as I have heard he has not told us how much the commissioners have drawn, how much the lawyers have drawn, how much has been spent for clerical fees or anything else. I would not object at all if the amount was not so large; but I cannot for the life of me understand where the money has gone or what it has been spent for. The minister would claim to be a reasonable man, I ask him to tell this House to-night if he has given us a real idea of what this commission has done to incur an expenditure of $175,000 which, as I suggested a few moments ago, must have been expended at the rate of $1,000 a day.

Mr. BEAUBIEN: I was one of those who spoke in favour of the appointment of a royal commission. My reason for doing so was to restore the confidence of our farmers who had lost faith in the methods of marketing our wheat. I claim that even if this commission has spent $175,000, if its inquiry has the effect of solving the problems connected with the grain trade and restoring the confidence of our people in the marketing con-

ditions of our wheat, it will prove to be the most profitable expenditure ever made in this country. I argued in favour of the appointment of this body on account of the lack of confidence that existed among our farming community, especially in the province of Manitoba, as to the conditions under which our wheat is marketed. Rightly or wrongly that feeling existed and if the commission restores that faith the money expended will have been spent to good advantage.

Sir HENRY DRAYTON: I wonder if I could make a suggestion to the minister. I realize that he cannot have absolutely full details with respect to the commission but there are some details he can give. He can at least give the rate of remuneration to the commissioners and to the lawyers, and some idea as to how much has been spent. We do not want the figures to the last detail, I am sure that hon. gentlemen who have been speaking on this matter are not expecting that, but we should have such information as will give a reasonable idea as to where the money is going and why the expenditure is so large.

Mr. ROBB: I will be very glad to send copies of the different orders in council to my hon. friend and to the leader of the other party.

Some hon. MEMBERS: Oh, oh.

An hon. MEMBER: Which one?

Sir HENRY DRAYTON: Let there be no invidious distinction.

Mr. ROBB: The chairman of the commission is Mr. Justice Turgeon who receives no pay but gets his expenses. The other members of the commission are Dean Rutherford, Professor McGibbon, and the secretary, Mr. Deachman, of Calgary. It is quite reasonable, as my hon. friend says, that I should state what the commissioners are receiving. I am speaking from memory.

Sir HENRY DRAYTON: That is good enough.

Mr. ROBB: It is not fair that I should be asked if a man is receiving $20 a day when he may be getting $15, or $25. I think the rate is $20 or $25 and the usual living allowance. Then they engaged the grain expert. I do not know what the lawyer was paid, but I recall that a lawyer that we were urged by men interested in the grain trade to hire insisted on getting $150 a day, and we did not take him. I am not sure whether we are paying $50 or $75 a day for the lawyer in charge while he is following the case. I will file all details of what we agreed to pay, but I cannot file what was paid until the accounts are rendered.

Mr. GARDINER: Will the minister promise that the full report will be printed when it is brought in?

Mr. ROBB: If it is the wish of the House. My hon. friend from Bow River (Mr. Garland) intimated—and I think he was quite correct—that we had to have the authority of the House to print the report, but I think it was the consensus of opinion of hon. members opposite that we should take the responsibility and have it printed.

Sir HENRY DRAYTON: Hear, hear.

Mr. ROBB: We will be prepared to take that responsibility and have it printed.

Mr. COOTE: Will the minister be good enough to have a copy of the evidence taken before this commission made available to members of parliament when they come here next session? It would not cost any more. They must have those copies in their possession, and members who would have to study this report, and to study the new act next year should have a copy of the evidence as well as the report of the commission. It does not need to be printed, but it should be in the House and available to members of parliament.

Mr. ROBB: The evidence will be tabled; but let me point out—and I do it in all kindness—the inconsistency of hon. gentlemen who ask us to go to the further expense of printing the mass of evidence which the commission has been taking for months.

Mr. GARLAND (Bow River): We are not asking that.

Mr. ROBB: The taking of the evidence added enormously to the cost of the commission. They had to have a staff of shorthand writers with them all the time, and you do not engage shorthand writers at ordinary rates. They have a standard rate and we must pay it. Surely we are not going to be asked to assume the responsibility of ordering the printing of this evidence until hon. gentlemen have an opportunity of seeing it when it is tabled. They will then take the responsibility of saying whether it is worth while printing or not.

Mr. COOTE: I was not asking to have it printed. I was asking to have a copy of the

typewritten evidence, which the government must have in its possession, left in the Library, where it would be available to hon. members.

Mr. ROBB: We will be very glad to table anything that is received.

Item agreed to.

Towards the construction of a grain elevator at Prince Rupert, British Columbia, $150,000.

Sir HENRY DRAYTON: Has my hon. friend determined to build a grain elevator at Prince Rupert at present?

Mr. ROBB: I think so.

Sir HENRY DRAYTON: Has the minister considered the additional cost to the railways in the first instance, in the lack of boats?

Mr. ROBB: I think it is the railways that have asked for it.

Sir HENRY DRAYTON: I cannot believe it.

Mr. ROBB: It has been represented to us that it will be a splendid outlet for the grain of northern Alberta.

Sir HENRY DRAYTON: It is already established in Hansard, by an answer made this session, that the movement to Prince Rupert entails greatly increased mileage. Take the common point, Edmonton, my recollection is—and I speak from recollection—that there is an extra mileage of 208 miles which certainly costs something. What is really behind it? The British Columbia election is over.

Mr. ROBB: That had nothing to do with it.

Mr. STORK: I might be able to give hon. members information with regard to this elevator. To the best of my recollection, the distance from Edmonton to Prince Rupert is 127 miles greater than from Edmonton to Vancouver, but the terminal rates are exactly the same. The Dominion government has a tremendous capital invested in the National Railways and in the terminals at Prince Rupert. The road was formerly the Grand Trunk Pacific. They have a very large investment there. They have the best grade on the continent of America. The rates are the same from Winnipeg or Edmonton to Prince Rupert as they are from either one of those points to the city of Vancouver. Hon. members will have noticed the tremendous increase in the grain movement through the Pacific port of Vancouver. The bulk of that grain has gone to the Orient. Prince Rupert, being the northern port, is the logical port of shipment of grain to the Orient. At the present time through the port of Prince Rupert large quantities of lumber are being sent to the Orient. The Canadian Government Merchant Marine makes a trip from Vancouver to Yokohama in 19 days. The same boat can make the trip from Yokohama to Prince Rupert in 16 days. There is every reason in the world why the Canadian National Railways should secure some of this business. They only get a portion of the grain business going into Vancouver. When they develop their own terminal in Prince Rupert they are developing the traffic over their own railway. The rates from Prince Rupert to Liverpool are the same as the rates from Vancouver to Liverpool. We enjoy equal rates to any port in the world, in comparison with the port of Vancouver. I have voiced my opinions in this House before, but I may say that from the standpoint of common sense, logic and good business for our own railways, the proposal to develop the port of Prince Rupert is justified. I am sorry my hon. friend mentioned the British Columbia elections. We had not thought of the elections in connection with the elevator. We have been for three years actively engaged on this work. I have received and presented to the government resolutions from boards of trade from all over northern Alberta and the northern part of British Columbia. We have had three non-partisan delegations consisting of men of all shades of politics down here from that country to urge this project . This is not in any sense of the word a political project. It is purely one of sound economics, and one which will justify itself, if this government decides to erect the elevator there and if this House is good enough to pass the vote.

[Mr. Coote.]

Sir HENRY DRAYTON: My hon. friend is not quite right in his facts—at least if he is right the department is wrong.

12 m. I do not know which is right, but I am inclined to think the department is right and he is wrong. At page 3222 of this year's Hansard the question is asked:

What are the railway mileages from Edmonton to (a) Vancouver; (b) Prince Rupert?

The answer is given:

(a) 765.47; (b) 956.90.

The next question is:

What are the railway mileages from Calgary to (a) Vancouver; (b) Prince Rupert?

And we have the answer given in a variety of ways:

2. (a) Via Mirror, Camrose and Terminal Junction, 993.07; via Mirror, Camrose and Tofield, 1,006.22; via Munson Junction, Camrose and Terminal Junc-

tion, 1,028.50; via Munson Junction, Camrose and Tofield, 1,038.95. (b) Via Mirror, Camrose and Terminal Junction, 1,184.40; via Mirror, Camrose and Tofield, 1,197.55; via Munson Junction, Camrose and Terminal Junction, 1,219.83; via Munson Junction, Camrose and Tofield, 1,230.28.

In every instance, taking every possible combination, the mileage is less to Vancouver. It is perfectly plain, when we take the first question in regard to the railway mileages from Edmonton to Vancouver and Prince Rupert, that the difference is almost 200 miles. It is said that the railway management are back of this. All I can say then is that we have for the first time some tangible results from the efforts of Mr. Dawson, one of the railway directors; but no one who was thinking of the general results of the system could urge it. Railway mileages, with costs as they are to-day, are a very serious thing.

Mr. JACOBS: What about grades?

Sir HENRY DRAYTON: There is practically no difference whatever in the grades. We have theoretically a .4 per cent grade on the Grand Trunk, and in most instances it is more than theoretical, it is true. In some cases it is not .4. It is a good grade; there is no question about that. There is a first class grade on the Grand Trunk Pacific and also a first-rate grade on the line to Vancouver. The grade there is not quite as good as the grade to Prince Rupert but it is so good that they can run 60 cars in and out of Vancouver on the National line the whole way to the divide.

Mr. LUCAS: In view of that excellent grade is there any reason why there should be a mountain freight rate?

Sir HENRY DRAYTON: The hon. member is getting into another question which would open up an entirely different debate. It has nothing to do with the question under consideration whether it is mountain or prairie or anything else; distance means money and money in this case means extra taxation for the people. Wherever you get extra mileage you must have an extra cost and everyone knows it. On the line out from Vancouver a train of 60 cars can be carried on the National while on the Canadian Pacific they must be broken and made up in smaller units before they can cross the divide. Now, the government might just as well understand what they are doing. If they are going to build an elevator there they must increase the terminals, and the terminals at Prince Rupert were built at great expense. I had occasion to go into the matter in 1916 to ascertain what money had been spent there and it is unbelievable how much was actually expended in winning a terminal from the rocks and the granite which are encountered at that point. The terminals there cost a vast sum and when you get down the hillside they must be enlarged. When the war was on we needed, or thought we needed at any rate, with transportation difficulties, some more wharfage accommodation. The work was not gone on with simply for the reason that it was so expensive owing to the depth of water. There are beautiful mountains on the shore and the line of mountains is carried right into the water so that you may go out a few feet and have great difficulty in getting bottom at any depth which anyone, actuated by any commercial sense, would think sufficiently reasonable to warrant the building of a dock. The government might as well realize the situation. Some gentlemen opposite think that a dock is not needed, and I daresay they do not want it; I think they could put the elevator well away from the dock for all the use that will be made of it if the railway company has the slightest opportunity of hauling the grain without the expense of the extra 200 miles. Now, is this a time to start this elevator? Is there any real reason for it? Of course, boards of trade will say they want it; but, then, boards of trade want all sorts of things all over the country. Surely, however, this House ought to demand a better reason than representations of boards of trade before committing itself to a policy of this kind and opening up a new grain port which entails a further movement of almost 200 miles in a district which now runs at a deficit. There should be some real reason for this work apart from the unsatisfactory statement that some boards of trade asked for it. Under present conditions, to suggest the vote is absolutely wrong, and I must ask the minister to let us know what the real reasons are. Here we are going to spend $5,000,000 more money in Vancouver to fit it up for the grain trade, and the minister is right in that direction, because there is going to be a tremendous amount of business at that port and it will be a source of great relief to the prairies from freight rates and the long haul. But let me point out that there is another mileage given. As the hon. member (Mr. Stork) pointed out, there is some movement of grain to the Orient. It is not very big and I wish it were bigger. But there is that movement, and there is no doubt that it is shorter by water from Prince Rupert than from Vancouver. But most of the grain we are shipping out of Vancouver to-day is going through the Panama canal, and the dis-

tances from the western entrance of the canal to Vancouver and to Prince Rupert respectively, are 4,045 and 4,325 nautical miles, and we have to add approximately a third to get the land mileage.

Mr. GRAHAM: I know my hon. friend is not very friendly to the Prince Rupert scheme of the Grand Trunk Pacific, but so long as we oppose every proposition to give the Grand Trunk Pacific traffic, so long will the Grand Trunk Pacific give us a deficit. The Grand Trunk Pacific was not intended to be sawed off at both ends; the original scheme was to have a line of ships connecting at Prince Rupert with the Grand Trunk Pacific and the Transcontinental; and although conditions have somewhat changed, yet the fact stands, and cannot be controverted, that the route from eastern or from western Canada to the Orient via Prince Rupert is shorter than any other route by a good many miles. If we are to export our grain or other products by the shortest route at the lowest cost, Prince Rupert must be developed and utilized; there is no question about that. My hon. friend also forgets that there is a vast territory which, when opened up, will be tributary to Prince Rupert and will be many miles closer to Prince Rupert than to Vancouver. The grain shipments from the Peace river country to-day have to go around to Edmonton, which city is of course closer to Vancouver than to Prince Rupert, but when that country is opened up, as it must be, it will be miles closer to Prince Rupert than to Vancouver by way of Edmonton.

Mr. COOTE: If the line is built from the Peace river country to the Grand Trunk Pacific, will it not tap the main line east of Red Pass junction?

Mr. GRAHAM: That would be giving my hon. friend some information which I have not yet got.

Sir HENRY DRAYTON: The hon. member is quite right.

Mr. GRAHAM: He may be quite wrong.

Sir HENRY DRAYTON: If he happens to be right it makes all the difference.

Mr. GRAHAM: I do not know that he is right. But I say again, the Peace river district will be closer to Prince Rupert than to Vancouver by way of Edmonton.

Sir HENRY DRAYTON: No.

Mr. GRAHAM: I think if my hon. friend hunts up the mileage he will say yes.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: It depends on the answer to the question put by my hon. friend from Macleod (Mr. Coote).

Mr. GRAHAM: My hon. friend wants to find out in advance. No one knows yet where the line will be built into the Peace river country. But there are portions of the western country that will be absolutely tributary to Prince Rupert if the grain is to be shipped to the Orient; there is no question about that. I look forward to the time when Prince Rupert will be a very busy port on the Pacific coast with trade both going to and coming from the Orient, because when the people in the Orient find this route opened up they will ship their goods by Prince Rupert, for it is the shorter line, and we will get the haul all the way down My hon. friend made a remark which absolutely proves my contention respecting the superiority of Prince Rupert over most of our harbours; he gave the depth of water. Other harbours have to be dredged year in and year out; Prince Rupert harbour needs practically no dredging at all, and in that respect is a cheaper harbour to operate than any other in the Dominion. While we are beginning with an elevator in a comparatively small way, yet I look to the time when, as the western country develops, we will not only be using Vancouver but also Prince Rupert for oriental trade.

Sir HENRY DRAYTON: In the first instance, whether I am against the Grand Trunk Pacific line or Prince Rupert or anything else has nothing to do with the question. I have not made the statements that I well could make about the whole subject—

Mr. GRAHAM: And that I well could give a reply to.

Sir HENRY DRAYTON: I do not think you could.

Mr. GRAHAM: Quite easily.

Sir HENRY DRAYTON: However, I should like to see if we cannot once in a while get something done by this government on its merits, and my personal attitude can have nothing whatever to do with the question one way or the other; I should have thought the hon. Minister of Railways would know that. I am going to take up his last point first. He is perfectly right, there will be no dredging required in Prince Rupert harbour. He can go a little bit further, he can take most harbours along the whole Pacific coast and he will have no dredging to

do. But he will find any number of places where he will be able to build docks without having to pay a prohibitive cost; this he cannot do at Prince Rupert.

Mr. STORK: You are entirely wrong.

Sir HENRY DRAYTON: I think it will be found that I am entirely right. If we want to go into this question of cost all we need do is turn up the accounts which were put in by the company itself in connection with the work done and which are all to be found in Professor Swain's report, where full information is given. I am not giving the House any information of my own; those are facts which were established by the company's own figures. His next point is that this is the shortest route. I want to be fair to my hon. friend, but the ridiculousness of his contention is apparent from the claim put forward by the local member himself. He says that via the Panama canal Prince Rupert gets just as good a rate as Vancouver, and yet there is a difference of some 300 nautical miles on that movement against Prince Rupert as compared with Vancouver.

Mr. GRAHAM: Was I discussing traffic by the Panama canal?

Sir HENRY DRAYTON: No, my hon. friend was not.

Mr. GRAHAM: I was particularly discussing oriental traffic.

Sir HENRY DRAYTON: Of course, it would be fatal to his argument if he mentioned the Panama at all. He confined himself to the Orient because it was the shorter trip, and I just pointed out that the answer to his argument in connection with the shorter mileage to Prince Rupert from the Orient is to be found in Hansard just a few lines before my hon. friend speaks, where the local member himself says that the rates via Panama to Prince Rupert are just as good as to Vancouver. If the longer route of 300 nautical miles passing by Vancouver and going away north to Prince Rupert is just as good, there canot be very much in the nautical mileage difference between Prince Rupert and Vancouver to the Orient. When we approach things, not in a political sense, but in a business sense, we all know that land mileage is what hurts in transportation. What is crushing trade in Canada to-day? Land transportation costs.

Mr. GRAHAM: And ocean transportation costs, and lake transportation costs.

Sir HENRY DRAYTON: Yes, none of them are very good, but my hon. friend cannot say very much about railway costs. He is not in a position there to say that overcharges are being made. He justifies those costs, and his railway board, because the cost of rail operation is so great, and that is a cost which depends upon the mileage involved in the movement. There is where the real thing is. If the government are determined to put this matter through without any proper consideration, without the reading of one report from an engineer or any one in the trade which will show that any one will be helped, all right. But the question as to where that connection from the Peace river would come in is just the other thing that shows the absurdity of my hon. friend's argument. On paper it is fine, but there is a joint right of way down the pass for both these systems and the chances are very much in favour of that connection being made on that joint right of way. If it is so made, then the movement is still practically 200 miles shorter to Vancouver.

Mr. COOTE: It might be better to wait until this line is decided on. If the line from Peace river is to tap this line west of Red Pass junction, what the Minister of Railways says would be quite correct: Prince Rupert would be the natural outlet. But if on the other hand the line from Peace river taps this main line east of Red Pass junction, then Vancouver, as the ex-Minister of Finance says, would be much nearer the Peace river country. I presume this elevator is to be built out of the moneys in the elevator account, which the Minister of Trade and Commerce said was the case in connection with the Halifax elevator. Is that correct?

Mr. ROBB: I do not recall having said that. Indeed, I do not know what my hon. friend refers to as elevator account.

Mr. COOTE: When we were discussing the revenues which the government had received from the running of elevators and from the handling of the grain trade by the Board of Grain Commissioners I understood him to say that these elevators had all been charged up in this one account; that is, they had been built out of current revenue from the grain trade.

Mr. ROBB: Oh no, surely no minister said that. The money was advanced to build these elevators. There could not be any revenue until the elevator was built.

Mr. COOTE: We were given to understand that since then he had apparently charged them up to revenue. If this elevator is to be built at the suggestion of the Canadian National Railways, should they not advance the money? It should not be charged up to our elevator account.

Mr. GRAHAM: I suppose the Canadian Pacific advanced the money to build all the elevators in their case! It is the same thing.

Mr. COOTE: No, but I do not think the current revenue from the elevators should be used for these experiments which are carried on at Halifax and Prince Rupert.

Mr. GRAHAM: You would never build an elevator if you must know what it is before you start. It is more or less of an experiment, as all business is an experiment.

Mr. COOTE: I would like to know something more about this elevator before we start it. What is its estimated cost, and what is to be its capacity? I ask that because in connection with the Edmonton elevator there was an amount voted last year, there was an amount in the main estimates this year, and there is now an amount in the supplementary estimates. Before we start these elevators we should know what the total cost is going to be.

Mr. ROBB: You cannot establish costs until you have an appropriation to enable the engineers to visit the ground and prepare plans.

Mr. COOTE: Does the minister suggest that $150,000 will be required for that?

Mr. ROBB: No, but we generally make a liberal appropriation for that purpose. In the case of the Halifax elevator, and also in the case of the Edmonton elevator. $200,000 was voted the first year.

Mr. COOTE: That is why I ask what the total cost is going to be.

Mr. ROBB: If my hon. friend can tell me how to prepare the plans without getting an appropriation to pay for it, I shall be glad to have a suggestion.

Mr. McBRIDE: A good deal has been said to-night about Vancouver. I think everyone who lives in the West is proud of Vancouver, but Vancouver is not the only place where the sun shines. There are other places just as deserving of consideration. This House last year voted $50,000 to make surveys in the Peace river country, and neither the minister nor anyone else is in a position yet to say where the outlet will be from that country. If that outlet is on the Grand Trunk Pacific, near Prince George, where most of us expect it will be and where we think it should be, it will bring the Peace river country about 200 miles nearer to Prince Rubert than Vancouver. Why should the people who are in there not have the benefit of that haul of 200 miles? I have been through that country and I know there are men in there who have in their granaries the grain for the last three or four years because they cannot get an outlet for it. I think it is only a matter of a short time until this government will see their way clear to give these people an outlet; I know they are working hard in that direction. Over 100 miles of rails are at present piled at Prince George to build a line into the Peace river country; they have been lying there idle for the last five years. Why should this be the case when the people need the railway facilities? We all hope that it will only be a short time when there will be an outlet from the Peace river country. It has been promised by every government for the last fifteen years, and if the government does not keep faith with the people how can they expect the people to keep faith with them? The surveys have been made and the railway engineers are simply checking over the surveys before they decide where the outlet shall be. I think this elevator is coming to Prince Rupert. Prince Rupert has got very little in the past; Vancouver has got a great deal. I think the government are using good judgment in the matter.

Mr. BEAUBIEN: I am informed that Sir Henry Thornton recommended the building of an elevator at Prince Rupert. Am I right?

Mr. GRAHAM: I think that is correct. Prince Rupert is Canadian National territory, a Canadian National investment, a Canadian National city, and it is natural that the Canadian National would like to see development take place there. It has a large amount of property in the vicinity of Prince Rupert.

Mr. BEAUBIEN: After observing the way Sir Henry Thornton handled the estimates of the Canadian National Railways before the special committee, I do not think this House should hesitate one minute to build an elevator at Prince Rupert if he is in favour of it. My hon. friend, (Sir Henry Drayton) may not agree with everything I say in this respect, but I think Sir Henry Thornton is one of the far-sighted men in Canada. I have been informed by the hon. member for Skeena

(Mr. Stork) that Sir Henry Thornton is in favour of the building of this elevator, and if Sir Henry Thornton is in favour of it then I am in favour of it.

Mr. KING (Kootenay): Sir Henry Thornton has spent some time in that northern country. Any one who is familiar with Prince George and has travelled through that country will realize that there is a very large area there which is suitable for mixed farming and which will grow good wheat. They will also realize that there has been a very considerable settlement taking place in that section.

As far as the elevator at Prince Rupert is concerned it would serve a very useful purpose, if it served that country alone. I know whereof I speak because I have travelled over that country, motoring back and forth, and there is a country in there some three hundred odd miles in extent from Fort George west along the Grand Trunk Pacific on both sides of the line, which in itself would be sufficient to warrant this expenditure at Prince Rupert. In the matter of grain shipments to the Orient, possibly hon. members have not been following the grain movement in that direction. Comparing shipments last year with this, you will find that last year there was shipped to the Orient 4,000,000 bushels; this year the latest figures that I have seen show a shipment of 15,000,000 bushels. In the oriental trade alone Canada this year did almost as much business from the western provinces as it did the year before for both the United Kingdom and the Orient, which shows the tremendous opportunities for growth in that direction alone.

In the matter of pier construction, I happened to be in Prince Rupert last year and there I saw a magnificent pier with huge freight sheds, but no business; there was nothing doing. That pier, I am quite satisfied, is capable of serving an elevator such as will be constructed. I have no hesitation, knowing the country of northern British Columbia, and knowing the facilities that can easily be had in the port of Prince Rupert, in recommending to the House this vote of $150,000.

Mr. BROWN: In regard to the present shipment of grain over the Canadian National Railway to Vancouver, last winter if I remember rightly, the Canadian National was suffering from a severe handicap in the matter of accommodation for its cars at that port. Is there any possibility of that handicap being overcome? There was a handicap of something like $13 per car that the Canadian National was under at Vancouver.

Mr. KING (Kootenay): The situation will be improved when the other area in the harbour is opened up.

Mr. BROWN: In this matter of constructing elevators, I think sometimes we go on the wrong principle. I do not like to approve of the idea of building elevators simply because some town thinks it needs one. I do not approve of building an elevator at Halifax, for instance, simply because Halifax thinks it has a right to share in the grain trade. It is entirely in violation of all economic laws that such a thing should be done. Neither would I be in favour of building an elevator at Prince Rupert simply because Prince Rupert thinks it might benefit by the building of an elevator. I think in handling the grain trade we should try to direct that trade along the lines of least resistance, because if we continue to run in violation of economic laws, we are bound to have that reflected in the end upon those who produce the grain.

I would not, however, like to oppose the building of an elevator at Prince Rupert without further information than I have at present. I am quite prepared to believe that the grain trade in the West will in the end demand an outlet both at Prince Rupert and at Vancouver. The argument advanced that the rates are the same, however, does not make any impression upon my mind, for if the rates are the same it simply means the Canadian National Railways have to carry the grain that much greater distance, and thereby make that much less profit in carrying grain. There might be other considerations that would warrant the building of an elevator at Prince Rupert, and to those considerations I, for my part, would be prepared to give due weight, but I would like to be assured that it would be for the ultimate benefit, not simply of Prince Rupert, but of the Canadian National system as a whole, and of the property which the Canadian National Railways have in that port. Only on that assurance would I see fit at the present time to support the building of an elevator at Prince Rupert. I believe that the present situation is being adequately met by the service that is being rendered through Vancouver, although it might very well be that ultimately it would be desirable to have the port of Prince Rupert developed.

Mr ROSS (Kingston): I do not feel like saying a word either for or against the building of elevators, but not having been in the House all evening I would like to ask the minister if he has given the House any figures, or if he has any figures, as to the

business done at Prince Rupert from the sea. We know there is quite a long pier there; I have seen it. But is the pier going to be made the reason for building an elevator, and when the elevator is built, will that be the reason for building a new railway into the Peace river country, and so on? If the minister has any figures in regard to the business done over this pier at Prince Rupert, I should like to have them.

Mr. ROBB: I have no statistics as to the grain handled at Prince Rupert, because there is no accommodation there to handle that grain. I think my colleague, the Minister of Public Works, gave the best reason why we should put a small elevator at Prince Rupert, namely that it will enable the settlers along both sides of the railway east of Prince Rupert to ship their grain through that port.

Mr. ROSS (Kingston): I am not very much impressed by what has been said from the other side of the House, or by what has been said by my hon. friend from Cariboo on this side, because I know that when he gets through a vote for this post office, he would support a lot of money being spent at Prince Rupert. I would like to have some information, not in regard to the grain, because I know that it is not moving yet, but as to what traffic of any kind is being done at that port.

Mr. ROBB: I regret I have not that information for my hon. friend.

Mr. KELLNER: I would like to support this vote for an elevator at Prince Rupert. I am inclined to think that you will never encourage a trade route until you have provided facilities for carrying on the trade that will develop over that route. While we have not any grain trade at the present moment at Prince Rupert, it is only reasonable to suppose that we could not have any until we provide the elevator, for there is no way of carrying it on. I do not know that we would be justified at the present moment in building a large elevator at that port, but this is a very modest request, to say the least and it has been our experience in the past that ordinary ships sailing between ports is our cheapest method of transportation. We have always found that when tramp steamers have found it necessary to come in to take the peak load off, whether it is grain or other freight, the grain rates have gone up, and I believe that if you provide the necessary facilities for carrying the ordinary freight between ports, you will get lower rates on grain and other commodities. As far as I am concerned, I am entirely in accord with the proposal for putting in an elevator at Prince Rupert.

Mr. TOLMIE: I have listened with a good deal of interest to the discussion of the possibilities of agricultural development in northern British Columbia, and I want to endorse most heartily what has been said in that regard. There is a large area of country up there which will become a considerable wealth producer just as soon as it is properly opened up and has an exit for its products. As far as the oriental trade is concerned it has hardly commenced; there are immense possibilities in connection with it. The port of Prince Rupert has a real advantage as far as shipments westward across the Pacific are concerned. We have too very large investments in Prince Rupert. We have a railway built to that port and if we are going to let it remain idle and wait for good times we are never going to get anywhere. I am a thorough believer in the intelligent expenditure of money along such lines as will develop these investments so as to make them profitable instead of having a deficit from year to year. Under these circumstances I will support the building of this elevator.

Mr. SHAW: I favour the expenditure for this purpose. I think it is highly desirable that there should be a government elevator at Prince Rupert not only because of the natural advantages at that port, but also because it will be some curb, perhaps, on the activities of the Vancouver people who are in charge of the grain handling system there. It is not right that by reason of a monopoly people are able to take advantage of the farmers of western Canada. I do not look for much development along the Prince Rupert line for a great many years, but certainly an elevator at Prince Rupert will greatly advantage the farmers of western Canada and particularly those of the province of Alberta. While speaking on the subject of elevators I think there is another point in the province of Alberta which is in dire need of an elevator and that is the city of Lethbridge. I think the requirements of Lethbridge in that regard should not have been overlooked so long. The member for Lethbridge (Mr. Jelliff) is fully aware of the situation, and I heartily agree with the demand for this elevator which he has presented to parliament for a number of years. With respect to this particular item I think the minister should give us some idea of what he proposes. He says he is going to build a small elevator, but

surely no business organization would vote $150,000 and afterwards develop their idea of what they proposed to do. Surely the minister can tell us the contemplated total expenditure, the capacity of the proposed elevator, and such other information as will enable us to form some idea as to the nature of the government's proposition. That must be within the knowledge of the minister. It surely does not require $150,000 for the government's architects to draw the necessary plans.

Mr. ROBB: I cannot state the exact cost until the plans have been drawn in their entirety. My hon. friend lives in a country where they build elevators. He knows that elevators are built so that they can be enlarged. I imagine the capacity of this elevator is not to exceed 500,000 bushels. My hon. friend has probably prepared contracts and doubtless knows that the cost of an elevator depends primarily upon the expenditure involved in building the foundations, the cost of getting stone and cement. It is estimated that these elevators can be built at around 40 cents a bushel. That is the yard stick you start out with. But the expenditure depends primarily on the cost of the foundations.

Sir HENRY DRAYTON: Your foundations should be cheap in that locality.

Mr. ROBB: I imagine so.

Sir HENRY DRAYTON: There is lots of rock there.

Mr. ROBB: And then there is the cost of stone and cement for the building. We can therefore only give a rough estimate.

Mr. GARDINER: Under whose control will this elevator be placed when it is built? Will it be under the Board of Grain Commissioners or some harbour commissioners?

Mr. ROBB: Well, the vote is asked by the department of Trade and Commerce and the Grain Commission are under that department.

Sir HENRY DRAYTON: The Minister of Railways was asked the question as to whether Sir Henry Thornton had recommended this elevator. He gave us a lot of reasons why he ought to have recommended it but did not state that he had done so. Will my hon. friend kindly state whether he has done so or not?

Mr. ROBB: I am sure that he will after all these arguments.

Mr. GRAHAM: If my hon. friend will read Hansard to-morrow he will see that is one of the first things I said.

Sir HENRY DRAYTON: I am glad to hear it. I did not catch the statement at the time it was made.

Mr. GARDINER: Will the minister undertake to say, before this vote is passed, that this elevator when built will not be under the control of any harbour board or any such body as that?

Mr. ROBB: My hon. friend will not expect me to give an undertaking of that kind. I do not know who is going to administer the department in five, ten or fifteen years from now. I am telling him that the vote is going through in connection with the Department of Trade and Commerce and the Grain Commission are under that department. For the moment therefore, the matter has to do with the Department of Trade and Commerce and the Grain Commission, I cannot give any undertaking for the future.

Mr. GARDINER: I appreciate the position the minister is in with regard to the future, but I think the government before long will have to adopt a policy of a more or less permanent character in the matter of the control of the government elevators throughout Canada. I think that possibly the building of this elevator may be of some very great advantage to the farmers of western Canada. I do not know that it is quite necessary to put it up at present, but the time is very close when it will be required. The minister and the government, of course, must realize the important fact that the moment this elevator is placed in Prince Rupert the settlers in the Peace river block will demand a railway to get their grain out to that particular point. So if the government propose to go on with the construction of this elevator they must make up their minds to provide railway communication for the people of that section who need such communication very badly.

Mr. GOULD: The minister has stated that 40 cents was an approximate price per bushel for the cost of this elevator. I would not for a moment imagine that the minister or the government had consented to the erection of an elevator at Prince Rupert until they were in possession of complete plans and specifications of the plant. Consequently they should know what the estimated cost of a plant in accordance with certain specifications should be at this time. The hon. member (Mr. Shaw) asked that question but I do not think he received a very specific reply. However, the information would be very interesting to hon. members from the West and I should like to stress its importance. While on the subject I wish to inform the minister that

his estimate of 40 cents a bushel is 10 cents a bushel less than the estimated price mentioned in the Price Waterhouse report for the handling of grain, or for the handling of grain at Fort William for that matter. I should like to remind him that between 20 and 30 cents a bushel was the price given on a contract for the erection of elevators at Fort William.

Mr. ROBB: Yes, but that was in a period when labour only cost one-half the amount it does to-day, and when cement was much cheaper. My hon. friend is quite right as respects the conditions of ten or fifteen years ago.

Mr. GOULD: The hon. member for Skeena (Mr. Stork) has pointed out the exceptional advantages which the port of Prince Rupert affords, in that there will be deep water right alongside the proposed structure, and there will be very little necessity for the driving of piles or the construction of works tributary to the harbour as was the case at Fort William and various other Canadian ports. Consequently I would say that 40 cents a bushel should be considered the maximum expenditure necessary at that point, and in all probability the estimate may have to be reduced.

Mr. ROBB: I have never been there so am not prepared to offer an opinion.

Mr. GOULD: I am taking the word of the hon. member for Skeena who has been there. I should like to know what the statement of the surveyor, or those who have drawn the plans, is in connection with this elevator.

Mr. ROBB: If my hon. friend had been in his seat all the evening listening to the debate he would have heard me make the statement a number of times, not merely once or twice, that we cannot have plans until we get the vote. But the minister surely will have the plans and all the specifications and know what it is going to cost before he gives the contract.

Item agreed to.

Further amount required for the completion of the government elevator at Edmonton, $420,000.

Sir HENRY DRAYTON: How much longer does the minister want to sit to-night?

Mr. ROBB: If I could clear up Trade and Commerce, I would be through. This particular item was discussed on the main estimates.

Sir HENRY DRAYTON: I wanted to know how late the minister wanted to sit.

[Mr. Gould.]

Mr. ROBB: I want to pass two or three items now.

Mr. CALDWELL: Unfortunately I was in a committee that sat until after twelve o'clock to-night, and I was not here when the other item came up. I came in during the discussion and did not participate; but I wish to express the opinion of an eastern man who, I confess, does not know very much about the elevator situation in the West.

An hon. MEMBER: This is not potatoes.

Mr. CALDWELL: That is why I got up; it is not potatoes. I see no good reason why we should not build an elevator at terminal points where grain is shipped to other points. On account of the fact that an hon. member interjects potatoes into the discussion, I am going to deal with that situation.

The CHAIRMAN: The hon. member will be out of order.

Mr. CALDWELL: We are voting money to build storage elevators to store the farmers' grain till they are ready to ship for export. This is not done with regard to our exports. Our internal storages are built by the farmers or shippers themselves with private capital. We require immense storage for our potatoes. The government has provided us with a terminal warehouse—not a terminal elevator—at St. John, at quite a moderate expense. There is no question that it has been of wonderful benefit to the farmers. We did not get it till two years ago. If we are to build storages for the farmers of the West, I think we will have to ask the government to finance the building of our storages for potatoes in the East. The thing is comparable, there is no question about it. Why should we be compelled to finance our storages and at the same time help to build storages for the farmers of the West?

Mr. BEAUBIEN: I understand the hon. member wants the government to build a potato warehouse, or a warehouse for supplies produced by the farmers. Is the hon. gentleman aware, according to the information we received from the Minister of Trade and Commerce the other day, that the grain trade is paying for the whole cost of the storage houses or elevators as they might be called, that are built at different points?

Mr. CALDWELL: We will admit that. Our potato trade is also paying for the terminal facilities provided by the government. We will admit too that we are willing to pay

for the internal storages for our potatoes, but it is one thing to pay for a service when you get it, in proportion to the service you get, and another to put up the money for the storage before you use it. We have to go and dig up the capital to build our storages internally. On the other hand, we are putting up the capital to build the storage for internal grain elevators which are not at ports of export. We are quite willing to pay for the service we get. However, we have to go out and dig up the money for the storages ourselves, and have to help to raise the capital to build the storage for the farmers of the West. It may be that at a later date we will be coming for grants for our storage.

Mr. SHAW: Will the minister tell us the total capacity of the elevator at Edmonton, and the total cost?

Mr. ROBB: Mr. C. P. Howe, engineer, estimated the cost of the elevator at $1,415,000. The expenditure in 1923-24 amounted to $100,282.19. The expenditure to June 30, 1924, including progress estimate on hand, not yet paid, is $541,025.13, making a total of $641,307.32.

The size of the elevator is not mentioned, but I think that was fully discussed on the main estimates. Hon. members will find it if they refer to the discussion when the main estimates were put through.

Item agreed to.

To recoup certain New Zealanders for losses sustained as a result of the action of the Canadian trade commissioner in New Zealand, $1,778.80.

Mr. ROBB: The trade commissioner at Auckland issued five cheques amounting to $1,808 to New Zealanders who were coming to Canada. He took their sterling and they wanted Canadian money. He said, "I will arrange that," and he gave them his cheque in return for the money, and when his cheque was presented at his bank in Canada, the Dominion Bank, Vancouver, the bank refused payment, the bank claiming that Mr. Beddoe's account was not in funds. We have had a very favourable trade with New Zealand. Mr. Beddoe was retired under the act and had been retired before this transaction was discovered. He is entitled to an annuity, and if he lives long enough we will get the money.

Sir HENRY DRAYTON: What is the annuity?

Mr. ROBB: Ten hundred and seventy-five dollars a year, and the department has been advised not to pay anything on account of his annuity until this matter is settled.

Mr. CALDWELL: On account of the fact that I am serving on a committee which sits day and night, I had not the opportunity to follow these matters in their proper order. Has there been any provision made by a vote to reopen the trade commissioner's office in Havana, Cuba? If not, will that matter be taken care of this session? I have impressed the matter on the minister strongly, previously.

Mr. ROBB: There is no vote for that, but my hon. friend will notice that it is in the Commercial Intelligence Service, and that there is an amount in the estimates to provide for a thorough survey of the West Indian trade.

Mr. CALDWELL: Will the minister give us some assurance that this matter, which has been under consideration for I think two years, will be attended to?

Mr. ROBB: Yes, the matter is being carefully looked into and will be considered.

Mr. CALDWELL: Will the office be reopened in Havana, Cuba?

Mr. ROBB: I am not making that admission.

Item agreed to.

Amount required to cover investigation West Indies trade, $10,000.

Mr. SHAW: What are the particulars about that?

Mr. ROBB: Some days ago this question was brought up in the House by the hon. member for Cumberland (Mr. Logan), and the House seemed to be unanimous. The right hon. leader of the opposition spoke very favourably of the trade generally of the West Indies. Although we have a trade treaty with the West Indian people they, with some reason and justice I admit, claim it has not been fully carried out, as regards the steamer service that they think should be provided, and it is proposed to go very carefully into the question.

Sir HENRY DRAYTON: Who is going to spend this $10,000, and how?

Mr. ROBB: It is under the Department of Trade and Commerce.

Sir HENRY DRAYTON: What is going to be done? Are we going to have a commission going down there, or what is going to be done? I perfectly agree that we should do something, but how are we going to do it?

Mr. ROBB: I think perhaps we will send some person down to try and negotiate some more favourable arrangement with the West Indian people. Would my hon. friend be willing to go?

Sir HENRY DRAYTON: It depends on the time of year.

Mr. SHAW: What can be done in Havana that cannot be done in Ottawa? What information will be obtained there that is not available here?

Mr. ROBB: Negotiation with the governments of that country.

Mr. SHAW: The department has representatives down there, and despite the remarks of the hon. member for Cumberland (Mr. Logan) about some trade agent down there, I find the Department of Trade and Commerce highly commended him on a couple of occasions for being an especially good agent of the department. Why not enlist the services of these agents who are there, get the information and conclude the treaty in that way?

Mr. GRAHAM: You could not conclude a treaty that way. To get a mutual understanding, members of the respective governments must meet face to face, or at least persons with authority from those governments must discuss matters personally. To my mind everything is propitious for a development of the West Indian trade if we go about it in the right way. When in London I met representatives of the West Indies and I learned that they prefer to trade with us rather than with any other country if proper arrangements can be made. In a measure our treaty arrangements have so far been successful, but the people of the West Indies say that if there is to be a further development of the trade there must be better communications than now exist. It is hoped that through accredited representatives of the respective governments satisfactory arrangements will be made which will be mutually beneficial. At any rate, something should be done to take advantage of the warm feeling which now exists in the West Indies for Canada.

Mr. CALDWELL: At present Cuba is our only potato market. The United States I think has a preference of 12 cents a bag in duty over Canada; and, as I have already suggested, we might enter into negotiations with Cuba with a view to getting that disability removed. If we made a concession to Cuba in connection with the raw sugar which we import from that country I am sure that they would reciprocate and give us preferential treatment on our potatoes. This trade is important to both countries, because our people pay a great deal more for the raw sugar that they get than that commodity is worth. It would therefore be to our advantage to give Cuba some concession in regard to that commodity and I am sure they would give us reciprocal treatment on our potatoes.

Mr. LOGAN: I congratulate the government on their determination to inquire into this matter which is of so much importance. In regard to the trade commissioners, I think it must be apparent to hon. gentlemen that the remarks we have heard on this subject are not very practical. It is hard to realize the vast extent of that country down there when it takes 18 days for one commissioner to get to another. I agree with the hon. member (Mr. Caldwell) that the trade with Cuba is important and we should make every effort to come to some arrangement with the government of that country which would be advantageous to both parties. On June 12, I think, I emphasized the importance of taking vigorous steps to develop our trade with the West Indies. The United States increased its sales to the West Indies in 1923 over those of 1922 by $91,000,000 while Canada in the same period increased hers by a little over $600,000.

Mr. GARLAND (Bow River): Have the United States free trade with the West Indies?

Mr. LOGAN: No; they have with Porto Rico and with Cuba but they have no arrangements with the rest of the West Indies. Those figures I have given will show the importance of taking steps now to increase our trade in that part of the world. I would suggest to the government that when they send the delegation down there it should be accompanied by the Minister of Marine, the Minister of Trade and Commerce and the Minister of Finance. The people of the West Indies complain bitterly that no one in authority has ever visited them from this country; they say that we send clerks and persons in an inferior capacity but never any one who can undertake to make authoritative arrangements with them. When this commission or delegation goes down to the West Indies I hope it will not follow the usual trade routes, which would occupy a

great deal of their time. They should go by one of the ships of the Canadian Government Merchant Marine, say the Canadian Fisher, leaving from Halifax. They might go first to Jamaica and—taking in Nassau, which would be necessary—they could cross the Caribbean Sea and go down to Trinidad and Demerara and thence to Barbados; and on the way back they could call at Bermuda before coming into Halifax. By so doing they could cover an extensive route in a minimum of time. Naturally I am somewhat enthusiastic over this matter because it is to my mind the most important question we are considering to-day especially from the standpoint of the Maritime provinces as well as from that of the country at large.

Mr. GARLAND (Bow River): Are we to understand that the purpose of this $10,000 vote is to cover an investigation into trade matters, or to make a trade agreement? Or is it for both purposes?

Mr. ROBB: Both.

Mr. GARLAND (Bow River): Is this the total amount that will be expended?

Mr. ROBB: It is the total vote.

Mr. GARLAND (Bow River): I do not think you will be able to do much investigating and making of trade arrangements on $10,000.

Item agreed to.

Japanese Relief Fund (Governor General's Warrant of September 14, 1923), $200,000.

Mr. ROBB: This is to cover the Governor General's warrant for the amount spent in Japanese relief at the time of the disaster. The government authorized the expenditure of $200,000 for relief and the first ships to leave on that mission from America went out from Canada.

Item agreed to.

Expenses of Royal Grain Inquiry Commission (Governor General's warrants of October 9th and December 22nd, 1923, and February 20th, 1924), $75,000.

Mr. ROBB: This is to clear the Governor General's warrant. It has been already discussed.

Item agreed to.

Canadian Exhibition train in Belgium (Governor General's warrant, October 19, 1923), $10,000.

Sir HENRY DRAYTON: Why was that warrant issued?

Mr. ROBB: On the representations of Senator Beaubien we decided to extend to Belgium the Canadian train which we sent to France.

Item agreed to.

Progress reported.

On motion of Mr. Graham, the House adjourned at 1.10 a.m. (Friday).

Friday, July 11, 1924

The House met at three o'clock.

REPORTS OF COMMITTEES

PENSIONS

Mr. DENIS (Joliette) presented the third report of the special committee on Pensions, Insurance and Re-establishment of Returned Soldiers.

OFFICIAL REPORT OF DEBATES

Mr. G. H. BOIVIN (Shefford): Mr. Speaker, I beg to move, seconded by Mr. Pelletier, that the third report of the select standing committee to supervise the Official Report of Debates be concurred in.

Motion agreed to.

BANKING AND COMMERCE

Mr. VIEN: (Translation) presented the seventeenth report of the select standing committee on Banking and Commerce, as follows:

Your committee have had under further consideration and study the report of Dr. H. M. Tory on Agricultural Credit, which was referred to them on May 6th, 1924.

Your committee find that the credit of persons engaged solely in farming or the tillage of the soil is affected by certain provisions of the Bankruptcy Act.

Your committee, therefore, recommend that legislation be introduced at the present session of parliament amending the Bankruptcy Act as follows:

"An Act to Amend the Bankruptcy Act."

"1. This Act may be cited as The Bankruptcy Act Amendment Act 1924.

"2. The Bankruptcy Act is amended by inserting after section 8B thereof the following section:—

"8c (1) Notwithstanding anything contained in this act, if the Lieutenant-Governor in Council of any province has authorized any officer of the provincial government, charged under a provincial statute with duties which in the opinion of the Lieutenant-Governor in Council are analogous in any respect to the duties of custodian and trustee, to act as custodian and trustee under this act, the official receiver shall in the case of an assignment by a person engaged solely in farming or the tillage of the soil appoint such officer as custodian.

"(2) Any officer so appointed to the office of custodian by the Official Receiver shall thereupon in addition to such office be and be deemed to be the authorized trustee as if appointed under subsection (1)

of section 15 of this Act, and shall continue to be the authorized trustee until properly removed under subsection (2) of the said section 15.

"(3) In case any such provincial officer is appointed custodian and trustee, he shall not be entitled to be paid any remuneration as custodian or trustee nor any of the costs enumerated as costs of custodian in Part III of the General Rules, but shall be entitled to his lawful disbursements.

"3. Section 59 of the Bankruptcy Act is hereby amended by adding thereto the following subsection:

"(2) Paragraph b and c of the preceding subsection, shall not apply in the case of an application for discharge by any assignor who at the time of the authorized assignment was engaged solely in farming or the tillage of the soil."

He said: Mr. Speaker, I beg to move, seconded by Mr. Jacobs, that the seventeenth report of the select standing committee on Banking and Commerce be concurred in.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I can hardly think that the hon. member wants the House to concur in the report without a moment's consideration. It is rather an important report if I caught it rightly.

Mr. VIEN: I moved concurrence with a view to expediting the legislation, if any, to be brought down in accordance with the committee's recommendation, but in view of what my right hon. friend says I will leave my motion as a notice of motion for Monday next.

Mr. SPEAKER: Stands.

Mr. VIEN: Mr. Speaker, I beg to move, seconded by Mr. Jacobs, that the sixteenth report of the select standing committee on Banking and Commerce be concurred in.

Sir HENRY DRAYTON: Explain.

Mr. VIEN: By way of explanation, I beg to read to the House the report, concurrence in which is now sought. It is as follows:

Your committee have had under consideration the various matters referred to them by the order of reference, and have reported on same from time to time.

Your committee, in addition to numerous meetings of sub-committees, have held thirty-nine sittings on twenty-seven separate days, have heard the evidence of ten witnesses, and had twenty-three exhibits filed before them.

Your committee sumbit herewith for the information of the House a printed copy of their proceedings, the evidence given before the committee, and also certain documents submitted to the committee as exhibits, but not contained within the proceedings.

Your committee recommends that the order of reference, reports, proceedings and the evidence given before the committee, together with a suitable index to be prepared by the clerk of the committee, be printed as an appendix to the Journals of the House for the present session and for distribution, and that rule 74 be suspended with reference thereto.

[Mr. Vien.]

The evidence and the documents referred to are of great importance, and I think hon. members will find them of sufficient interest and profit to warrant their being printed and distributed with the sessional papers.

Mr. MEIGHEN: Mr. Speaker, I have no special objection to the motion in this case; any objection I might have would be of a general character. I notice, though, that the report which we are asked to adopt does not recommend any particular subject of legislation or any special legislation. In this connection may I interject a suggestion which I hope may be useful? I think we are somewhat overdoing the deciding of things by committees. If committees are to make recommendations, such as have been made almost without number this session—sometimes, I fear, too expeditiously—and then we are to be faced, on the order "Motions," with a motion, without notice, for the adoption of such recommendations, all the safeguards of parliament are swept away. The motion to adopt a particular line of action recommended by a committee fixes the conduct of the House. It is not even like the first reading of a bill, a mere preliminary and introduction. It is the determined and final action of parliament, and parliament must reverse itself or this becomes legislation in due course. Ordinarily we have, I think, fourteen different stages which must be gone through, in order that there may be nothing precipitant, in order that the utmost consideration may be given to every step we take; and even then if parliament errs at all it errs in cluttering our statute books with too much legislation. I deprecate the habit that I think we have got into this session of having committees recommend a certain legislative course, whereupon the whole thing is thrown in the face of parliament without a moment's notice and we are expected to debate it and decide it then and there. When such committees do report with recommendations of this character I suggest the wisdom of leaving the report on the files of the House, on the Table, for consideration in the meantime by members and for the study of those who may have the leisure to do so. But the initiation of legislation should be left where it has always been; the responsibility should be where it has always rested.

Mr. VIEN: I agree with the right hon. gentleman (Mr. Meighen) as to the advisability of laying on the Table reports of committees and allowing them to remain there a certain length of time before they are concurred in. That is why I did not press my

motion on the other report in respect to the Bankruptcy Act. The report now presented is merely to order the printing of the evidence and proceedings of the committee and their distribution to hon. members. Moreover, this report was presented to the House yesterday; it is not one of those I presented today.

As to the advisability of entrusting committees with work of this kind I am afraid I must disagree with my right hon. friend. The work done by the committees of the House during this session has been extremely valuable. Committees can more easily give full time and detailed attention to the matters that come before them than the House can, and the work of the House is thus expedited. I suggest further that next year or at some time in the future an amendment should be made to our rules to provide that even the budget and the estimates should be studied in committee. That would save the time of the House considerably, and more attention could be given to the details than can be given under the present procedure in committee of the whole, owing to the desirability of expediting the business. I think it is one of the usages of the British House of Commons to entrust to a committee the study of these matters. I know it is in France, where what we call committees are called commissions; any important piece of legislation is thoroughly gone into by a commission of the House before being reported. I agree with my right hon. friend however, as to the advisability of having reports of important committees laid on the Table in time to permit their consideration by the House as a whole.

Mr. MEIGHEN: I do not wish to be misunderstood in the matter—and I have no right to speak again except by permission. My objection was not so much to the hurry of moving the adoption of the report; my objection was to the principle of moving the adoption at all when such report embodied and recommended a course of legislation. This forces the House to determine in one debate and usually without notice—in fact, it may be always without notice—a course of action which by the rules of parliament requires at least twelve or thirteen different stages at which variation may be suggested or moved and during which the deliberate judgment of parliament is matured and finally determined. It is not, let me repeat, so much an objection to the moving of the adoption of the report after the report has been laid on the Table for some days; it is to moving the adoption at all and getting the judgment of parliament that way instead of by the more constitutional course.

Hon. ERNEST LAPOINTE (Minister of Justice): I am inclined to agree to a considerable extent with what my right hon. friend (Mr. Meighen) says; it would not be fair to the House to ask concurrence in the report of a committee recommending important changes in any policy of the country without giving hon. members full opportunity to consider and study the suggested changes. But I rise to ask my hon. friend (Mr. Vien) whether the Bankruptcy Act was referred to the Banking and Commerce committee for consideration and study. I see from their report that changes in the Bankruptcy Act are suggested.

Mr. VIEN: The question came up incidentally in connection with rural credits. In the report of the committee the amendments proposed are only in connection with rural credits. The preamble of the report states clearly that the committee have considered the matter of rural credits and, that the credit of people exclusively engaged in farming is being affected by some provisions of the Bankruptcy Act. They recommend that the amendments embodied in the report be enacted into law.

Motion agreed to.

CRIMINAL CODE AMENDMENT

Mr. S. W. JACOBS (George-Etienne Cartier) moved for leave to introduce Bill No. 251, to amend the Criminal Code.

Sir HENRY DRAYTON: Explain.

Mr. JACOBS: Mr. Speaker, the object of this bill is to prevent the publication of false, defamatory and seditious matter which is intended to produce such feelings of ill-will and hostility among different classes of the community that a breach of the peace is likely to follow, or lawful business pursuits are likely to be interfered with.

Mr. THOMAS VIEN (Lotbiniere): Mr. Speaker, as the seconder of the bill, which I did not know anything about before my name was put as seconder, I may say that I am extremely pleased to see that the bill is introduced in the House just on the eve of the twelfth of July.

Mr. H. C. HOCKEN (West Toronto): Mr. Speaker, any gibe that the hon. member for Lotbiniere (Mr. Vien) is inclined to make with regard to the twelfth of July will not affect those who celebrate that day, because they are among the best citizens of this country. If his reference is that on that day things are said that are libellous and defamatory, he is talking without knowledge, and he is libelling a class of persons who have shown their pa-

triotism, their love of order and their good citizenship for over one hundred years in the history of this country. If the occasion required, Mr. Speaker, I could elaborate what I am saying and point out that the day against which my hon. friend has made a gibe is one of the most important in the history of the human race.

Some hon. MEMBERS: Oh, oh.

Mr. HOCKEN: Well, seeing that my remark is not received with general acceptation I may be permitted to say that that day marks the permanent establishment, not for one class, not for one race, but for the whole of the human race, of the principle of civil and religious liberty. There is no greater boon that the people of this world enjoy than that. The event was the consummation of a thousand years of struggle, the Magna Charta being a part of it.

Mr. IRVINE: The twelfth of July is not until to-morrow.

Mr. HOCKEN: I think under these circumstances I am perfectly justified in replying to the gibe which my hon. friend made with regard to that day and those who celebrate it.

Mr. SPEAKER: I hope we shall wait until to-morrow to celebrate the day.

Mr. MEIGHEN: I know the hon. member is acting on a presumption which is hasty. I am quite certain that the bill which the hon. member for George Etienne Cartier has in mind is directed more against recent remarks of the hon. member for Rimouski (Mr. d'Anjou) and the hon. member for Vaudreuil-Soulanges (Mr. Ouimet).

Motion agreed to and bill read the first time.

PRIVATE BILLS.

FIRST AND SECOND READINGS

Bill No. 249 (from the Senate), for the relief of Henry George Stuart Johnston.—Mr. Boys.

Bill No. 250 (from the Senate), for the relief of Florence Ethel Armstrong.—Mr. Garland (Carleton).

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. ROBERT FORKE (Brandon): I wish to inquire of the government if they have any information to give the House as to whether it is intended in the near future to amend the Elections Act to provide for the transferable vote in single-member constituencies.

[Mr. Hocken.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): I regret that I cannot do more than repeat what I have said to my hon. friend before, that the matter is still under consideration.

BANK ACT AMENDMENT.

Hon. J. A. ROBB (Acting Minister of Finance) moved the third reading of Bill No. 240, to amend the Bank Act.

Mr. H. E. SPENCER (Battle River): I beg to move:

That this bill be not now read a third time, but that it be referred back to the committee of the Whole House with instructions that section 131, subsection (a), of the Bank Act be repealed and the following substituted therefor:

In case of the insolvency of any bank;

(a) The notes issued or re-issued by such bank intended for circulation and then in circulation, together with any interest paid or payable thereon, as hereinbefore provided, shall be redeemed out of the Bank Circulation Redemption Fund up to the amount of the said fund, and the balance of such notes, if any, then remaining unredeemed, shall be a first charge on the assets of the said bank. If upon the winding up of the said bank and after all liabilities have been paid there remains in the hands of the liquidator any balance, the same shall be used to reimburse the said Circulation Fund by the amount contributed thereto by the other banks and used thereout for the redemption of the said notes. If the said balance remaining in the hands of the liquidator is not sufficient to reimburse the said Circulation Fund by the said amount, the other banks shall contribute thereto as provided for in section 66 of this act.

Mr. ROBB: I am not going to delay the House beyond a moment. This question was fully discussed and considered by the Banking and Commerce committee, and the proposition was not adopted by that committee. I do not propose at this late stage of the session to delay the House longer than to say that I am going to vote against the amendment.

Mr. MEIGHEN: We all have not the advantage of being on that committee, and we would like to know what it means, so that we may not give a blind vote. Probably members of the committee do know, and I think we have the best right to call on the minister to enlighten us as to what can be said against the amendment, as well as what can be said for it.

Mr. ROBB: This question was discussed not only by the Banking and Commerce committee this year, but also by that committee last year. My hon. friend's friends were before the committee this year, and I do not think any good purpose can be served by delaying the proceedings of the House this afternoon.

Mr. FORKE: I would just like to remark that I do not feel like giving a vote upon this question at all, because I have no information whatever regarding it.

Mr. SPENCER: I had no idea this bill was going to be read a third time this afternoon, or I would have been prepared to give the House further information.

With reference to what has been said by the Acting Minister of Finance, (Mr. Robb) I wish to say that this resolution did not come up last year before the Banking and Commerce committee, for the reason that most members of the committee misunderstood the working of the note circulation redemption fund. Most of the members of that committee were under the impression that the note circulation redemption fund was a real redemption fund, or an insurance fund. They did not realize that it was nothing of the sort until after the collapse of the Home Bank when the liquidator discovered that although some $2,000,000 of Home Bank notes were out in circulation they could not call on the circulation redemption fund for this amount—that the only amount which could be called upon, under the Bank Act, was the amount paid by that bank into the fund, which amount was only about $100,000. The aim of this amendment is to make the fund a real insurance fund. It is true that the amendment was defeated in the Banking and Commerce committee, but it caused probably more discussion there than any other amendment proposed. In my opinion the arguments in favour of the amendment before that committee were more convincing than the arguments against. The amendment was only lost by a few votes, and, therefore, I think it is only fair that it should now be brought before the House.

Mr. MARCIL (Bonaventure): Before the hon. member resumes his seat will he explain to the House the system under which bank notes are now redeemed?

Mr. SPENCER: The bank note circulation fund is subscribed to by all the banks. According to the Bank Act the notes of a bank that are outstanding are a first lien on the assests of that bank. Although the note circulation redemption fund loans an amount, if need be, equal to the net amount of notes outstanding, it is a loan only. The failed bank can count as an asset only the amount it had paid into the fund: As the notes are a first call on the assets—including the deposits—of the banks, and as there are three other liens on the assets besides those notes, the depositors are not very happily placed in having so little a lien on the assets of the bank. The amendment is submitted with a view of strengthening the position of the depositors who to-day are in the worst position of any of the creditors of a failed bank.

Mr. G. G. COOTE (Macleod): If I were not so anxious to get away from the House and return home I should like to discuss this matter at some length, because it is a very important question. However, I shall not occupy more than three or four minutes of the time of hon. members. First of all it should be clearly understood that the banks in this country have a special privilege in being allowed to issue notes to the amount of their paid-up capital. This privilege, practically speaking, is not enjoyed by any banks in any other country so far as I know. I asked a prominent witness who was before our committee this year, after he had appeared before the committee, just what he thought of the note issue privilege in the Canadian Bank Act, and after he had looked into the act he told me that he thought it was a great source of weakness to any banking system to have such a privilege. This privilege is for the benefit of the banks. They make a certain amount of profit out of it, and I say that those who enjoy the profit from this privilege of note issue should provide the guarantee fund for the notes issued. But the Bank Act makes the note issue a first lien on the assets of the bank; they are paid before the depositor gets one cent on the dollar, and we are greatly concerned at this session of parliament with the safety of depositors. So long as the Bank Act remains in its present form, and with its present provisions, the redemption of notes certainly does interfere with the safety of depositors.

The amendment offered by the hon. member for Battle River (Mr. Spencer) simply provides that the bank circulation redemption fund, which has been contributed to by each of the banks, should first be used for the redemption of notes in the case of failure of a bank. Then, after the affairs of that bank are wound up and the depositors have been paid one hundred cents on the dollar, if there are any funds remaining, the note circulation redemption fund should be reimbursed out of the amount which is in the liquidator's hands. If there are no bank failures of course banks will not suffer any loss. if there are any bank failures or loss to the depositors, the loss will not be so great if this amendment is adopted. And surely, as I said before those who enjoy

the note issue privilege should pay for it. The Acting Minister of Finance says that this matter was discussed last year. Well, we discussed last year government inspection of banks. We failed to convert the Minister of Finance (Mr. Fielding), or the government, or the committee to the idea of bank inspection by the government. This year we have induced thm to bring in an amendment for government inspection of banks. Therefore, the argument that the Acting Minister of Finance has advanced is not a very sound one, and it is possible that in a few years we may convert him to the acceptance of some such provision as this in regard to note circulation. I believe the issuing of notes should be in the hands of the government, but while the banks have this privilege they should first be called upon to provide for the redemption of notes in the case of the failure of a bank. Because, as the general manager of the Royal Bank said when he was before our standing committee, the deposits were absolutely necessary for the carrying on of the banking business in this country, but the privilege of issuing notes was not necessary. This privilege is continued in the Bank Act at the request of the bankers, and again I say that the bankers should be called upon first of all in the case of the failure of a bank. If the funds in the circulation redemption fund are not sufficient to pay the notes the balance would still remain a first charge on the assets of the bank. The security of the notes will not be interfered with in any way. We simply ask the banks who are receiving all the benefits under the note circulation privileges to provide this additional security.

Mr. W. D. EULER (North Waterloo): As I understand it, all the banks belonging to the Bankers' Association contribute to the redemption fund. In the case of the failure of a bank that fund may be drawn upon to repay the holders of notes only to the extent to which the failing bank has contributed to that fund. The amendment as presented would change the law in this respect—that the whole of that fund contributed by all the members of the Bankers' Association shall be made available to pay for the losses of any one bank. In other words, the banks which may be conducting their business properly and profitably and just as it should be conducted, are called upon to pay for losses for which they are not responsible. That seems to be an unsound principle and that is why I am opposed to the amendment.

[Mr. Coote.]

Mr. IRVINE: Is it not a fact that the redemption fund as now constituted in the event of the fund being called upon implies the principle against which you have registered your objection?

Mr. EULER: Just to the extent to which these banks contribute.

Mr. IRVINE: No. Suppose a bank fails, and there are not sufficient assets in the bank to redeem the notes after you have collected all assets, including the depositors' money, then the purpose of the redemption fund is that it will be used to redeem notes still outstanding so that it will be seen that we have the same principle in effect now as my hon. friend objects to, but we desire to further extend that principle by the amendment.

Mr. EULER: I would like to cut through all argument and present this view of it: That if the amendment is adopted the banks which have nothing whatever to do with the failing banks are made responsible, although they have conducted their business properly, for the losses sustained by the bank that is not wisely or properly conducted. That seems to me the one principle underlying the whole thing. One argument in favour of the amendment, which has perhaps a little force, is that the banks have the privilege of issuing notes for which I think they pay only one per cent—is that correct?

An hon. MEMBER: Yes.

Mr. EULER:—and they may issue circulation on which they can charge six or seven or eight per cent as the case may be, and therefore they may very well be called upon to contribute to that fund, and have the fund used for the purpose mentioned in the amendment. I say, there is some force in that. But if the banks have a privilege—and I think they have—for which they are not paying sufficient, then let them stand on their merits and charge the banks a sufficient sum for the privilege which is given them. Let each bank stand on its own bottom. I cannot recognize the principle that we shall make one bank responsible for the loss of another.

Mr. SPENCER: May I ask the hon. member a question?

Mr. EULER: Certainly.

Mr. SPENCER: If the hon. gentleman does not—

Mr. MARTELL: I rise to a point of order. The hon. member moved the amendment and subsequently spoke again, and he now wishes to address the House. This is the third time, and I do not think he is quite in order. At this late hour of the session it is not wise to permit a violation of the rule.

Mr. SPEAKER: The point is well taken. Any member can only speak once on the same motion. By the leave of the House I understood the mover of the amendment was answering a query by another hon. member. Of course he can only speak now by unanimous consent, and if that consent is refused, the rule will apply.

Mr. SPENCER: I simply wished to ask a question, with the permission of the hon. member who is addressing the House, who was then on his feet.

Mr. EULER: I have no objection.

Mr. SPENCER: Referring to the remarks of the hon. member—

Mr. MARTELL: His Honour the Speaker has ruled.

Mr. SPEAKER: According to the rule no member can speak twice to a question, unless he has been misquoted by some other hon. member. That is not the case in this instance. Therefore, the hon. member is barred from addressing the House, unless by unanimous consent.

Mr. MEIGHEN: I think, Mr. Speaker, that you have misapprehended the purport of the hon. gentleman's statement. As I heard him distinctly, he was merely asking a question, with the permission of the hon. member who had the floor.

Mr. SPEAKER: I understood that first he was answering a question put by the hon. member for North Waterloo (Mr. Euler). Of course that would not come under the rule.

Mr. SPENCER: I simply asked the hon. member for North Waterloo if he would permit me to ask him a question, and he said he was perfectly willing. Therefore, I think I have that right. Considering the statement that the hon. member (Mr. Euler) has made, I would like to ask him this question: If the bank which failed could not call on the note circulation redemption fund for more than that bank had paid in, what advantage is there, in his opinion, in having a note circulation fund at all? Or why should not each individual bank simply have a reserve fund of its own and do away with the note circulation redemption fund?

Mr. EULER: If each bank had a reserve fund in its own possession, I should think that would be less desirable than having the central redemption fund where it is.

Mr. JOS. T. SHAW (West Calgary): First of all, the notes issued by the banks constitute a first lien upon the assets of the insolvent bank. The government has provided that the circulation redemption fund be contributed to and made up by the banks in proportion to their circulation. The only purpose it serves now is that in the event that the bank has not readily available within a limited time funds to pay the notes which constitute a first lien upon their assets, the circulation redemption fund is called upon to make up whatever shortage there may be; and that is only temporary, because, of course, the circulation redemption fund secures the notes. The notes are the first charge upon the assets, and the result is that the circulation redemption fund in the long run is never called upon, and has never been called upon in the history of the country, so far as I know. The purpose of the amendment is simply to make this a real fund, an insurance fund, so that it may be used in payment of the notes, and then if there are not sufficient assets left to redeem the circulation redemption fund it will not be made up—

Mr. HUGHES: By the depositors.

Mr. SHAW: —by the depositors. Then the banks will come in, after the depositors, to the extent of the circulation redemption fund that has been used. I think that is shortly the purpose of the amendment. It is to substitute the insurance principle, where now there is only a temporary purpose accomplished by the circulation redemption fund.

Mr. IRVINE: I think that if this motion is worth while moving, it is worth while discussing. I am not prefacing my remarks that way as an excuse for making a long speech, but I think that we ought to know the import of the amendment.

Mr. MARTELL: I again rise to a point of order. The hon. gentleman has spoken.

Mr. IRVINE: I simply asked a question of the hon. member for North Waterloo.

Mr. SPEAKER: The rule is that no member can speak twice on the same question, but there are certain amenities which are observed by the House of Commons on debate. Where a question is put by unanimous consent, it cannot be considered as a speech. Therefore I cannot say that the hon. member has spoken twice.

Mr. IRVINE: My hon. friend (Mr. Martell) in the corner has spoken four times already, is he going to deny me the opportunity to speak once because I asked now a question? I would not have bothered the House with any remarks if the hon. member for North Waterloo had not risen to present an argument against this amendment. I want to state briefly in reply to the hon. gentleman the effect which the amendment would have, and to answer what he put forward as an argument.

The present redemption fund may be called upon to redeem the notes of the bank, if all the assets of the bank have been exhausted and have not been sufficient to redeem the notes. That is the purpose of the fund. We want by the amendment to have that fund available to redeem the notes of the bank so that when a bank fails the notes are not made good from the depositors' money. That is a brief statement of the amendment. My hon. friend from North Waterloo states that he wants to cut through all argument and reach a conclusion without argument.

Mr. EULER: No.

Mr. IRVINE: He did not say that, but that is the effect of it.

Mr. EULER: I am not responsible for what my hon. friend thinks.

Mr. IRVINE: He says that a new principle is involved in this; that we are proposing to take money from one bank to pay the losses of another bank. That is the principle upon which the fund is organized now, and we are not altering that principle. If, however, all argument is cut it would be possible to come to the conclusion of my hon. friend. The amendment proposes to put the redemption fund on the basis of insurance instead of on a surety basis as it now is. The fund at the present time is a guarantee fund, whereas this would have the idea of insurance and would bring the fund into use immediatly in the case of a bank failing and thus the depositors' money would not be called upon to make good the loss. That, I submit, is a very desirable result, and no good argument has been advanced against this proposal. I think hon. members will be obliged to do one of two things, either carry the amendment as proposed by the hon. member for Battle River (Mr. Spencer), or abolish the so-called guarantee fund entirely as having no justification.

[Mr. Speaker.]

Mr. ROBB: When we make up the notes from the funds of the depositors, my hon. friend would desire to return to the days when, as soon as a bank failed, the bank notes which a man had in his pocket were of no value.

Mr. IRVINE: I would desire in this regard merely to return to honesty. The people in this country have been, to use a common word, "fooled" by the redemption fund. The depositors in this country have been led to believe that the bankers had a fund out of which the notes of a bank would be redeemed in the case of a bank failure, but when a bank actually failed it was out of the pockets of the depositors that the notes were redeemed. There is no use trying to get away from that fact. I want to put a stop to misrepresentation by making the fund available for the purpose for which it was intended.

Mr. R. B. HANSON (York-Sunbury): Mr. Speaker, this amendment was debated at great length in the Banking and Commerce committee, where all the arguments which have been advanced in this chamber to-day, and many more of a similar kind, were advanced in its favour, and none of them found favour with the majority of the committee. There are two major reasons that may be given against the proposed amendment and I will try briefly to summarize them. One very specious argument in favour of the amendment is that because recourse is had to the assets of the bank in finally redeeming a defunct bank's note circulation, therefore, there is a corresponding loss to the depositors. At first blush it might be held that that is correct. The notes in the first instance are paid out of the redemption fund if there are not in the hands of the liquidator sufficient liquid assets to redeem the bank's notes. That fund is reimbursed out of the assets of the bank as soon as its assets are liquidated, and it is only when there are not enough assets to pay the note circulation that recourse is had to the so-called redemption fund. It is argued, therefore, because this course is pursued, it is a distinct detriment to depositors who are really unsecured creditors. That argument loses sight altogether of the fact that when a bank note is put into circulation by a bank, a corresponding asset is received by the bank. Therefore, when one judges the matter wholly upon its merits, the argument advanced from that point of view in support of this proposition loses its whole effect.

The other major argument against this proposed amendment is this. It occurs to me that it is a little better than immoral to

suggest that, by compulsion, by legislation, a solvent bank, without having a single word to say about the management of a bank which goes into liquidation, without having had anything to say as to the reasons that may have put it into the slough of despond and insolvency, should pay the debts of an insolvent bank. I do not know of any principle upon which that can be sustained.

Mr. HUGHES: Under the act as it stands at present, if the assets of the bank that has failed are insufficient to pay the notes, would this redemption fund not be called upon to make up the deficiency?

Mr. HANSON: It would, to the extent to which the bank had already contributed to the fund in the first instance, but there would be no further recourse to the fund. The situation which the hon. gentleman has brought up may never arise—has never arisen in this country.

Mr. IRVINE: Why have the circulation fund?

Mr. HANSON: I know that argument will be immediately made. I answer by saying that it has a psychological effect in the minds of the note holders. It is a fund that is available in case the assets of the defunct bank do not pay the note holders. That situation has never arisen; it is not likely to arise; but it may arise, and in so far as the fund is good it should not be abolished. If we want to have a real bank circulation fund which would absolutely protect note holders, and it is not considered that the present scheme is good enough, I suggest that we adopt the national bank system and ask the banks to buy government bonds as a protection for their note issue. But, the minute you do that, you withdraw from the banks the privilege of lending to you or yours two or three hundred million dollars or whatever it may be that is now available for business in Canada. That will be withdrawn from business and it will be just that much detriment to business. By just how far you go that way, you will defeat the object which you have in mind which is to raise credit in this country.

Mr. MARTELL: I am not a member of the Banking and Commerce committee, but I understand my hon. friends want the guarantee feature which would make all the banks contribute to a fund which would guarantee the notes of all the banks. This would enable one bank to interfere with another by checking up its credit.

Mr. HANSON: I do not think we are going to give one bank the privilege of checking up another bank, but one bank is to pay for the notes of another bank.

Mr. T. W. CALDWELL (Victoria and Carleton): I have been a member of the Banking and Commerce committee for the last two years. The argument has been advanced here to-day that because this amendment did not carry in the Banking and Commerce committee, therefore, it is not worthy of consideration. Personally I was not able to attend the sittings of the Banking and Commerce committee very much this year on account of being on several other committees which were sitting at the same time. Had all the members of the Banking and Commerce committee been present when this motion was before the committee I believe, it would have carried. Had I been present, I would have supported it as strongly as I could. Had I known that this amendment was being voted upon, I would even have left another committee on which I was sitting in order to attend to vote for this amendment because I believe it is sound.

4 p.m.

The statement has been made that this matter was considered by the Banking and Commerce committee last year. That statement must have been made by mistake, because this year I find that all the members of the Banking and Commerce committee to whom I talked were as much surprised as I was to find this year, and not until this year, that this fund was not used solely for the redemption of notes. I think the recent bank fiasco first brought this to our notice. I do not think any person understood the purpose of the fund before; I know I did not and I have talked to several members who were also ignorant of its real purpose.

Mr. ROBB: Is my hon. friend proceeding to argue that an honestly managed bank should be made responsible for the bad management of the Home Bank?

Mr. CALDWELL: If this fund was created for the purpose for which the public believed it was created, for the redemption of notes of a defunct bank, it is a form of insurance to guarantee circulation.

Mr. ROBB: No, it is the insurance principle which we are opposing.

Mr. CALDWELL: The general opinion has been that this fund was to ensure the payment of notes issued by a bank, which notes—the bank having failed—were of no

value. By the way, this motion does not mean that we shall go back to the old method, that when a bank fails its notes shall be no good.

Mr. ROBB: That is the argument of my hon. friend.

Mr. CALDWELL: I am not responsible for his argument. Suppose we admit the insurance principle. If I insure my buildings against fire, and during the period of insurance they burn down, I would be somewhat surprised if the insurance company told me: "We can only pay you insurance to the amount of the premiums you paid in." That would be comparable to the argument used in this case. If this is not the insurance principle it should be made so. For instance, what right has a bank to take deposits from the public, and upon a certain condition arising to use those deposits to pay their note circulation? Well, that is what the present practice means if I understand it aright, and I think I do. I have not had the privilege of attending the meetings of the Banking and Commerce committee as often as I desired, but I have been following its work, and I think that as time goes on both this parliament and the public will be behind a good many of the propositions—not all, because I am not behind them all myself—made by the members of that committee.

Mr. ROBB: Let us hear some of them.

Mr. CALDWELL: This is one of them. Among my acquaintances I have several men who have been prominent in banking circles, and they thoroughly agree with our contention in this matter, as well as with government inspection of banks and some of the other proposals that were placed before the committee. Their opinion tended to convince me of the desirability of supporting these two specific measures.

Mr. W. C. GOOD (Brant): Mr. Speaker, as has been remarked, this proposal received a good deal of consideration in the Banking and Commerce committee, and I think if it had not been for the activities of the "scouts" it might have got through.

Mr. McBRIDE: Whom does the hon. member refer to as scouts?

Mr. GOOD: I suppose that question might be considered embarrassing, but if the hon. member wishes to know, I am referring to certain gentlemen who were very active in getting members into the committee to vote although such members were not often in attendance at its meetings. This happened not only this session but last session.

Mr. THOMAS VIEN (Lotbiniere): Mr. Speaker, I rise to a point of order. It is absolutely improper to refer to any hon. member as being persuaded by scouts to attend the meetings of the committee. The House knows how difficult it was for hon. members to attend the many committees which were in session day after day, and I am sure that on deliberation my hon. friend will withdraw such an inappropriate term.

Mr. GOOD: Mr. Speaker, I do not wish to reflect upon any hon. member, and if what I have said can be construed as such a reflection I shall be very glad indeed to withdraw the expression.

Undoubtedly there has been an entire misapprehension of the purpose and application of the bank circulation redemption fund. Only yesterday I was talking to a prominent member of the House, who did not happen to be a member of the Banking and Commerce committee, and he, too, was under the same misapprehension that most of us were under last year. The provisions in the act have been pretty much of a fraud upon the public, and it is the purpose of this amendment to embody what is the general opinion of the public in regard to this particular fund.

With regard to the observations made by some hon. members as to the liability which would rest upon well managed banks to help redeem the notes of badly managed banks which fail, it should be observed that at present the section dealing with this fund admits the principle; the only change suggested is to make the liability more direct. The hon. member for York-Sunbury (Mr. Hanson) and I think also the hon. member for North Waterloo (Mr. Euler), it seems to me, misstated the fact when they intimated to the House that this fund can only be called upon to the extent of the amount contributed thereto by the bank which fails. That is not the case. The fund can be called upon ultimately to make good the notes of the defunct bank if and after the assets of such bank have been exhausted.

Mr. EULER: Is not that an important consideration?

Mr. GOOD: It may be, but it does not touch the principle of the case. The principle

of insurance is admitted in the present provision of the act, and this amendment is simply to make more direct the liability which the banks are under now.

Mr. VIEN: Is my hon. friend not mistaken when he says that the principle of insurance is admitted in the act? On the contrary, is it not the principle of suretyship? And is not the purpose of the amendment to change that to the principle of insurance?

Mr. GOOD: It may be strictly accurate to describe the present clause as expressing the principle of suretyship, but even in suretyship there is an element of insurance. If I endorse somebody else's note, and he fails to meet it when due, I am liable for payment. If, as the hon. member for Victoria and Carleton (Mr. Caldwell) said, I have a building insured against fire, and I am careful and do not have any fire, I have yet to contribute to pay the losses of those whose buildings are burned down and who possibly were careless. I contend that to the extent that this fund may be ultimately drawn upon to make good the notes of a defunct bank, it involves the same principle which has been objected to, that is, the levying of a tax upon the well managed bank to make good the losses incurred by a poorly managed bank.

Mr. MARTELL: But if my hon. friend is asked as a favour to endorse a note, he complies with his eyes open, knowing what the legal incidents of his endorsement are in the event of the promissor being unable to meet the note when due? But in this case is he not saying to people who have nothing at all to do with other banks: "You must make good the lack of funds of a badly managed bank over which you had no control whatever?"

Mr. GOOD: I would remind the hon. member that the Bankers' Association, which is composed of all the banks, have the duty of checking up the circulation of each bank. In addition to that they have a direct interest in providing that all bank notes shall pass current at face value and shall not fall to a discount. I think that the Bankers' Association, if this amendment goes through, would be in very much the same position as that of a person who endorsed a note; they would be doing it with their eyes open and with a certain sense of responsibility for looking after the management of all banks that are members of the association. Now that the inspection of banks has been provided for, the probability of loss to any well managed bank through having to contribute to make good the notes of a poorly managed bank is, I think, very small indeed.

Mr. STEWART (Argenteuil): Does that not almost remove the possibility of anything happening to the circulation? Is not the inspectional element after all the chief element of security?

Mr. GOOD: I sincerely hope so, but I do think that we ought either to pass this amendment or wipe the clause out of the Bank Act. Make it a real insurance fund or abolish it altogether.

Mr. ROBB: Having said that, my hon. friend must admit that if he holds the notes of a certain bank that fails, he runs the risk of finding them of no value.

Mr. GOOD: I do not understand that Mr. Speaker, because the notes are a first charge on the assets of the bank.

Mr. EULER: You would have to wait for the redemption of notes until after liquidation took place.

Mr. GOOD: Possibly it would take some little time to realize on the assets, but that difficulty might be overcome by making an advance to the bank in order that the notes might be quickly redeemed.

Mr. EULER: An advance from whom?

Mr. GOOD: From the government or from the Bankers' Association. The Bankers' Association would be very definitely interested in the matter.

Mr. MARTELL: Would not the effect of what my hon. friend is advocating be to make the different individual banks liable for one another, and would that not be tantamount in the final analysis to having but one bank in Canada?

Mr. GOOD: I hardly know how to answer that question; it takes us pretty far afield. Possibly we might overcome the whole difficulty if we had a Dominion issue of all bank notes, doing away with private issues. That, however, is a matter I do not wish to discuss at the present time. I submit that this amendment is quite worth while, and it ought to be passed or else the present provision in the act might as well be abolished.

Mr. HUGHES: In the event of the assets not being sufficient to pay the notes, is not this redemption fund then a very real asset, a very real fund to take up the balance?

Mr. GOOD: It may be of value. I understand from the secretary of the Bankers' Association that only on one occasion in the history of Canadian banking has the fund been called upon.

Mr. HUGHES: But it is there all the same.

Mr. GOOD: It is there.

Mr. HUGHES: And my hon. friend said that if the amendment did not pass he would be in favour of wiping it out altogether. That would certainly be a retrograde step.

Mr. GOOD: I am not advocating that it be wiped out; I want to make it something real. I want to make it something more than a deception of the public.

Mr. EULER: The hon. member said, "Wipe it out if this amendment does not carry."

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I hesitate to make any statement in regard to this matter, or even to vote, with the little information I have. I am not a member of the Banking committee and have not had time to study the question. I have tried to make up my mind just what the real facts of the case are. At the outset I may say that I would not be in favour of anything that would not make a bank note of its full face value even though the bank fails; that must be guaranteed to begin with. I always thought that the bank note circulation fund was contributed to by all the banks and that the whole fund was available for the redemption of bank notes.

Mr. ROBB: That is correct.

Mr. FORKE: Yes, but only to the extent that the bank in question has contributed to the fund.

Mr. ROBB: No.

Mr. VIEN: The section of the Bank Act provides:

> That all payments from the circulation fund shall be without regard to the amount contributed thereto by the bank in respect of whose notes the payments are made.

Mr. FORKE: Of course that would be a sort of temporary loan.

Mr. VIEN: It is a temporary loan.

Mr. FORKE: It seems to me that the banks have special privileges and they ought to assume certain obligations. There seems to be a certain amount of mutual responsibility, as is indicated by the banks having a note circulation fund. Each bank does not go by itself; apparently the principle is recognized that one bank is interested in the welfare of another. I do not think any serious harm will result if a certain amount of responsibility is spread over all the banks in regard to making bank notes worth their face value should the bank that issued them happen to fail. I do not think it will ever be the case, as suggested by the hon. member for North Waterloo (Mr. Euler), that one bank will have to make up all the deficits of another. We are not dealing with the matter in that broad sense.

Last year hon. members in this part of the House voted solidly in favour of bank inspection. We have not forgotten that, and it makes me hesitate to find fault with any amendments that may be offered to the Bank Act. In the past banking has been largely studied from the banker's point of view; it is only now that the general public are beginning to understand something of banking and to see that it is just as important that the public are protected as it is that the banks are protected. Mr. Speaker, I will vote for the amendment.

Mr. THOMAS VIEN (Lotbiniere): I am afraid that the hon. member (Mr. Spencer), who moved this amendment will defeat his own purpose and that of hon. gentlemen who support him. If the bill is sent back to the committee it may die there, and if we are to have a couple of weeks' discussion on it, the thing may be overdone.

Mr. GARLAND (Bow River): I suggest to the hon. member that it is not fair to hold out a threat like that.

Mr. VIEN: I did not threaten anybody. I am simply suggesting one of the dangers of my hon. friend's amendment. But it is not correct to say that the Bank Act has been a fraud on the public in that it has created an impression that the note redemption fund was there to redeem notes with no reference at all to the assets of the bank. It has at all times clearly set forth in the Bank Act that the note redemption fund is there to provide the immediate redemption of the circulation of the bank which has become insolvent. But the minister who takes the money in the redemption fund has a first lien on the assets of the bank as any note holder has under section 131. Therefore when hon. members suggest that the public at large have been taken by surprise when as depositors they find themselves ranking after the note holders in the liquidation process, they are not on good ground. Section 131 provides that the first lien on the assets of the bank shall be the

notes in circulation. The redemption fund is created as a surety for the note holders in case only that the assets are not sufficient to redeem them. Therefore, Mr. Speaker, I think it is a mistake to create the impression that the public at large has been defrauded when they find themselves ranking after the note holders in their claim on the assets of the bank.

In respect of the proposition itself, I believe that it would be most inadvisable to adopt it. It has been fully threshed out in committee, and my hon. friends are wrong when they try to give the impression to the House that the vote in committee was somewhat in the nature of a surprise vote. This question was agitated last year—

Some hon. MEMBERS: No.

Mr. VIEN:—and a vote was taken, and the committee last year was of the same opinion as it is to-day. This is by no means a new question.

Mr. GARLAND (Bow River): I am sure the hon. member does not wish to mislead the House. I am quite certain that on reflection he will admit that this particular question was not discussed and did not come up in the Banking committee last year, and no amendment was moved in this regard.

Mr. VIEN: I am willing to accept the correction of my hon. friend, but I am still under the impression that the matter was agitated in the Banking and Commerce committee last year, and I will take the time to check up my impression. The report of the Banking and Commerce committee last year occupies a full volume; I may be mistaken, but I am still under the impression that my hon. friend is wrong and that I am right. However, the matter was threshed out this year, and it has been found that it was unfair to ask a bank which has contributed to the circulation redemption fund to be obliged to pay out of its own moneys for the bad administration of a bank that has fallen into bankruptcy. This fund is only an additional surety to guarantee the note holders that, if the assets of the bank are insufficient, the fund will be called upon to pay. I think this principle, which was embodied in the act before its revision last year, and which was put in the act on its revision last year, is one that has been arrived at by experience; it is wise and should not be changed.

Mr. J. S. WOODSWORTH (Centre Winnipeg): There are just two or three points I should like to emphasize. The chairman of the committee (Mr. Vien) has said that this matter has been threshed out very fully in committee, and that the committee was not in favour of it. May I point out that last year the question of bank inspection was very fully threshed out in committee and the committee was not in favour of it either. It took the failure of the Home Bank to convince the committee and this House that inspection was necessary. I should like to endorse the position taken by several members of this committee that this resolution, or anything like it, was not before the committee last year; that is my understanding of the work which went on in the committee.

The suggestion has been made that there is something of fraud about such an arrangement as this. Personally I would not use the term fraud, but I would say that the public has been under a decided misapprehension with regard to this bank note circulation redemption fund. It is not the misapprehension which the chairman of the committee has suggested, that they would not have precedence over depositors; the misapprehension has been this: The public believed that the Bankers' Association and the other banks were behind the whole of the note issue of any particular bank.

Mr. VIEN: My hon. friend will admit that was there.

Mr. WOODSWORTH: No, I do not admit it.

Mr. VIEN: Surely!

Mr. WOODSWORTH: No. As I understand it, the only purpose of this bank note circulation redemption fund is to ensure promptness in the redemption of the bank notes. It can be called upon up to the extent to which contributions have been made by the individual bank. It does ensure promptness, and so far it is good. But the resolution is intended to make the position of the bank note holders even stronger than it is to-day, because it would insist that the resources of all the banks, if necessary, or at least up to the amount that has been paid into the fund, could be called upon. It would make bank notes absolutely safe.

The question of morality has been raised by the hon. member for York-Sunbury (Mr. Hanson). He claims that it would be quite immoral to make a well conducted bank pay for the weaknesses or failures of a poorly conducted bank. I would submit that this is the very principle of insurance. If there is a fire, the person who is very careful may possibly be called upon to pay for someone who is less careful; and the same principle

applies in marine insurance and any other kind of insurance. Why do we ask that this principle of insurance be recognized? Simply because the banks have an immensely valuable franchise, the issue of bank notes. The issue of bank notes is pre-eminently a state function, and I hope that before very many years are past no other organization than the state will be permitted to issue bank notes. In the meantime the banks are granted this very valuable privilege.

Mr. ROBB: May I ask my hon. friend a question? I do not want to interrupt his argument except to point out that the bill before us is to provide for the inspection of banks. My hon. friend is now arguing the question of insurance. Is he out to kill the inspection bill, or to introduce the insurance theory?

Mr. WOODSWORTH: The resolution deals with the question of guaranteeing bank notes more fully than is now the case and of saving the depositors.

Mr. ROBB: But the real thing before us is the bill for inspection.

Mr. WOODSWORTH: I would submit, Mr. Chairman, that if this motion which has been before the House and has been discussed for the last half hour is in order, I am quite in order in discussing it.

Mr. ROBB: I am not objecting to discussion, but I am pointing out to my hon. friend what he may really accomplish.

Mr. WOODSWORTH: I am discussing this question of making the bank note surer, and of forcing upon the banks the responsibility of guaranteeing the notes of the various banks that now have this very valuable privilege of issuing bank notes. I was pointing out that it has been objected that this is an immoral transaction. I want to ask if there is anything immoral in asking that a group of specially privileged people shall in some way provide that the public shall not be a loser? I cannot see the immorality. Let me ask concerning those hundreds of miners in Fernie who put their deposits in the Home Bank because there was no other bank in the place where they were paid in which they could put them, and who are now called upon to contribute at the present time to make good the notes of the Home Bank: Is that morality? Surely when there are banks that are confessedly making huge sums out of the special franchise they enjoy of issuing notes, it is moral that they should be forced to see to it that all banks are conducted in a reasonable and safe manner. It has been said, and I think that perhaps there is on the face of it a little in the argument, that the proposed arrangment would be obligatory while insurance is voluntary. I would point out that there are some forms of insurance that are practically obligatory under our modern ways of doing business. After all, no bank needs to accept this privilige of issuing bank notes: it is a purely voluntary thing. And if the state thought fit to say to the banks, "If you want to have this valuable franchise of issuing bank notes you must submit to certain conditions", that would be absolutely proper and reasonable. It is surely a provision that the public requires for its protection at the present time. May I point out that one of the first effects of legislation of this kind would be that the banks would be a great deal more careful in looking into the affairs of other banks, and in insisting that regulations should be provided that would prevent bank disasters such as that of the Home Bank.

The House divided on the amendment (Mr. Spencer) which was negatived on the following division:

YEAS

Messrs.

Bancroft,
Beaubien,
Bird,
Brethen,
Brown,
Caldwell,
Campbell,
Coote,
Davies,
Drummond,
Elliott (Dundas),
Eliott (Waterloo),
Evans,
Fansher,
Forke,
Gardiner,
Garland (Bow River),
Good,
Gould,
Halbert,
Hoey,
Hopkins,
Irvine,
Kennedy (Edmonton),
Kennedy (Port Arthur & Kenora),
Knox,
Lewis,
Lovie,
Lucas,
Macphail,
Milne,
Pritchard,
Sales,
Shaw,
Speakman,
Spencer,
Stewart (Humboldt),
Thurston,
Wallace,
Ward,
Warner,
Woodsworth.—42.

NAYS

Messrs.

Anderson,
Arthurs,
Béland,
Benoit,
Binette,
Black (Huron),
Boivin,
Boucher,
Bourassa,
Boys,
Bristol,
Bureau,
Cardin,
Carmichael,
Casgrain,
Chaplin,
Chevrier,
Chisholm,
Clark,
Copp,
Déchène,
Denis (Joliette),
Denis (St. Denis),
Deslauriers,
Dickie,
Drayton (Sir Henry),

Duff,	McIsaac,
Duncan,	McKay,
Euler,	McKillop,
Findlay,	McMurray,
Fontaine,	McTaggart,
Forrester,	Malcolm,
Fortier,	Marcil (Bonaventure),
Gordon,	Martell,
Graham,	Michaud,
Grimmer,	Millar,
Hammell,	Morrison,
Hanson,	Morrissy,
Hatfield,	Motherwell,
Healy,	Murdock,
Hocken,	Neill,
Hodgins,	Ouimet,
Hudson,	Preston,
Hughes,	Rankin,
Hunt,	Raymond,
Jellif,	Robb,
Jones,	Roberge,
Kelly,	Robinson,
King (Kootenay),	Savard,
King, Mackenzie (York),	Senn,
Lapierre,	Sheard,
Lapointe,	Sinclair (Queens, P.E.I.),
Lavigueur,	Spence,
Logan,	Steedsman,
Lovett,	Stewart (Argenteuil),
Macdonald (Pictou),	Stewart (Hamilton),
McBride,	Stewart (Leeds),
McConica,	Sutherland,
McCrea,	Vien,
McGiverin,	White.—94.

Mr. SPEAKER: The question is on the main motion.

Mr. SHAW: I wish to say one or two words on an amendment which I propose to move, and I can assure hon. members, that I will not ask to have the House divided on the matter. Under the Bank Act as it now stands the double liability of the shareholders cannot be called upon until such time as the bank becomes in an insolvent condition. We have in Canada to-day only fourteen banks, and I do not know that the Canadian people would view with any considerable favour a reduction in that number. Under the situation as it now exists, if a bank gets in a perilous condition the Inspector General is simply empowered under the proposed act to close the bank, as would happen in the case of insolvency. I propose Mr. Chairman, by the amendment which I will suggest, to make that double liability available while the bank is still in operation. The double liability clause of the Bank Act is contained in section 125. For the purpose of clarity, I am repeating the entire section and making some changes. I move:

5 p.m.

That this bill be not now read a third time but that it be referred back to the committee of the Whole with instructions to repeal Section 125 of the Bank Act and to substitute therefor the following:

125. In the event of the property and assets of the bank being insufficient to pay its debts and liabilities, or in the event that the paid-up capital of the bank has been impaired by losses, or by the payment of dividends or by the payment of bonus or otherwise, each shareholder of the bank shall be liable for such deficiency or for such impairment to an amount equal to the par value of the shares held by him in addition to any amount not paid up on such shares.

(2) "Shareholders," within the meaning of this section, shall include an undisclosed principal and, to the extent of his interest, a cestui que trust, on whose behalf or for whose benefit shares in the capital stock of the bank are held.

(3) Subject to the two subsections last preceding, if the inspector at any time by inspection or otherwise ascertains that the paid-up capital of a bank has become impaired by losses or by the payment of dividends, or by the payment of bonus, or otherwise, he shall forthwith, upon receiving the approval of the minister, by a direction in writing addressed to the general manager, order such bank to restore the amount of such impairment in the paid-up capital by making a call upon the shareholders pro rata to the amount of capital held by each; if such bank neglects within four months after the receipt of such notice to comply with the order of the inspector, the minister may exercise the powers conferred upon him by subsection 10 of section 56A of this act; provided, however, that if all the subscribed stock has been fully paid up, the directors of the bank shall, subject to the provisions of this section, have, possess and exercise the same powers with respect to the making of calls on shares and the recovery and enforcement of such calls whether by suit, forfeiture, sale or otherwise, as they now have, possess and exercise under this act, for the making, recovery and enforcement of calls on unpaid stock; and provided further that any payment or payments, or the total thereof, made by any shareholder in excess of the amount unpaid on said shares, shall in no event exceed the limit of liability of the shareholders, hereinbefore specified.

It will be seen that this provides that if the bank fails within four months after the receipt of notice to call upon the shareholders to make good an impairment discovered by the inspector general, the minister may exercise the powers conferred upon him by subsection 10 of section 56A of the act. It provides also that the shareholders shall never become liable for more than the double liability, although there may be numerous calls. The purpose of the amendment is to make the double liability available before the bank actually becomes insolvent, to allow it to be carried on if in the judgment of the inspector general or the minister, that is found to be desirable.

Amendment (Mr. Shaw) negatived on division.

Mr. SPEAKER: The question is on the main motion.

Mr. E. J. GARLAND (Bow River): It is with sincere regret that I find myself compelled to take this action at this time. I wish to offer an amendment which was moved by myself in the Banking and Commerce committee some time ago and which was carried by a large majority in that committee.

It was reported to the House two days ago and its concurrence was supported in the House this afternoon. I understand, however, that if we allow the third reading of this bill to go through, no further opportunity may offer itself for moving this amendment, in which let me insist again, both the committee and the House have concurred. It is an amendment to the business and powers of a bank, section 76, page 39 of the Bank Act. The old section reads; subsection (f) of subsection (2):

> Except as authorized by this act, the bank shall not, either directly or indirectly, lend money or make advances in excess of 10 per cent of its paid-up capital to a director of a bank or to any company or corporation in which the president, general manager or a director of the bank is a partner or shareholder as the case may be, without the approval of two-thirds of the directors present at a regular meeting, or meeting specially called for the purpose, of the board.

The intention of that subsection in the act quite clearly is for the purpose of preventing as far as possible unwise loans in excess of 10 per cent of the paid up capital to companies in which a bank director may be interested or to companies in which the general manager may be interested by way of being a shareholder or a partner. I find, however, that under the act a regular meeting of the directors may be held with a quorum of only three and naturally they may be just local men. Two-thirds of three would naturally be two. Under the Bank Act, therfore, it is possible, on the votes of two men, to make huge loans far in excess of 10 per cent of the paid up capital. I do not by any means argue that that will be or has been done to any large extent. But the danger rests there, and in full recognition of the lessons we have learned in the last year, I think this House owes it to the country to safeguard the public at least by making sections of this kind as water-tight as possible. I therefore move:

> That this bill be not now read a third time but be referred back to the committee of the Whole for the purpose of further amending the Bank Act as follows:
>
> That subsection (f) of section 76 of the Bank Act be amended by striking out all the words after the word "the" in the fifth line thereof and substituting therefor the following "without the unanimous approval of the directors present at a regular meeting of the board or meeting specially called for such purpose, providing that the notice calling any such regular or special meeting shall set out specifically such aforesaid mentioned purpose."

The House will note that the only changes that I have made in the act as it is now written are as follows: I am asking the unanimous approval of the directors present, the number of whom, as I pointed out a moment ago, may be only three. I am further asking that notice of intention to lend such large amounts be sent with the notice to the directors calling the meeting. My reason for that is that I find in the case of the Home Bank, for example, there were directors in the West who were absolutely unaware for some time afterwards of certain large loans that had been made, loans that ultimately brought the bank to disaster. I think the amendment, especially, as I said before, as it met with the approval of the committee and was concurred in this afternoon, might well be added to the Bank Act.

Mr. ROBB: Mr. Speaker, whatever good purpose might be served by further amendments to the Bank Act, I submit that at this stage of the session hon. gentlemen who have been pressing for bank inspection are doing much to imperil its adoption this afternoon.

Mr. SHAW: In what way?

Mr. ROBB: Because the real issue before the House is bank inspection.

Mr. SHAW: Not at all.

Mr. ROBB: Imagine for a moment if any of the amendments submitted by hon. gentlemen had been carried and referred to the committee, and it was impossible to secure a quorum of that committee,—

Mr. SHAW: It would be a reference to committee of the Whole.

Mr. ROBB: —then the whole bill might be killed. No good purpose could be served even if the committee did meet and pass the amendment, because in practice loans of this kind must necessarily, and generally do, have the concurrence of all the directors present, and if, as my hon. friend argues, one director out of the three at the meeting, happens to be defeated, is it not within his power to advise all the other directors, and would not there be a row at once and a prompt settlement of the trouble? I should not like to use too harsh a word in describing some of the directors of the Home Bank, but because of the failure of that bank all the banking business of the country should not be tied up while notices are sent to the directors, some of whom may live a thousand miles away from the meeting place, to attend a meeting in regard to granting a loan. No good purpose is to be served by this amendment, there is no hurry for it anyway, and I submit that we can well afford to wait until we have the experience of the new bank inspector during the ensuing year.

Mr. J. A. CLARK (Burrard): Do I understand that if, say, a company in Montreal wanted a loan from a local bank, and some of its directors were also directors of the bank, it would be necessary to send notices to those directors of the bank who might be living in Vancouver, and to wait until they could have an opportunity of attending the meeting in Montreal to give their consent to the loan?

Mr. ROBB: I understand it would be necessary to send those bank directors notice so they would have time to reach the meeting, and that this would mean sending the notices two weeks in advance.

Mr. CLARK: That is what I mean. Nothing could be done until those directors living at a great distance had an opportunity of receiving the notice and attending in Montreal to give their consent?

Mr. ROBB: That is my understanding.

Mr. IRVINE: Mr. Speaker, I do not think the Acting Minister of Finance was quite fair to the group on this side who are pressing for the amendment when he said that we were imperilling the passage of the bill providing for the inspection of banks which bill is now being read the third time. As a matter of fact, the amendment seeks to refer the bill back to committee of the Whole, and if the hon. minister had accepted the amendment we could have been in committee of the Whole now and disposed of the proposal before six o'clock.

Mr. VIEN: Does my hon. friend believe that committee of the Whole would have accepted this proposition without discussion? To refer it back would be simply to repeat what took place in the Banking and Commerce committee.

Mr. IRVINE: It has already been pointed out that the amendment now moved by the hon. member for Bow River (Mr. Garland) was carried in committee.

Mr. GARLAND (Bow River): The only one, too.

Mr. IRVINE: Yes. It was thoroughly discussed and carried, and the report of the committee has already been concurred in by the House. So it is not unlikely that the House would sustain its action of yesterday.

Mr. VIEN: My hon. friend is wrong again. The motion to concur has not yet been presented to the House. May I also correct the impression which has been conveyed that this motion was unanimously adopted by the committee? If I remember correctly, the vote was 17 to 7.

Mr. GARLAND (Bow River): No, 27 tc 7.

Mr. VIEN: My recollection is that the vote was 17 to 7. I think my hon. friend is wrong.

Mr. GARLAND (Bow River): It was 20 anyhow.

Mr. ROBB: My memorandum states that 23 were present at the meeting.

Mr. IRVINE: As to how many were at the meeting is not the point. The point is that the committee passed the amendment, and, as I understand, the only opportunity we have of sustaining the judgment of that committee is to present this amendment to the House, and this we have done. If that is likely to imperil the passage of the other amendment to the Bank Act which is now before the House, it is not the fault of this group nor of the hon. member who moved the amendment; it is the fault of the rules and general practice of this House which do not afford us an opportunity to present the proposal at any other time.

Mr. McBRIDE: What group is the hon. member referring to?

Mr. IRVINE: I assure my hon. friend that I am not referring to him. I should never think of connecting his name with any group that is trying to do anything. Naturally I am speaking of the hon. member who moved the amendment and those of us who have interested ourselves for years in trying to secure amendments to the Bank Act. Certainly we are not trying to imperil the passage of the bill now before the House to effect bank inspection, and I resent the suggestion of the minister in this respect. I trust the House will find an opportunity of accepting the amendment. It seems ridiculous that we have to bring it forward in this way, but we have no choice under our parliamentary procedure.

Mr. SHAW: The experience we gained from the Home Bank incident indicated very clearly two things: First of all, that several loans were made which greatly exceeded 10 per cent of the capital of the bank; and secondly, that a large group of the directors had absolutely no knowledge of the loans and had great difficulty in getting any information in regard to them. May I illustrate the purpose of this amendment by a concrete case? We will suppose that somebody wants to borrow a large sum of money from the Bank of Montreal. The capital of that bank is

$27,500,000. Presuming the borrower wants a loan in excess of $2,750,000, in that event, and in that event alone, this measure applies. It does not apply to ordinary loans.

Mr. MEIGHEN: It would also apply to a loan which would raise the total indebtedness of the company applying to 10 per cent or over the bank's capital?

Mr. SHAW: It would have that effect, but of course only in the event of the bank directors being connected with the company applying for the loan. It seems to me a very simple and fair amendment, and I think it will adequately meet the situation, and therefore it is eminently worth while under the circumstances.

Mr. GOOD: It would take about five minutes to go into committee of the Whole and get this business through if members were agreeable. It certainly does not need to postpone the adoption of the inspection amendment.

Mr. SPEAKER: Is the House ready for the question?

Some hon. MEMBERS: Question.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The House may be ready, but I am not ready. I do not feel that I am in a position to decide the question. I have some sympathy with the Acting Finance Minister (Mr. Robb) when he says it is not good practice to amend the Bank Act fundamentally on the third reading of a bill which deals specifically with one section. At the same time there appear to be some special circumstances affecting this amendment, that it was passed apparently by a large majority at a meeting of the Banking and Commerce committee.

Mr. ROBB: And at a meeting where less than one-third of the members of the committee were present.

Mr. MEIGHEN: That may be true, but how you are ever going to get much more than a third with the course the government is pursuing, I do not know. They have committee-ized this House until it is almost impossible to get anything done by a real committee. Instead of facing the responsibility and meeting it, the government have sought to dodge it by this committee after that, this commission piled on that committee, until they have simply clogged and stopped the processes of parliament.

[Mr. Shaw.]

Mr. VIEN: Does my hon. friend suggest that the government acted improperly or unwisely in referring to a committee the proposed amendments to the Bank Act?

Mr. MEIGHEN: Oh no, I have not said that at all.

Mr. VIEN: I understood my right hon. friend to say that the government had dodged its responsibility in referring this matter to a committee of the House.

Mr. MEIGHEN: The hon. member did not understand me to say that at all, because what I said was very clear. I said that the government instead of meeting their reponsibilities had appointed this committee and that committee—

Mr. VIEN: Standing committees of the House.

Mr. MEIGHEN: —this commission and that commission, and had interposed them between themselves and their own decisions to such an extent that there was a clogging of the processes of parliament; that committees that were essential, committees that were doing essential business, were not able to get sufficient members to attend their meetings to enable them properly to carry out their tasks. The Banking and Commerce committee certainly is an essential committee. The reference to the committee of the Bank Act and the suggested amendments is a right thing. But when you accompany this by the acceptance of a motion from somebody calling for a declaration of policy on the coal business and its reference to a committee, and when you have a commission appointed on some subject, to postpone decision, and then after the commission reports have that report go to a committee; when you adopt all these devices, how are you ever going to have the real committees doing the real work perform their tasks? This is the point I made, and made very clearly, I think. Consequently there does appear to be a special circumstance affecting this amendment, namely, that it was thoroughly reviewed before the committee, whatever size the committee was able to attain, and passed there by a commanding majority, consequently it has gone through the only necessary stage to warrant its going back to a committee of this House if it appears to the House in general to have merit.

Mr. ROBB: My hon. friend is making a fair argument, but I would like to have his

view on this point: was it not within the right of hon. members opposite to move all these amendments when we were on the second reading and when we were in committee?

Mr. MEIGHEN: When we were in committee of the Whole?

Mr. GARLAND (Bow River): This question was still in the hands of the committee and was voted upon, I think, about the time the matter was taken up in the House.

Mr. ROBB: This may have been; the other questions referred to this afternoon were not.

Mr. GARLAND (Bow River): I am dealing with this one.

Mr. MEIGHEN: What I understood the mover to say was that the committee was not though its work at the time the first instalment of its results took the form of legislation now before the House. At that time the committee was still going strong.

Mr. BUREAU: This bill has been before the committee of the Whole House.

Mr. ROBB: I recall hon. gentlemen opposite, when we were in committee on this bill, asking me to pledge myself to adopt this very amendment. If they look at Hansard they will discover that.

Mr. MEIGHEN: I do not see the relevancy of that, even if it be so.

Mr. ROBB: It emphasizes what I say, namely, that it was within their right to propose amendments when we were in committee.

Mr. MEIGHEN: It was, but they would have taken a very weak position to have done so without a recommendation in that respect from the initial committee. The first time the recommendation is made, they come before the House with its result. It seems to me at least to be a basis upon which to demand the serious consideration of the House at this time. That is all I am arguing for.

Mr. VIEN: Does my right hon. friend not believe that the proper procedure would have been to discuss this question of amendment when the concurrence of the House in the report of the committee was being moved?

Mr. MEIGHEN: No, I entirely disagree. In the first place this bill would then be passed, and in the next place the report of a committee is no occasion for the discussion of a contemplated piece of legislation. That is just what I argued this afternoon. I do not say that I have such a mastery of the purposes and real effect of this amendment as to feel secure in supporting it, but I do think it merits full discussion, and particularly merits considerate treatment at the hands of the Acting Finance Minister.

Mr. VIEN: But that consideration will be given when the House considers the principle embodied in it on the concurrence.

Mr. MEIGHEN: Concurrence in the committee's report?

Mr. VIEN: Yes. The principle of the amendment will then be discussed.

Mr. MEIGHEN: It may be, but I have objected before and given my reasons, to determining public policy in that way. Besides, the objection lies that at that time it will be altogether too late to act.

Mr. SHAW: May I interrupt my right hon. friend to point out that at page 4215 of Hansard, July 9th, I called the minister's attention to this very amendment, when the bill was on second reading. I quote:

> Mr. Shaw: My suggestion to the minister is that as there is only one amendment that passed the committee it could be incorporated in this bill and we could dispose of the whole matter now. Otherwise there will be no opportunity of presenting that amendment to the House.
>
> Mr. Robb: The weather is getting pretty warm and we are getting on.
>
> Mr. Shaw: The weather has nothing to do with legislation or it should not have.

That was the very amendment in question.

Mr. BUREAU: Why did the hon. member acquiesce by his conduct? Why did he not go on with his amendment?

Some hon. MEMBERS: Oh, oh.

Mr. BUREAU: Do not "oh". It is better to act.

Mr. MEIGHEN: We can only conclude from the interruption of the Minister of Customs that it is sometimes a mistake to follow the suggestions of the government. I have no sympathy at all with perpetual restraints upon legitimate banking, nor have I sympathy with anything unreasonable in the way of obligation upon bank directors. If we go too far in this direction we shall find it very hard to get bank directors at all. I know of very eminent men in Canada to-day who will not take a position on a bank directorate, and I may in confidence assure the House that I have decided to refuse all offers in the future myself. The obligations are very great, and the perils are great. It cannot be denied that what is sought to be

safeguarded against in this resolution is really the heart of the trouble in connection with the banks that have failed. If it is the right way of reaching that particular difficulty; if it is the right way of avoiding the rock which has wrecked many a bank, I would have infinitely more enthusiasm for it than for the substance of the very legislation which is now going through. I do not oppose the legislation at all; no one wishes it better than I. But I do fear that it is putting the government of Canada in a position where we might just as well from this on underwrite all the deposits of this country. However, that is not what is immediately under review. What is under review is an attempt to prevent ill-considered or perhaps corrupt. adventurous —to put it mildly—loans to directors through the medium of banks or under some other guise, of the funds of a bank. In the case of every bank that has come within my knowledge that finally wrecked and brought in its train unspeakable disaster, there has been the weakness; there has been the path they followed that led over the precipice. It is not that shareholders have been careless. Shareholders stand to lose not only all they have, but double, before anybody else can lose anything. It is not that we need to protect depositors or note holders or anybody else against shareholders. We need to protect depositors and note holders against selfish, grasping adventurers, who get themselves placed upon directorates, and so placed, play havoc with the funds of which they are trustees. Therefore I think that any attempt to circumvent the trouble where it really exists is far better than to put the government in the position where it really almost acts as a director itself. Now the purpose of the amendment is to provide that in any case where a loan is going to bring the borrower's liability so high as to be over 10 per cent of the bank's capital, such a loan must have behind it the unanimous support of the directors present at a meeting called to consider that very thing, in the case of the borrower being a director of the bank, or in the case of a director being a director in the borrower's company. I can see the inconvenience to which the hon. member for Burrard (Mr. Clark) behind me has pointed, that there might be a perfectly legitimate loan desired by a company, not merely a solvent company, but a wealthy company, a thoroughly responsible company, a loan which would not require perhaps ten minutes' consideration on the part of the general manager, but if this amendment passes it will be requisite that the directors be called from wherever they may be, and all present, so called and notified, must support the loan. It is true that unnecessary inconvenience in some cases may be caused; let us all concede that. At the same time, if I grasp the way the Bank Act stands now—I may have grasped it wrongly—it is required now that there shall be a meeting of two-thirds of the directors. Is not that correct?

Mr. ROBB: Yes.

Mr. MEIGHEN: If that is correct, really I do not see how there is going to be any more inconvenience; they have to be there anyway; there has to be a meeting. I am advised that loans now may be made at a directors' meeting by a two-third vote, loans that bring the borrower's liability above the 10 per cent, but that those present at that directors' meeting may have received no notification that this matter was coming up.

Really, the amendment on its face commends itself to me, and I would like a serious discussion of it, and particularly would I like to see a serious presentation of the objections on the part of the government to it. It has behind it a commanding majority of the committee. Certainly that alone would not be sufficient to attain my support, but the amendment itself on its face presents a very strong case, and if I do not hear anything that moves my mind from its position, I intend to support it.

The House divided on the amendment (Mr. Garland, (Bow River) which was negatived on the following division.

YEAS

Messrs.

Arthurs,	Irvine,
Bancroft,	Jelliff,
Beaubien,	Kennedy (Edmonton),
Bird,	Kennedy (Port Arthur & Kenora),
Black (Huron),	Knox,
Black (Yukon),	Lewis,
Boys,	Lovie,
Brethen,	Lucas,
Bristol,	Macphail,
Brown,	McKillop,
Caldwell,	Meighen,
Campbell,	Millar,
Charters,	Milne,
Coote,	Preston,
Davies,	Pritchard,
Elliott (Dundas),	Ross (Simcoe),
Elliott (Waterlooo),	Sales,
Evans,	Shaw,
Fansher,	Speakman,
Findlay,	Spencer,
Forke,	Steedsman,
Gardiner,	Stewart (Humboldt),
Garland (Bow River),	Stewart (Leeds),
Good,	Thurston,
Gould,	Wallace,
Halbert,	Ward,
Hocken,	White,
Hodgins,	Woodsworth.—57.
Hoey,	

NAYS

Messrs.

Anderson,	King, Mackenzie (York),
Béland,	Lapierre,
Binette,	Lapointe,
Boivin,	Lavigueur,
Boucher,	Logan,
Bourassa,	Lovett,
Bureau,	Macdonald (Pictou),
Cardin,	McBride,
Carmichael,	McConica,
Carruthers,	McCrea,
Chaplin,	McGiverin,
Chevrier,	McIsaac,
Chisholm,	McKay,
Clark,	McMurray,
Clifford,	Marcil (Bonaventure),
Copp,	Martell,
Déchène,	Morrison,
Denis (Joliette),	Morrissy,
Denis (St. Denis),	Motherwell,
Duff,	Murdock,
Duncan,	Neill,
Fontaine,	Putnam,
Forrester,	Rankin,
Fortier,	Raymond,
Gordon,	Robb,
Graham,	Robinson,
Grimmer,	Ross (Kingston),
Hammell,	Savard,
Hatfield,	Sheard,
Healy,	Sinclair (Queens, P.E.I.),
Hughes,	Stewart (Argenteuil),
Hunt,	Stewart (Hamilton),
Jones,	Vien,
Kelly,	Walsh.—69.
King (Kootenay),	

Mr. T. J. STEWART (West Hamilton): I desire to explain that I was recorded as voting for the amendment through a misunderstanding. I was talking to an hon. member while the division on the amendment was in progress and another hon. member gave me a nudge. I half rose in my seat in response to his action but recognizing my error shook my head and exclaimed "I am not voting for the amendment." When the "nays" were being taken I rose and voted as I had intended to do from the first. I therefore wish to have my vote recorded among the nays.

Mr. SPEAKER: It is usual, I think, to accept the explanation of an hon. member in a matter of this kind. I noticed that the hon. member shook his head when his name was called by the Clerk Assistant in recording the yeas. The hon. member now explains that he did not intend to vote in the affirmative, and I think he should be given the privilege of changing his vote. I therefore direct that the necessary correction be made in the division list.

Motion agreed to, and bill read the third time.

TREATY WITH BELGIUM

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 247, respecting a certain trade convention between His Majesty and the King of the Belgians.

Motion agreed to, and the House went into committee, Mr. Gordon in the chair.

On clause 1—Short title.

Mr. MEIGHEN: I think at this hour the committee had better rise; we cannot consider the bill now.

Progress reported.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

REDISTRIBUTION

REPORT OF COMMITTEE

Hon. E. M. MACDONALD (Pictou), (Minister of National Defence): With the leave of the House I desire to present the report of the special committee to which was referred the Redistribution bill. I present it at this stage on account of the fact that the schedules contain a description of all the constituencies in the Dominion, and it is desirable that it should be printed at as early a date as possible.

Mr. SPEAKER: There is a distinct rule that the first hour, from eight to nine o'clock every Friday, shall be devoted to private bills; but by unanimous consent the House can always permit an hon. member to present a report. I understand the motion is made with a view to expedite business so that the report can be printed for distribution Monday.

Mr. MACDONALD (Pictou): Yes.

Mr. BELAND: I understand the presentation of this report will not interfere with the consideration of private bills. It is only a matter of a minute or two?

Mr. SPEAKER: It is a matter of routine.

Mr. MEIGHEN: It is a question whether the report shall be presented now, out of order, or presented on Monday next after motions. It could not be presented regularly until Monday.

Mr. BELAND: It could not be done without unanimous consent.

Mr. SPEAKER: It is to expedite the printing of the report.

Mr. MEIGHEN: I would raise no objection to returning to the matter when we are through with private bills.

Mr. SPEAKER: Very well.

PRIVATE BILLS

RELIEF OF MALCOLM MIDDLETON

The House in committee on Bill No. 220, for the relief of Malcolm Middleton.—Mr. Jacobs.

Mr. LEWIS: What is the object of bringing these bills before the House in this manner? It is a different procedure from the usual course.

The CHAIRMAN: It is the same procedure as is followed every Friday night.

Mr. BUREAU: The evidence that is taken before the Senate committee is sent to the members to be examined and considered.

Mr. LEWIS: Have these bills been before the Miscellaneous Private Bills committee?

Mr. BUREAU: Yes, they follow the usual procedure.

Bill reported, read the third time and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 211, for the relief of Gerald Arthur Johnson.—Mr. Chew.

Bill No. 221, for the relief of Clara Louise Kinnear.—Mr. Boys.

Bill No. 222, for the relief of Allan Thomas Easson.—Mr. Speakman.

Bill No. 223, for the relief of Henry Irwin Claxton.—Mr. Martell.

Bill No. 224, for the relief of John Henry Smith.—Mr. Duncan.

Bill No. 225, for the relief of Bertha May Roy.—Mr. Boys.

Bill No. 226, for the relief of Lunetta Elmina Hay.—Mr. Boys.

Bill No. 229, to incorporate L'Institut des Frères de Saint-Gabriel au Canada.—Mr. Casgrain.

Bill No. 230, for the relief of Eva Laura Bell.—Mr. Rankin.

Bill No. 231, for the relief of Peter Alexander Fawcett.—Mr. Duff.

Bill No. 233, for the relief of Beatrice Ella Mastron.—Mr. Martell.

Bill No. 234, for the relief of Herman Kleinsteuber.—Mr. Guthrie.

Bill No. 235, for the relief of Mary Ann Hastings.—Mr. Hocken.

[Mr. Béland.]

Bill No. 243, to incorporate Joliette and Northern Railway Company—Mr. Denis (Joliette).

Bill No. 244, for the relief of William Smith Scott.—Mr. Clifford.

Bill No. 245, for the relief of Rebecca Smolkin Koffler.—Mr. Martell.

Bill No. 246, for the relief of Earl James Sharpe.—Mr. Jacobs.

REDISTRIBUTION

REPORT OF COMMITTEE PRESENTED

Hon. E. M. MACDONALD (Pictou), (Minister of National Defence): Mr. Speaker, with the leave of the House, under the order Presenting Reports, I desire to present the following report of the special committee to which was referred Bill No. 2, to readjust the representation in the House of Commons:

The special committee to whom was referred Bill No. 2 an act to readjust the representation in the House of Commons with instructions to prepare schedules to contain and describe the several electoral divisions entitled to return members to this House, and to report the same, have the honour to present the following as their third report:

Your committee have prepared and unanimously agreed upon the description and the return of members contained in the several electoral divisions, which are set forth in the schedules hereto appended in respect to the provinces of Quebec, Nova Scotia, New Brunswick, Prince Edward Island, Manitoba, British Columbia, Saskatchewan, Alberta and the Yukon Territory, and upon the description and the return of members contained in the several electoral divisions which are set forth in the schedules hereto appended, in respect to the province of Ontario, with the exception of the electoral divisions of South Hastings, West Peterborough, Hastings-Peterborough, and Fort William in the said province, to which the majority of your committee have agreed.

Your committee have also considered section 4 of the said bill, and have unanimously agreed to recommend that the said section be amended. The proposed amendment is appended to this report, and submitted with the several schedules for the consideration of the House.

All of which is respectfully submitted.

E. M. MACDONALD,
Chairman.

TREATY WITH BELGIUM

The House resumed consideration in committee of Bill No. 247 respecting a certain trade convention between His Majesty and the King of the Belgians.

Bill reported, read the third time and passed.

SUPPLY

IMMIGRATION AND COLONIZATION

The House in committee of Supply, Mr. Gordon in the chair.

Immigration and Colonization—Immigration outside service—salaries, $750,000.

Mr. NEILL: Can the government give us any further information on the point

mentioned by the Prime Minister a few weeks ago when in answer to a question from this side of the House he said that the matter of the further restriction of Japanese immigration was still under consideration by the government? The House will recall that on May 8, 1922, the following resolution was moved:

> That, in the opinion of this House, the immigration of oriental aliens and their rapid multiplication is becoming a serious menace to living conditions, particularly on the Pacific coast, and to the future of the country in general, and the government should take immediate action with a view to securing the exclusion of future immigration of this type.

The word "exclusion" was cut out on a motion by the Minister of Immigration and the words "effective restriction" were inserted. But the minister in the language he used on that occasion was very definite as to his intention. He said:

> I do agree with everything my hon. friends have said about this matter. I am entirely in sympathy with the object of the resolution, but if that object is to be obtained we must be careful about the methods we employ.

And the Prime Minister himself used this language:

> I think the present restriction is not effective; the government is prepared to seek to make it effective. That is what we wish to do.

So we have the unanimous pronouncement of this House that the oriental situation on the Pacific coast was a menace to the whole of Canada, and we have the statement of the Prime Minister that the then methods of restriction were not effective and that it was determined to make them so. We also have in this resolution what may be considered as authority to the government to take immediate steps to make the restrictions more effective. The result of that mandate, as we may call it, or that authority given by parliament, was this. The government next year introduced a practical measure of Chinese exclusion which has worked very satisfactorily. But as regards the Japanese phase of the question their action took the form of negotiations with the Japanese government, the result of which is that we have still to-day the gentleman's agreement which is universally admitted to have been a failure with all its admitted imperfections save only in this one point, that the quota in respect to two certain classes of immigration, which had formerly been fixed at 400, was supposed to have been reduced to 150. There is a very complete misconception of the facts in that regard. I presume most hon. members, and, I think, most people in the country had the idea, and have the idea to-day, that the total Japanese immigration under the gentleman's agreement was formerly limited to 400 and that it is now limited to 150. If that were the case there might perhaps, be small ground for complaint. But that is a distinct misconception; that is not the case. While there is that quota it applies only to two limited classes, and there are other classes in respect to which, while the door is not exactly wide open, the provisions of the gentleman's agreement are so loosely worded and loosely applied that they can be strained so as to enable the bringing in to this country of immigrants illegally, or at least in defiance of the spirit of the gentleman's agreement. I shall not weary the committee by going into the statistics. But if that is not so, how is it that our immigration returns, which at least can be relied on, show that in one recent year the total immigration of Japanese was 1,178 when it was supposed to be only 400? No later than yesterday, in answer to a question put by the hon. member for Vancouver South (Mr. Ladner) we were informed that in the two months of this fiscal year—that is, April and May, 1924—the total immigration of Japanese of all classes into this country was 135. That is for two months, one-sixth of the year; multiply that by six and you get immigration at the rate of 810 a year—and that since the amended gentleman's agreement has come into effect. In the first two months of this fiscal year Japanese immigration has been at the rate of 810 a year, so that dissipates any mistaken idea—for it is a mistake—that the limitation of Japanese immigration is 150.

Mr. MACKENZIE KING: Does my hon. friend know how many of them are Japanese returning to Canada who have been previously resident here?

Mr. NEILL: I think none of them were Japanese returning. The Bureau of Statistics informed me that no record is kept of Japanese returning. The records apply only to those who enter for the first time.

Mr. MACKENZIE KING: I think my hon. friend is right about the method. But records have been kept on the other side which would indicate the numbers which are returning, and I imagine that some of those discrepancies could be accounted for if the two were placed side by side.

Mr. NEILL: The returns given in answer to the hon. member for Vancouver South yesterday were undoubtedly based on our returns, and I am taking the figures from them.

I have the written statement of the statistical bureau that they do not keep records of those returning to Canada; it is only the first immigration that is counted. Here is what the figures say: In the two months I have mentioned, of women there were 73; of labourers, 12; of others, 50, making a total of 135. To illustrate how adroitly this thing is worked, I may point out that the gentleman's agreement was amended last August, and here are the monthly returns of immigration since then from Japan. August, 29; then it dropped in September to 23, and dropped again to 16, 16 again, then 17, and so on, to create the impression that the gentleman's agreement was functioning, and that is what always happens after you have made a gentleman's agreement in that quarter. For the first two or three months everything looks lovely, everything is carried out in the full spirit of the agreement, but after a few months, when they think suspicion has been allayed, we find that the immigration goes up, as it did in February, to 50; I do not know what the figures were for March, but for April and May the figures were 135. That is just an illustrative indication of what happens under these loosely drawn agreements. I might say that the gentleman's agreement was supposed to control immigration and limit it to only four classes of immigrants, and to only two of these does this quota of 400, and now 150, apply. So the situation is to-day that we have with us this gentleman's agreement, which has been an admitted failure, except that the quota has been reduced. I frankly admit it is much better to have a quota in two classes of 150 than of 400 but I maintain it does not meet, and cannot be said in any way to meet, either the letter or the spirit of the resolution which was passed on the 8th day of May, 1922, calling for effective restriction. I submit that is not effective restriction. That is the situation up to date.

As regards the future, for it is no use complaining of a situation unless some means can be found of remedying it, in guiding our future course I presume it would be wise to take cognizance of the experience of the United States in a similar regard. There they had a gentleman's agreement much more strict even than ours, because they had no quota at all. It was definitely stated that their gentleman's agreement was meant to take the place and have all the results of a total exclusion bill. They passed a Chinese exclusion bill, and instead of passing a Japanese one, they put into effect this gentleman's agreement, which as I said, was much more strict than the one we had. Conditions there were much worse than they were here, and were rapidly growing worse, and there, as here, the subject was regarded in congress as one of these hardy annuals that some member from the West got up and howled about in the House, and then the matter was forgotten for another year. Well, that went on for a long time in the United States, and then almost overnight, but possiby as a result of a great deal of education, congress woke up and discovered that this was not a western question, not a Californian question, but a national one, and once they grasped that, they very speedily took action and inserted a clause in a bill then going through the House that people incapable of becoming citizens under their laws could not be admitted into the country. That seemed a reasonable provision, that it was not desirable to admit, either in large or in any numbers people who could never under the United States laws become citizens of that country. That provision cannot be said to discriminate against any nation in particular, because it applied to something like 65 per cent of the total population of the world, and I think included some 27 different nationalities, of which the Japanese population comprised only 8 per cent, and that 8 per cent is the only nation that has made all this protest and fuss.

I should like to quote just one argument, because my idea is to show that it is not feasible or practicable or desirable to handle this matter any longer by means of a gentleman's agreement. If it served in the past, the past has gone, and it is no longer feasible to continue it. As we are all aware, there was a great discussion in the press and elsewhere when this bill was going through congress, and the suggestion was made on behalf of the Japanese government that this drastic action, this insulting action, as they called it, was uncalled for, inasmuch as the whole thing was trivial. "Why," they said, "what are you making all this fuss about and insulting a friendly nation for? How many Japs are you going to exclude? Only 146 in a year. What is all the fuss about then?" In case it might be thought that I am twisting newspaper comment for my own ends, I will quote the absolute language of a letter addressed by the Japanese Ambassador to Secretary of State Hughes, which contains this sentence:

> And yet the actual result of that particular provision, if the proposed bill becomes law, would be to exclude only 146 Japanese per year.

Only 146 Japanese per year, the Japanese Ambassador says. I have here cuttings from

newspapers in the West and also from Tokio, which I shall not read to the House, but I will give the headlines: "Japanese rush in thousands to the United States." This is under a San Francisco headline: "Four liners which will make extraordinary runs from Yokohama and arrive in San Francisco in the last four days in June are—" and then follow the names of the four boats: "At least 2,000 Japanese will arrive on these four boats." Here is another item from San Francisco again: "A local Japanese newspaper estimates there are approximately 6,000 immigrants awaiting sailings from Japan on receipt of word they will be barred after July 1." Here is an extract from an English newspaper in Tokio: "The government"—mark you, the government—"has secured five steamers to handle the large number of Japanese seeking to reach the United States before the exclusion law becomes effective." Here is a heading from a British Columbia paper, saying that "Over 5,000 Japanese sailed from Tokio tc beat the exclusion date," and they mention some of the Japanese steamboats and their sailing dates, which were being advanced to get these people across in time. I have here the Vancouver Province, published in Vancouver, showing a photograph of Japanese picture brides, who are coming to Vancouver on their way to the United States. That is given and accepted as a piece of ordinary news. This group among hundreds of others were even coming via Victoria because the space was all taken up on boats sailing direct to the United States. It has become a commonplace in the West. I need only mention that these picture brides, come in in direct violation of both the spirit, and I maintain, the letter of the gentleman's agreement.

Mr. WOODSWORTH: May I ask if the hon. member will vouch for the veracity of these newspaper items?

Mr. NEILL: I will not personally vouch for the veracity of every one of these items, but when I cite a number of items taken from the press, stating that various ships are sailing, not a mere statement that they are going to sail or perhaps may sail, but when they state that they are sailing and give the names of the boats and the sailing dates, I do not think it would be possible that I or anybody of the same thinking as myself would be able to get these items published in a paper in Tokio in order to mislead this House. It seems more than probable that there is a good deal of truth in these statements published in various newspapers, at great distances from each other, stating that boats have been arranged for by the Japanese government to accommodate this rush of immigrants. Does the hon. member suggest that I faked this photograph of picture brides taken on the liner at Victoria? Hardly! I have not sufficient influence to do that. There has been a great rush of Japanese immigrants, from 4,000 to 6,000, men and women, in six weeks. They say they are proud; they do not like the exclusion legislation, and yet their pride is of such a character that thousands of them, men and women, after saying only 146 would come in in one year, rush into a country where they have the strongest evidence they are not wanted. That is the kind of pride they have. The only kind of their pride which is hurt in this connection is when some nation proposes a measure of restriction which really restricts.

Mr. WOODSWORTH: May I ask if the people from Great Britain had not a similar kind of pride when they camped along the Canadian border in order to get into the United States before the British quota was exhausted?

Mr. NEILL: I am talking about the Japanese at the present time. I have heard no complaint, I have heard no suggestions from Britain that they are going to rattle the sabre and talk about war because the United States now insist upon the exercise of their rights to restrict very seriously and substantially the number of immigrants going into that country from Britain. As I say, I have heard no complaints. Britain has recognized that the United States has the right to regulate its own immigration. That is all we ask—that we should be allowed the same privilege without interference from any foreign nations. I suggest that in five years from now, perhaps in less than that, the United States, and I think Japan also will congratulate themselves on the stand that has been taken recently, because it is an end for all time to this question, an end to friction, an end to the very causes of irritation and suspicion which inevitably do lead to misunderstanding and perhaps to war. So when the question is settled finally as it is in the United States, I think in years to come it will be an advantage to both parties; and Japan will recognize that this decision is not the result of a mere handful of fanatics in the States but that it is the settled policy of the country, and they will cease to endeavour to intrude themselves into the United States but will seek an outlet in some other country where they will be more welcome. I am not saying that the negotiations up to date have not been the best that could be done, but what I would like to

lay before the government is this. The situation has changed to-day, it is not like it was a year ago even, and I suggest that the condition to-day is much more favourable for us to push on with this subject and bring it to a head. Now as never before we have this opportunity. The conditions are ripe, so to speak. To-day it is not too late for the Japanese nation to negotiate with us, this year, this summer,—but perhaps next summer, matters will come to a head like they did in the United States and it will be too late for them then to negotiate. The Japanese statesmen are wise men and they must have realized by the events in the United States that diplomacy may hinder, and delay, and prevent the consummation of the people's will for a time, sometimes for a long time, but there comes a day sooner or later when the will of the people will be expressed in spite of diplomats or governments as was done in the country to the south the other day. It was a voluntary outbreak, you might almost call it, of public opinion, and when that occurred it swept diplomacy, and everything else before it. A similar manifestation of public opinion may come at any moment in this country, and the Japanese statesmen would be well advised for their own sakes to take the olive branch that the government might hold out now and say "Yes we will agree" without having to have it put into such a drastic law as the States did. "We will agree to a real, definite restriction," not a restriction expressed in terms of a vague gentleman's agreement to be enforced by the other side, but a real restriction in which we would keep the restricting in our own hands and would know what we are doing. As I have said before the only kind of restriction which the Japanese will agree to is one that does not restrict but a restriction of which she has the handling.

Now, I wish I had the ability and the eloquence to bring it home to hon. members that this is not a mere political question in British Columbia, or a parochial question in my own district; it goes further than that. It has ceased to be a provincial matter, it has almost ceased to be a national matter; I would suggest it is almost a world wide matter to-day. That may seem to some to be a far-fetched statement but let me explain: In this matter, as in other matters in the light of diplomacy and of history, we will either be going forward or going back. If we desire to go forward now is the proper time to do it. If we go back the time will come when the North American continent will be dominated by the yellow race. I do not say that will happen in a few years, it may take seventy-five or a hundred years to accomplish it, but come it will and perhaps much sooner than hon. gentlemen expect. It seems to many impossible that the time would ever come when we would be dominated by the oriental race but let us look at the possibilities.

At present these races are not allowed to vote but it was only last year that an hon. member of this House—not a crank, not a theorist, but a man of repute and standing in his profession—urged when speaking on this question that orientals should be allowed votes in this country. Once concede that and you are opening the door, and opening it widely to a great many other things. Because the orientals will use their votes in one settled direction to increase the immigration of their people. It will not be next year, it will not be five years—but suppose you found orientals voting, then it will not be seventy-five or a hundred years before they will be in control on this continent which is so eminently suited to accommodate their enormous population. People may laugh at that and say it is a dreamer's vision; that before such a thing could come about there would be a fight. But you will not get a chance to fight. It would not come as a result of a bloody conflict, it would be the result of a peaceful penetration. Nations have been overrun and conquered by force of arms and they have survived and gone on. But a peaceful penetration perhaps by a more virile nation, certainly by a more numerous and more prolific one, one accustomed to a lower standard of living—the dominance of that race once accomplished will be forever.

If you look at the issue a little further it means more than that. Once let the North American continent be controlled or dominated as are the Hawaiian islands where inside of five years the orientals will be in a majority; go into the question further still and what does it mean? The dominance of the white races over the brown, black and yellow races of the world will be lost. That again seems like a far-fetched reason as the result of a few thousand orientals coming into British Columbia. To draw a picture of the white race losing the supremacy of the world as the result of such conditions seems a dream, does it not? But the history of the world and of individuals tells us that those men and those nations have always gone farthest and most rapidly ahead that have been able to anticipate far ahead the course of events and bend them to their need or guard against any evil

which may be threatening. Historians tell us that this fear of a dominance of orientals, or the dominance of the brown, yellow and black races over the white has been a fear that has been gradually growing throughout hundreds of years. It was far, far away at one time but it is now getting nearer. In spite of our boasted supremacy the fact is that we constitute only 35 per cent of the population of the world, and when you consider the vast development that has taken place during the last twenty years in the education and in the growing aspirations of the brown and yellow races of the world towards independence and towards the control of their own destiny, so to speak, you can perhaps realize that the danger is increasing. And here is another thought which may be far-fetched also in the opinion of some. Once let the white nations of this world be dominated by the yellow and the black and the brown races, inevitably, as night follows day it follows that our white civilization will pass away and be replaced by an oriental civilization with all that it implies. We will go back thousands of years to the time when you will find tyrants ruling over peoples who lived in a state of semi-slavery, degradation and misery. That is oriental civilization and that is what we may be heading for if we do not take the right steps. This is no question of a dream. There are lots of precedents upon which to base this fear. Civilizations have come and gone and left hardly a trace of their greatness. We therefore might well consider whether we want to take any step which would precipitate or make possible such a destiny for white civilization. I repeat, and I will quote a good authority for it, that the preservation of our civilization depends upon the domination of the white races over the coloured races of the world. No less a man than the celebrated Mr. Hughes, the Premier of Australia, speaking the other day in Victoria used this language—I will only quote a sentence:

> "The purity of race," declared Mr. Hughes, "is the chief asset of man, as we understand the matter."

Now that is not a fanatic speaking; that is the premier of a great dominion who has a statesman's attitude and a knowledge of the situation.

> "If there was anything," he said, "In purity of race as an asset then they in Australia would be able to say that they had preserved it throughout their national history. And that policy was not for the welfare of Australia alone, but for the whole of western civilization."

For these reasons, Mr. Chairman, and very many others with which I will not detain the House, I think it is the duty of parliament and the government to proceed cautiously but firmly, and as speedily as possible, to put into effect the resolution passed in this House two years ago looking for effective restriction in the full sense of the word.

That is the general principle. The results we wish to achieve may be cited as the same as were cited in the case of the Chinese. We want the exclusion of all but Japanese diplomats, Canadian born Japanese and merchants and students.

As to the methods, no extensive legislation is needed. The means are right at hand if we want to take them. I suggest the cancellation of the gentleman's agreement and the enforcement of section 13, chapter 25, of the Immigration Act, 1919, where it gives the power to the minister to prohibit the immigration of any one deemed unsuitable, having regard to climatic, industrial, social, educational, labour or other conditions or requirements of Canada, or because such immigrants are deemed undesirable owing to their peculiar customs, habits, modes of life, methods of holding property, and because of their probable inability to become readily assimilated or to assume the duties and responsibilities of Canadian citizenship, within a reasonable time after their entry. That has been the law for years, and it has never been employed. It could be enforced with the acquiescence of the Japanese nation without any offence to them, or any direct discrimination aimed at them.

But there is another method which I believe has been a success in a British Crown colony. An arrangement was made with Japan by which any Japanese subject wishing to come to the colony I have mentioned had to have a passport. It had to be viséd by the British consul in Japan, and it was an understood thing between the Japanese nation and this particular Crown colony that instructions would be given to those consuls and agents not to visé any passports given to these people. That has been in force for some years, and has worked effectually without trouble on either side. Either method would suffice in this case. In connection with that there would also have to be evolved some method that would not give offence to their national pride, to give registration to the Japanese now in Canada, because under the recent registration under the Chinese Immigration Act, while it was supposed there were some 38,000 Chinese lawfully admitted into Canada this compulsory registration betrayed the fact that there are something like 10,000 more Chinese actually in Canada to-day than were believed to be in this country. I would be glad if the minister or the government could

see its way to give some expression of what their policy will be, or what steps they intend to take in this matter.

Hon. J. A. ROBB (Minister of Immigration and Colonization): My hon. friend has again brought this matter to the attention of the government. He has stated that we have a gentleman's agreement with the kingdom of Japan. That was modified when Japan recently intimated that they would reduce the number to meet the conditions and restrictions that we were placing against other countries. Japan is not the only country against which we have restrictions. I am bound to say that the people of Japan are living up to their promises fairly well. There are negotiations now between the government and representatives of Japan, and we are also adopting measures to make a more effective record of the movement of the people coming from the Orient, so that we will be able to classify and determine for our own nation and for the nation from which these people are coming the returning citizens and the new arrivals in our country. I can assure my hon. friend that the government has every desire to meet the wishes of all the provinces of this Dominion regarding immigration. But he must keep in mind the fact that Japan has a large population, and that we do a very profitable and very fair business with them. No longer ago than last night, while acting on behalf of my colleague the Minister of Trade and Commerce (Mr. Low) I had to defend a vote for a considerable expenditure, which my hon. friend (Mr. Neill) supported, to erect a grain elevator in British Columbia and it was represented that that elevator was built partially for trade with the Orient. So, in dealing with this matter, we must consider all sides of it. I have no statistics of the trade between Japan and Canada, but I wish to assure my hon. friend that the government have no desire except to see that the arrangement made with Japan is lived up to.

Mr. NEILL: In answer to the statement made by the minister, I may say that the two subjects have no connection whatever. The trade with China is increasing by leaps and bounds, and so is the trade with Japan, and we will do well to continue that trade. The trade is progressing now with Japan, and that trade will always continue when conditions are right. The fact that we are willing to trade with Japan and China does not involve the assumption that we should marry them or let their sons and daughters overrun our country. That doctrine was exploded years ago. This is a matter entirely apart from the Trade and Commerce department, and I would like if the minister would give us an idea of some action by the government along the line of negotiation, rather than a mere idea that we will keep track of them. They will come in, and the question is, how are we going to keep them out?

Mr. MACKENZIE KING: In reply to my hon. friend, (Mr. Neill), I might say that, recognizing the importance of this problem, not only from the point of view of the province from which he comes, but from the point of view of the whole Dominion, I took occasion a short time ago to have another conversation with the Consul General of Japan, who is the representative of the country here, concerning the statistics on record in our department, and the statistics which were coming from Japan. I have to confess that, so far as our own statistics are concerned, it did not appear that our department had been keeping a separate record of the numbers that were returning immigrants, as contrasted with others who were coming in for the first time. The Japanese government have kept a very careful record in that regard. I drew the attention of my colleague, the Minister of Immigration and Colonization (Mr. Robb) to the matter and his department have taken steps to have the record kept in a more detailed manner. I am inclined to think that an accurate statement of the statistics would tend to show that the large numbers that have been appearing in the recent statistics are, many of them, Japanese who left Canada in the last year or two and who have been returning. As my hon. friend knows, a great many Japanese leave Canada every year for Japan and return six months, twelve months or two years later. We have consistently maintained that if a Japanese becomes a resident of Canada we should permit him to return to Japan and come back again. These returning Japanese have appeared on our list as Japanese arrivals, so to speak, and we have looked upon them as newcomers. As a matter of fact, they are not.

Broadly speaking, Japanese coming to Canada fall into the category of labourers or non-labourers. I think, so far as the problem is concerned, it is esentially a labour problem. With the class of Japanese who are not labourers we are not concerned in the matter of restriction of numbers, beyond making perfectly sure that labourers do not get into this country under the guise of non-labourers. For example, among the non-labouring classes would be government officials. No one in Canada wishes to

exclude any government official of Japan. We want Japanese government officials to feel just as free to travel through this country, and to get as intimately in touch with Canadian conditions, as we would wish the Japanese government to permit our government officials to travel through Japan and become acquainted with Japanese conditions. The same is the case with students. I do not think anyone in this country wishes to prevent bona fide Japanese students from coming to our universities and colleges for training. As is well known, the number of students from Japan who attend universities in the United States is very considerable, and these men, returning to Japan with a knowledge of American conditions, have been really the forerunners of a considerable trade development, to say nothing of being of great assistance in their own country in helping to bring about standards of living, and of industrial conditions similar to those which exist on this continent. I do not think one need argue the point as to the importance of encouraging Japanese students to come to our universities in order to become acquainted with our standards in matters of civic life, methods of government and the like, and to return to the Orient with those ideas. That, really, is the most effective kind of missionary effort, to let the oriental see the civilization we have, and if in any particular we are ahead, to let him carry those ideas back to his people.

Another class is that of merchants, and so long as we are sure that the men who are coming to this country from Japan are not labourers travelling in the guise of merchants or petty shopkeepers who are competing with similar classes in our own country, but are bona fide merchants seeking to develop trade between the two countries, I feel that most people in Canada would wish to have them admitted.

Mr. NEILL: The right hon. gentleman will remember that I specially mentioned those as being admittable immigrants. I did not wish to exclude them.

Mr. MACKENZIE KING: I think my hon. friend will admit all that I have said up to the present moment. He takes a broad view of the question. I wish to repeat the broad line of distinction as I see it is between the labouring classes, so to speak, and the classes other than the labouring classes. I am enumerating the latter. Again there are travellers from Japan, young Japanese of families in Japan apparently able to send their sons abroad, and others who are able to travel for reasons of research or pleasure. No one would wish to exclude any of those classes. That is a very considerable group; and among the Japanese that have been coming to Canada of whom we have kept a statistical record, are many belonging to those classes. Then there are some under the heading of miscellaneous, a few types of individuals, whom I have not mentioned; but they will occur to anyone on thought—missionaries, actors and the like—who might be passing through the country.

It is with respect to the labouring classes that the problem asserts itself. Broadly speaking, of the labouring classes, there are those who come as contract labourers, those who come as Japanese labourers to work on farms of Japanese and those who come as domestic servants.

Mr. NEILL: And their wives.

Mr. MACKENZIE KING: Yes. I admit as regards those classes—contract labourers, domestic servants, and agricultural settlers—the gentleman's agreement to which my hon. friend has referred restricted their numbers to 400. The latest understanding with the Japanese government was that those numbers would be kept down to 150. If we can keep them down to 150, there will be very few in Canada who will take strong exception to such a limited number, but we want to be perfectly sure that they are being so restricted. If there is any doubt about restriction to 150, because we fix that as a maximum, I would agree with my hon. friend that we may have to take drastic measures to ensure that the number is so restricted.

Mr. NEILL: If the limit was 150 heads, that is total immigration of any kind, that could be handled, but under the section dealing with the women, the number is absolutely unlimited. Any woman who says: "I am the wife of So-and-So" can come in, and that is the principal objection, because they will come in and raise children.

Mr. MACKENZIE KING: My hon. friend is right in drawing to the attention of the department the importance of having a clear understanding with the Japanese as to the number to be admitted as the wives of those who are already in the country or of those who may come in. The Department of Immigration is taking up that very matter with the Japanese government, because we have recognized the loophole there which admits of possibilities that are considerable. With respect to one class, the contract

labourers, the gentleman's agreement provides that no Japanese shall come into this country as contract labourers except with the approval of the government of Canada. The government of Canada have not given any approval thus far for the admission of Japanese labourers as contract labourers, and we do not intend to. It was thought advisable, at the time that agreement was drafted, to have inserted some clause which would permit, if an exceptional need arose, owing to some unforeseen circumstance, of bringing in men under contract. The clause was understood at the time as having that significance and nothing more. Under that head none have come in. Those that are coming in are coming in either as domestic servants or as settlers on land owned by Japanese who are farmers. The only other class is that of returned immigrants or the wives and children of those men who have been here. I repeat that I think our department can exercise perhaps a closer scrutiny than they have in the past. I believe the Japanese government are trying to live up to their understanding with our government; but as we all know, outside of the government altogether there are in Japan agencies that are interested in getting numbers of their people into this country if that is at all possible, and we must take every measure conceivable to prevent anything of that kind. We should seek to be strictly honourable in our relations with the government of Japan; but the government of Japan should not take exception to anything that we do to see that the number of those who come into this country does not exceed the number actually agreed upon between their government and ours.

May I add just this further word? The feeling that has been aroused in Japan as a result of the recent action of the United States government is somewhat tense at the moment, and we ought to take account of that circumstance. If we can gain our object of restricting effectively immigration from Japan without intensifying the feeling against this continent at the moment, that will be all to the benefit of Canada in the long run, and I am sure that my hon. friend will be the first to agree with me in that. I believe too at the moment the Japanese are very friendly towards us, and that if our commercial agencies will take advantage of the psychology of the situation, if I may use that expression, there is a chance at this time for Canada to develop immensely the trade between our country and Japan in a manner that will be very beneficial to the people of British Columbia in particular and indirectly to the people of our Dominion as a whole. The government feels that that is one aspect of the question of which account should be taken, and we are therefore continuing to proceed along the line of endeavouring to secure by diplomatic methods what, perhaps, our friends to the south of us have despaired of obtaining in that way. If we find that we cannot get effective restriction in the manner I have described, the government will be prepared to consider any further restrictive measure which my hon. friend or his friends from British Columbia may bring to its attention.

Mr. McBRIDE: Mr. Chairman, I think the hon. member for Comox-Alberni (Mr. Neill) has fully covered the ground. No one has attempted to contradict his statement that the two races, the yellow and the white, will never assimilate. Why, then, should they be allowed to come together? Eleven years ago the Japanese birthrate stood in the proportion of 1 to 252 white; to-day a Japanese baby is born in British Columbia for every thirteen whites. If that rate of progress continues during the next ten years, the Japanese birthrate in the province will exceed that of the whites. Surely we do not want such a condition of affairs, therefore I would urge the government to at least put a stop to Japanese women entering British Columbia.

Mr. WOODSWORTH: Mr. Chairman, I am very glad indeed to hear the Prime Minister's words with regard to our seeking to avoid the passion and prejudice which exists at the present time as evidence in the action of the United States. It seems to me that when all over the world international relations are somewhat strained, and we have not altogether recovered our normal way of looking at things, it is very essential that we should avoid occasions of friction between the nations.

I agree with the member for Comox-Alberni (Mr. Neill) that we ought not to permit the incoming of orientals, or, for that matter, of any other group to lower our standard of living. I think the hon. member contributed a great service the other evening when he so well called attention to the fact that by the bringing in of a certain number of Chinese in bond on the British Empire Steel Company's boats the immigration law had been practically evaded. There is a danger that in this way we may establish a very vicious form of peonage in Canada, at the same time lowering our own standards and degrading the unfortunate immigrants who are thus brought in without proper safeguards.

But I call attention to the fact, as I have done on previous occasions, that mere exclusion of Asiatics will not solve the economic problem of the competition of the oriental races? The fact is that if steamers cannot be repaired cheaply enough on this side of the Pacific they are repaired on the other side; the fact is that these ships which enter our ports from China, Japan and other parts of the Orient are bringing in goods that are made by cheap oriental labour, and these goods compete with our goods, and thus with our workmen. So I repeat, exclusion is no final solution of the economic problem. However, I protest as emphatically as I can against the attitude taken by the member for Comox-Alberni when he used words something like this: That the preservation of our civilization depends on the dominance of white races over the other races of the world. If that be the case, then the sooner this civilization perishes from off the face of the earth the better. Does the hon. member mean to say that we of the white race must eternally bestride this earth and keep other races in subordination? It seems to me that this is the very doctrine which some people accused the Germans of preaching, and for the defeat of which the world war was supposed to have been fought. It is this use of the word "dominance," this idea of some superior Nordic race, that is responsible for a great deal of the trouble which we have at the present time, and I do not think that such a statement should go unchallenged. The hon. member recognized that this was indeed a world-problem, but I submit that when he advocated exclusion and expressed a great deal of prejudice against other races he did not offer anything like a world solution of the problem.

Mr. NEILL: I did suggest a solution, I submit. I suggested that if the white civilization was to be maintained we should maintain the white domination.

Mr. WOODSWORTH: That is the kind of solution which I think any thoughtful or far-seeing man will surely repudiate. The immediately practical solution was that we were more or less to exclude those people from our territories. But exclusion is no solution of the problem. If we are to have trade, it involves our going over to those other countries, and also inevitably involves more or less their coming over to this country; it means that our ships must go abroad, and it will very likely mean that their ships must come here. What about our relations with other countries, India, Egypt, China; does it mean that the British people must preserve their dominance there? I would suggest that these countries having learned a measure of our civilization, if you like, having learned something of the industrial methods of the western world, will in the future be in an altogether different position; they can now compete as they never could before with the western nations, and they can, if necessary, resort to force as the western nations have done in the past. Are we willing to withdraw from all these different countries where our commerce has penetrated, and whence to-day our financiers are drawing immense revenues? That is the question that, it seems to me, we ought in all fairness to ask ourselves. The modern world is becoming a unit. We cannot any longer hide ourselves behind stone walls and thus hope to solve our greater problems.

So far as this country is concerned, if Japanese or other Asiatics are permitted to come in—and I am not asking that there should be an influx of them, although as a matter of fact I think that the danger of such an influx is very greatly exaggerated—but if we allow a certain number of them to make their homes in the Dominion, then in all fairness we should advance a step further and allow them to take their part in our citizenship. As a matter of fact, when the war broke out a very considerable number of Japanese in British Columbia went to the front and fought for this country, which at that time was supposed to be the very best way of showing one's patriotism. Indeed, in Stanley Park there stands to-day a monument to our Japanese soldiers who fell in the war. I know that those who belong to His Majesty's forces have the voting privilege even in British Columbia; but there are Japanese civilians perhaps who are as loyal as those who fought in the late war.

But, Mr. Chairman, let me turn to the general question of immigration. There are three closely interrelated problems, immigration, emigration and unemployment; for it seems to me that our immigration problem cannot be considered apart from our problems of emigration and of unemployment. Reports received from the various unemployment services located at 56 centres throughout the Dominion indicate that at the present time there is a lesser demand for labour in comparison with the available supply than was the case at the same period of 1923. There is in fact unemployment of some consequence, reported from a number of the centres send-

ing in returns, and it appears that there is no shortage of labour of any proportions in any district of occupation. The unemployment service of Canada gives a statement for the half months ending June 15, 1922, 1923 and 1924, as follows:

Totals for Canada	Vacancies		Registered during period	Applicants		
	Reported during period	Unfilled at end of period		Placed		Unplaced at end of period
				Regular	Casual	
1922	18,308	6,706	20,702	11,688	3,468	17,828
1923	20,480	9,757	21,700	13,435	4,164	9,384
1924	12,910	4,256	17,188	8,479	3,515	13,976

I would like hon. members to note that while last year there were registered a larger number of unemployed, 21,700, and this year only 17,188, last year there were unplaced at the end of the period only 9,384 while at the end of the period this year the unplaced amounted to 13,976. That is, a large number of people are not registering this year; they know it is useless for them even to go to the registry office. But even of those who do go to the registry office a much larger number are unplaced than were unplaced at the corresponding period last year.

Inquiry at the Labour department shows that recent weeks have witnessed curtailment in the iron and steel industry in Nova Scotia, and in the logging and lumbering industry in British Columbia. The coal mining industry both in Nova Scotia and in Alberta and British Columbia, is in a very dull state. In Nova Scotia short time, owing to a dearth of orders, is in evidence, while in Alberta and eastern British Columbia the industry has been crippled by the continuance of a strike. On Vancouver Island the mines are invariably working below capacity. In the provinces of Ontario and Quebec short time is quite frequent in factories, while a number of the manufacturers report that operations are below normal for the season and in some cases staff reductions have been carried out in recent weeks. I could give some illustrations of that. I had a very strong letter only to-day from Stratford where a large number of Canadian National Railway employees have been laid off owing to the slackness in work —many of them skilled mechanics who have been employed for a considerable period. In Nova Scotia, according to the last number of the Maritime Labour Herald, the situation is described as follows:

> No bleaker outlook ever faced the workers of Nova Scotia than that which faces them to-day. Two thousand men have been laid off work in New Glasgow, who were employed in the steel works and car works there. For these men nothing was done at Ottawa when the rail order was got for Sydney.

And further:

> At Inverness there are at least 800 miners idle. The mine there has been closed down for weeks and the people of that town are in such destitute circumstances that a public appeal is being made on behalf of these starving miners. The politicians have done nothing for Inverness. At Sydney Mines there are still 300 idle miners who have to rely on the small donations of their fellow mine workers to keep them from actual starvation. The 3,500 steel workers in Sydney have only a few weeks more work between them and idleness and want. As a direct result of the closing down of these plants the 12,000 Nova Scotia miners who are now working two and three days a week will have their working still further reduced.

Mr. CHISHOLM: The fact that miners are idle in Inverness is due not to lack of market or any other correlated cause, but to the circumstance that the property is in litigation.

Mr. WOODSWORTH: Quite so, but the miners have just as hard a time, whatever the cause.

Mr. CHISHOLM: I quite understand that.

Mr. WOODSWORTH: In the studies which are made from time to time by our own Labour department, there are three main classes of statistics which reveal in some degree the extent of the unemployment situation. In the first place the percentage of unemployment among trade union members is reported by about 1,450 trade unionists as being 7.3 per cent on June 1, 1924. While somewhat of an improvement over June 1, 1922 and a very considerable improvement over June 1, 1921, this was less favourable than the figures for either of the years 1923 or 1920. Then, there is a bulletin issued monthly by the Dominion Bureau of Statis-

tics dealing with the unemployment situation. That bulletin shows that as of June 1, 1924, the index number stood at 95.2 and that on June 1, 1923, the comparable figure was 97.3 while on June 1, 1922, it was 89.2. Thus while June, 1924 registered an improvement of 6 over 1922 it disclosed a decline of 2.1 per cent as against June, 1923. Further, the Dominion Bureau of Statistics shows in a tabulation the value of all building permits issued at 56 different centres throughout Canada. Without giving the figures I may say that they show that approximately one-fifth less work in the building and construction industry has been authorized at these 56 centres this year than was the case last year. It is not taking too much for granted to assume that the building and construction being undertaken this year is considerably less than last year.

Mr. ROBB: If that is the case how does my hon. friend explain the strike in his own city of Winnipeg recently wherein men who were receiving $1.10 an hour struck for $1.25?

Mr. WOODSWORTH: The figures I am giving are official figures, and I have no doubt they are correct.

Mr. GARLAND (Bow River): What are they taken from?

Mr. WOODSWORTH: From a statement given by the Dominion Bureau of Statistics. In answer to the minister may I suggest that it is hardly necessary to enter upon the history of the Winnipeg strike. I have all the statistics here with regard to the building trades. As far as the Winnipeg strike is concerned, the fact is that for a good many years past the bricklayers have gradually been building up a rather high scale of wages, as measured by the amount per hour, but the trouble in the city of Winnipeg is that bricklaying is a seasonal occupation, and many of these men work for only four and five months in the year. For several years past there has been very little work in the building trades, and a large number of mechanics at Winnipeg have had to go to Chicago and Detroit in order to obtain work.

Mr. BEAUBIEN: Was not that on account of the strike of 1919? Did not the public lose confidence after that strike and refuse to invest their money?

Mr. WOODSWORTH: Not at all. Further than that the cost of living has become extremely high all over, and apparently these bricklayers were able to force the nominal wage up a little bit, although their real wage is not higher than it was some time ago. I have here a statement as to the unemployment situation in Winnipeg at the present time:

> During the winter of 1920-1921 the city of Winnipeg gave employment relief to 7,000 people; in 1921-1922 to 12,680; in 1923-1924, to 8,955 people, in addition to those employed on relief work. The situation in the month of June, 1924, is such that special measures have been taken to deal with those out of work, and relief has been granted.

That is June of this year, within the past few weeks, when ordinarily almost every man who wished to go out to the country could obtain work, and when the city of Winnipeg usually shuts down entirely on its relief work. There is a comment made by the Independent Labour Party of Manitoba:

> Many workers come to this country with the object of going on to the farms. We would point out that there is considerable destitution even among the farming communities. In the province of Manitoba in the farming districts, something like 150 schools were closed during the past winter because the farmers could not pay the taxes necessary to keep the schools open. Most of these were among the more recent areas opened up.

During the past session of the legislature of Manitoba special measures have had to be passed to care for these districts.

Mr. BEAUBIEN: Have not schools been closed in some of the oldest settled districts?

Mr. WOODSWORTH: Yes, some of them.

Mr. BEAUBIEN: And the reason was that these people built beyond their means.

Mr. WOODSWORTH: The reason was that in some of the older settled districts many of the early settlers had made their money out of the increased values of lands, and had gone off to the towns to live. Tenant farmers came in and had to take the land over at high rentals or buy it at greatly enhanced values, while at the same time the cream, if I may use the figure, had been skimmed off the land. It was in poor condition in some cases, weedy, and in other parts of the country the humus had been taken out of the soil, and these new tenant farmers found it impossible to make a living on land which originally produced well for the first settlers.

I have had a large number of resolutions sent to me during the past few months, which I will not take the time of the House to read, covering the situation from the standpoint of the working classes, from coast to coast. I may say, it is much the same story—men out of work everywhere, or working part time. It is all very well for us to read these statistics, but, Mr. Chairman, I would like to ask you to picture the effect on the men and the women and the families involved in such a

condition as this. For many years I had something to do with social work in the north part of the city of Winnipeg. I know what it is to try to organize relief work. I know what it is to have to come into close contact with the distress that prevails under such circumstances, and I submit that with thousands and tens of thousands of our Canadian people not knowing which way to turn in order to get work, the men becoming demoralized through lack of work, the women becoming heartbroken, and even the children deteriorating through a lack of nourishment—take those articles published a few months ago by one of the Montreal papers, dealing with the question of tuberculosis in that city owing to the lack of nourishment among the poorer classes—I say that when you consider these facts you must pause and ask yourself whether it is wise under existing conditions to continue to induce people to come to this country to compete with workers in an already overcrowded labour market. As I listened the night before last to the debate on taxation, when we were asked to give large salaries and appoint new boards to consider how people might more scientifically be taxed, I thought of the large numbers of the common people. I am not ashamed to say that I represent the heaviest taxpayers in this country, the common people, because after all the taxes sink down until they rest upon their shoulders. In view of the increased burdens so scientifically adjusted, I recalled some words that are credited to Count Tolstoi: "The government is willing to do anything for the people except to get off their backs." That is the feeling that is becoming prevalent among very large sections of the people here in Canada, and from the standpoint of unemployment I say it is a question whether we should at the present time bring in more people. Just on that point I had a little note a few weeks ago from a friend of mine, from a rather unexpected quarter, a business man of some standing. It shows how the immigration plan sometimes works out in practice. He says.

When I was last in Toronto, the secretary of the Old Colony Club—

A club to which he belonged.

—at the King Edward was telling me the chambermaids in that hotel had been notified of a reduction in wages from $35 to $25 a month, a cut of $10, and they were told if they did not choose to take it there were a number of first-class Scotch immigrant girls available who would be glad of their jobs. Knowing the Scotch as well as I do, I do not believe these girls would have left their homes in Scotland to come over here and beat down the wages of Canadians, probably Scotch immigrants themselves in earlier days, if they had known it in advance.

[Mr. Woodsworth.]

We have had in the larges industries, mechanics brought in and asked to take the places, at lower wages, of men who are now occuping these positions. Down in Nova Scotia, with so many miners idle, miners are being imported. I had documents placed in my hands a few weeks ago showing the wretched devices resorted to by some of the companies—the employment of spies to obtain a knowledge of conditions, to go in and out and make themselves good fellows among the men, and then either quiet down or foment trouble, as the case might be.

Now I pass to another side of the question, and that is the emigration from Canada, and I ask whether, looking back through the years, our policy can be said to be successful, when it has not even maintained the population which we would normally have had in this country. Since 1900 our immigration has been as follows: From the British Isles, 1,475,-119; from the United States, 1,446,924; from other countries, chiefly European, 990,609, or a total of 3,912,652. With our present population of say 9,000,000 we have, during the past 25 years, received 4,000,000 of immigrants. Surely it is time to ask whether, if we are not able to keep these four millions of immigrants who have come to us, it is worth while our spending money in trying to bring in more. Last year the hon. member for Bow River (Mr. Garland) presented certain statistics which I think should be repeated this year. In 1871 we had a population of 3,689,257, and if we had kept that population and just added the immigration to it, we would have all the numbers we have to-day, making no allowance for natural increase. These facts are striking. We have spent on immigration into this country—that is officially spent as a government—$30,207,894, and we have not a single soul to show for it. Now I ask what of the past year? Mr. C. Grant MacNeil, the Dominion Secretary of the G.W.V.A., recently has been making public some significant facts regarding what he described as a "gigantic debacle." He says:

During 1923 we brought 137,320 people to Canada, but lost 182,369 to the United States. Each month we admitted an average of 11,443 people and chased out an average of 15,197 people to the United States. We presented the United States with a quota equivalent to our total immigration from all sources, and 4,500 of our resident citizens in addition. The expenditure on immigration for 1923 approximated three and a half millions of dollars which was exactly the price we paid for our generous gift to the United States.

Mr. MacNeil estimates that about 100,000 of the men who served in the war are now residents in the United States. He also points out that the United States census of 1920

discloses that 1,117,878 persons of Canadian birth were resident in the United States. On March 31, 1923 out of a total of 63,057 pensioners, 4,434 were resident in the country to the south. A pension was being paid at that time to 12,468 individuals not residing in Canada. If you wish to study further some very interesting tables I will refer you to a recent number of Industrial Canada.

Mr. GARLAND (Bow River): What is that paper? Is it an official organ of some kind?

Mr. WOODSWORTH: I am afraid I cannot say. The article referred to was published in Industrial Canada and reprinted in the Veteran.

Mr. GARLAND (Bow River): Is not Industrial Canada the official organ of the Canadian Manufacturers' Association?

Mr. WOODSWORTH: I am inclined to think so.

Mr. DUFF: What is the answer to all this story?

Mr. WOODSWORTH: The answer to this—

Mr. McCREA: What is the cure for it?

Mr. WOODSWORTH: The cure? Well I am coming to it.

Mr. McCREA: Free trade, I presume?

Mr. WOODSWORTH: I am not going to give such a hackneyed answer as that because I doubt very much whether free trade, even if we had it, would solve all our problems.

Mr. McBRIDE: Does the hon. member know any better country to live in than Canada?

Mr. WOODSWORTH: Apparently 100,000 of the men who fought for this country thought there was a better country to live in as they have gone to the United States.

Mr. McBRIDE: Answer the question.

Mr. GARLAND (Bow River): He does not have to answer it.

Mr. WOODSWORTH: One at a time. I would say to the hon. member for Cariboo that I am not discussing what country is the best to live in, I am discussing certain Canadian policies and I—

Mr. DUFF: Not policies, conditions.

Mr. WOODSWORTH: I am coming to policies. Before we can adopt a proper policy we must know what the conditions are.

Mr. DUFF: What is the policy?

Mr. WOODSWORTH: I have been outlining the conditions—

Mr. DUFF: Let us have the policy.

Mr. WOODSWORTH: I have been outlining the conditions and I think no one will dispute that the statistics I have given are correct statistics. Most of them are official.

Mr. DUFF: One would think this was a poor country to live in.

Mr. McBRIDE: The hon. gentleman's figures are absolutely incorrect as far as British Columbia is concerned.

Some hon. MEMBERS: Oh, oh.

Mr. WOODSWORTH: If these statistics with regard to British Columbia are incorrect I would suggest that the hon. member for Cariboo should take up the question with the Bureau of Statistics. The figures I have been quoting originated from the Bureau of Statistics.

Mr. HANSON: Make it snappy.

Mr. DUFF: Let us have your policy.

Mr. LEWIS: You said that at least 100,000 who had fought in the Great War felt that the United States was a better country than Canada?

Mr. WOODSWORTH: They seem to feel that.

Mr. LEWIS: Would you say the same of the people of other countries who come to Canada?

Mr. WOODSWORTH: Undoubtedly. Now I submit that we are not dealing with policies just now. We are dealing with an item of expenditure, and I am discussing that item directly. The point is this: We have spent enormous sums of money, either directly or indirectly, in importing immigrants to this country, yet a large number of the people who have come here have found it undesirable to stay in Canada and have passed on to the great republic to the south.

Mr. DUFF: Is it the same people or others who have gone to the States?

Mr. GARLAND (Bow River): Usually Canadians.

Mr. WOODSWORTH: Well, I have the statistics on that point.

Mr. DUFF: I have asked you a question

Mr. WOODSWORTH: Partly both. But to a considerable extent our whole immigration policy has led to a displacement of native-born Canadians by those from Great Britain or the Continent.

Mr. DUFF: You did not say that at first. You said that the same people who came in went to the United States. That is not correct.

Mr. WOODSWORTH: A very considerable number of people have gone over. I would say that a very considerable proportion of the 100,000 returned men who went over were born in the Old Country.

Mr. DUFF: Perhaps we are better clear of them?

Mr. WOODSWORTH: If it is a case of replacement I am Canadian enough to believe that our own people are of as good a stock as those who are coming to us from different parts of the world.

Mr. DUFF: Hear, hear.

Mr. WOODSWORTH: It seems to me that is one of the serious aspects of this whole question—that we cannot retain our own native-born population.

Mr. DUFF: How do you propose to retain them?

Mr. WOODSWORTH: My hon. friend is so anxious to get on that I am not going to dwell any longer on statistics.

Mr. LEWIS: How would the stopping of people coming into Canada from other countries prevent the native-born from going to the United States?

Mr. WOODSWORTH: I do not know that it is necessary to answer that question; it is absolutely irrelevant to the matter under discussion.

Mr. LEWIS: Not at all.

Mr. DUFF: What are we discussing?

Mr. WOODSWORTH: We are discussing an item in the estimates.

Mr. GARLAND (Bow River): Mr. Chairman—

Mr. WOODSWORTH: Just a moment. I will answer the question in this way: We propose to expend a large sum of money in introducing more immigrants to this country, and in that connection I am questioning whether this policy is a good or a sufficient policy for Canada. I think I am quite in order. The two points which I have tried to make clear to the House are, first of all, that it is a cruel thing to induce people to come into an already overcrowded labour market. It is a wrong thing for us to bring in people who next year will be unemployed, as was the case with a very considerable number of the British harvest hands who came last August. The second point is this: That despite all the large numbers that have been brought into this country in the past 25 years we have been unable to increase our population, and that raises the question as to whether we should not adopt or discover some other policy by which we can retain our people and build up a stable population in Canada.

Now just a word before I pass on to speak of one or two details with regard to the class of propaganda we have been carrying on in order to get people here. We have been giving immense sums to private organizations. From 1909-10 to 1923-24 we paid out to one organization alone, the Salvation Army, $365,404.97. That was an enormous sum to pay to one organization. I am not discussing the question as to whether it is a good organization or not, but I do say we have paid out large sums to this organization, and I can show, as I did on a previous occasion, that a considerable number of those who have been brought in, especially juvenile immigrants, have not by any means been up to the mark. With regard to juvenile immigration I brought forward some weeks ago a number of statistics from some of our leading social workers in Canada, as given at a congress in Winnipeg a few months ago, showing the low grade immigrants that were being induced to come to Canada by certain organizations subsidized by this government.

Even in connection with the work of our own immigration officials, there are being published—I will not say false, but I think I can truthfully say misleading—statements. We had distributed to us only a few weeks ago a pamphlet entitled, "Canada, the new homeland," which I understand is being given to the visitors at Wembley. This pamphlet states that Canada is a land of homes. Go to Manitoba, Saskatchewan and Alberta, out into the rural districts, and ask how many of those homes are mortgaged. We have been discussing that question in connection with the committee on Banking and Commerce, and we recently placed some new legislation on the statute books in order that we might deal with bankruptcy in the prairie provinces. Go into our cities in this country, and ask how many homes are clear of debt. This

pamphlet describes it as a land of homes, and yet we find that a great many men who came here as immigrants many years ago are unable to obtain homes of their own. The pamphlet asserts that Canada is a land where all the people who are intelligent and industrious may reasonably expect success. Now, in the face of conditions as revealed by the official statistics of this government, I cannot allow such a statement to go unchallenged. As I have said, a hundred thousand of the returned men, who thought it worth their while to go and fight for the country, found that in a few years they had to leave the country for which they fought, because they were not able to maintain homes here.

Mr. DUFF: Whose fault?

Mr. WOODSWORTH: I think very largely the fault of the policies of this country.

Mr. McCREA: Free traders are to blame for that.

Mr. DUFF: Whose policy?

Mr. WOODSWORTH: Lack of policy.

Mr. DUFF: Or lack of policy by a lot of people who have more mouth than work.

Mr. McCREA: A lot of people in this country are better talkers than workers.

Mr. WOODSWORTH: I would submit that these hundred thousand men we acclaimed as heroes cannot be regarded as men who just talk and do not work; yet they could not find work. Here is another sentence in this pamphlet, which reads:

> Understand clearly that the reason why land is so cheap in Canada—

Mr. McCREA: Before the hon. gentleman leaves this question, I will ask him to give a little advice. He has been dealing with the woes and the miseries of the people of this country for the last half hour, telling us about their troubles. Has the hon. gentleman any policy to propound for improving it. It is easy to find fault, but what is the hon. gentleman's policy? I understand he is in favour of protection for the labouring classes and free trade for everybody else.

Mr. WOODSWORTH: Later I may say a word or two with regard to the policy, but I understand that under the rules of the House a member of the opposition cannot advance any effective policy. He cannot propose a policy that would involve the expenditure of one red cent, so that he is reduced to being a critic of the policy advanced by the government. I will read a sentence or two more from this pamphlet as follows:

> Understand clearly that the reason that land is so cheap in Canada is that it is so plentiful.

That may be one reason, but it is only one reason, as any hon. member who is familiar with the situation knows very well. The colonization branch of the Immigration department has advertised in its own publications that there are large numbers of abandoned homesteads and other farms that can be obtained cheaply. The fact is that the people who went out and built their homes, and tried to make a success have failed. The literature of the department itself, shows that the reason that there are cheap lands in this country is not exclusively that they are so plentiful. This pamphlet goes on to speak of the forest growth, of the mineral wealth, of the fisheries, and so on. Undoubtedly that is all true, and I will add one statement to those given in this pamphlet. At a convention of land surveyors held here in Ottawa at the Chateau Laurier on February 5th and 6th, 1924, Colonel Dennis, director of the Natural Resources department of the Canadian Pacific Railway stated that there were 63,000,000 acres of privately owned unoccupied lands within fifteen miles of the railway in the West. Those lands are unoccupied. It is also important to note that they are privately owned. In this country a few years ago we had the idea that we would like to have this country a land of homes, and the government initiated a policy by which it thought to accomplish that purpose, and the lands were divided into homesteads, but what has happened? A very large number of the homesteads are not now in the hands of those who originally took them up, and other large areas of land have been alienated from the Crown and are now in the hands of private individuals or private corporations.

Now Mr. Chairman, I submit that this year ws should face the question frankly, and ask whether the present policy of the government of continually dumping people into this country will solve the problems confronting us at the present time. I do not think so, and hence I feel we cannot go on supporting the expenditure of large sums of money to bring in immigrants.

I had not intended to say anything with regard to what policy I would put forward. I have attempted on other occasions to outline certain general principles. If the members are interested, they can look up some of my old speeches in Hansard.

May I mention however a few things that will have to be done if we are to hold our

population in this country. Living conditions must be made tolerable. These vast resources, which we say are Canada's, but which are held by only a few people, must in some way be made available for the vast majority of the people. In some way or another the cost of living must be cut down. I cannot see how our manufacturers, and I have a good deal of sympathy with them—

Mr. ROBB: How does my hon. friend propose to reduce the cost of living, for instance, rent? By defending the recent strike in Winnipeg when men struck for $1.25 an hour instead of $1.10? I am not questioning whether it was right or wrong, but I am asking my hon. friend if he thinks that will help to reduce the cost of living.

Mr. WOODSWORTH: No; and I will for the moment leave my statement to answer this question. I do not think the increase in wages will reduce the cost of living for the general public. But wages form only a very small part of the cost of production. There are other fixed charges that are much more important and which might be reduced. In my city of Winnipeg and throughout the West the enhanced value of land undoubtedly accounts for a very large proportion of the increased cost of living.

Mr. DUFF: Does the hon. member want the farmers to get less for their products?

Mr. WOODSWORTH: No.

Mr. DUFF: How is he going to reduce the cost of living unless the farmers get less for their products?

Mr. WOODSWORTH: I think the farmers might very well get a little more.

Mr. DUFF: Would that not increase the cost of living?

Mr. WOODSWORTH: No; there are other factors.

Mr. DUFF: How does the hon. member argue that?

Mr. WOODSWORTH: I might mention one that we had up the other day and that is the question of watered stock.

Mr. DUFF: Is there watered stock on the farm?

Mr. WOODSWORTH: Perhaps! but the farmer has to buy cement, boots, textiles and many other things that are produced under conditions in which profits are based on over-capitalization We all know that.

[Mr. Woodsworth.]

Mr. DUFF: That is a small proportion.

Mr. WOODSWORTH: Not by any means. I should like to challenge the hon. gentleman to have a committee next year that would go into this whole question of over-capitalization and find out just what load it places upon the people of this country.

Mr. DUFF: We have had too many this session without having any next session.

Mr. WOODSWORTH: I am well aware that we have had too many for some gentlemen who do not like their affairs to be investigated. I said that I thought there were other policies that would need to be adopted; I also stated that this was not the time nor place to outline those policies.

We are asking that immigrants be brought into this country in order to help to pay the taxes. Sooner or later we must face the problem of raising our taxes in an altogether different way, so that those who can afford to pay will be forced to pay and that the whole burden of taxation will not rest upon the ordinary people of this country who are dependent upon comparatively small incomes. I do not want to broaden out this debate, but I would urge that the government should consider very carefully the advisability of spending more of the people's money to bring immigrants into this country and rather devote a larger measure of attention towards making conditions in this country favourable for the people who are already here.

Mr. McCREA: It is all very well to say that we should reduce the cost of living and everybody believes in that; but how does my hon. friend propose to do it? For instance, the bricklayers of this country are getting $1.25 an hour and, as I understand the matter, the bricklayers in Winnipeg went on strike for more pay. The hon. gentleman who represents labour advocated the justice of their cause. If we follow along the line of everybody getting more money for his services, will the hon. gentleman explain the remedy for reducing the cost of living, because if the landlord or the man who builds houses for tenants has to employ plumbers at $1.50 an hour and bricklayers at $1.25 an hour who go on strike for more pay, that means that those buildings cost more and rents must be higher? The same thing is true all along the line. If the labouring classes throughout the country get more money, which the hon. member advocates and fights for, how are we going to reduce the cost of living? The farmer is producing his part of the cost of living as cheaply as he can. I do not think

the farmers are making too much money on their foodstuffs, and I do not believe the landlords are getting more than a reasonable return for their money on rented dwellings. We have listened for the last hour to a description of the miseries of the labouring classes, unemployment and so forth, but the hon. gentleman should explain his remedy. How is he going to reduce the cost of living? By increasing wages for the labouring classes? By having shorter hours and more money? Ten years ago the bricklayers of this country received fifty cents an hour; they worked ten hours a day and they would lay from 1,500 to 1,600 bricks a day. Now they get $1.25 an hour; they work 44 hours a week and they lay about one-half the quantity of bricks they used to lay. My hon. friend, the advocate of the labouring classes approves their conduct. I approve the idea that every man should get a reasonable wage for a reasonable amount of work, but I do not understand this curtailment of work. How is it that the bricklayers of to-day cannot lay as many bricks as they could ten years ago? All the labouring classes are working along this line, and while my hon. friend representing labour in this House has talked more than any two other members, he has never propounded any plan to do away with the miseries of the people and to reduce the cost of living in this country.

Mr. HANSON: We have had the annual wail from the hon. member for Centre Winnipeg (Mr. Woodsworth), and now that he has relieved himself to that extent, we might get back to business. I desire to draw the attention of the minister to an occurrence in the city of St. John, N.B. in February last when a party of seven young Czecho-Slovakian farmers landed there on their way to the West. Positions were awaiting them in the West with their relatives and they were not in any way to be a charge or likely to be a charge on the country. On landing at the city of St. John they were all medically examined and found to be in good health. But when their passports were examined by the immigration officers it was found that they lacked the visé of the Canadian immigration officer at Antwerp. This was easily accounted for, however, and the explanation showed very clearly that the men themselves were in no way to blame for the omission. As a matter of fact, they had purchased their tickets at the Canadian Pacific offices in Prague, and their shipping orders were marked, "Antwerp to St. John, New Brunswick." But the Canadian Pacific agent sent the party via Rotterdam and Liverpool; that is to say, they were transhipped at Liverpool. Consequently they had no opportunity of getting the necessary visé at Antwerp. These men spoke very little, if any, English. They produced their passports whenever they were asked to do so en route. It is obvious that they should have been asked to produce them at Liverpool, but they were not.

When they reached Canada they were informed that because of the omission of this technicality, due to no fault of their own, they could not land. They were very much amazed to find that they would be deported, simply because of this omission. But they were informed by the immigration authorities at St. John that if they put up $20 apiece they could appeal from the order of deportation. They all appealed, except two, and were obliged to wait while their appeal was being decided at Ottawa. But strange to say the two who did not put up their $20 and appeal were allowed to enter, while those who did appeal and deposit their $20, as advised by the immigration authorities, were obliged to remain under detention as if they were so many felons, but, unlike felons, they were not kept at the expense of the country, they were charged $1.75 a day for their maintenance while waiting a decision from Ottawa. Notwithstanding that the whole fault lay with the steamship officials, these immigrants were kept in St. John for several weeks in a state of great suspense, not knowing whether they were to be deported or admitted. Meantime their positions in the West were kept open for them, and those to whom they were going took their case up and brought pressure to bear upon the authorities in Ottawa. If that had not been done, doubtless these men would have been deported.

Now, these men do not understand yet why they were detained in the city of St. John at great expense to themselves because of this technical omission, due I repeat, to no fault of their own, and why the department has not made some arrangement whereby they shall be reimbursed the expense which they incurred during their enforced stay in St. John. I am not very familiar with the conditions of this case, it has been handed to me by another member who is not able to be present to-night, but I have been asked to make a protest on behalf of these men and to request the minister to have it thoroughly investigated. I know he will take this course, and I am sure he will then arrive at the conclusion that an injustice has been done, and that some compensation at least for their out of pocket expenses will be given these men. No doubt the deputy minister who is present has either already looked into the case, or will, and I am sure he will see that justice is done.

Miss MACPHAIL: Mr. Chairman, I simply rise as a representative of an agricultural riding to protest against a continuance of the present policy of bringing in immigrants. This is a very expensive luxury for the government to indulge in when farming conditions are such that we cannot hold our own upon the land, in fact, when agricultural conditions are so depressed that in my part of Ontario you cannot sell farms, and you can only give them away to persons who do not understand that to-day a farm is a luxury. It has been stated in the press that last year we lost about 45,000 more immigrants than we brought in plus the natural increase. It cost us well over $3,000,000 to make this very expensive experiment. To me it seems utter folly to continue such an immigration policy. At their annual convention last year the United Farmers passed a resolution of protest against this policy. I quite understand the desire to get Canada filled up. That desire is really strongest in the minds of people who are paid for bringing in immigrants, that is, transportation companies and others who make money out of immigrants on their way from their native country until they land here, when they are left to shift for themselves. I have recently been reading a pamphlet issued by one of the transportation companies which are so active in this traffic, and it has afforded me much amusement. For instance:

"How can I get a farm of my own in Canada?" This is the question which thousands of ambitious men, anxious to better their circumstances, anxious to get into a position where they need not fear unemployment or the ups and downs of industrial life, are asking themselves.

Well, it is quite true they need not fear unemployment on a farm; one is often penniless there, but there is always work to do. This is a cleverly written pamphlet. It is true that immigrants who take up farms need not fear the ups and downs of industrial life; on the farm there are generally "downs"—there are no "ups".

I quite understand the position of ministers, and they have my most sincere sympathy, for they are not in touch with the country people. They each have a salary which keeps them from poverty, they do not live among the country people; and when they do go back to their ridings, if they be rural, they are usually surrounded by politicians whose object it is to make things look as good as possible. What do ministers who are not in touch with its people know of the land?

Mr. MACDONALD (Pictou): My hon. friend may not know that the Minister of Immigration spent his early days on the farm. Should he not know something about farming conditions?

Miss MACPHAIL: He knew something about them then.

Mr. ROBB: A long while ago.

Miss MACPHAIL: I am not saying this in any nasty spirit. It is true, ministers have a very small chance of getting in close touch with the people.

Mr. MACDONALD (Pictou): I was born on a farm, and all the relatives I have live on farms, and I am in close touch with them all.

Miss MACPHAIL: I hope I am a good friend of the Minister of National Defence,—

Mr. MACDONALD (Pictou): I hope so.

Miss MACPHAIL: —but I must confess that he does not look like a farmer.

Mr. MACDONALD (Pictou): I hope I do.

Miss MACPHAIL: I wish you did. It is true, however, that some time, whether it be this year or later, the present immigration policy will have to be abandoned. To continue it would be just as sensible as for a farmer to take a leaky pail and try to fill it with milk from his cow. If the hole in the pail is large enough he may milk the cow with the greatest skill and energy, but he will never fill his pail. That is the fault with our immigration policy. I rise merely to protest against the foolishness of the whole thing.

Mr. VIEN: I think it is hardly a true picture of the situation in Canada to say that those who have settled on the land are in such a desperate position that they cannot dispose of their farms even by giving them away, except to those who do not know what they are taking. The constitutency which I have the honour to represent is entirely a rural riding. The county of Lotbinière is settled only by farmers, and I would like my hon. friend (Miss Macphail) to visit my riding so as to correct her impression. She would see there about 150 sturdy sons of the old stock who have taken lands newly opened to colonization out of the old seigniories. They live, it is true, in log cabins, tilling the soil, developing homesteads for themselves and for their children. I do not believe there is any happier group in this country than those sons of farmers who are continuing the developments carried out by their forebears in that section of the country. These people do

not regret that they belong to the farming class. Of course they do not ride in Rolls-Royce cars or in automobiles of any kind, even Fords; they have one horse or a pair of oxen; they live modestly and they practise thrift. They have the qualities of their forebears: they know how to repress their wants and they are satisfied with very little indeed, sometimes with almost nothing at all. I have already invited some of my farmer friends to visit this part of the country, particularly those who complain of the condition of the farming classes. Some of them have said: "It is not reasonable that civilized men should have to make such sacrifices." But those who have built up our national wealth in this way have not looked at the matter from that selfish point of view. They have denied themselves those luxuries which are not compatible with the development of a great country.

Miss MACPHAIL: Does the hon. member live as his constituents do in order that he may accurately interpret their thought?

Mr. VIEN: My hon. friend forgets that in most cases—

Some hon. MEMBERS: Oh, oh.

Mr. VIEN: My hon. friends laugh, but wait a minute; he laughs best who laughs last. When the people of my county want to till the soil, they know that it requires a man who can keep the handles of a plough. When medical services are needed they go to a medical man because he is versed in the art of curing the sick. When they want a representative in parliament they must find somebody who understands their problems and who can defend their interests in this House. If I am not living the kind of life that they live, it is because they have recourse to my services to come here and defend their interests, and that is what I am doing to the best of my ability. It is not sound patriotism to deprecate the conditions in this country. It was not so with our forefathers; had they not been ready to renounce those luxuries and enjoyments that many of our people now appear to desire so anxiously and so earnestly, they would not have contributed so largely to our present national wealth. If my hon. friend will visit northern Ontario she will find that in that part of the province almost 300,000 of the sons of Quebec have established themselves there, opening up new districts to colonization and assisting in that development which means so much to Canada. I am told that those who have settled there are happy and prosperous. Far from closing our doors to colonization I think we should set our shoulder to the wheel and continue the work of our forebears, not with any lack of faith in our great Dominion, but with that confidence in the future that will cause us to ask others to share in the work of to-day and in the successes of to-morrow.

Miss MACPHAIL: I suggest to the minister that if he wants the truth about Canadian farming to be spread abroad in England he send to that country as his immigration propagandist the hon. member for Lotbiniere (Mr. Vien). I would ask the hon. member if he thinks that we should secure national development at the expense of any one particular class, whose work would go to the benefit of others who did not participate in it?

Mr. VIEN: I do not see that the views I have advanced would involve detriment to any class.

Miss MACPHAIL: Before we are through with this little exchange of courtesies, I want to say that for my part I am not without hope for Canada, and I am certainly not without hope for the future of farming in Canada. But the people who understand farming, who are farmers at heart and who have a real desire to help all those who are already on the land as well as those who may come afterwards and go on the land, will yet come here in greater numbers and with greater strength and will change the policies of the nation not only with regard to immigration but with regard to many other things. Some day the people in my hon. friend's riding will realize that if their views are to be given proper expression in this House they will have to come here themselves and express them.

Mr. VIEN: My hon. friend is wrong when she says I do not understand anything about farming.

Miss MACPHAIL: I did not say that.

Mr. VIEN: That is the impression she conveyed to me—that I did not understand much about farming. Well, I think I have a farm which is much larger than hers. I do not think my hon. friend ever tilled the soil or learned about farming as much as I have. I was born on the farm. I own a farm now, and all my forebears have been farmers. I am proud to descend in direct line from the first settlers in this country. My people settled on the farm, and I was brought up on the farm. The farmers I am representing in this House have found that I know the conditions under which they live, and they have sent me here to defend their interests, and I think I do it to their satisfaction.

Mr. McBRIDE: I think we have spent about time enough on this question. However, I do not think I would be doing my duty if I did not make a statement or two in connection with what the hon. member for Centre Winnipeg has said. He refers to people being idle in Canada from one ocean to the other. I am here to state that last February in the city of Vancouver we had to let our horses stand in the stable for want of teamsters. We could not get a man to drive a team for $4.50 a day. Only a little time ago I got letters from the foreman on my farm wanting help, and I had to apply to the Immigration department here to get men to send out to British Columbia and work on the farm. I paid their way out there and to that I had no objection. Some people might say: What are you paying? I was paying $40 in the winter and $50 in the summer, with board and lodging. Is not that a fair wage? When I came to this country first I worked for $30 and was glad to get it and get a start, but there is a certain number of people in this country who seem to think the government should supply them with a wet nurse all their life.

Mr. BOYS: Can the minister give us the number of arrivals in Canada month by month, giving the nationalities, for the present year and last year?

Mr. ROBB: While the deputy is looking up that information I desire first to answer the question of the hon. member for York-Sunbury regarding some seven Czecho-Slovakians who came to this country and were detained. My hon. friend pointed out that something should be done to see that people were properly treated if they were detained. May I remind him that that was the very reason we amended the Immigration Act last week, and put in a provision that the steamship companies should take care of just such cases as he has mentioned? It was not strictly speaking, through a technicality that these people were detained, but through lack of a proper visé under the immigration regulations of this country, which have been framed for the protection of the people of Canada. If the facts are as stated by my hon. friend, there was certainly negligence on the part of the booking agent and the people at the port of embarkation in not having the passports properly viséd. We will have the case very carefully looked into, and if the facts are as stated, try and establish where the responsibility lies. From the statement of my hon. friend I would judge it is on the steamship companies. We will try and deal fairly with these passengers.

[Mr. Vien.]

Mr. FORKE: I called the attention of the Immigration department to this case six weeks ago.

Mr. ROBB: May I remind my hon. friend that in order to get at the facts of this case we have to communicate with people overseas, on the continent, and then follow the matter up to Liverpool, where, as my hon. friend points out, these passengers were transferred. We must get the details in order to establish just where the fault was. Replying to my hon. friend from South Simcoe, I have a long list here showing the immigration by nationalities, and with the unanimous consent of the House I might have it placed on Hansard for the information of hon. members generally. Does my hon. friend want the details of all the nationalities?

Mr. BOYS: I may say to the minister that I am asking this on behalf of another member, and his request was that we should get the information for this year and last, month by month, and the different nationalities.

Mr. ROBB: I will put the information on Hansard with unanimous consent.

Mr. BOYS: I should be delighted to have it put on.

Mr. ROBB: The first is a statement of immigration to Canada, by nationalities, during the four years ended March 31, 1924.

Statement of Immigration to Canada, by Nationalities, during the Four Years ended March 31st, 1924.

	1920-21	1921-22	1922-23	1923-24
English	47,687	23,225	19,188	37,030
Irish	6,384	3,572	3,668	9,719
Scotch	19,248	11,596	11,071	25,057
Welsh	943	627	581	1,113
Total British	74,262	39,020	34,508	72,919
African, South	63	32	41	60
Albanian	6	6	1	7
Arabian	8	5	2	..
Argentinian	4	..	4	..
Armenian	85	70	59	486
Australian	90	76	67	112
Austrian	26	14	23	82
Belgian	1,645	503	316	1,662
Bermudian	8	2	7	4
Bulgarian	4	27	19	267
Chinese	2,435	1,746	711	674
Cuban	..	..	..	1
Czecho-Slovak	308	152	101	2,757
Dutch	595	183	119	1,149
Egyptian	9	2	..	3
Esthonian	..	..	12	51
Finnish	1,401	274	1,171	7,640
French	861	332	281	370
German	137	178	216	1,769
Greek	357	209	177	292
Hebrew—				
Hebrew, N.E.S.	920	2,336	659	948
" Austrian	1	1	1	1
" German	..	..	1	5
" Polish	1,600	5,216	1,379	1,208
" Russian	242	851	753	2,093

Statement of Immigration to Canada, by Nationalities, during the Four Years ended March 31st, 1924—*Concluded.*

	1920-21	1921-22	1922-23	1923-24
Hindoo	10	13	21	40
Hungarian	23	48	23	364
Italian	3,880	2,413	2,074	6,379
Jamaican	18	13	30	24
Japanese	532	471	369	448
Jugo-Slav	89	180	136	1,306
Latvian	..	..	1	11
Lettish	..	..	..	6
Lithuanian	..	19	196	236
Luxemburg	16	5	3	85
Maltese	140	34	57	148
Mexican	1	..	..	1
Negro	144	42	42	42
Newfoundland	1,042	367	1,552	5,346
New Zealand	40	25	33	50
Persian	1	9	1	5
Polish	4,061	2,707	2,921	4,211
Portuguese	4	..	2	..
Roumanian	969	759	427	1,431
Russian	1,077	321	222	3,058
Scandinavian—				
Danish	511	541	382	1,355
Icelandic	50	31	21	27
Norwegian	429	480	507	2,424
Swedish	715	442	948	3,536
Spanish	202	6	15	39
Swiss	235	187	152	1,585
Syrian	443	123	91	286
Turkish	8	3	3	27
Ukrainian	491	89	36	832
U.S.A. Citizens, via ocean ports	110	67	32	134
Venezuelan	..	..	1	6
West Indian	110	24	44	37
Total Continental etc.	26,156	21,634	16,372	55,120
From the United States	48,059	29,345	22,007	20,521
Total immigration	148,477	89,999	72,887	148,560

The next is a statement showing the immigration to Canada, by nationalities, during April and May, 1924:

Statement showing Immigration to Canada, by Nationalities, during April and May 1924.

	April	May	Totals
English	4,408	5,627	10,035
Irish	2,342	1,708	4,050
Scotch	2,510	3,340	5,850
Welsh	150	186	336
Total British	9,410	10,861	20,271
African, South	5	7	12
Armenian	47	40	87
Australian	28	42	70
Austrian	9	17	26
Belgian	314	286	600
Bugarian	21	7	28
Czecho-Slovak	797	325	1,122
Dutch	296	470	766
Egyptian	..	2	2
Esthonian	11	15	26
Finnish	916	890	1,806
French	64	48	112
German	488	373	861
Greek	12	19	31
Hebrew—			
Hebrew, N.E.S.	87	93	180
" Polish	79	19	98
" Russian	282	259	541
Hindoo	2	18	20

Statement showing Immigration to Canada, by Nationalities, during April and May 1924—*Concluded.*

	April	May	Totals
Hungarian	251	155	406
Italian	346	687	1,033
Jamaican	..	6	6
Japanese	60	75	135
Jugo-Slav	463	343	806
Latvian	..	2	2
Lettish	2	..	2
Lithuanian	14	16	30
Luxemburg	20	5	25
Maltese	..	4	4
Negro	..	5	5
Newfoundland	394	348	742
New Zealand	21	33	54
Polish	390	39	429
Roumanian	538	533	1,071
Russian	106	116	222
Scandinavian—			
Danish	553	297	850
Icelandic	1	19	20
Norwegian	865	566	1,431
Swedish	452	442	894
Spanish	1	..	1
Swiss	95	170	265
Syrian	20	23	43
Turkish	5	1	6
Ukrainian	5	4	9
U.S.A. Citizens via ocean ports	17	11	28
West Indian	5	4	9
Total Continental, etc.	8,082	6,834	14,916
From the United States	1,838	1,799	3,637
Total Immigration	19,330	19,494	38,824
Returned Canadians who had been absent in U.S. six months or more	4,087	4,936	9,023

I hope the hon. member for South-east Grey (Miss Macphail) will not consider me discourteous, but the committee will observe that there is a division of opinion regarding what should be the immigration policy of this country. We have just had a complaint lodged on behalf of a certain part of the country by the hon. member for York-Sunbury, that the department was too exacting in its regulations. He was supported by the hon. member for Brandon. The hon. member for Centre Winnipeg, if I understood him aright, would keep people out altogether. The department went very carefully into this question last fall. We called a conference of representatives of all the provinces, and all the provinces sent their representatives. I recall particularly that the representatives from the Maritime provinces wanted increased immigration, and a certain class of immigration. They complained that they had not been properly taken care of, that all the immigration was going to the West, and they wanted us to divert some immigration to the eastern provinces. Ontario was represented by Mr. Martin, the Minister of Agriculture, and surely if there is any person in

the province of Ontario who is authorized to speak for the farmers of that province it should be the Hon. Mr. Martin, its Minister of Agriculture. Mr. Martin was most insistent that we should double our efforts to secure immigration to this country. Both he and Mr. Lyons, the Minister of Mines and Minerals in the Ontario government, were insistent upon a more energetic immigration policy. The province of Ontario has an immigration agent of its own in the United Kingdom. The province of Manitoba was also represented at that conference, the province of Saskatchewan, by the Premier of that province, and the province of Alberta, by the Minister of Agriculture of that province.

Mr. GRAHAM: In a farmers' government?

Mr. ROBB: In a farmers' government. The Minister of Agriculture of the province of Alberta was more insistent, I think, than anybody that we should increase immigration for Alberta. He went a little further and mentioned the kind of people they wanted in their province. He was very anxious to make it clear to us that while they wanted British stock who would go on the land, there were no better settlers, he said, than the Ruthenians and the Galicians, who would go on the land and remain there.

Mr. IRVINE: Was that contention of the Minister of Agriculture of Alberta unqualified? What I mean is this: No one will dispute that we need immigrants in Canada if all the conditions are satisfactory, but does the minister say that the Minister of Agriculture for Alberta unqualifiedly demanded increased immigration?

Mr. ROBB: In view of the discussion we had of this question in the House last session, the department wanted to be sure of its ground before launching upon an immigration policy, and that is why we called the conference. The Minister of Agriculture for the province of Alberta was most insistent that there should be more immigration for that province. I have the record of what was said at that conference and my hon. friend can get a copy of it if he wishes.

Mr. IRVINE: I am not disputing that.

Mr. ROBB: The record is there and will establish the fact that the Premier of Alberta specially mentioned the Galicians, the Ruthenians, the Danes, and other nationalities that are good farmers. Why should not men of the type of the Premier of Alberta urge immigration to this country? Why should they not invite Britishers, their own people, to come to Canada. The Premier of Saskatchewan is an Englishman who came to this country a poor boy and, on his own statement I think, worked for $12 a month or some such sum as that. To-day he is Premier of his province. The Premier of Alberta came to Canada as an immigrant, the same with the Premier of British Columbia. I believe the same can be said of certain hon. gentlemen sitting opposite to me.

Mr. FORKE: Sure.

Mr. ROBB: And they are not the least industrious members in the House—in fact I believe they are the most industrious members we have.

Mr. SALES: Hear, hear.

Mr. ROBB: They came to this country as immigrants. I wonder what would have been their fortune had they remained in their native land? Would they have done as well?

Mr. IRVINE: Not half as well.

Mr. ROBB: But some men are selfish, they do not want their brethren overseas to enjoy the advantages which this country offers. Is that why they are opposing the government's immigration policy? I believe the people of the Dominion do want immigration, and it should be our policy to encourage immigration. Just now we are trying to attract to Canada only agriculturists. There is no man who comes on this invitation but is placed and placed speedily. Let me say—confirming the statement of my hon. friend from Cariboo (Mr. McBride)— that every day the department has demands from people who want additional farm help. No later than yesterday a gentleman in my own county wrote asking me to try and get some help for the farmers in order that they might take care of their hay; and I believe the same demand exists in most of the agricultural districts in eastern Canada. Furthermore, I venture to say that if Providence is good to us and we have an average crop in western Canada we shall have the same demands for help from that part of the country that we had last year.

Mr. CALDWELL: The trouble is they want our hired men from the Maritime provinces.

Mr. TOLMIE: I think everyone will agree that it is necessary to bring immigrants to this country but certain things are essential. One is that we must make the people who are in the country satisfied with their lot before we bring in others. Unless we do that

I feel that we shall simply be making Canada a stopping place for immigrants on their way to the United States. With regard to the necessity of bettering conditions, particularly for the farmer, I think one thing that should be taken care of immediately is to improve our markets to the greatest possible extent providing every possible outlet and establishing the shortest routes to the sea where that can be done.

Mr. FORKE: Hudson Bay?

Mr. LAPOINTE: Order.

Mr. TOLMIE: I have never been up there. We should also lower the freight rates. Co-operative marketing is another thing that would be beneficial. I mention just a few things but I cannot discuss them at any length because of the limited time now available. There is one other thing that is very necessary, and that is to make the farm support the family located on it. That is a plan that was followed by the pioneers in the early history of Canada, and yet in some sections of Canada it is utterly neglected today. I remember that in the early days of British Columbia that plan was absolutely necessary—we lived off the farm. On the Pacific coast at that time there were no export markets, and no railroads; we simply had to sell our produce in the nearest town which made a very limited market. Now if the farmer can produce food for other people he surely ought to be able to produce enough for himself. As to the success or failure of people who come from other countries and go on to the farms of Canada I think we will always find that while one or two fail others make a success of farming. After all it depends a great deal on the efforts of the individual who is occupying the farm. The farmer can help himself a great deal in this connection by adopting the best methods of farming; selecting those lines that will bring him the best and most profitable results, and eliminating live stock of poor quality. On one or two former occasions I brought to the attention of the House the fact that our dairy cows yielded an average of less than 4,000 pounds of milk per year, when any intelligent farmer knows that it requires at least six or seven thousand pounds, unless there is a very high content of butter fat, to make a profit. Then again only about 16 per cent of the hogs going to market realize the highest price, showing there is great room there for improvement in the quality of our pork. The same thing is true of our beef cattle. Only a small percentage are good enough, if they were made into chilled beef, to be exported to the Old Country in competition with the Argentine. That is about all that I have to say on that phase of the question.

I really rose to say a word or two on the oriental feature of the immigration question. As far as the British Columbian is concerned he is absolutely satisfied that we do not want any more orientals in the country than we have now. We feel that we must be practical about this thing. We have reached the point where we are practical in British Columbia on this question, because we know that we cannot compete with these people; we have tried it. We cannot hope to compete with the oriental and maintain the standard that is to be desired for the Canadian worker. To keep oriental immigration down to its proper level it is necessary to have proper restrictions, but it is useless to have these restrictions unless they are going to be effectively applied. We must enforce these regulations—not only this gentleman's agreement but other regulations that are in existence—and see that they are carried out absolutely in accordance with the law. These restrictions are placed on the statute books simply because we desire them to be there, and because it is felt the country needs them. They certainly should be enforced to the very letter. I listened with a great deal of interest to what the Prime Minister said on this important matter. I think he made a very reasonable speech and one that fits the occasion pretty well. But when we have these regulations we should have the assurance that they are being enforced to the limit, that we are getting results, and that these orientals shall not continue to leak through. It has been pointed out several times in this chamber that the regulations are not working perfectly, and they will continue to be ineffective unless they are perfected and enforced by the government to the very best of their ability. British Columbia members in this quarter of the House have stated on previous occasions what their feelings are in regard to this question. I do not need to say anything more except that the large birth rate of the orientals who are in the country at the present time should be a further indication to the government of the necessity of applying the regulations as strictly as possible.

Mr. GRAHAM: A mighty good example.

Mr. LADNER: I wish to say one or two words on this question from a British Columbia point of view. I observe that in applications made for the entry of immigrants

into Canada there has been an established custom that the applicant must be one who is aiming to settle on the land or engage in the farming business. If the applicant has not that purpose, no matter how good his qualifications may be, he has not much of a chance to enter Canada except with the gracious permission of the minister within the exercise of his discretion. Now, in the interest of British Columbia, where we have diversified interests—such as lumbering, fishing, mining, agricultural pursuits and manufacturing—there is necessity for some scheme of immigration which would enable the people of different occupations to come in. Such a policy would be advantageous not only to British Columbia but to the whole Dominion. We must get people here if we are going to carry the debt and shoulder the burdens of taxation that face this country, there is no doubt about that. To erect barriers, to adopt resrictions, that would exclude from this country classes of people who are likely to make good Canadian citizens is a dubious policy.

As to the oriental question, we members from British Columbia deem it to be our duty and a necessity to bring this matter constantly to the attention of hon. members because Asiatic immigration, or the Asiatic population by immigration or in some way, continues to increase. The other day I had returns with respect to the number of Japanese women entering Canada, and I find that for the last four years the number coming in is about the same each year. I do not know what the restrictions are to which the women are subjected, but they are coming in in fairly substantial numbers, and then we find that under the classification of "labourers" there are comparatively few Japanese immigrants coming into Canada. Under the classification "Japanese, other than labourers and women" the number is larger and seems to be about the same each year. My suggestion to the minister and the Department is that governmental restrictions on this class of immigrant should be applied to their fullest extent. It is not necessary to stress the well-known fact that, so far as the coast is concerned, that class of immigration has got to be kept down, and the rest of Canada would appreciate our point of view if they had gone through our experience.

Mr. GARLAND (Bow River): Last year I had the honour in this House of expressing my point of view in the matter of immigration. I made it very clear that I had no objection to immigration. I have no objection to any man or woman who voluntarily comes to this country, knowingly of his own will, but I did object, I do object and I will continue to object, to the expenditure of the money of the taxpayers of this country on a forced immigration policy, a policy of dumping the people in, largely irrespective of their suitability for the country or their knowledge of conditions in Canada. It is a waste of public money, a complete and utter waste of public money. We should send to the United States of America a bill for three and a half million dollars on account of last year's immigration policy in Canada. We have lost all we brought in, or a number equal to all we brought in, and worse than that—and let this point sink home to those who are real Canadians and have the Canadian national spirit as I have—we are losing real Canadians and we are displacing and replacing them with Europeans who know nothing of the conditions and who are not by any means of an equal standard with them. I would rather have one Canadian who understands conditions in Canada, who is acclimatized, accustomed to our methods, naturalized, a part of our civilization, than six Europeans.

Mr. VIEN: Will the hon. member allow me a question?

Mr. GARLAND (Bow River): Yes.

Mr. VIEN: Was it not the result of this colonization propaganda which enabled my hon. friend himself to know about the riches of our country, and which induced him to come here?

Mr. GARLAND (Bow River): Although my hon. friend is asking a personal question, I have no objection whatever to answering it. The reason why I came to Canada was that I had unfortunately failed to pass an examination, and I decided I would come to Canada because it was the closest Dominion to where I lived.

Mr. VIEN: Will the hon. gentleman tell me when it was?

Mr. GARLAND (Bow River): In 1909.

Mr. VIEN: Is the hon. gentleman not very happy to be in Canada to-day?

Mr. GARLAND (Bow River): Very happy to be able to fight for the people I am trying to fight for.

Mr. VIEN: Is the hon. gentleman not happy to be in Canada, and are not the people for whom he fights happy to be in Canada?

Mr. GARLAND (Bow River): I am afraid there are only too many of them that have been so, shall I say, oppressed and beaten down by conditions in this country that, though they wanted to stay here, they were compelled to leave Canada.

Mr. ROBB: Does the hon. member regret that he came to Canada? Would he be any better off had he remained in Ireland?

Mr. GARLAND (Bow River): Why do people ask these absurd questions?

Mr. ROBB: I admit it is absurd.

Mr. GARLAND (Bow River): They are piffle, and have nothing to do with the subject.

Mr. VIEN: Surely there is a concrete example confronting us in this House, of the attractiveness of the country and the happiness of those who live in it.

Mr. GARLAND (Bow River): That is such utter bunk that it is not worth replying to. I hate to be colloquial, but these foolish utterances compel me to be so. Walking along the street in Ottawa I find a straight-looking, clean built young man coming to me and saying, "Say, can you spare me the price of a meal? I have been hunting work in Montreal for three months and cannot get it. I have come up to Ottawa, beating my way; I want to try and get a job." What am I to think? I say to the man, "You are worse off here than in Montreal."

Mr. VIEN: I was asked the very same question in the city of New York.

Mr. GARLAND (Bow River): Certainly. That is entirely different from the situation in Canada, with its vast spaces and its immense natural resources to be developed. The fact of the matter is—although this may be better dealt with in my closing remarks—that we have a vast condition of unemployment and misery in this country because of the fact that there is a small class at the top, who are squeezing every drop of profit out of the people of the country.

An hon. MEMBER: That is old stuff.

Mr. GARLAND (Bow River): It is not old stuff. That sort of stuff is never old and will never be old until the condition is remedied.

Mr. STEWART (Argenteuil): Will the hon. member permit me a question?

Mr. GARLAND (Bow River): Yes.

Mr. STEWART (Argenteuil): I listened to a good deal of this talk last year, and I think I am entitled to have something to say this year. Does the hon. gentleman know a country in the world where conditions are any better than they are in Canada?

Mr. GARLAND (Bow River): Not one, but that is no reason why we should sit idly by with a fatuous optimism, watching the condition of the people of this country without attempting to remedy it. That is the foolishness I complain of. That is the sort of thing I am trying to fight, and let me indicate to my hon. friend who has just spoken, that there is no healthier optimist in Canada than I am. I am not one of those who stick their heads in the sand and say, "Oh, it is going to come all right in time. We have had it before. This sort of thing comes in cycles." Just because conditions were depressed before and became better they think that present conditions will cure themselves. That is not logic; it is not reason. That is the argument of the mentally lazy. In answer to the minister who rather insinuated that the province of Alberta was bursting itself in an effort to secure immigrants, may I allude to him—

Mr. ROBB: I did not insinuate that. I made the statement that the minister representing the government of Alberta demanded more immigrants.

Mr. GARLAND (Bow River): We all know the insinuation, especially when the Minister of Railways (Mr. Graham) wanted to know whether the government of Alberta was of the farmer brand. May I read to hon. gentleman a resolution carried at one of our last conventions?

Mr. GRAHAM: What one?

Mr. GARLAND (Bow River): The provincial convention of the United Farmers of Alberta. It reads:

> Resolved that the United Farmers of Alberta in convention assembled go on record as being opposed to any Canadian moneys being spent for the bringing into Canada of more farmers (under present conditions).

Mr. ROBB: What is the date of that?

Mr. GARLAND (Bow River): The last convention.

Mr. ROBB: What is the date?

Mr. GARLAND (Bow River): The convention is held somewhere in the week following 15th of January each year in the city of Edmonton.

Mr. STEWART (Argenteuil): Who moved that resolution?

Mr. GARLAND (Bow River): I have no idea.

Mr. ROBB: Was it in the spring of 1924?

Mr. GARLAND (Bow River): Yes.

Mr. ROBB: Then they should censure the Minister of Agriculture for the province.

Mr. GARLAND (Bow River): Certainly they should, that is the point, if the minister has represented the point of view of the Minister of Alberta correctly. Let me read to the House a few quotations, because I do not wish the House to get the idea that I am by any means alone in this point of view. I share this view in common with large numbers of others who are not content to sit back and say things are better here than anywhere else in the world, and that present conditions will improve.

Mr. VIEN: May I ask a question?

Mr. GARLAND (Bow River): Mr. Chairman, I must ask your protection. I can never get through my speech if I am to be continually interrupted, although I must say that, as a rule, I enjoy the hon. member's interruptions. This country is never going to get anywhere as long as we allow a condition of unemployment to continue and flood people into it. Let me read from the Brantford Expositor which says:

> It means nothing more than that we will become a labour warehouse, where the Yankee agents will be assured of the best picking to be had, at any time, and on short notice.
>
> Is, then, our immigration policy shaped to bring men and women, content to settle down and become worth-while citizens, or is it bringing merely "birds of passage?"
>
> Let us make united effort to find out who is responsible for these periodical outbreaks of "jazz immigration," urges the Brantford Expositor. If they are "interested parties," then they should be given to understand that their particular line of business must be run just as cautiously, and with as much sincerity, for the welfare of the country, as the every day business man has to run his affairs during these anxious days of waiting and uncertainty.

Mr. VIEN: Is that the echo of the "Whisper of Death"?

Mr. GARLAND (Bow River): Really the hon. member is amusing sometimes.

Mr. PUTNAM: What is the context of the paragraph which the hon. member has read?

Mr. GARLAND (Bow River): This is the whole of this report in MacLean's Magazine of June 15, 1924.

Mr. PUTNAM: The hon. member read only a short excerpt.

[Mr. E. J. Garland.]

Mr. GARLAND (Bow River): It is all that is printed in MacLean's Magazine, and certainly MacLean's Magazine is not a "Whisper of Death".

Mr. VIEN: This one is.

Mr. GARLAND (Bow River): I will join the "Whisper of Death" then, but I will join them, I hope, in the same spirit in which some of our forefathers went to death, in the hope that they might save Canada.

Mr. VIEN: Not ours. They built this country and we are happy to live in it. They did not slander it.

Mr. GARLAND (Bow River): Does the hon. gentleman suggest that anybody is slandering the country?

Mr. VIEN: Certainly.

Mr. GARLAND (Bow River): Will the hon. member explain?

Mr. VIEN: It is a slander against the country to say that the people cannot live in it either on the farm or anywhere else. A man who has a heart in his breast, who has the activity and muscles and who is healthy, can live and develop this country and make a success of any kind of undertaking. My hon. friend can look around him. My hon. friend has asked me to explain. Will he let me do it?

Mr. GARLAND (Bow River): The hon. member is doing very well. I am enjoying it.

Mr. VIEN: I am sure my hon. friend does not enjoy it or else he will change his mind about what I am saying. My hon. friend has been whispering the "Whisper of Death". He has been giving simply an echo to all those who slander our country. He has not considered all those around him who, whether old or young, have come to this country, set themselves to develop it and made a success of their undertaking. If he will visit the various provinces of this country, he will see in every province hundreds and thousands of people who have started with small beginnings, but who, with courage, endurance and perseverance have made a success of any undertaking. If my hon. friend, instead of discouraging people, would set his mind to encourage people to work for the development of our country, he would help his surroundings much better than he is doing now.

Mr. GARLAND (Bow River): The remarks of the hon. member will be intensely cheerful to those unfortunates who have attempted to make a living in this country and who have been driven out of it through

force of wrong economic conditions. I could tell him of hundreds of cases of men and women who fought against overwhelming odds—

Mr. VIEN: How does my hon. friend explain his own success?

Mr. GARLAND (Bow River): There is no use in going into a personal history. The fact of the matter is that there are staring the hon. member in the face to-day conditions in this country that have compelled the emigration of 100,000 of our returned soldiers, that have compelled the exodus of tens of thousands of our best citizens, our own Canadian boys and girls, our own farming people, and he makes a foolish speech of this kind in regard to the situation. It is really not explaining the condition and it does not offer any reasons. When he talks to me of slandering the country, I must most emphatically resent and reject the suggestion. The country is all right. It is the condition built by men of his stamp that drives the people out of the country, not the country itself. We can grow the finest wheat and we can produce the finest beef in the world and—

Mr. VIEN: People of my stamp have lived in this country for three hundred years. I am glad to follow in their footsteps and I hope my children will follow in mine. People of my stamp will not cause others to desert this country.

Mr. GARLAND (Bow River): As I think I told this House on another occasion, at every meeting at which I spoke last summer —and I spoke at some forty—I urged the people to stay in Canada for conditions could not be made better by going elsewhere, and to continue to fight the battle for better conditions. I believe the country is all right, but I do not believe the conditions are right under the control of people who understand the country as little as hon. gentlemen opposite do.

Mr. ROBB: The hon. member wants a change of government?

Mr. GARLAND (Bow River): I want a better understanding of conditions.

Mr. MEIGHEN: May I suggest to the hon. member that he would find a good deal of ammunition for his purpose if he would read some speeches of hon. gentlemen opposite of about two and a half years ago?

Mr. GARLAND (Bow River): Yes. Of course, that was not slander at that time. May I put this on record, and I want to do so because it is a report written by an official of this government? The report contains words so much more damning than any I have ever used that I would hesitate to use it unless I read it. At page 14 of the report on Agricultural Credit by Dr. Tory there is this statement:

> The German Landschaften or Land Mortgage Credit Associations were called into being at a time so like our own—

I ask hon. members who were critical a moment ago to listen to this:

> —so far as the difficulties of the agriculturist are concerned, that to quote from the discussion of the time seems like reading current literature on the subject. They had their origin in the period following the seven years' war (1755-1763). The land owners who belonged largely to the nobility and who had depending on them the peasant population found themselves in great difficulties. Agriculture was in a disastrous state; fields lay untilled, dwelling houses had been destroyed by fire, cattle had perished. The land owners lacked the means to carry out any reconstruction inasmuch as their credit was no longer good and the difficulties in the way of procuring necessary capital were very great. Interest was not paid punctually, debts were not discharged, mortgages were foreclosed and insolvency resulted. The confidence of investors in respect to land owners was completely shaken. Many mortgage loans were withdrawn. The owners ran the risk of losing a considerable portion of their property. In 1759 a moratorium was declared.

Conditions, according to the government's own official, so like those to-day that the report reads like current literature. Yet, hon. members opposite have the effrontery to stand up and talk to me of slandering Canada. I can quote them more than that, but I refrain for the moment. The ex-Minister of Agriculture (Mr. Tolmie) is an estimable gentleman in many respects, but he still unfortunately has the old idea of mixed farming as a solution for general farming conditions in western Canada. I am sorry he has. I am sorry the present Minister of Agriculture (Mr. Motherwell) has also put this forward as the great solution because, strangely enough, the expert in the matter—their own departmental expert, Mr. E. S. Hopkins, Dominion Field Husbandman—in the Prairie edition of Seasonable Hints for March 1924 has this to say about them:

> Adverse criticism is frequently made against the farming methods on the prairie on the grounds that they are too wasteful, not permanent, and not as profitable or stable as they might easily be made. The inference is left that if the farms were much smaller in size and if mixed farming were conducted similar to that prevailing in eastern Canada the results would be much better. An examination into the facts, however, does not verify such views; indeed, far from being more profitable, the farmers in eastern Canada make much less money than do those in the prairie provinces.

And if they have made less than the prairie farmers during the last four years I will tell the House and the world they have made mighty little.

Accordingly, whatever shortcomings may be associated with grain farming on the prairie, relief is not to be secured by an imitation of the methods now in use in eastern Canada.

The proof of this is shown by the much larger income taxes which the farmers pay on the prairie as compared with those in eastern Canada.

The hon. member for Lotbinière (Mr. Vien) was boasting of the condition of the farmers who live in log shacks in his constituency. Those men I admire in their simplicity but at the same time, Mr. Chairman, I sympathize with them. In one sense I envy them their peace and enjoyment, for I think it is wonderful to be satisfied to live in a log shack, to be content with what one can get out of the soil, to have no desire to expand, to become a real builder. It is not enough to live on the past—

Mr. VIEN: Does my hon. friend contend that the farmers in my province are not real men and real citizens?

Mr. GARLAND: Yes, by all means they are.

Mr. VIEN: Real citizens—the best that can be had.

Mr. GARLAND (Bow River): Mr. Chairman, I do not wish to enter into a personal controversy with the hon. member—

Mr. VIEN: Then do not make such assertions.

Mr. GARLAND: —but my ideal of a man is one who wants to build up the country, a man who is not content to live in a log shack.

Mr. VIEN: They are no kickers. If that is one of the characteristics that my hon. friend wishes to see in the citizens of this country, I grant that the farmers in my province lack that quality.

Mr. GARLAND (Bow River): After citing in his article the number of farmers who pay income tax from year to year in each of the provinces—and the farmers of Quebec and Ontario do not rank very well with the farmers of the prairie provinces in this respect—Mr. Hopkins goes on to say:

It is apparent from these results therefore that improvement of farming on the prairie cannot be found by adopting eastern methods. The greatest single factor, no doubt, which causes the good results on the prairie is the much larger size of the farm. In the east, the farm is too small, and hence the overhead charges of machinery and management are much too high.

I hope we will hear a little less in the future about that panacea for all the ills of farming in western Canada, the mixed farming cry, because it will not work, as we know from practical experience, even without the advice of Mr. Hopkins. Yes, it is somewhat of a surprise to me and others to hear the hon. Minister of Agriculture still pounding at the old story.

Now, to continue some other quotations, let me read an article from the Free Press. This paper has not been a "Whisperer of Death," Mr. Chairman. It has this to say:

It is evident that Canada will have to give earnest consideration to this question of stopping the drift of population to the south. It is a national problem of the first importance. The situation must be regarded in the light of an emergency and all our national policies must be so shaped as to reduce to a minimum this loss of Canada's life blood.

That simply means providing better opportunities at home through stimulating every phase of her economic development.

Mr. VIEN: And we are doing it.

Mr. GARLAND (Bow River): I will deal with "doing it" in a moment. But that is not the article of a whisperer of death, it is an article in a paper which supports the government of my hon. friend. Now, a little while ago we had an outburst of oratory here on the fact that in Canada no man need be unemployed, that any man willing to work would get it, that any able bodied healthy husky man who wanted a job could get it. That is as false—well, I do not know anything falser, I do not know anything as false. Let me quote, not from a whisperer of death, either, Mr. Chairman, but from the mouth of the hon. Minister of the Interior, the hon. gentleman who is acting as Postmaster General. He said:

But in Toronto the situation is entirely different. The day after the strike took place we recruited 600 new men. There is no trouble in securing men for this work; there are more men offering themselves than we are able to take on, except in Windsor only, where there is apparently a disposition on the part of the citizens to back up the strikers in their attitude that their demands must be met before they return to work.

Mr. VIEN: The lure of the government dollar.

Mr. GARLAND (Bow River): The hon. minister went on:

There will be inconvenience for some little time, but we now have almost 1,200 men recruited in Toronto.

In short, the fact of the matter is that the moment opportunities for employment were offered thousands of men were available, and

are to-day available in Canada. The figures given by the hon. member for Centre Winnipeg (Mr. Woodsworth) need no corroboration, they are official figures. Thousands of men are seeking employment and anxious to get it. They are not of the type described by the member for Cariboo (Mr. McBride) the type that won't work. I am glad to say that I believe Canada has fewer of that type than any other country in the world. Most of these people want to get jobs, but there are none available for them. Let me quote again. This is from the West, the other quotations were from the East. This is from Regina, Saskatchewan, and is dated June 23, 1924:

"It is a regrettable situation and it is serious. Hordes of men are working East looking for jobs and hordes of men are working West from the East with the same object in view"—

Note, June 23—just before haying starts out there.

—is what Magistrate Heffernan had to say in city police court to-day after he had dealt with 13 cases of vagrancy, a record for recent years in Regina. Not a man in the lot but walked from court a free man and each man had a good meal tucked under his belt.

"There is not much use in meting out punishment to you, who have to find employment," said the magistrate, "as I am pretty well convinced there is no work here, or near here for you. There is not a man among you I would call a tramp."—

And I can bear out that statement, for although I never saw those men, there are thousands of others who are not tramps and want to work. He continues:

"—You all appear to be men who would work if you could get work to do."

That is from the Ottawa Morning Journal of June 24, 1924, and is an authentic report of an occurrence in a magistrate's court in Saskatchewan.

Mr. ROBB: Perhaps my hon. friend might read the report of Premier Dunning's speech in London which appears in the Morning Journal to-day.

Mr. GARLAND (Bow River): I read his budget speech—something which I do not think my hon. friend has done—in which Premier Dunning stated the farmers of Saskatchewan had received for their product last year, 1923, although it was a greater crop than that of the preceding year, 1922, $60,000,000 less. You cannot take $60,000,000 out of Saskatchewan with a population of 750,000 and not burst industrial and agricultural conditions there. That is the sort of thing my hon. friend is ignoring. Let me again quote what the Minister of the Interior has to say on page 3847 of Hansard:

We could put fifteen hundred men on the work in Toronto if we had the men to train them . . . . It is not lack of men. Lord knows, there are more men unemployed in Toronto than we can employ, but the difficulty is in training them.

Now, why will hon. gentlemen fatuously talk about the magnificent conditions for artisans and labourers in Canada when a minister of the Crown himself makes that statement in the House of Commons? It is perfectly absurd. Why do hon. members go overseas and in speeches at public meetings tell their audiences to come to Canada, that there is no unemployment here? Tell the truth; that is the best thing to do. We have nothing to be ashamed of in Canada. We can tell them honestly of our climatic conditions and not give them half truths such as are found in the wretched immigration publication I have in my hand. Tell them the truth; we do not fear it; we enjoy it. Tell them the conditions of labour and agriculture and tell them they are welcome to come here if they want to, but do not pay men to go out and get them under false pretences. Do not go in for a wretched slavery system something like that which obtained when Kaffirs were brought down to the mines in Transvaal at a pound a head. That traffic was mighty lucrative for some people in the old days, and it is a traffic that apparently is still a lucrative one so far as Canada is concerned. Who are the greatest advocates of this immigration system? The transportation companies, the great railway companies, anybody who can exploit the unfortunate immigrant after he gets here. The duty of this government is to turn its attention to remedying conditions in Canada and to spend its money in this country, not in Europe, the United States or anywhere else Spend this money in Canada. We are appealing this year for something that will help —a long term rural credit system, something that will not only improve Canadian conditions in agriculture and Canadian conditions generally but will also improve conditions for the future immigrant. And how are we treated? Watch the next few days and listen to my forecast: The whole thing will be gently smothered for another year—put off again, and the next year the same, put off again. We have all sorts of pledges when we come down here, such as we had in the case of the single transferable vote.

Mr. VIEN: I submit that my hon. friend is out of order. The question of rural credits will be the subject I am sure, of a debate on

a future occasion; it is the subject of a report which has been presented to the House. I do not think my hon. friend should go into that matter, under this item.

Mr. GARLAND (Bow River): A moment ago there was an outburst from members on the opposite side asking for a declaration of policy from members on this side. They said, "What would you do with the question? What is your plan?" I am giving mine. Is it in order?

Mr. VIEN: My hon. friend knows very well that any scheme of rural credit is impossible for the time being.

Mr. GARLAND (Bow River): My hon. friend must be attempting to make some capital with very little ground for it.

Mr. VIEN: It is the psychological effect; that is all the hon. gentleman wants.

Mr. GARLAND (Bow River): There are many provinces which are prepared now to accept the co-operation of this government in a rural credit scheme. If this government does not come to the rescue, large numbers of unfortunates will be driven out of the country by the pressure of their creditors, if there is a weak crop this year. The government do not stand to lose very much by making the attempt, but they may save thousands—I say it advisedly—of Canadian farmers to Canada if they will take some action in the matter. But they have not had the courage to act since I came down here; I have seen nothing but weakness and vacillation, nothing but lack of initiative. The government have to be pushed into a decision every time. I feel so deeply about this matter that I could speak for a long time on it, but I do not wish to tax the patience or the generosity of the members of the House. But I do submit that the problem before Canada and before this government is to solve the question of the outgoing population and of unemployment. It is not enough to say, "Oh well, they are all coming back," because many of our Canadians are not coming back. It is not enought to say that conditions will be all right five or six years hence, because they do not know. Conditions do not promise to be better, certainly in agriculture, five or six years hence. I would ask hon. gentlemen to study the statistics of the increases in agricultural produce in Europe during the last few years and to have regard in particular to the very reasonable expectations of Russia in wheat production in the next few years, and then to say whether it is sufficient merely to let things alone; whether a policy of that kind will remedy the condition of agriculture in Canada. The government will have to strive a little harder, think a little longer; it will have to make some real effort to meet these conditions. Tickling the tariff, as I have said on another occasion, will not be enough; they will have to do more than that. Simply sitting still and letting things drift will not be enough; they will have to do more than that. I would urge as one real attempt at solution—not by any means a complete solution, but at any rate a step in the right direction—the introduction of emergency rural credit legislation this year. I earnestly ask the government to consider this question. Next winter—if they decide to stay in power that long; they may not—they will be faced with such a condition of unemployment as they have never had to face before: In the month of June of this year, a summer month when unemployment is usually slight, unemployment has been greater than it has been for many years, greater than it has been at any period since before the war. The after effect of an election in the United States is a certain amount of depression, and that depression is already commencing in that country. There is an unsettled air about the whole business of the nation. The boom seems to have disappeared; the bubble has burst, and our cities and all parts of the country will soon be filled with more unemployed. It is the problem for this administration. It is not enough to say, "Oh well, we asked the provincial governments and they said they wanted immigrants." It is not enough to say that to the unemployed. A conference on employment is to be called by this government for October of this year, itself an admission that a serious situation is in prospect. I earnestly invite the government to consider, before that conference is called, the possibility of stemming the incoming flow of immigrants and checking the outgoing of emigrants.

Mr. ROSS (Kingston): I see that a chief immigration officer was appointed for China some time ago. What are the duties of this officer, and who is he?

Mr. ROBB: This officer is Mr. Featherston, whose appointment was provided for in the act of last session. The item is to provide for the administration of the agency at Hong Kong in accordance with the act. The increase in the item, which we have not reached yet, is for administration of the Opium and Narcotic Drugs Act.

Mr. MEIGHEN: Was he appointed under the Civil Service Act?

Mr. ROBB: He was a member of the civil service.

Mr. MEIGHEN: Was his transfer to China the act of the Civil Service Commission?

Mr. ROBB: He was appointed by order in council, but he was a member of the civil service.

Mr. MEIGHEN: That does not matter at all. Simply because a man is in the civil service he cannot be transferred wherever the government likes.

Mr. BUREAU: He can be transferred.

Mr. MEIGHEN: If the government is acting that way under the Civil Service Act you might as well repeal it. What was the real idea the government had in sending Mr. Featherston to China? Was he a narcotic expert?

Mr. ROBB: The Opium and Narcotic Drug Act is administered here. As my hon. friend will recall, under the amendment to the Chinese Immigration Act of last session, it was arranged that we should open an office in China and Mr. Featherston was selected by the government to go there as commissioner. Mr. Warner, who was the immigration agent formerly at Fort William and Port Arthur, and latterly at Fort Frances, was sent over as his secretary.

Mr. MEIGHEN: Did the government have him named in the estimates to get around the Civil Service Act?

Mr. STEWART (Argenteuil): We had a full discussion of this last year, and my hon. friend will remember that one official was to be chosen from the ranks of the service.

Mr. MEIGHEN: The minister says, "he was to be." What does he mean by that?

Mr. STEWART (Argenteuil): The act provides for it. One of the positions was not under the control of the commission.

Mr. MEIGHEN: The act provided for his appointment? Oh yes, because the government put the act through in such shape as to evade the Civil Service Act.

Mr. ROBB: He was appointed from the Civil Service here.

Mr. MEIGHEN: And a whole lot more, and so the merry work still goes on. The minister has said quite a little, but he has not told us yet what work Mr. Featherston is doing there. He has told us that he is in charge of the office. He hinted once that he was connected with narcotic drugs, but then he said no. What is the office for?

Mr. ROBB: My hon. friend from Kingston asked about the agent in China, and I noticed when we came to that vote there was an increase, and I said part of that increase was to provide for the office in Hong Kong and the other part was to provide for the administration of the Opium and Narcotic Act here in Canada.

Mr. MEIGHEN: What is Mr. Featherston doing in China? What is this office for?

Mr. STEWART (Argenteuil): The amendment to the Chinese Immigration Act of last session provides for the examination in China of Chinese who are coming to this country, just as we have a preliminary examination on the Continent of people who are coming to this country from Europe. We have officers stationed at various points on the Continent, and Mr. Featherston was appointed to fill this position in China and have charge of the examination of Chinese seeking to enter this country.

Mr. HOEY: There are no Chinese entering Canada now, are there?

Mr. STEWART (Argenteuil): Some are still coming in under the act.

Mr. HOEY: Not very many. He will have a very easy job over there.

Mr. MEIGHEN: I think we could have had a Chinaman do it for nearly nothing.

Mr. GRAHAM: Would not that have been a terrible thing for Canada! What would our British Columbia friends say?

Mr. MEIGHEN: In China I do not think anybody would object.

Mr. GRAHAM: I do not think the British Columbia members would trust the examination of Chinese to a Chinaman.

Mr. MEIGHEN: The British Columbia members would be quite content if you had nobody there or anywhere else, and simply closed the door. Why an office should be needed in Hong Kong to examine half a dozen immigrants coming to this country is a mystery to me, and why a man would be sent over who was secretary to the minister here to take charge of that office is still more

mysterious, and that the Civil Service Act should have to be evaded in order to make sure that he was the man despatched—all this is circumstantial evidence of something, and I would like the minister to tell me of what.

Mr. STEWART (Argenteuil): There is nothing mysterious about it. Mr. Featherston was the one man in the service with Mr. Blair and Mr. Little who had control pretty largely of the whole immigration.

Mr. MEIGHEN: Was he not the minister's secretary?

Mr. STEWART (Argenteuil): Yes, and when the change of departments was made, I thought it would be better for him to remain attached to the Immigration department than to come over with me as private secretary. I wish to say frankly that he was giving splendid service, but as hon. members know, in the event of a government going out of office the private secretary to a minister is not in a very desirable position if he leaves the department to which he was attached. That department was going from me and Mr. Featherston, therefore, decided to remain in it.

Mr. MEIGHEN: What does he get?

Mr. STEWART (Argenteuil): I cannot say. When the amendment to the act was made last year, it was left to the discretion of the minister to choose one official from the service for this position. There is nothing mysterious about that. The whole thing was fully explained last year.

Mr. ROSS (Kingston): The point that struck me was this: I think we might follow the same course in examining the Chinese that we do in examining immigrants on the Atlantic coast, coming from Europe. If those immigrants do not meet the requirements they are returned at the steamship company's expense. But for our immigration on the Pacific coast we are appointing a high-salaried official in China to look after the two or three dozen Chinamen coming to this country. It looks like a big waste of money to me. I do not know anything about Mr. Featherston, but I think that an official on this side, at very much less expense, could see that all the regulations were complied with.

Mr. IRVINE: I would like to ask the minister how much of this vote goes for salaries, and how much for colonization societies.

[Mr. Meighen.]

Mr. ROBB: Vote 55, which is under consideration, is entirely for salaries.

Mr. IRVINE: Does this $1,579,000 go to colonization?

Mr. ROBB: We have not come to that.

Mr. IRVINE: I just wanted to be sure before I made any remarks that I was dealing with the right item.

The CHAIRMAN: I understand the question the hon. member puts refers to the next item.

Mr. IRVINE: I had intended to go into this matter very fully, covering the whole problem of immigration into Canada and its relation to unemployment and various other problems that interlock therewith, but at this late hour, and in view of the fact that the hon. member for Centre Winnipeg and the hon. member for Bow River have covered the ground very thoroughly, and presented to the committee a vast amount of figures dealing with the situation in Canada, I shall not take up the time of the committee by covering their tracks, but shall content myself more or less with a remark or two arising out of the data they have furnished to the committee.

I think the most astounding thing that has been apparent to me throughout the discussion of this item has been the attitude of the government and of hon. members who have taken part in the discussion on behalf of the government. I would feel somewhat encouraged if it were possible to make the government realize that there is a real problem, but they seem to be entirely unconscious of it. If they could see that there was something wrong, there would be a hope, but they are unable to see that there is anything wrong, even when confronted with figures which their own officials have presented to the country, and with the facts of the situation that exists throughout the country. They obstinately refuse to admit that it is so. For such a government there can be no hope. This now is the third year I have looked across the floor in hopes that they would at least recognize that there was a real problem, and make an attempt to meet it, but in the third year of their regime we find them still unaware that there is a problem, and not only that but loudly claiming that there is no problem. Then I say it is utterly hopeless to look across the floor of this House for the solution of a problem that the government believe does not exist. The hon. member for Lunenburg (Mr. Duff) was extremely

anxious that we should mention a policy. I am extremely sorry that he is not in his seat now. If he were here I would give him one or two policies that it might be of interest to him to consider. Other hon. members have spoken on this question denying the existence of an unemployment question in Canada. For example we had the hon. member for Cariboo (Mr. McBride) claiming that there was no doubt about the fact that there was lots of work in Canada for every man. What was his authority?

Mr. McBRIDE: Every man that wanted to work.

Mr. IRVINE: His authority was that he had a team of horses and he could not get anybody to drive that team. After listening to my hon. friend on labour matters I am not surprised to learn that he could not get a labour man to drive his team. But consider his own argument? In the face of all the statistics compiled by our own Bureau of Statistics the hon. member for Cariboo affirms that there is no unemployment in Canada, because forsooth he could not get a man to drive his team. Is that the kind of reasoning the government are going to take? Or will they rather take the fiery eloquence of my hon. friend from Bow River (Mr. Garland), or the cold calculated figures of the hon. member for Centre Winnipeg (Mr. Woodsworth)? Or will they take the figures from their own Bureau of Statistics? What arguments are they going to follow?

Now, as to who wants immigration in connection with which this government are proposing to spend an enormous amount of money. Notwithstanding the fact that we ought, according to the government's stated policy, to be practising economy, they are going to pay over a million and a half of dollars to colonization companies. The Salvation Army gets some of this; I do not know how much. Land companies that have called themselves patriotic organizations get some of this. I think, perhaps, that we will have to change the name of the Salvation Army if this kind of thing is going to continue. We will have to call them the "Starvation Army" if they continue to bring people into this country for whom there is no employment. I submit to the government that the transportation companies, the land companies, and the bondholders are back of the immigration policy of this country. These are the people that the government are giving their ears to—not to the farmer, not to the labour people of Canada, but to the bondholders, the transportation companies and the employers of labour generally. Let me quote a letter which has been written by a company interested in bringing labour to Canada. This is in the form, I believe, of a circular and was written from Toronto. It reads:

> Gentlemen,—We believe it to be the right time now to write you about your labour question for 1924. An institution like yours, we hold, would like to see that the main factor of the production of wealth, "labour," is plentifully available when needed; and it is our aim to put ourselves at your service in this respect.
>
> Being connected with all the steamship lines operating between this continent and Europe, we can take your orders with the fullest assurance that we will fill them, no matter what the nationality or the number of men you may require. Moreover, we can promise that each and every man will pay for his transportation right to the job, and our service to you is free.
>
> Our work is more of a patriotic undertaking than anything else—

Let me put in an interpolation here: God save Canada from some of her patriots.

> —as we wish to bring to this country the best elements of settlers and workers which can be brought over according to present immigration laws.
>
> You may feel inclined to think that it is early yet or that there are many people unemployed at the present time, but if you consider the number of men required by the C.P.R., the Canadian National Railways and other big concerns employing vast numbers of men, you can easily deduct that the little surplus now available will be quickly and shortly absorbed.
>
> Please place your orders now, advising as to the length of the job, the kind of work to be performed, wages to be paid, nationality of the men wanted, and approximate time when you want them to report on the job—and we will do the rest.
>
> We will submit cheerfully any information you may desire on our service, and awaiting the pleasure of an early answer we wish to remain.
>
> Yours very truly,
>
> THE INTERNATIONAL EXCHANGE CO.
> A. M. SALVIATA.

This communication would seem to indicate that the government need not trouble to pay out a million and a half of dollars to get people to engage in an immigration policy for Canada when they have such able, patriotic advocates as these willing to give their services and bring in all the men that are required, no matter what nationality and no matter what number may be necessary. It may not be out of place to point out to the hon. the Minister of Labour in this regard, that the International Labour Organization under the League of Nations in 1919 recommended the abolition of private employment agencies, I believe that the Employment Service Council of Canada, created under the Civil Service Act, is opposed also to private agencies of this character.

Mr. MURDOCK: Does my hon. friend know that the federal government has nothing whatever to do with the creation, maintenance, or discontinuance of private employment agencies?

Mr. IRVINE: I am glad to be informed in that stentorian voice.

Mr. MURDOCK: I asked did you know that.

Mr. IRVINE: I will tell my hon. friend if he will just wait until he is a little calmer. I would reply to him that I did not know that the goverment has nothing to do with private employment agencies, but I think they ought to have something to do with them.

Mr. MURDOCK: I do not disagree with that thought only you, and I, and others who feel the same way had better get busy and change the British North America Act upon which this Dominion is founded.

Mr. GARLAND (Bow River): Introduce a bill.

Mr. IRVINE: I am not opposed to changing any act—

Mr. GARLAND (Bow River): Let the Minister of Labour make an issue of the question and we will soon get action on it.

Mr. IRVINE: I am not opposed to altering any act that stands in the way of progress, but the hon. minister is true to the government which he is representing at the moment: There is always some other act to blame for their inactivity. This or some other act stands n the way of their doing things. Then, I say what the leader of the opposition said some time ago: If these acts stand in the way make new acts. Do not shelter yourselves behind acts because, the people of Canada will laugh at you if you take that position, and I hope to enjoy their laughter in a very short time. We cannot go on in this way, placing responsibility upon the British North America Act or any other act. What is necessary is that we should act and act now. My point is that when the government announce that they are so anxious to get immigrants that they are willing to pay irresponsible organizations, not even known to the people of Canada, one million and a half as a sort of bonus for bringiing people to this country, then private employment agencies think that they have got a very good excuse to boast of their patriotism in offering to bring in men for nothing. Then in that connection, since they have nothing to do with private agencies of employment, since these agencies are willing to bring in men for nothing since they are so patriotic and able to do it, and since they cannot be abolished, let me ask the government to wipe out the million and a half dollars for these colonization companies and allow the private agencies to do the work.

Mr. PUTNAM: Does the hon. member vouch for the responsibility of the man who signs the letter he read?

Mr. IRVINE: I have quoted the circular letter that was sent out to important employers of labour in this country. Perhaps they have vouched for the authority of this gentleman. I have nothing to do with it further than to quote the circular.

I now come to another phase of the situation. The hon. gentleman from Lunenburg (Mr. Duff) was very anxious to know what could be done to improve the situation in Canada. The situation in this country needs to be improved. I am willing to admit that the situation in all countries needs to be improved, but I am not willing to adopt the attitude of the government which says that since Canada is no worse than any other country we ought to let things drift. If the hon. member who put forward that weighty argument was suffering from a fever, it would not make him any better to be told that there were a hundred other men even sicker than he was, but that is the logic with which we have been treated to-night. Having been asked to suggest something that might be done to keep in Canada the people who have been brought here from time to time and to be an encouragement to immigrants, which everybody will admit Canada can handle if circumstances were what they ought to be, I want to put before the government something very definite which might be done. I expect the Minister of Labour will be inclined to look for some act as an excuse for not taking my advice. Nevertheless I will give it. We have had recently some great mergers in this country, and every merger that takes place is used as an excuse for filling up the watered stock with more water. I am going to quote from the Monetary Times of January, 1914. It is a very difficult thing for us to get an accurate account of all the watered stock in any country, and perhaps more difficult to get it in Canada than any other country, but let me direct attention to the fact that we have had a very large number of mergers in Canada. The following table shows the names of a few of them, the capital of the compan-

ies absorbed, and the capital authorized to be issued by the mergers:

Name of Merger	Capital of Companies Absorbed	Number of Companies Absorbed	Capital Authorized to be issued by Merger
	$		$
Amalgamated Asbestos Corporation	3,550,000	5	25,000,000
Ames-Holden McCready Ltd.	3,500,000	2	11,500,000
Belding Paul Corticelli Ltd.	895,000	3	3,500,000
Canada Bolt & Nut Co.	935,000	5	3,500,000
Canada Cement Co.	17,750,000	11	38,000,000
Canada Bread Co.	575,000	5	5,000,000
Canada Car & Foundry Co.	11,200,000	4	20,000,000
Canada Consolidated Felt Co.	340,000	3	2,500,000
Carriage Factories Ltd.	900,000	4	5,000,000
Dominion Glass Co.	1,400,000	3	11,000,000
Dominion Manufacturers Ltd.	1,475,000	5	3,550,000
National Breweries	4,475,000	11	12,500,000
Ontario Steel Products	600,000	3	2,100,000
Dominion Canners	1,324,000	21	12,500,000
Sherwin Williams Co.	2,500,000	3	12,000,000
Standard Chemical Iron & Lumber Co.	2,400,000	3	4,000,000
Steel Co. of Canada	9,969,500	4	35,000,000
	63,788,500	.....	206,650,000

Look at the tons of water. It has been said that we have a lot of water power in this country. There can be no doubt about it, and this is only a drop or two in the great ocean of watered stock the burden of profits on which the Canadian working people and the farmers and artisans of Canada are carrying on their backs. The increase in capital values of the above companies authorized under the Companies Act, which I would ask the hon. Minister of Labour to have changed immediately is: $142,861,500, an increase of watered stock of 324 per cent, carrying an annual charge upon the industry of this country allowing only a 5 per cent profit of $7,143,075, and that is taken away without putting anything into the business at all. That is simply a hand out which the act referred to permits them to take away. Then we hear hon. members talking about the amount of money which was received by the bricklayers of this country, and talking about the wages which are paid as a reason for the high cost of living in Canada. Let me give the House a few more figures to show the results of the watered stock in this country, and to show also the absurdity of hon. members who argue that the high cost of living in this country is due to the high wages that are being paid. I am going to quote some figures from the Labour Gazette. I will not quote all of them, although I know hon. gentlemen are very much interested in them and would like to listen to them. They are taken from a number of industries; for instance the cotton yarns and cloth industry, the boot and shoe industry, macaroni and vermicelli industry, the clothing industry, the men's furnishing industry and so forth. Perhaps I could give the House a summary of the information which appears in these figures. The average per cent of salaries and wages to the total production of the industries which I have mentioned in Canada is 20 per cent; that is to say in these large industries which I have mentioned, the wages paid amount to 20 per cent of the total production, but in the United States for the same years the percentage of wages and salaries paid was 45 per cent of the total production. Does the government wonder why people leave Canada and go to the United States? One reason why they do that is that in the United States a workman gets 45 per cent of his total production whereas in Canada he gets only 20 per cent of it.

An hon. MEMBER: Oh, oh.

Mr. IRVINE: My hon. friend laughs at figures. If he will read a certain book, he will find a reference to certain individuals that laugh and their laughter is said to be like the "crackling of thorns under a pot." That kind of thing does not get one anywhere. The fact of the matter is that the stern figures stand before us and say that in Canada a workman gets only 20 per cent of his total production, whereas in the United States a worker gets 45 per cent of his total production. Therefore, we have an emigration that exceeds our immigration, notwithstanding the fact that the government is spending an enormous amount of public money in order to keep our population at par, so to speak. Does the government want advice from this side of the House what to do? I say: Bore a hole in the bottom of this vessel of watered stock and run out the water; stop the charging of enormous amounts of interest and profits on money that does not exist and allow the labouring classes and the business people of this country, to get what is going now to those people who are claiming it without putting one ounce of energy into the production and claiming it on stock that does not exist. This may be regarded as a negative policy, nevertheless it is a very essential one. If the government will take my advice in this one particular, they will bring more immigrants to Canada than they will as a result of their present policy; but, in addition, when these immigrants come to Canada, they will come into better conditions than if they were brought over under the present method and in view of the present situation.

Let me be a little more specific with regard to employees, wages and so forth in Canada. I want to quote the number of employees in certain industries in 1922, the amount of wages they received, and the relation of those wages specifically to the cost of living in Canada as estimated by the Labour department:

Name of Industry	Number of Employees, 1922	Amount of Wages, 1922	Average Yearly Wage for each Employee
		$	$
Cotton textile	19,941	14,635,249	739
Cotton yarns and cloth	18,504	12,529,766	677
Cotton thread	659	514,747	750
Boot and shoe	11,968	10,237,400	855
Macaroni and vermicelli	140	85,549	611
Cocoa and chocolate	541	465,850	861
Men's furnishings	4,781	2,699,525	565
			5,058
Or yearly average for all employees engaged in seven industries	.....	.....	722

This living allowance of $722 must be compared with the estimated standard of living for a family of five which is to be found on pages 431, and 433 of the Labour Gazette of May 1924. It is estimated there that the living standard in Canada for a family of five requires a wage of $1,783.60. If the government will explain how $722 can purchase goods to the amount of $1,785, they will know why immigrants move out of Canada into the United States. The standard of living has been estimated by various authorities. If anyone should dispute the figure which I have given, I will back it up with numerous other estimates made by competent authorities.

I do not suppose that I am enlightening the government at all. I do not suppose that any appeal of mine would make the slightest difference to the administration. That is the pathetic thing about being a member of parliament under party government. I have, however, at least discharged my duty in some respects in placing one or two simple facts before the present government. Under conditions which now prevail in Canada we have an undoubted unemployment problem; the wages paid in relation to the standard of living is not half enough, and yet in the face of these facts which cannot be denied, the government goes blindly ahead encouraging more immigration, taxing the people further to pay for that insane policy. I have discharged my duty to some extent when I bring these facts, if not before the government, at least before the country, and I hope that if my pleadings fall upon deaf ears tonight, it will not be long until we shall have a government that will face these problems, admit that they are there, at least, if they are not able to find a solution for them. That is all that I wish to say about the immigration problem.

An hon. MEMBER: Hear, hear.

Mr. IRVINE: The hon. member should not be too enthusiastic about his "hear, hear". I am just laying aside my papers and there is a great wealth of data that I would like to present. I am stopping out of consideration, not for them, but for myself, because the hour is very late. One minister of the Crown, I believe, rises in his seat and says: Behold the premier of Alberta; he was an immigrant; therefore, all immigrants may be premiers of Alberta; tell them to come over. Every male child born in the United States may become President of the United States, but no one is so mixed up in his reason as to imagine that they will all become presidents. That is the argument that is put up to gloss over the incontrovertible fact that we have an alarming problem of unemployment in Canada. As has already been pointed out by the hon. member for Bow River (Mr. Garland), the unemployment situation is going to be worse in the winter that is coming than it was last winter. Through the more or less intelligent manipulation of credit facilities in the United States they were able gradually to get over the inflation caused by the war and thus have been prevented from sinking suddenly into the depression which Canada was launched into through our inability or incapacity to control credit. But that has its limits also.

The United States industrial condition is not entirely in the hands of that country, it also is affected by the world situation, and the effect of industrial depression in the United States on Canada will be very decided. We are told that already immigrants are beginning to turn their steps away from the United States and are looking for shelter in Canada. This means the United States next winter will not be able to take the same percentage of the overflow of unemployed that it did last winter. Therefore I want to warn the government now that if I am here next year—which is probable, if we do not have an election in the meantime—I shall take the opportunity, if the unemployment problem is as serious as I expect it to be, to in some way bring the situation before the government and plead that they shall feed the people they have brought in and not employed. So please do

not tell me when that day comes that you were not warned in time; do not tell me when that opportunity arrives that I am trying to alarm the people of Canada, that I am trying to slander this country, that I am trying to create political capital. I am telling you before the time comes that it will come, and anyone who understands the situation at all can see it. Let me plead with the government, then, to be reasonable in this matter. Surely you may allow immigrants to come in if they want to, but do not spend this enormous amount of money to induce them to come in under false pretences, when you know that in doing so you are increasing your own problem at home. Let me once more tell the government—if it does not know it—that the best immigration policy is a sound economic policy. Put that into effect, and you will not need a futile immigration policy of the type that you are now pursuing.

Mr. GOOD: During the last twenty-four years since the beginning of this century Canada has spent somewhat over $24,000,000 on immigration. The effort represented by that expenditure has been futile or worse than futile to retain our population. And it does seem to me that that fact which stares us in the face ought to give us some reason for pausing before we authorize the expenditure of over $3,500,000 a year.

Mr. PUTNAM: I do not think that fact is admitted.

Mr. GOOD: Well, if it is not admitted it can be easily proven. I think it was proven by the statistics which were submitted last session. On the occasion of a similar debate last year a large amount of statistics were submitted which were not challenged. Those statistics and the pamphlets which I have in my hand abundantly prove that the effort we have made during the last twenty-four years has been practically useless.

Now, Mr. Chairman, I join with the member for Bow River (Mr. Garland) in stating that I am not opposed to immigration, but I am distinctly and emphatically opposed to the expenditure of such a large amount of money as we are spending at the present time. I presume that as long as we are receiving any immigrants at all we shall have to look after their entry and maintain examining stations at the ports of embarkation and of debarkation, but beyond that it seems to me we should be very careful indeed about spending one cent on immigration. During the course of this debate the Acting Minister of Finance (Mr. Robb) referred to certain representations which were made by the Hon. John S. Martin, Minister of Agriculture for Ontario, on the immigration policy. Mr. Martin is a very estimable gentleman and I wish to say nothing derogatory of him, but simply to quote the resolution adopted by the United Farmers of Ontario in their convention last December. It is as follows:

> Whereas prices of farm products have fallen below the cost of production and the prices of what the farmer has to buy are out of proportion to what he has to sell; and whereas the native population is leaving the land and the majority of immigrants who have come to this country have found their way into the United States;
>
> Therefore be it resolved that we, the United Farmers' organizations of Ontario in convention assembled do hereby vigorously protest against the present immigration policy of the federal government which has for its object the bringing out of immigrants to be placed on the land only.

Whether or not the declaration of the United Farmers of Ontario in convention assembled or the opinion of the Hon. Mr. Martin represent the viewpoint of Ontario I shall not discuss; I leave it to be inferred. But I would suggest that among the farmers of Ontario and her citizens generally, although there is a desire for farm help of a certain character, so far as my observation and information go, there is a very serious question as to the advisability of spending on immigration anything like the amount of money that we are spending at the present time. I mentioned a few moments ago that during the last twenty-four years we have spent on an average at the rate of one million dollars a year. During part of that time our policy was certainly a very vigorous one. And yet during last year and this year the amount spent has been in excess of $3,500,000 per annum. I do not think there is any reason to believe that we have one single individual here as the result of that expenditure. In short, we are throwing the money away. Let us have immigrants who will come here voluntarily and put up with whatever difficulties may confront them. Conditions existing in this country are serious—they are serious in all countries, but that does not justify us in not attempting to remedy the situation—but if we are to receive immigrants —and I am not opposing their entrance, nor am I wishing to limit them to those of a particular occupation—then I say we are going to get a very much better class of immigrants and save a lot of money if we wipe out the biggest part of the expense which we are now incurring. I spoke to the same effect two years ago. I registered my distinct disapproval of the continued expenditure of this vast amount of money.

This is not a simple problem, nor is it a problem which one can solve with reference to the situation existing this year, last year or next year. It is a very complicated problem. In this connection I will quote one or two sentences from a pamphlet which I referred to on a previous occasion, written by Miss Whitton, who was formerly assistant secretary of the Social Service Council, and who has made an exhaustive study of immigration. Here is one short paragraph on page 2 of the pamphlet entitled "Some aspects of the Immigration Problem," published in 1922:

> This problem of immigration is inextricably bound up with our questions of emigration and of unemployment. That is not to say that unemployment is caused by immigration, but it will be folly of the Simple Simon type for this country to embark on any scientific and expensive immigration policy, unless hand in hand goes some effort to check the heavy emigration of the recent years. It is a ludicrous but tragic prospect to contemplate our government pouring floods of carefully picked immigrants into the national vessels, only to learn from our neighbours that they and our native born are leaking out faster than we can fill the reservoir.

In connection with this extract I should like to relate a little incident that came to my attention not many months ago. I was speaking with a relative, a farmer in my own district, and he told me about receiving an immigrant from the Old Country through some government department. The man was most incapable; and he was hardly bearable in the house. He stayed about two days; they could not tolerate him. But during that time he admitted that he was using this country as a back door to the United States. He came out with the intention of going on a farm only for a short time, being headed for New York. I do not know how many of such there are, but it is possible that a very considerable number of people, whether desirable or undesirable, are using the advantages and facilities which we are providing in order to make their way to the United States. That has no reference whatever to the numerous immigrants who come in here with the intention of staying but who find the conditions more satisfactory to the south of the line and drift over there. It is also without reference to those of our own kith and kin, our native born, who are displaced by immigrants from abroad.

Mr. PUTNAM: Does the hon. member differ from the hon. member for Bow River (Mr. Garland) when he says that conditions here are better than anywhere else in the world?

Mr. GOOD: I was rather inclined to differ from that remark when it was uttered.

[Mr. Good.]

Mr. ROBB: My hon. friend's attitude is quite excusable, because the hon. member (Mr. Garland) himself contradicted it before he got through.

Mr. GARLAND (Bow River): Contradicted what?

Mr. ROBB: His own statement that this was the best country in the world to live in.

Mr. GARLAND (Bow River): Surely the minister is mistaken. He must have been dozing. Someone whispered in his ear.

Mr. PUTNAM: The whole House heard the hon. member.

Mr. GOOD: I recall the remark which the hon. member for Bow River made and I questioned it at the time, because I have had the opinion that in the United States during the last two or three years industrial conditions generally or on the average have been better than in Canada, due very largely, I believe, to the more enlightened financial policy which they have followed. But that is of course another question.

Mr. GARLAND (Bow River): Perhaps the hon. member, (Mr. Good) did not quite understand me, like the Acting Minister of Finance. I was speaking at the moment of agricultural conditions I have always first in my mind, of course, the interests of those whom I so earnestly try to represent. I think the hon. member for Brant is quite right; industrial conditions in the United States during the last couple of years have been better than they have been in Canada.

Mr. GOOD: I think that is sufficient of an explanation to show that there has been no serious misunderstanding; I am quite prepared to accept the explanation and to agree with the hon. member. I want to refer now very briefly to another pamphlet by Miss Whitton entitled "The Immigration Problem for Canada," published this year under the auspices of the Department of Political Science of Queen's University, Kingston, a very excellent and thoughtful study of the whole immigration problem of Canada. I had intended to go into the matters dealt with here in some detail, but I shall not do so at this hour. I would however commend to hon. members a very careful study of this pamphlet and of the books and publications referred to in it, because there is in it an extensive bibliography. I would particularly commend it to the attention of the minister. These difficult and complicated problems are not very easily solved without intensive study

as, for example by a committee. I think that the business of this House is often badly bungled, not deliberately but because the machinery we have provided is not suitable for solving the problems we find ourselves confronted with at the present time. Here we have one of the most difficult and complicated problems and it ought to be closely studied by a committee of the House, but we have left it entirely in the hands of a minister who is already seriously overburdened, and who cannot give it the requisite attention. I do not know whether there is anybody in his department who has given this matter serious, thoughtful and comprehensive study. I submit that a matter of such far-reaching importance, bearing a direct relation to the problem of unemployment and to the problem of our economic policy, should be given special study by a select or special committee of the House.

Last year or the year before the hon. member for Comox-Alberni (Mr. Neill), referred to a certain pamphlet he had read in which it was stated that the immigration which had flowed into the United States had resulted only in the displacement of the native born, or in a reduction in the birth rate of the old stock, and not in any increase of the population of the United States. I have read the pamphlet, which was issued by an organization in California, and I found it a very thoughtful and suggestive treatise on the subject. The argument was based upon a study of the vital statistics in the United States and the immigration figures covering the hundred years from about 1820 to 1920. I do not know that the argument was faultless but it was a strong argument based upon undeniable facts and it went to show that the only result of the tremendous flow of immigration into the United States was to lower the birth rate of the old stock or to replace one type of people by another type. Whether the succeeding type was better or worse than the preceding type does not matter.

Mr. PUTNAM: Even if that were so, would the hon. gentleman apply any lessons from that to our very sparsely settled country?

Mr. GOOD: There are perhaps several lessons in it for us, but I think the immediate lesson is this: That perhaps one of the results of our immigration policy has been to displace our native born and to send them somewhere else.

Mr. PUTNAM: You said they all went to the United States?

Mr. GOOD: In this case there is somewhere they can go to, but as far as the United States is concerned, the effect apparently was a reduction in the native birth rate, and if our people were circumscribed and had only this territory to reside in, it is not unlikely that the effect here would be the same, that is, a reduction in the native birth rate.

Mr. PUTNAM: I understood my hon. friend to say that had been effected here.

Mr. GOOD: I am sorry if I was misunderstood. I did not allege that the effect of our immigration policy had been to decrease the birth rate in Canada; it may be so; I do not know. There has been no study made, and possibly the immigration into Canada has been so recent that it would be difficult to arrive at any conclusions that would be at all sound. I simply referred to this particular study that was made of the United States situation to show that this is a problem that we ought to study intensively, and that we ought, perhaps, to get some expert knowledge of. I bring it in by way of illustration, not so much for the lessons it may convey to us, as to show that before we go spending millions of dollars on any policy we ought to know what we are doing, and we cannot know what we are doing until we study the problem. I want to emphasize that this is a problem that needs to be studied, and it takes a lot of time to study it, and so far as I can see we have made no provision for studying this very complicated problem.

Mr. PUTNAM: I think the hon. gentleman went too far. He is surely not taking the superior, academic position that government after government does not make a most serious study of this question, which a very large wing of public opinion says constitutes the hope of our future, namely, the bringing of immigrants into Canada.

Mr. GOOD: I hope that—shall I say—my estimate of the amount of study given by the department to this matter is wrong, but I am very much afraid, at least I have had no assurance, that there is any one in the department who would even give the matter the study that has been given in this document. I would like to be assured that such is not the case.

Mr. PUTNAM: I do not suppose that you are admitted to cabinet meetings.

Mr. GOOD: No, I have not had the privilege of attending the cabinet meetings, but I am rather inclined to think that our cabinet ministers have rather too much to do in carry-

ing out their ordinary duties to go intensively into a matter of this sort, and as to getting assistance outside, I have had reason to discover in the last couple of years how little some of our busy parliamentarians and civil service officials know about certain matters they ought to know a great deal about.

Mr. PUTNAM: I must respectfully ask the hon. member not to take the patriarchal position that the government do not make a most serious and earnest study of this question.

Mr. GARLAND (Bow River): They have not time to. They are too busy—making political speeches.

Mr. ROBB: No, we are listening to them.

Mr. GOOD: I do not want to take any superior attitude at all, nor to reflect on any cabinet minister or civil service official. I want simply to state that we have a number of complicated problems to study and to decide, and this is one of them. I do not believe our present machinery is fitted to undertake the investigation of this particular matter. The other day we had up for consideration the appointment of an advisory board to study taxation methods, and it was admitted,, I think, by the minister in charge of the department, that neither he nor his officials had time to undertake a special investigation of that sort. I am inclined to think—I hope I am wrong, and I would like to be assured that I am wrong—that in the ordinary routine of the department there is practically no study given to the fundamentals, no comprehensive view taken of the significance of the problem, and of its various implications and ramifications. I do not wish to reflect upon any of the ministers of the Crown. They probably do all they can. They are very busy, and are worn out, very often, with the multiplicity of duties they have to perform. I am simply suggesting that we have appointed several committees of this House to go into special questions, and here is a question which is certainly worthy of some very intensive study: That is the last suggestion I have to make.

Mr. GARLAND (Bow River): How many immigration agents have we now in Great Britain?

Mr. ROBB: Thirty-nine temporary and part-time employees, for 1924-1925.

Mr. GARDINER: What is the total salary list?

Mr. ROBB: In Great Britain, $26,816.

[Mr. Good.]

Mr. GARDINER: What are the other expenses?

Mr. ROBB: There would be the different agencies, rentals, and so forth.

Mr. SPENCER: Where are these agents in Great Britain located?

Mr. ROBB: At London, Cambridge, Bristol, Liverpool, Birmingham, Southampton, Glasgow, Bangor, Inverness, Cardiff, Dublin and Belfast. In addition to that we have agents who go about attending the different exhibitions that are held in the United Kingdom. Whenever there is a fair those agents attend on behalf of this country.

Mr. SPENCER: The minister stated earlier in the evening that the province of Nova Scotia was very anxious to get settlers, and that certain ministers in the province of Saskatchewan and Alberta had also asked for settlers. Would he inform the committee how many settlers were brought into Canada and placed in the various provinces last year?

Mr. ROBB: We have that information; the hon. gentleman may find it in the annual report. My hon. friend will also recall that I placed that information on Hansard earlier in the evening at the request, I think, of the chief whip of the opposition. However that may be my hon. friend will find the information on Hansard when the next issue appears.

Item agreed to.

Immigration contingencies and general expenses, including grants to immigration or colonization societies or associations, as may be authorized by the Governor General in Council, $1,579,000.

Mr. GARDINER: Will the minister state the amounts of money he has paid to the various colonization associations, the number of immigrants that these associations have been responsible for bringing into the country, and what class of immigrants they brought in?

Mr. ROBB: The Salvation Army $25,000; other societies $5,000; the Scottish Emigration Aid Society, $5,000; grant to provincial governments for repatriation, $15,000.

Mr. WOODSWORTH: Which provincial governments are those?

Mr. ROBB: The grant to provincial governments for repatriation is in the estimates for this year.

Mr. GARDINER: Can the minister answer my second question as to how many immigrants these organizations are responsible for bringing into the country?

Mr. ROBB: I do not know that I have the information for my hon. friend. No, I have not got the details with respect to the different organizations. I could get that information for my hon. friend; I have no doubt it is available in the department.

Mr. GARDINER: It was stated that the Canada Colonization Association had brought in 35 families but that was contradicted. Will the minister give the correct figures please?

Mr. McBRIDE: Carried.

Mr. GARDINER: No, it is not carried. There is a question to be answered.

Mr. ROBB: I have the details during the period that the Canada Colonization Association was operating. There were 28,378 persons brought in. That is during the period that money was being paid to this association. I have details, if my hon. friend would like them of the immigrants coming in from: Arizona, Arkansas, California, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Michigan, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, wisconsin and Wyoming. From these states there came in a total of 14,733 in 1922-23, and a total of 13,645 in 1923-24.

Mr. GARDINER: Under the arrangement made with the Canada Colonization Association it was presumed that they were to bring settlers in and settle them on the land. Certain arrangements were made to finance the settlers that this association were going to bring in. They were also to look after the settlers once they got them on the land, and see to it that their community surroundings were of the very best. Can the minister give any information as to what their activities have been along those lines?

Mr. ROBB: They were not satisfactory to the department. That is why the arrangement was cancelled.

Mr. GARDINER: And there is no intention to give any further grants to this organization?

Mr. ROBB: No, the arrangement has been cancelled.

Mr. SHAW: Is the association still in existence?

Mr. ROBB: I could not say. They get no grant from the government and the arrangement with them has been cancelled.

Mr. SPENCER: I was one of those who, a year ago, criticised the government's immigration policy with respect to the Canada Colonization Association and we ourselves were criticised for taking that stand. Tonight it has been demonstrated that we were true prophets because it seems that the arrangement of the government with that association was not a profitable one. I have here a resolution passed by the Farmers' convention held in Alberta that year which reads as follows:

> That this convention very much disapproves of the whole western Canada colonization association scheme and calls on our government to give it no financial support.

This was the attitude we adopted last year but it was ridiculed. It is worth while reminding the government that the stand we took then was correct, and that what we prophesied at that time has come true. In reply to a question the hon. member for Macleod (Mr. Coote) put on the order paper some time ago he was informed that the Canada Colonization Association was paid $200,000 between the government and the railway companies and that they had brought in 35 families. At a later date the Minister of Immigration said the figures were not correct. I have never heard the correct figures given and I would be very glad if the minister could give them to us now.

Mr. ROBB: The total amount paid was $140,000.

Mr. SPENCER: And how many settlers were brought in?

Mr. ROBB: A few minutes ago I gave the number of families that came in during the time this company was operating. My hon. friend will agree with me that it was impossible to determine whether the association should be credited with all those or not?

Mr. GARDINER: I quite realize that the hour is late but nevertheless representing as I do an agricultural constituency in western Canada, I believe it to be my duty to express my views with regard to this immigration problem. Personally I do not know any better country than Canada. That is quite apparent to any one who has travelled to any extent through the Dominion. Furthermore there is no question but that this country could take care of a much larger population than we have at the present.

Mr. ROBB: That is the kind of stuff I am prepared to stay here and listen to.

Mr. GARDINER: Until what time would you like to stay?

Mr. ROBB: Any time if my hon. friend keeps on in that way, that is the kind of stuff I like to hear.

Mr. GARDINER: There is no question then in the mind of any member of this House as to the character of the country we live in. Nor is there any question as to the ability of Canada to sustain a much larger population. Why is it then—we must ask ourselves seriously—we cannot retain the people we bring to Canada and also the natural increase in population?

Mr. BUREAU: They are chased out by "The whispers of death."

Mr. GARDINER: Confronted with this situation we must ask ourselves this question very seriously. If we are not sincere in this matter then we will not ask it. Now, I propose for a few moments to give the House a statement of the conditions which prevail in the constituency which I represent and in western Canada generally. It has been the policy of governments in the past to hand over our natural resources mostly to speculative interests, instead of making them available to the people who come to the country to develop them. We should get the people who come to Canada to engage in the development of its natural resources instead of their paying large sums of money to these speculators who have been allowed in the past to get control of those resources in a large measure. Rather than do that, people who come here must pay these speculators large sums of money before they are allowed to go to work and produce the wealth that we should like to see them producing. Another extraordinary feature, so far as the policy of Canada is concerned is this: The policy in the past has been to give a great deal of attention to secondary industries. We have had that policy for 45 or 50 years, and where do we find ourselves to-day? We find ourselves to-day spending three and a half million dollars of money, going out into the highways and byways of the world asking people to come to this country. I am satisfied that if the policy of this country in the past had been to take care of our basic industries, instead of our secondary industries, we would not have to spend a dollar to get one immigrant to come to Canada. They would be glad to come of their own initiative, because they would know that once they arrived in Canada there would be some opportunity of making a home for themselves and raising the families they no doubt would like to raise. Governments in the past, instead of looking after the immigrants when they were here and assisting them to get settled, have handed them over to the tender mercies of the exploiters. Because of that fact we find to-day people who have been from 15 to 25 years in this country who are no better off than when they came here. Most of them have lost what little capital they brought with them, and have taken the first opportunity to get out of the country which has treated them so shabbily. As far as I can see at the present time, it would seem to me to be a poor policy to bring into this country any others than farm workers and domestics. In so far as mechanics and other industrial workers are concerned, I believe we have sufficient and more than sufficient in this country at present to produce all that is necessary. I should like to call the minister's attention to a statement made at a Canadian Manufacturers' Association meeting, quoted in the Winnipeg Tribune of June 6 of this year, and it is a matter of record of the proceedings of the Canadian Manufacturers' Association. It deals with the number of people employed in a certain year.

Mr. McBRIDE: Would it be possible, Mr. Chairman, to suspend Hansard for a while? We could then get on with our business.

Mr. GARDINER: This statement deals with the number of employees in certain industries, and with the value of the products of the labour of these employees. In the year 1900 in these particular industries there were employed 339,173 workers. They produced in that year goods to the value of $481,053,375, or an average product per employee of $1,412. In the year 1921 there were employed in the same industries 512,141 employees, but they produced the enormous total sum of wealth of $1,747,926,675, or an average product per employee of $5,313. Hon. members will see the tremendous increase in the productive capacity of labour in the 21 years, because machinery has been improved to such an extent that to-day one man can produce much more than he could 20 years ago. The situation seems to be this, that there is no question but that the people of Canada to-day can produce all and more than they can consume. Yet to-day we find thousands, yes hundreds of thousands, of people who are producers, who are on the verge of the bread line almost all the time. If that is not a situation that should appeal to the government and induce them to give some real attention to it, then I do not know what sort of a situation would have to be created before the government would give it any attention.

Mr. ROBB: My hon. friend presents a most interesting argument and I agree with a great deal of what he has been saying. I would like him to follow up that manufacturers' association meeting, because I fancy they must have some remedy. I would like to know if he concurs in their views in regard to a remedy, or the means of producing better conditions in Canada.

Mr. GARDINER: I am not particularly interested as to whether they suggested any remedy or not, but I am interested in what the government of this country proposes to do about it. We cannot look to the manufacturers to remedy a condition which they have been largely responsible for bringing upon this country. That is the function of the government and the sooner the government realize that it is their function the better it will be for the present government, the future governments, and the people of Canada as a whole.

I desire now to take up the question of the situation of the farmer in this country at the present time. We in Canada last year produced a tremendous crop. The province of Alberta from which I come produced the largest wheat crop we ever produced in our history—something like 170,000,000 bushels of wheat. The total production of Canada last year amounted to 470,000,000 bushels of wheat. I was a member of the special committee which sat last year taking evidence as to agricultural conditions, and on more than one occasion the farmers of this country were asked by witnesses to produce more, and sometimes they were even asked to save more. But what was the amount of production in wheat last year? It was 470,000,000 bushels of wheat. Perhaps very few members of this House realize what that actually means. Let me put it in a way that will perhaps be more readily realized by the members of the committee. Suppose that we had not sold any of that 470,000,000 bushels of wheat which we produced last year, had kept it all in Canada and consumed it ourselves, what would it have accomplished? It would have fed the present Canadian population for between 9 and 10 years to come, and we would not have had to grow one kernel of wheat in all that time. Yet gentlemen who are not very well acquainted with agriculture and the conditions under which the farmer is working come round and pat us on the back, and say, "You are fine fellows, but you ought to produce more, you ought to save a little more; and if you would produce more and save a little more, there is no reason on earth why you should not be prosperous." If we took the production of wheat in Canada for the last two years and kept it all in this country, without selling a bushel outside, it would have fed the present Canadian population for between 16 and 17 years to come. That is a tremendous production, but that is only one phase of agricultural production. We must take into consideration all the other products that the farmers have produced during the past two years, and I ask hon. members of this committee in all seriousness, where is there any other class in Canada that is producing so enormously as the farmer is doing at the present time? You cannot show me any one class producing so enormously as the farmers are doing; yet people tell us that we should produce more. The trouble with the farmer is that we do not get anything for what we produce. If you take statistics, go into them very thoroughly and compare the price level say in 1914, with the price level of the present day, what do you find? We find that agricultural products are down to about the same level as in 1914, but the prices—

Mr. ROBB: My hon. friend will not argue that wheat is down. Wheat sold at 85 cents a bushel in 1914 prior to the war. I think it was 87½ cents a bushel the day before war was announced and it jumped up rapidly. My recollection is that to-day it is around $1.15 a bushel.

Mr. GARDINER: I will take the cost of living index and we can get at the matter, perhaps, a little better in that way. I will take the index as between 1914 and the present time. While the price of farm products might be indexed at 100 units, the prices of other commodities vary anywhere from 150 to 175.

Mr. ROBB: I will admit that.

Mr. GARDINER: Under those conditions how is it possible for farmers to be prosperous? I ask that question in all seriousness, and that is a problem that this government should have tried to do something tangible to solve. As long as those price levels remain as they are, the government might just as well throw that $3,500,000 into the river for all the good it will do in bringing out immigrants.

Mr. ROBB: What did it cost my hon. friend to thresh wheat in 1914 and what in 1923?

Mr. GARDINER: The cost of threshing wheat is determined in a large measure by the cost of the machinery.

Mr. ROBB: No; labour.

Mr. GARDINER: I will admit that wages are, perhaps, higher than they were then, but in the final analysis the cost of machinery is the prime factor in keeping the price of threshing where it is at the present time. As I have stated before, I see no possibility of farmers being successful just as long as we have those variations in price levels. If the farmers are going to be successful, the only way I see is to accept a much lower standard of living than we have now. I can assure the committee that as regards the farmers with whom I am acquainted, we have no anticipation of attempting to accept a lower standard of living than we have at present. Our object is to get a higher standard of living and to get more of the comforts on the farm such as they have in the cities to-day.

During the last two years the district which I represent has gone through very hard times, one reason, of course, being the low price level for agricultural products. Unfortunately, we have had it rather dry in that district. I know scores of farmers there who have gone through hard times, such as I never expected to see in western Canada, in order to try to make good and stay on their farms. In the particular locality in which I live myself, we were able to retain our population almost exclusively until this spring. Since I have been attending the sessions of this House, I have had letters from home which state that practically 50 per cent of the people have left that district this spring. I received just this morning two letters and I am going to read one in order that the minister may realize the situation as it is now. But before I read that particular letter, I may say that some three weeks ago I received from a place close to Medicine Hat a communication in which it was stated that they thought the crop was not going to come through; that it was likely to be burned out. Many of the people of that district were desirous of being transferred to some other locality where conditions might be somewhat better. I approached the Minister of Agriculture (Mr. Motherwell) to see if it would be possible for farmers, who had shown that they had tried to do their best, who had been in the district for, say ten to twenty years, to get any assistance to transport their machinery and stock to some other part of the province in order that we might retain those settlers. The Minister of Agriculture told me that there was no possibility of getting any assistance along those lines, and that is the reason why I am going to read this letter so as to let the committee know exactly the feeling of the people of those districts who were unfortunately settled on land that never should have been settled. I think it was under a Liberal regime that this particular country was settled, the Hon. Frank Oliver was responsible for opening it up. The Deputy Minister of the Interior told me himself two years ago that he pleaded with the Hon. Frank Oliver not to open up this district, but Mr. Oliver proceeded to do so and the consequence is that to-day we have in this district thousands of people who are absolutely ruined, although they have been there fourteen or fifteen years trying to make a living. This letter comes from a settler in the Cavendish district just south of the Red Deer river:

> Dear Sir,—At a meeting held in Cavendish, I was requested to write you in reference to the critical condition of this district. The crops are dying fast; all of the spring ploughing and new breaking crops are past help, and if the weather remains hot and dry a few days longer, it is thought the summer fallow crops will be dead too. Crops have never looked so bad at this time of the year.
>
> After being located here from twelve to fourteen years most of the people will have to go; some may ride, others walk out, as not a few are worse than broke.
>
> The query is: Where will they go?
>
> It looks as if the United States of America will get most of them.
>
> At Jenner and Atlee good horses and cows were sold last week, also implements, for $5 each, in order to give men enough to take them on the train as far as it will take them until they find work. The settlers have worked and fought against terrible odds, until they impress one as men without hope, and they are too. It will be a horrible crime if those men and their families are allowed to drift, without a helping hand, losing all they have. The country will lose a valuable asset as we are all experienced farmers. There are in this district alone forty families with cultured, well educated women, hard-working men, bright British-born children who will be turned on the road, when the price the government paid to bring in one Dago would save us all and our equipment from ruin as about $150 per family would move them to a good district.

There is no need for me to read any more. I have another letter also received this morning which tells the same story. Now the question for the government to consider is whether they prefer to save those experienced farmers who have been in the West fourteen or fifteen years by giving them some assistance, or to bring in Dagos at the same cost. That is the problem I am putting up to the government right now, and I trust they will be able to give it favourable consideration.

Mr. ROBB: I presume that when my hon. friend mentions Dagos he is referring to Italians.

Mr. GARDINER: Well, that class.

Mr. ROBB: The government are directing all their efforts to keeping out that class of Italians, and they are only admitted when they

have certificates as farm help or when a demand is made for them for railway construction work. I am bound to admit that there have been some requests for them for railway building in western Canada. But we do not spend one cent to bring in Italians; indeed the Italian government does not allow Canada to have an immigration agency in that country.

Mr. GARDINER: I think the reference in the letter I read to the committee means that class of immigrants, not particularly Italians. Let me deal with conditions as they are to-day and as they were when the Laurier government instituted its immigration policy in the early years of this century. At that time we had much vacant land in western Canada, many immigrants came in, and consequently conditions were more or less favourable. But when we come along to 1913 and 1914 we find that conditions in the West begin to get bad, and the reason was that most of the farmers had mortgaged their land for all they could get on it. The very fact that free homesteads were available to homesteaders after three years' residence and the performance of certain settlement duties, and that thereupon they immediately mortgaged their holdings, to all intents and purposes created a fictitious prosperity in western Canada, which was reflected throughout the rest of the Dominion. But the government must realize that we will never have those conditions again, and they must also realize that the only possibility of retaining immigrants is by instituting a policy which will make agriculture attractive. With such a policy in effect there is no reason why we should not get the very best type of immigrants in sufficient number to fill up our vacant lands.

We in western Canada have always suffered from high rates of interest and from high transportation costs, including express charges. I do not know the reason, but it seems to be the policy of the railroads and the express companies to charge "all the traffic will bear" in so far as western Canada is concerned, notwithstanding the fact that the cost of building the railroads and equipping them in the West is much lower than it was in eastern Canada. I direct the quotation which I am about to read to the attention of the Minister of Agriculture because he is very favourable to the farmer going into the milk industry as a means of making a livelihood, and we know that if we ship cream we must ship it by express, otherwise we get docked very heavily as the cream sours in transit. This citation has to do with express charges in western Canada as compared with those obtaining in eastern Canada, and is as follows:

> To charge the consumer in Calgary, Alberta, $2.40 to bring his fruit from Okanagan Landing, by the carload, 358 miles away, while the man in Montreal can get his fruit from Grimsby, Ontario a distance of 390 miles, for 95 cents, any quantity, is a fairly good reason, I submit, why fruit is not moving to the prairies in any substantial quantities.

I would draw the attention of the hon. member for Cariboo to this question.

Mr. McBRIDE: If you direct the attention of the hon. member for Cariboo (Mr. McBride) to cutting this discussion short it will please him a whole lot more.

Mr. GARDINER: To continue:

> It is true the rate applicable to Calgary is a blanket rate extending as far east as Winnipeg, but that does not justify the fact that the consumer in Alberta has to carry the load in order that the producer in British Columbia may extend his market to Manitoba, even if the latter rate were a low rate, which it is not, as compared with the rate applicable in eastern Canada. For instance the rate from Okanagan Landing to Winnipeg, 1,190 miles, is $2.40 per 100 pounds, while the rate from Grimsby, Ontario, to Halifax, a distance of 1,183 miles, is $1.50.

Mr. MOTHERWELL: When were those rates levied?

Mr. GARDINER: That is part of the evidence given at the hearing this spring when express rates were being discussed before the Board of Railway Commissioners.

Mr. MOTHERWELL: May I draw my hon. friend's attention to the fact that just a year ago last April in a case appealed from the Board of Railway Commissioners to the Privy Council the rates on cream were reduced 10 per cent?

Mr. McBRIDE: Mr. Chairman, are we discussing railway rates or immigration?

Mr. GARDINER: These rates have reference to fruit.

Mr. ROBB: That is just as good to feed up Hansard with as anything else.

Mr. GARDINER: Well, I am in no more hurry than the minister is. As far as I am personally concerned, I am absolutely against the government spending money on immigration until they attempt to bring down a policy that will tend to make conditions in Canada better than they are to-day. There is no question that we are able to produce abundantly, and if there was anything like an equitable division of the wealth produced in this country among those who produce it we would not have such adverse conditions as we have to-day; and until there is such a

reasonable division of our wealth it seems to me that it will be impossible for us to hold the immigrants we bring in and we are likely also to lose a good deal of our native population.

Mr. KELLNER: I think the remarks of the hon. member for Medicine Hat (Mr. Gardiner) in regard to moving the settlers he called attention to are well worthy the government's very serious consideration. I think it would cost only a small amount of money to give effect to the hon. member's request, and there is plenty of evidence to show that the country those people are now in is not practical for farming operations. I notice from the list of immigration offices in Europe read by the minister to-night that they are practically all in the large cities. That is about the last place on earth they should be.

Mr. ROBB: Those are the headquarters; they work from there into the surrounding districts.

Mr. KELLNER: You cannot get a better class of farmer than those fellows in the south who are anxious to be moved up to the northern part of Alberta, and as has been stated here there is no doubt that if something is not done we shall lose the whole bunch of them. It would be ridiculous to permit that large number of farmers to cross the line and go down say to Bolivia.

Mr. PRITCHARD: Has the province of Alberta not been moving some of these men from the vicinity of Medicine Hat?

Mr. KELLNER: I am not sure whether or not the provincial government gives them any assistance; I do not think they do. Some of them went on their own initiative.

Mr. PRITCHARD: I know that a friend of mine connected with the department there was doing that work.

Mr. KELLNER: I have seen quite a number of them trekking up there. They come up in a deplorable condition; they usually have an old team of horses and perhaps a cow tied behind, and a little bit of furniture on their wagon; that is all they have. These people could be given a start with $100 or $200, and it is a shame to let them go across the line and have no word for Canada but a curse when they get there.

Mr. SPENCER: The minister said a few moments ago that Italians are not allowed to come into Canada except as farm help.

Mr. ROBB: Or to take land themselves.

[Mr. Gardiner.]

Mr. SPENCER: That is one of the criticisms I have of the government's policy. A lot of people make use of this occupational provision as an excuse to get into the country.

Mr. ROBB: There was an attempt to do that, but does the hon. member argue that when the farmers say of Ontario and the eastern parts of the country come to us with a certificate and say, "We want these men in here; we recognize them as bona fide farmers," we should not let them in?

Mr. SPENCER: I am in favour of voluntary immigration of the right sort. We should first of all decide on the countries from which we wish people to come, and then we could throw the gate wide open to people from those countries, except for a strict medical examination. I am against the public moneys being spent in getting what might be called a forced immigration into this country when we are losing the immigrants as fast as they come here. There has been a good deal of adverse comment against this side of the House for criticising the Immigration estimates, but we criticise them because we think it is money thrown away. We have consistently supported voluntary immigration, but the idea of allowing one class of people to come in simply because they are going to take up farming, is simply utilized as a blind against the immigration authorities.

Mr. ROBB: I know an attempt has been made to do that, and it requires a considerable staff to prevent those people from coming in.

Mr. SPENCER: How can the authorities check up the people when they come here and are supposed to be on farms?

Mr. ROBB: They come first to assured employment. We inspect every application, and if in respect to any particular case we find that the immigrant is using the occupation as a blind, then we cut that man out; he does not get any more permits.

Mr. SPENCER: But you cannot cut out those who have already come in. The practice of the department to encourage only farmers is wrong, because you cannot force people to farm or do anything else; once they get into the country they will do as they see fit.

Mr. ROBB: Does my hon. friend suggest that we should take down the bars altogether?

Mr. SPENCER: No, but I would let voluntary immigration come in from the

countries from which we should reasonably feel like welcoming settlers, every immigrant, however, to undergo strict medical examination.

Mr. ROBB: No other restrictions?

Mr. SPENCER: Let them come only from the countries from which you want settlers.

Mr. ROBB: What countries would my hon. friend suggest?

Mr. SPENCER: I believe the government has expressed itself as in favour of encouraging the entry of settlers from northern Europe, Great Britain and Ireland, and that is a good policy. But it is a mistaken policy, in my opinion, to have forced immigration. A great deal of money is spent on highly coloured literature which brings people here under such expectations that they are disappointed; they have come on a false basis. When voluntary immigration takes place the people will come here expecting hardships and they will be ready to put up with them. One might think from the speeches made from this side to-night that the criticism is only from western Canada. I hold in my hand a clipping from a Toronto newspaper which reads:

The continuous emigration of Canadians to the United States and the constant arrival of new immigrants from Europe was responsible for the decision of the board of control this afternoon to seek the co-operation of all the cities throughout the Dominion in protesting against the present immigration policy of the Dominion and provincial governments. Mayor Hiltz stated that he had received numerous letters on the subject demanding some action.

Mr. ROBB: What paper?

Mr. SPENCER: It is from the Ottawa Citizen, copied from a Toronto paper.

Mr. ROBB: What Toronto paper?

Mr. SPENCER: I do not know.

Mr. GRAHAM: Is that Jimmie Simpson's article?

Mr. SPENCER: I do not know as to that. But I read a copy of a letter the other day from the mayor of Toronto in which he criticised the present immigration policy and stated that the support of various cities throughout Canada was being sought.

Mr. ROBB: We received that letter, but we also received a resolution from the Toronto Board of Trade urging greater immigration into Canada and the settlement of districts in northern Ontario.

Mr. CAMPBELL: Did the Toronto Board of Trade specify what class of settlers they thought should come in?

Mr. ROBB: Yes, they did. I have not the resolution here, otherwise I should be glad to read it. But I recall that they spoke very favourably of Galicians, Norwegians and Danes.

Mr. CAMPBELL: I mean as to occupations. Was it suggested that we should bring in mechanics, or nothing but farmers?

Mr. ROBB: Farmers, woodsmen, or people who would settle the country.

Mr. SPENCER: You get a pretty good idea of the state of public opinion by observing the editorial comments of papers across Canada. There are a few quotations from different newspapers I should like to make. Here is one from the Mail and Empire, Toronto, headed "Why exodus from the farm and Canada?" It goes on to say:

There is no reason why anyone should be mystified about the problem of keeping people on the land. They will only stay there if it is worth while. Philosophizing about it will accomplish nothing.

Here is another one.

Mr. ROBB: I would like my hon. friend to continue reading that article, because I know the Mail and Empire has been carrying on that campaign, and their solution of the problem is to put up the tariff higher. Is my hon. friend in sympathy with that?

Mr. SPENCER: In that respect I think they are wrong.

Mr. GRAHAM: Their argument is that if the tariff comes down employment is gone.

Mr. SPENCER: The Toronto Globe under the heading; "The needs of Canada is: a rainbow to replace the eclipse," says:

The farmers of the three Prairie provinces produced more wealth than from all the mines, timber, fur and fisheries of Canada.

Why is it the producers of this enormous wealth cannot get a decent living from the land? This is something to ponder over by everyone in Canada. Our oligarchy holds the deck of cards. These are always stacked against the producers.

A recent vigorous editorial in the Manitoba Free Press said, in part:

The problem is to make it possible for the man on the land to live like a human being, and not like a submerged, half-savage peasant.

Again:

The westerners are pretty well convinced that they will not get anywhere by politely asking the folks who are now riding on their backs to get off. A club will have to be taken to the toll-takers of all kinds.

I would like to bring to the notice of the minister another reason why we are not going to get settlers into this country. There are many parts of western Canada which have been badly in need of branch line railways for many years past. I am not blaming this House for the action they took this year, for they did the best they could to get these branch lines that are so badly needed, but I should like to quote an article which gives the western viewpoint very clearly:

Senate Impedes Settlers

The Senate's partisan hostility to the Canadian National Railways is striking a serious blow at the nation's credit. For political motives entirely, the construction of urgently-needed branch lines in the West has been blocked by Tory senators. The lines would be profitable to the Canadian National system; but the irresponsibles on Parliament Hill have political power to thwart Sir Henry Thornton's efficient administration.

The immigration policy of Canada is designed to attract desirable settlers to the western lands. All parties agree that more settlers are an imperative need, to help to distribute the burdens of taxation in this country, as well as to increase purchasing power in the home market and to provide business for the costly transcontinental railways. It is a very poor inducement for intelligent settlers, to stress the need for immigration to lighten the tax load. But it is doubly poor when prospective settlers are told that they cannot have the benefits of the railways, for lack of branch lines.

Little wonder that the settlement of Australia is making rapid strides while Canada is hardly doing more than mark time. With an incubus like the senate on the backs of the Canadian workers, progress is made almost impossible.

In conclusion I would like to state a few reasons why immigrants will not come to this country. When they know that if they come to Alberta or western Saskatchewan they are going to be charged nearly as much for shipping their freight west 640 miles as to ship it east 1,240 miles, they will hesitate to come. When they know that they will have to pay about 8 or 10 or 11 per cent on their bank borrowings, as compared with the 6 per cent they had to pay in Great Britain or on the continent, they will hesitate to come.

Mr. GRAHAM: Does my hon. friend think they will go to the United States on account of a lower transportation cost of wheat?

Mr. SPENCER: That is beside the argument. I am talking of Canadian conditions.

Mr. GRAHAM: I might tell my hon friend that the price of transporting wheat for export, is many cents a bushel less in Canada than in the United States.

Mr. GARLAND (Bow River): Then rates should come down there.

[Mr. Spencer.]

Mr. SHAW: The minister knows his comparison is not a fair one, because the rates are taken from portions of the country where no wheat is produced at all.

Mr. GRAHAM: I stated, and I state again now, that the wheat rates, for export, are for the same distance several cents a bushel less in Canada than in the United States. I will go further and say that per mile, wheat is carried on Canadian railroads cheaper than any other place in the world.

Mr. SPENCER: To continue: When they realize that the freight rate on a 1,200 pound steer from Winnipeg to Liverpool before the war was $24 and that to-day it is $42, they will hesitate to come to this country and go into beef farming. When they realize that Canadian manufacturers, who have a very strong hold on this country, are going to support in the future a very much higher tariff if they can get a government to give it to them, I do not think you will find many settlers from Great Britain who will be encouraged to come out here under that regime. When they realize that an act that was passed by a certain western province with the one idea of collecting taxation from large and powerful corporations, which would be hurt very little by such a tax, only three cents an acre, was disallowed by the federal government, they will hesitate to come because they know they will be taxed to make up the deficiency. When they realize that as far back as 1916 one of the standard banks of Canada was rotten to the core and that reports had been sent in monthly to the Finance department which were never checked, with the result that depositors lost about $11,000,000, I doubt whether that will be an incentive to people to come.

I would like to give a few suggestions as to how we might encourage settlers to come. I think if we did not charge what is known as the mountain rate on the Canadian National Railways, when there is no mountain grade but a grade just as level as on the prairies, it would be an encouragement to settlers to come to the western provinces. I am absolutely sure that if the federal government had made up its mind to go ahead with a rural credit scheme to give people who are so badly in need of it, both long term and intermediate credits at a reasonable rate of interest, you would have people really looking forward to coming to Canada. If a good propaganda had been carried on so as to advertise the benefits of the Post Office Savings Banks and

assure the incoming settlers that their savings would be guaranteed, there is no doubt it would have been an incentive for the people to come this way.

Mr. ROBB: But supposing they cannot make any money? My hon. friend is arguing that they cannot make any money. If that is the case what would they want the savings bank for.

Mr. SPENCER: By cutting down freight rates to the western coast they would be able to save money,

Mr. ROBB: All right.

Mr. SPENCER: Furthermore, if they could be guaranteed that the government would not jockey with the dumping clause in future I think people would be more ready to come to Canada than they are at the present time. Again, if the government—and I address my words more particularly to the Minister of Immigration who is also carrying the arduous portfolio of the Department of Finance—would be more willing to give back to the western farmers the money earned in connection with the Canada Wheat Board, money that really belongs to these people, I think he would encourage them with their co-operative marketing schemes. I feel that if the government would follow out some of these suggestions it would not only have a tendency to help people to come to this country but would keep them here after they came.

Mr. BOYS: I should like to point out that the committee is sitting upon Saturday July 12, after the House had decided that we should not sit this day.

Mr. LAPOINTE: The government is not responsible for that.

Mr. GARLAND (Bow River): Oh, yes, the government is responsible. The government could move that the committee rise and report progress if it wished to do so.

Mr. GRAHAM: The government is not going to move that the committee rise and report progress unless the majority wish it to do so. The Acting Minister of Finance, as every hon. member in this House knows is completing his work to-night and will leave to-morrow for Europe. It is essential that he shall get his immigration estimates through, and I for one am prepared to sit still longer and see if we cannot accomplish that object. I am not saying that threateningly, but simply pointing out the necessity of these estimates being voted before the minister leaves.

Mr. GARLAND (Bow River): That is news to me.

Mr. GRAHAM: We have been sitting here all night and I submit—I am not saying this unkindly—that under the guise of immigration hon. gentlemen have discussed everything under the sun. Had the rules of the House been invoked—which I did not wish to do—this discussion would have had to be confined to immigration. The hon. member who has just sat down discussed every possible question, and said that if the people knew these things they would not come to Canada. Now, if the rules of the House had been invoked that could not have been done. Hon. gentlemen could discuss, in connection with immigration, everything that ever happened since the days of Julius Caesar if they wanted to argue that his descendants were not fit citizens for this country. I am not complaining; I am simply pointing out to hon. members who think we ought to adjourn but that it will be almost impossible for us to do so until the immigration items are passed because the Minister of Immigration is leaving to-morrow.

Mr. IRVINE: We will be very glad to sit on; there is no need to adjourn. However, I want to ask a question, and I am asking it in all seriousness and I should like the minister to consider it. It is reported that over 300 farmers are leaving Alberta for Bolivia. Would it not be wiser to devote part of this vote towards the payment of their debts? I understand that the number of settlers brought in last year under this appropriation was something like 25 or 35 families. The minister did not give us the exact figures and I do not know exactly what they are, but it is a very small number. Would it not be better to spend part of this vote in keeping those 300 farmers in Alberta? As a practical proposition would that not be better than to spend this money in bringing in 25 more families who may leave the country next year?

Mr. ROBB: I do not think there is any such vote. I have not heard there are farmers leaving Alberta. I do know this: It was reported, I think with some truth—in fact I am under the impression the matter was aired in the courts in western Canada—that there had been some land deals in the province of Saskatchewan in which the people had been misled, and I think they were directed to go down to Mexico. Some of them are sorry they did so. I do not see why anybody would want to leave the

splendid province of Alberta. I do not want to delay the committee but there has been some criticism here tonight of the publications of the federal Department of Immigration. Well, I venture to say that we may well take a lesson from the province of Alberta in that regard. I have in my hand a splendid little booklet, with half-tone photographs, giving a description of that province, declaring what a splendid province it is, and stating that last year the farmers of Alberta were better off than they had been for years. The interesting statement is also made which is news to me that they have still more than 15 million acres remaining for homestead entry in addition to the lands already held for homestead purposes, school lands, and Hudson Bay lands. It is a most interesting little booklet and I am bound to say that it presents a very attractive picture of the country.

Mr. IRVINE: That does not answer my question. As a practical proposition does the minister not think it would be money better spent to keep those 300 families in Alberta than to expend this vote on probable immigrants that may not be very good when they come and may not stay in the country?

Mr. ROBB: I am bound to admit this: When people make up their minds to leave Canada and want to go down to Bolivia—

Mr. IRVINE: But they do not want to leave the country.

Mr. ROBB:—my hon. friend's proposition would be a dangerous one to enter upon because next week we would have another group coming along and saying they were going to leave the country and wanted to be paid to remain. That is not a practical policy.

Mr. IRVINE: But these farmers do not want to leave the country. They are good, hard-working men, honest men. They are unable to maintain themselves under the burden of debt they owe to a land company and therefore they have got to move out. That is a practical case. Supposing you could keep them by utilizing a portion of this vote, would that not be a better immigration policy than what the minister is doing?

Mr. ROBB: I am not going to admit that there is anything in this vote that would apply to the case.

Mr. IRVINE: A dollar can be applied anywhere if you want to do it.

[Mr. Robb.]

Mr. VIEN: How many thousands would come for assistance next week if we did that to-night?

Mr. IRVINE: If my hon. friend thinks there are thousands that may come next week for more help then he surely admits there is a very serious situation throughout Canada.

Mr. VIEN: I do not think so; but I do not want to encourage them to come for assistance.

Mr. IRVINE: My hon. friend must think that the men in Canada are very poor or else they are dishonest.

Mr. VIEN: Human nature is human nature.

The CHAIRMAN (Mr. Marcil, Bonaventure): Shall the item carry?

Mr. GARLAND (Bow River): Not yet, we want to get a lot more information.

Mr. GRAHAM: All right.

Mr. GARLAND (Bow River): The minister's reference to publications issued by the government of Alberta tempts me to suggest that perhaps it would be a truer picture of the actual conditions of agriculture in that province if they would include in the pamphlet a page something like this which appeared in both Liberal and Tory newspapers in Alberta:

Millions of acres seized for taxes last winter.

That, perhaps, might be a little more truthful than glorious pictures of lovely homes and that sort of thing.

Mr. ROBB: I am not making any condemnation of the literature issued by the government of Alberta. This publication was issued by a government that is supported by the hon. member and his party. If he desires to condemn them I do not object.

Mr. GARLAND (Bow River): The pictures are beautiful pictures of what are usually surburban homes close to the city. I have seen pictures of the home of an hon. member of this House quite close to Edmonton. It is a beautiful home but it was never built out of the products of the farm.

Mr. ROBB: All I am saying is that this literature is distributed in the United Kingdom by the government of the province of Alberta and on the authority of the Minister of Agriculture of that province.

Mr. GARLAND (Bow River): I do not deny that but I am saying that a more truth-

ful picture would be painted if this literature would include the real facts instead of giving generalties or half-truths. I should like to ask the minister if he could give the committee any figures on the value of settlers' effects imported and exported for the years 1923 and 1924?

Mr. ROBB: For the year 1922-23 the imports from the United States amounted to $9,097,077.34, and in 1923-24 to $6,962,739.53.

Mr. GARLAND (Bow River): And the exports?

Mr. ROBB: In the last two years they would almost look to be about balanced. For the year 1922-23 the amount was $6,635,337. In 1923-24 there were settlers' effects exported to the value of $9,846,503.

Mr. GARLAND (Bow River): I did not get the first figure the imports for the year 1923.

Mr. ROBB: The figures were: $9,097,077.34. In 1923-24 the figures were $6,962,739.53.

Mr. GARLAND (Bow River): I have in my hand table No. 6, comparative statement of value of imports and exports of settlers' effects for the fiscal years ended March 31, 1919 to 1924. These figures are taken from the Customs department returns to the Bureau of Statistics, and they do not quite tally with the figures given by the minister.

Mr. ROBB: What is the diffrence?

Mr. GARLAND (Bow River): It is quite large. In 1919 there was imported into Canada from the United States, $5,457,273, and there was exported $4,249,831. In 1920 there was imported $8,016,964, and exported to the United States from Canada, $6,587,817. In 1921 there was imported into Canada from the United States, $8,872,413, and exported $7,574,-512.

Mr. BUREAU: Is that the fiscal year or the calendar year?

Mr. GARLAND (Bow River): The fiscal year.

Mr. BUREAU: That would be 1922-23.

Mr. GARLAND (Bow River): In the year 1922 there was exported to the States from Canada of settlers' effects, $5,346,795; and in 1923 the figures are, settlers' effects imported into Canada from the United States, $4,985,266. There were exported $6,635,337. In the fiscal year 1924, there were imported from the United States into Canada, $4,788,583, and exported to United States $9,846,503. I wish to ask the minister if these figures are correct, because there is quite a difference.

Mr. ROBB: With the unanimous consent of the committee I wish to put on Hansard the official figures given me by the Bureau of Statistics covering the five years from 1919-20 to 1923-24.

Mr. GARLAND (Bow River): Do they differ very much?

Mr. ROBB: Very materially.

Mr. GRAHAM: Would it be possible that my hon. friend asked for figures for 1923-24, and got the figures for the calendar year?

Mr. GARLAND (Bow River): No, the fiscal year. I am not saying it is not possible, but I am stating that these are the figures given me as the official figures sent by the Customs department to the bureau. It is too bad this conflict should arise so often in the House.

Mr. ROBB: The statement showing settlers' effects brought into Canada from the United States during the five fiscal years ended March 31, 1924, will be placed on Hansard. It is as follows:

STATEMENT showing Wealth (Cash and Effects) brought into Canada by Settlers from the United States during the Five Fiscal Years ended March 31st, 1924

——	1919–20	1920–21	1921–22	1922–23	1923–24
	$	$	$	$	$
April	2,169,890 75	2,911,050 50	1,843,173 00	1,276,684 20	1,234,619 35
May	1,355,747 50	1,679,316 40	1,663,348 00	1,278,644 20	889,802 50
June	1,759,694 65	1,312,499 55	1,560,688 29	756,271 00	618,411 10
July	1,756,821 05	1,365,622 90	1,506,157 00	944,157 34	668,134 40
August	1,631,984 00	1,279,958 36	1,136,615 60	1,235,834 15	668,531 00
September	1,635,928 75	1,582,355 40	861,938 55	787,635 00	671,252 97
October	1,556,549 35	1,105,209 60	726,998 40	675,601 30	540,929 16
November	1,664,491 25	1,012,958 55	755,759 35	566,597 45	427,758 75
December	706,487 25	647,929 45	432,743 18	298,826 15	365,238 10
January	578,762 10	574,431 65	475,455 40	345,669 10	229,057 10
February	938,293 15	954,079 25	351,193 10	245,924 35	208,622 10
March	3,753,006 60	2,159,484 30	897,128 65	685,233 10	440,383 00
Totals	19,507,656 40	16,584,895 91	12,211,198 52	9,097,077 34	6,962,739 53

Mr. CAMPBELL: The question of immigration is a very important one because it is interwoven into the whole fabric of our economic, social and political life. There is no economic or political issue that does not have a very direct bearing on immigration. Therefore, I say, it cannot be considered by itself alone but only in conjunction with many of the other great problems. Primarily, it is an agricultural question. Therefore, its solution is bound up with the fate of our basic industry and no immigration policy can be successful unless its operation is coincident with really genuine and determined efforts on the part of the government to rid agriculture of the many unjust and unnecessary burdens that are resting upon it to-day.

Too much attention is paid by the government to experimental farms and other means for increasing production, and too little to the more important problems of transportation and marketing. I think that the government can very safely leave the question of production to the farmers themselves. Give us the proper marketing and transportation facilities and there need be no worry about production.

While the war was in progress, with half a million in the service, a quarter million more engaged in war work, three quarters of a million taken from their regular vocations, we yet produced more farm produce and more manufactured goods than ever before in the history of Canada. No, there is no occasion for concern about production. Leave that to the farmer, but assist him to secure a market when he does produce. See that his production costs are not enhanced by extortionate prices for what he has to buy, and his returns decreased by excessive tolls levied by steamship combines. Excess rates on the Great Lakes cost the western farmer annually from eight to ten millions of dollars; rates over what would be naturally fixed by fair competition. And yet the government has the means at its disposal to deal with this situation once and for all.

Let me say that I think I am correct in stating that no class of agriculturists in the civilized world produce as much per man as the farmers of western Canada.

Obviously, then, the trouble in western Canada is not due to lack of production. So many figures have been quoted during this session showing the seriousness of the exodus from Canada that I will not weary the House by repeating them. Needless to say, however, the real problem with which we must grapple to-day is not how to encourage immigration but rather how to stop emigration. The exodus of our own people from the farms has not only been serious but positively alarming. Let me mention one concrete instance. In one of the very best and most productive districts of Saskatchewan, with which I am acquainted, out of a block of land four miles by five, that is 20 sections, which land adjoins a village; twenty two quarter sections have been abandoned by the owners since last fall. All of this land was bought as wild land within the last ten to fifteen years; improvements made necessitating a tremendous amount of labour and expenditure, yet the owners have been obliged to relinquish it to the loan companies or to the original vendors. The immediate cause of so much abandoned land is generally due to pressure exerted by creditors whose claims against the land are in arrears, but the fundamental causes lie much deeper.

During the last three sessions, hon. gentlemen in this section of the House have been denounced in the House, in the press and in the country as calamity howlers, as blue ruin prophets, and as defamers of western Canada when they placed before parliament the actual condition of the agricultural industry in the prairie provinces. Now, however, since the government has made a few minor reductions in the tariff, the calamity howling is coming from the knights of industry and the doleful tales in parliament and in press eclipse anything heretofore heard from the agricultural representatives in parliament or in the country.

Immigration, I believe, Canada needs, and I am not aware that there is any sentiment against permitting entry to all the good settlers who voluntarily come to our shores. If the suffering and distressed of Great Britain and the Continent think that Canada is a better country than the one in which they reside, if they are prepared to come here unsolicited, knowing conditions as they are, I say, we should not say them nay. Let us give them a genuine Canadian welcome and do our utmost to make them feel at home in this, the land of their adoption. But I repeat, it is the utmost folly to spend money on immigration propaganda unless coincident with it the government makes every conceivable effort to retain those now upon the land.

As necessary to re-establish agriculture on a profitable basis, I suggest the following in the order of relative importance.

(1) A rural credit plan that will enable the farmers to spread their liabilities over a long period of years with a low rate of interest.

(2) Tariff readjustment to place agriculture on a footing of equality with other lines of industry.

(3) Completion of the Hudson Bay railway to the bay.

(4) Removal of the discrimination against Quebec on the rates on grain from prairie points, with a view to making it possible to make up mixed cargoes and enable us to use that port for cattle shipments; as well as to establish thereby a reasonable maximum rate for lake and rail transportation on grain.

(5) Determined effort on the part of the government to increase the market in England for butter, eggs, meat and other agricultural products.

To the professional optimist who objects to a discussion in parliament of the actual conditions on the farms, permit me to say that, to use the words of an American statesman—

> The man is not a pessimist who when he sees the funnel-shaped cloud approaching, directs his family towards the cyclone cellar. He is not an optimist, nay, he is worse than a fool who when he sees that cloud approaching neglects the protection of his family and stands rejoicing in the manifestations of nature.

Permit me to say that we have in western Canada, a country to be proud of, a country that, under proper conditions, could be the home of many millions of happy, prosperous and contented people. No country in the world, with the exception of Russia, is possessed of such vast tracts of rich agricultural land; land capable of producing untold quantities of human food. The northeastern part of Saskatchewan where I have made my home is perhaps the richest part of that great country. Large quantities of honey are being produced there to-day, and the output is increasing rapidly. Corn can be raised quite successfully. All the hardier fruits are being raised in abundance and no part of Canada can produce such crops as we are raising there to-day.

Nature has done her part in western Canada in soil, resources and in climate. The government must do its part; the people of the country will do theirs. The country is not to blame, neither are the people. The Creator never designed a richer land and no more hardy, virile and industrious people are to be found upon the globe. It remains with the government to do what it can to bring about the reforms necessary to re-establish agriculture; and when some of these are secured, we need not worry about immigration. It will not be necessary to send immigration agents to Europe and to spend three, four or five million dollars annually on immigration. The immigrants will come just as fast as we can absorb them and that time will come when the government takes means to bring about these urgent and necessary reforms.

Item agreed to.

Empire settlement scheme, $750,000.

Mr. WOODSWORTH: What proportion of this is borne by the Canadian government and what by the British government?

Mr. ROBB: It is on a 50 per cent basis. It is only on a loan basis. The loan is made to the incoming settler. The British government advances an equal amount, otherwise the scheme does not work.

Mr. WOODSWORTH: Is this for the settler's passage money?

Mr. ROBB: Yes.

Mr. WOODSWORTH: Is any given to help to establish the settler on the land?

Mr. ROBB: No.

Mr. WOODSWORTH: The money goes largely into the hands of the transportation companies.

Mr. ROBB: Unless the man were to swim —somebody has to bring him across.

Mr. WOODSWORTH: Are these loans fully repaid by the domestics?

Mr. ROBB: The experience has been that about 90 per cent of them are repaid. The domestics repay very well.

Mr. CAMPBELL: Is none of this money to be devoted to the purchase of land?

Mr. ROBB: No.

Mr. CAMPBELL: I understand that under the British Empire scheme there was some plan for settling people on the land.

Mr. ROBB: This is not part of the Canadian arrangement. I think they have some arrangement which they made with some of the states of Australia. The British Empire Settlement Board have different arrangements with different parts of the dominions and colonies of the Empire. I think they are prepared to give an amount equal to what the dominion would give.

Mr. CAMPBELL: The Canadian government has made no proposal to the British government in regard to land settlement?

Mr. ROBB: I would not like to go too far on that. I might have something to announce at a later stage regarding the proposition, but it would not help the ideas that, I am sure, hon. gentlemen have in their heads if I were to make any announcement at this time.

Mr. GARLAND (Bow River): The minister has just stated that all this money was in the form of a loan. I do not question his statement in the least, but I wish to ask him his opinion of this Canadian press despatch from London:

> A new emigration agreement has been entered into between Great Britain and Canada under the Empire Settlement Act, and it is continued from year to year at the pleasure of both signatories thereto.
>
> Each immigrant is to receive $80 toward the cost of his transportation and the care and expense of his children up to the age of 17 years. This is to be a grant out of hand, not a loan.
>
> In the case of household workers, where necessary, 100 per cent of the cost of their transportation, except on British railways, will be advanced as loans.

And so on. Is that despatch true?

Mr. ROBB: I think there is some arrangement whereby they pay the amounts for the children when accompanied by their father and mother.

Mr. WOODSWORTH: Is it not true that in the case of juvenile immigrants coming from farms, the amount paid is a direct gift and not a loan?

Mr. ROBB: That has been going on for years, but that is not the Empire Settlement proposition. Having been making for some time contributions to that organization, we concluded that the child coming here with its parents had at least as good if not a better chance of a future, and it was less expensive to the state. We have, therefore, extended that feature of the scheme to the child under sixteen coming with its parents.

Mr. WOODSWORTH: Who actually selects the immigrant—the Canadian or the British authorities?

Mr. ROBB: They all go through the Canadian authorities. Hon. members will be interested to know that while we are not doing this as fast as we would like, we are gradually Canadianizing the service overseas. When I say "Canadianizing" I mean this: We found there were some people in our offices who had only a book knowledge of Canada. We think that our staff over there representing Canada should be composed preferably of those who have lived some years in this country, and certainly they should know the Dominion. We have some excellent officials who have been with us a few years, and we think they should at least come home periodically and so be in a better position to tell of the advantages of Canada.

Mr. WOODSWORTH: What requirements are insisted upon as to occupation, experience and so on, of immigrants under this act?

Mr. ROBB: They must be from the farm, and our officers judge of their character and make a very careful investigation into their records. This season we have not averaged four a day in the detention quarters, owing to the selection on the other side having been so much perfected recently.

Mr. GARLAND (Bow River): Who stands the rebate of £6 which is made to domestic or household workers who remain on farms for a year?

Mr. ROBB: Half by the British and half by the Canadian government.

Mr. GARLAND (Bow River): I do not know whether this is a fair question to ask the minister, it may come more properly before the Minister of Railways, but I will ask the minister if he knows anything respecting what is stated by the following brief despatch by the Canadian press cable from London:

> Colonial Secretary Thomas, acting on behalf of the Empire Settlement Committee, to-day signed an agreement with representatives of Canadian National Railways to assist in placing in Canada selected groups of families from Great Britain. The Settlement Committee authorized loans of £300 to each settler, also guaranteeing any loss up to fifty per cent of the amount loaned.

Does the minister know of that?

Mr. GRAHAM: I am informed that as an experiment they have been doing something of the kind indicated, but it is limited to twenty families.

Mr. GARLAND (Bow River): The despatch reads:

> Five hundred families of settlers for Canada chosen in England.

I do not question the minister's answer, but this is what the newspaper despatch states.

Mr. GRAHAM: My information is that the number was reduced to twenty families when the proposal was discussed on this side.

Mr. GARLAND (Bow River): I most sincerely trust that the minister is correct, because if you take a family of five—a man, his wife and three chidren—and the children

happen to be under 17 years of age, they receive a grant of $80 apiece, or $240, and in addition there is an advance of $1,500 under this family settlement scheme.

Mr. ROBB: I think my hon. friend is wrong in that.

Mr. GARLAND (Bow River): This statement by Colonial Secretary Thomas has not been contradicted by the Minister of Railways.

Mr. GRAHAM: That is simply what the newspaper says, it is not Mr. Thomas' statement.

Mr. GARLAND (Bow River): Quite right. I trust the minister will be able to bring down the information. If it is true, we are advancing to each family no less than $1,740—a sum of money sufficient to save many Canadians to Canada. It might be just as well to bear this in mind.

Mr. WARD: I have been informed that there are a large number of Ukrainians stranded in Cuba who were told by the transportation companies that if they got as far as Cuba they would have no trouble in reaching Canada. I believe representations have been made to the minister to admit a selected number of these men, who have been guaranteed positions on farms in Saskatchewan, but that the government is hesitant about admitting them. As these people will make good settlers, why should they not be admitted?

Mr. ROBB: It has been very strongly represented to me by my colleagues that the Ukrainian makes a good settler, and similar representations were made at the provincial conference last fall. The government place no restrictions upon the Ukrainian coming direct from his country to go on the farms of western Canada. Indeed, I am told there are now one hundred families on the way. As regards the movement from Cuba, there has been so much criticism of the department in connection with it that I think it is only fair we should let in some daylight on what for a time I did not think I would give publicity to. As a matter of fact, it is a bootlegging scheme to get these Ukrainians into the United States by bringing them across from Cuba to Florida, or to New York, or if neither of these attempts is successful there is an attempt made to move them by way of Canada.

Mr. WARD: But these poor illiterate people were deceived by the transportation companies.

Mr. ROBB: I am not disputing that, but I understand that our Canadian shipping companies were not concerned in the movement.

Mr. WARD: I doubt if the minister's department has that information.

Mr. ROBB: We have the following letter:

> Kindly note enclosed copy of letter received from our assistant commissioner general, Washington, D.C., under date of July 1, 1924, containing information relative to importation of Europeans to Canada via Cuba.
>
> It has been felt that the enclosed may be of interest to you.
>
> Will you kindly acquaint me with any action that may be taken by your department in relation to the enclosed.

This is from Washington, D.C., addressed to the Commissioner of Immigration, Montreal.

> The bureau is quoting below a communication which has been forwarded to-day from the Ellis Island office.

The first word in the next paragraph is a name which I do not think I will give; I will call him Blank.

> Blank leaves 10.45 p.m. to-day for Ottawa obtain permit introduce 1,000-1,500 Europeans into Canada, ultimate destination United States.
>
> Blank represents stock company organized Havana for purpose and carries strong recommendations prominent politicians to give philanthropic character to project.
>
> Charge immigrants $150 per capita. Transportation costs $46.50, leaving $103.50 head profit, $41 to promoters of company and $62.50 per capita to political friends who furnished letters to give appearance of government support to idea.

In the face of such evidence I believe if my hon. friend was sitting in my seat he would turn down all this business coming in from Cuba. There is nothing to stop the simon pure Ukrainian who comes from his own country from entering Canada, but the Immigration department is not going to be a party to a combination having an organization to make a profit of $103.50 a head out of the poor immigrant who is going through Canada on his way to the States.

Mr. WARD: I would feel like commending the minister for his stand on this question. But does he not think it would be the part of wisdom for his department, if those people are now stranded in Cuba—I am given to understand they are suffering from the heat, and that they are out of work—and if they are good settlers, to select them there and bring them to Canada? There is no better settler than the Ukrainian for the frontiers of this country and it might be good business to bring these people from Cuba to Canada with the idea of providing labour for the farms of Canada.

Item agreed to.

Superannuation—to provide for retiring allowances to former employees of the Department of Public Printing and Stationery, $47,500.

Mr. ROBB: This is to provide for superannuation arranged prior to the Calder Act of 1920. They are gradually disappearing from year to year and it is estimated that in two years there will be nothing more required.

Item agreed to.

To provide for the administration of the Business Profits War Tax Act, 1916, and the Income War Tax Act, 1917, and amendments thereof, and authority for this purpose to create positions and make appointments, notwithstanding anything contained in the Civil Service Act, and the said positions and the staff so appointed are hereby wholly excluded from the operation of the said act; and salary of $10,000 for the Commissioner of Taxation, $2,000,000.

Mr. ROBB: There is a decrease of $200,000.

Mr. WOODSWORTH: Is this another set of positions to be created outside of the Civil Service Act?

Mr. ROBB: No. This was under the act of 1916. When the act was passed under Sir Thomas White, then Finance minister, this was the procedure and there has been no change since that time.

Item agreed to.

Provisional bonus allowance for the inside and outside services of the civil service, to be paid to such persons and classes of persons, in such amounts and at such times, as the Governor in Council may determine, $3,800,000.

Mr. WOODSWORTH: Is this the same arrangement that has prevailed in the past?

Mr. ROBB: There is a big reduction, but the procedure is the same.

Mr. WOODSWORTH: What is the reduction?

Mr. ROBB: $1,700,000.

Mr. WOODSWORTH: What percentage is that on the salaries?

Mr. ROBB: The Prime Minister placed that on Hansard some time ago.

Item agreed to.

Amounts to be paid to Department of Justice to be disbursed by and accounted for to it, for secret preventive service, $10,000.

Mr. BUREAU: This item was left over at the request of my hon. friends from Weyburn (Mr. Morrison) and Prince Albert (Mr. Knox). There was a letter missing in a return that was asked for by the hon. member for Weyburn. The letter was written by the Prime Minister of Saskatchewan to Mr. Wigmore my predecessor, and after hunting through the files we could not find it. Since then I have wired up to Regina and got a copy of the letter, and have seen the two. hon. members and they are perfectly satisfied.

Mr. WOODSWORTH: I should like to have more information as to the purpose for which this money is to be used.

Mr. BUREAU: It is for secret service, to pay for the services of the mounted police in connection with the improper use of narcotics and smuggling, for instance. This money is turned over to the Department of Justice to be disbursed by them and accounted for. It is for assistance provided for the Chief Preventive Officer.

Mr. WOODSWORTH: Is this amount to be expended under the direction of the mounted police officials?

Mr. BUREAU: Under the direction of the Department of Justice, it may be the mounted police or someone else that is chosen by the Department of Justice to help in the secret service.

Mr. WOODSWORTH: Several years ago we had information in the public accounts that certain amounts of this kind were being paid to American detective firms. Are American detective firms being employed now?

Mr. BUREAU: I have never heard of any being employed since I have been in office, nor have I heard of any ever being employed on this service.

Item agreed to.

Supplementary estimates—Department of Immigration and Colonization—to provide for one senior clerk bookkeeper, $1,440.

Mr. ROBB: This is to provide for the salary of an employee who was ill at the time the Main Estimates were being prepared, and who has since returned to her position.

Item agreed to.

Department of Finance—to provide for the salary of an Inspector General of Banks and the expenses of the staff and of the administration of the system of bank inspection as authorized by the amendment to Section 56-A of the Bank Act. Payments may be made notwithstanding anything contained in the Civil Service Act or regulations thereunder, $50,000.

Mr. GARDINER: I presume in the legislation there is provision made for the return of this.

Mr. ROBB: That is provided in the act.

Item agreed to.

Civil government, generally—to provide for cases of reclassification, increases and promotions, $56,000.

Mr. ROBB: This is to provide for reclassifications and promotions that may have been made by the Civil Service Commission.

Item agreed to.

British Empire Exhibition—further amount required, $150,000.

Mr. SHAW: Has this anything to do with the parliamentary delegation?

Mr. ROBB: Not in particular. That was pretty well threshed out on the main estimates.

Mr. GARLAND (Bow River): Just what is this additional amount required for?

Mr. ROBB: For the same exhibition.

Mr. GARLAND (Bow River): I understand there would hardly be two Wembley exhibitions in the one year. To what purpose is this additional amount to be devoted?

Mr. ROBB: Additional amounts have come in since the main estimates were prepared by Mr. Tolmie, who was in charge of the Canadian exhibit, pointing out the additional cost of the building. My recollection is that there was a strike of the staff, and that he had to pay for additional help to get his exhibit ready in time for the opening. Then there was some additional advertising required.

Mr. SHAW: What is the total cost of the Wembley exhibition to Canada?

Mr. ROBB: Speaking from memory, it will be just a little over $1,000,000.

Mr. GARLAND (Bow River): Some sum!

Item agreed to.

Retiring allowance to W. J. Black, former Deputy Minister of Immigration and Colonization, six months at $500, $3,000.

Mr. ROBB: I am going to allow this item to stand to meet the convenience of an hon. member opposite who had to leave to catch a train, but I might explain that it is to provide for a retiring allowance to Mr. Black, who was the deputy minister. When he withdrew from the service he forfeited any rights he had to a pension, and by the way, his retirement from the service was purely voluntary on his part. We exchanged letters, he regretting that he had left the service, and I am bound to say I regretted his having done so, because he had been very useful to me in the short period we were associated together. Mr. Black thought it was fair that he should get this retiring allowance, and I thought it was reasonable, and have put it in the estimates. Hon. gentlemen will have an opportunity of discussing it later.

Item stands.

To provide for the expenses of a technical investigation under the supervision of the Department of Insurance into the merits of the various forms of roof coverings from the standpoint of fire prevention, $8,500.

Mr. IRVINE: How much was spent on this last year?

Mr. ROBB: Speaking from memory, it was about this amount. There is just the same staff, with Mr. Smith at the head. It has been represented to me that the investigation will be completed this year.

Mr. GARDINER: Do we get any results from these investigations?

Mr. ROBB: Yes. The Superintendent of Insurance tells me he thinks they will be of very material value.

Item agreed to.

To provide for legal and other expenses in connection with prosecutions resulting from the failure of the Home Bank of Canada, $15,000.

Mr. SHAW: Will the minister give us the details of this item?

Mr. ROBB: I have not those details before me. We have a legal adviser watching the case for us in Toronto and we had an auditor doing considerable work, digging into the case and gathering up information.

Mr. SHAW: What was the auditor paid per day, and what are the per diem payments to counsel?

Mr. ROBB: Perhaps I had better let the item stand until we have further information. I have not that information now.

Item stands.

To provide for the expenses of a royal commission to inquire into proposed prohibition of restriction of the export of pulpwood—further amount required, $7,500.

Mr. GARDINER: Has this commission reported yet?

Mr. ROBB: The report may be ready for presentation. The secretary of the Pulpwood Commission has been endeavouring to see me all the afternoon but I was not able to leave the chamber. I told him I would try and see him this evening about ten o'clock, but I have not been able to leave the chamber since ten. I am not sure whether he wished to deliver the report to me or not.

Mr. GARDINER: I would take it then that the minister indicates there is some hope this commission will finish its labours in a very short time.

Mr. ROBB: I hope it will be off the pay list before I leave.

Item agreed to.

To provide for salaries and expenses of the advisers engaged in tariff inquiry. Payments may be made notwithstanding anything in the Civil Service Act or regulations thereunder, $30,000.

Mr. WOODSWORTH: I think this item should stand.

Mr. ROBB: I do not see why hon. gentlemen are opposed to the government making inquiries into the necessity of tariff reform.

Mr. SALES: We have no objection if the idea is to lower the tariff.

Mr. ROBB: We must have information before we decide what shall be done.

Mr. SHAW: I think the item should stand. Not that there is any objection, but we want to know the details in connection with the vote.

Mr. ROBB: I can give my hon. friend all the details that are available now. It is proposed to have an inquiry. It was intimated in the Speech from the Throne, I think.

Mr. SHAW: Not on this subject.

Mr. ROBB: It has already been intimated to the House. What information do my hon. friends desire?

Mr. IRVINE: I should like to know where you are going to inquire and how you are going about the inquiry? Is it to be confined to Canada or will it be extended to all the countries in the world?

Mr. ROBB: No, in Canada.

Mr. IRVINE: Are you going to appoint a committee to do the inquiring or a commission?

Mr. ROBB: We are going to have an inquiry made for the advice of the minister, and the government of the day will assume the responsibility for whatever is done.

Mr. IRVINE: I think it is a fine idea, I am not opposing it but I should like to know a little more about it. I am not very clear about what is going to be done.

Item agreed to.

[Mr. Robb.]

To provide for the expenses of a royal commission to inquire into the proposed prohibition or restriction of the export of pulpwood (Governor General's warrant of Jan. 15, 1924), $30,000.

Mr. ROBB: This is just to make a clean up; a Governor General's warrant was issued.

Mr. IRVINE: Is the report in yet?

Item agreed to.

To provide for legal and other expenses in connection with prosecutions resulting from the failure of the Home Bank of Canada, $15,000.

Mr. GRAHAM: Would not hon. gentlemen on reflection consent to allow the Minister of Finance to put through that $15.000 for the Home Bank and we will get the particulars that are desired.

Mr. IRVINE: Is that vote intended for the depositors?

Mr. GRAHAM: We will get the particulars my hon. friend (Mr. Shaw) asked for. I will get them from the department.

Mr. SHAW: Is this the only vote for the purpose?

Mr. ROBB: Yes, that is the last. The department will furnish the information which my hon. friend desires.

Mr. SHAW: As long as the minister knows the information I want. I wish to find out how many counsel were employed, how much they were paid, and at what rate. I wish the legal and other expenses divided.

Mr. SPENCER: Does this vote include any money for counsel for the Home Bank people?

Mr. ROBB: No, it is for the government counsel.

Item agreed to.

Mr. ROBB: I am sure it was well worth staying here so long to have such a splendid ending. I think all my immigration estimates are cleaned up with the exception of one item, and the estimates of the Department of Finance. I am not sure whether there are any other items undisposed of. If there are I hope hon. gentlemen will accord the same courtesy to my colleague the acting minister as they have to myself. I move that the committee rise and report progress.

Progress reported.

On motion of Mr. Graham the House adjourned at 3.15 a.m., (Saturday).

Monday, July 14, 1924

The House met at eleven o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

VANCOUVER ELEVATOR

Mr. LUCAS:

1. What was the total elevator capacity at Vancouver as of March 1, 1923?
2. What was the total cost of this elevator capacity including site?
3. What was the total elevator capacity at Vancouver as on March 1, 1924?
4. What was the total cost of elevator capacity including all capital charges, as on March 1, 1924?
5. What is the total liability of the Vancouver Harbour Commission to the Dominion Government?

Hon. Mr. COPP:

1. Capacity of government elevator at Vancouver, 1,250,000 bushels.
2. Cost of government elevator at Vancouver, as on March 1, 1923, $853,696.73.

Elevator was built on land which had been acquired by the Department of Public Works in connection with proposed wharf and no charge was made to the Trade and Commerce Department for using an area for that structure after the wharf was built.

3. 2,100,000 bushels.
4. Original cost of elevator, $853,696.73 Cost of extension to elevator, $749,875.
5. $8,145,900.

TORONTO VIADUCT

Hon. GEORGE P. GRAHAM (Minister of Railways) moved that the House go into committee at the next sitting to consider certain resolutions respecting the construction of a viaduct and other works in the city of Toronto.

He said: His Excellency the Governor General having been made acquainted with the subject matter of these resolutions, recommends them to the favourable consideration of the House.

Motion agreed to.

MONTREAL HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, That it is expedient to amend the Montreal Harbour Commissioners' Act, 1894, and to provide,—

1. That the Harbour Commissioners of Montreal may build, own, maintain and operate a bridge, for general traffic including tramways across the River St. Lawrence from a point in the City of Montreal to a point on the South shore of the said River to be determined by the said Corporation, with all necessary or useful appurtenances or accessories.

2. That the plans of such bridge shall be submitted to and approved by the Governor in Council before beginning the construction thereof, and the Corporation may, subject to the approval of the Governor in Council, charge and recover tolls for the use of or passage on such bridge.

3. That the Corporation may, for the above purposes, and from time to time, borrow money or issue and sell or pledge bonds for such amounts, at such rate of interest, and on such terms and conditions as it may determine, and it may secure such bonds or loans by a mortgage or hypothec on the said bridge and by a charge on the tolls and revenues thereof.

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.

CANADA SHIPPING ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:—

Resolved, That it is expedient to amend the Canada Shipping Act, and to provide that any foreign built vessel captured or seized during the war 1914-1919 by British forces or nationals and condemned as prize of war or ceded by enemy states to Great Britain or British nationals by the Reparations Commission under the Peace Treaties following the war, and placed on British registry, shall for the purposes of Part XVI of the Act and of The Customs Tariff be regarded as a British built ship and as entitled to engage in the Coasting Trade.

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.

PENSION COMMITTEE'S REPORT

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment): Mr. Speaker, before we proceed with the notice of motion standing in my name, may I ask for the unanimous consent of the House to revert to "Motions" in order to enable the chairman of the committee on Pensions and Re-establishment to move concurrence in the report which he submitted to the House two or three days ago?

Mr. SPEAKER: By unanimous consent the House will now revert to "Motions."

And "Motions" having been called:

Mr. JEAN J. DENIS (Joliette): I move that the second report of the special com-

mittee on Pensions, Insurance and Re-establishment of returned soldiers be now concurred in.

Sir HENRY DRAYTON: I would ask the hon. member to tell us the effect of the motion.

Mr. DENIS (Joliette): I had not intended at this juncture to discuss this motion, because it simply relates to amendments to the Pension Act, and these amendments will be submitted to the House in the form of a bill. I will, however, on a later occasion, when the final report of the committee on Pensions, Insurance and Re-establishment is placed before the House, make a detailed statement of the activities of the department and also of the work done by our committee in the course of the present session. For the time being, having regard to the fact that this report refers purely and simply to amendments to the Pension Act, and also a minor amendment to the Department of Soldiers Civil Re-establishment Act, I do not think I should go any further into the matter.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I am not rising to make any objection to the contents of the report of the Pensions and Re-establishment committee, but to make objection to the matter coming before us in this form and the House being asked on what we have before us to finally dispose of the whole principle involved. The report evidently recommends changes in the law, and I presume the changes which the report recommends are foreshadowed in the resolution appearing on page 9 of the order paper, and now about to be given notice of for reading tomorrow. Under these circumstances it appears to me that the best practice would be not to deal with the report of the committee at all. The report is in our possession, and I presume the evidence is printed and in our possession too. Why finally decide the matter and then proceed, after it is decided, to consider the resolution, the second reading of the resolution, the details of the resolution in committee, the first reading of a bill, the second reading of a bill, review of the bill in committee, and to all these other stages, after we have tied our hands by accepting the report? Inasmuch as the report itself provides for legislation, why not let the report lie and let us proceed as expeditiously as we can with the legislation contemplated?

Mr. BELAND: I have no objection whatever to the course suggested. My only object in making the motion that we revert to the order of "Motions" was to forestall any objection that might be taken to our proceeding with the resolution of which notice is about to be given. In moving the adoption of the report of the committee I was under the impression that we could not proceed with the resolution before the committee's report had been dealt with. However as my right hon. friend suggests, it will be full time and quite in order, I presume, to consider the committee's report after we have dealt with the resolution covering the different suggestions for legislation submitted in that report. Therefore, Mr. Speaker, I do not insist at all upon concurrence in the report at the present stage, it being understood that the legislation which has been forecast is going to be proceeded with. I understand that the right hon. leader of the opposition is willing that this should be done.

Mr. SPEAKER: The motion stands as a notice.

On the motion of Mr. Beland, the House reverted to the order of "Government Notices of Motions".

PENSION ACT AMENDMENT

Hon. H. S. BELAND (Minister of Soldiers Civil Re-establishment) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, That it is expedient to amend the Pension Act and amendments, and to provide,—

1. For pension not being awarded when the death or disability of the member of the forces was due to improper conduct, but that the Commission may, when the applicant is in a dependent condition, award such pension as it deems fit in the circumstances; except when the death has occurred on service prior to the coming into force of the Pension Act; and an ex-member of the forces suffering from venereal disease who saw service in a theatre of actual war may be awarded a pension for total disability at the time of discharge.

2. For the period of delay during which applications for pensions may be made, and for cases which appear to be specially meritorious.

3. For the conditions under which dependent parents and the widow of a pensioner may be awarded a pension.

4. For the awarding or refusal of a pension to a widow of a pensioner, taking into consideration his condition at the time of marriage, and under what conditions pensions may be paid to prospective widowed mothers.

5. For the payment of certain sums of money pending consideration of a claim for pension.

6. For the restoration in certain cases of pensions previously awarded to a woman who has been married or remarried, and for increased pensions to mothers whose husbands are physically helpless or in a dependent condition.

7. For what the final payment will be in cases of disability between five and fourteen per cent, and what conditions may affect such final payments.

8. For the amendment of the schedules to the Act in such a manner as to make pension equal to the actual rate plus bonus.

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. J. A. CLARK (Burrard): I point out to the minister that paragraph 2 of the resolution dealing with meritorious cases should not be linked with other provisions of an entirely different character. I remind him that last year a clause dealing with meritorious cases was put through in that form. The minister was advised that in consequence the meritorious clause would be ineffective, and such turned out to be the case. I simply rise to ask the minister to see that in this year's legislation the clause dealing with meritorious cases shall appear as a substantive clause, not linked with some other clause. While I am on my feet I ask the minister when we may expect the report upon which the contemplated legislation has been based to be printed and distributed?

Mr. BELAND: The object of coupling up the meritorious clause in the manner indicated was to make the resolution as brief as possible. I agree with my hon. friend that a special clause should be drafted to provide for meritorious cases, and the bill to be introduced will have such a clause. The report to which my hon. friend alludes appears in the Votes and Proceedings.

Mr. DONALD SUTHERLAND (South Oxford): Is not the committee which dealt with this matter still sitting?

Mr. BELAND: I think so.

Motion agreed to.

INDIAN ACT AMENDMENT

The House again in committee on Bill No. 172, to amend the Indian Act, Mr. Gordon in the chair.

Hon. CHARLES STEWART (Argenteuil) (Superintendent General of Indian Affairs): To prevent misunderstanding I have had the bill reprinted. A number of copies of the bill in its present form have been tabled and will be distributed. Perhaps it would be well to indicate the clauses to which exception was taken when the bill was previously before the committee. First of all exception was taken to our assuming absolute control of the Eskimos. In sub-section 2 of section 1 we now simply say that the Superintendent General of Indian Affairs shall have charge of Eskimo affairs, and that he will grant such relief to the Eskimos as may be necessary from time to time. Then objection was taken to section 3 in that it did not clearly define what was meant by "widow." We have inserted the word "such" so the section as amended will read:

In case any Indian dies intestate without issue, leaving a widow of good moral character, all his property of whatever kind shall devolve upon her, and if he leaves no such widow the same shall devolve upon the nearest of kin to the deceased.

This change, I think, will make the clause much more intelligible. In the case of clause 4 dealing with cancellation very serious objection was taken. Accordingly the first paragraph of the clause has been divided, the first subsection dealing with the date when cancellation shall become effective, and the second covering the matter of signatures to cancellation notices and to the service of such notices. Clause 8 has been deleted entirely. That was the clause dealing with the responsibility of the purchaser from the Indians of hay, stone, or other material removed from a reserve. The act very clearly specifies that the Indian who is guilty of an offence of that character can be punished. But we were going somewhat further in asking that the purchaser should be punished as well. That is the provision which has been omitted. I think these changes cover the chief objections that were raised to the bill when it was previously considered.

Mr. MEIGHEN: The changes which have been made entirely remove nearly all, if indeed not all, of the objections which I felt the bill as introduced contained. I am not sure from recollection what clauses were passed, or what the clauses are that should now be given attention. I am very pleased the minister has made these alterations. They meet the objections which the House raised.

Mr. SHAW: Has the Justice department passed on the question as to whether or not Eskimos are Indians, and consequently come within the jurisdiction of the Dominion parliament?

Mr. STEWART (Argenteuil): No, Eskimos are not Indians. While they may be of a somewhat similar character, they are not looked upon as Indians in the real sense of the word.

Mr. SHAW: Under what authority does the minister assume jurisdiction to take charge of their affairs?

Mr. STEWART (Argenteuil): For the simple reason that, in common with other bands—and they may properly be described as of a similar character—sometimes it is necessary that the government have some authority to protect these people. We propose licensing traders and exercising jurisdiction and control over the area inhabited by the Eskimos. They are living in Canadian territory, and all we are asking is that one particular department of the government be delegated to deal with the bands of Eskimos, rather than having it left indiscriminately to the departments or to the Governor in Council. We are desirous of establishing which department shall be responsible for any dealing which may take place between the Eskimo and the government of Canada, and make the recommendation.

Mr. MEIGHEN: What is in the mind of the hon. member for West Calgary (Mr. Shaw) is the constitutional jurisdiction.

Mr. SHAW: Yes.

Mr. MEIGHEN: I do not doubt at all that if the Eskimos are in any particular province this act would not give the minister any control; but I think they are all in the territories. As the law stood before, I think the Minister of the Interior, having charge of the territories, had charge of the Eskimos. This gives the Superintendent General of Indian Affairs charge in the territory instead of the Minister of the Interior, and, as they are the same person under the Act, it really leaves the law as it was.

Mr. GOULD: Unfortunately I was not in the House when the bill was discussed previously, but in connection with section 3 I have wondered if, where the Indian has property at his death, and no heirs, providing he owes debts outside of the reservation for articles he has purchased, those holding these claims should not have priority of rights.

Mr. STEWART (Argenteuil): They would have just exactly the same claim as against the estate of a white person. They are all advertised. These claimants are always taken care of in cases of this kind. This provides a method of dealing with such heirs as exist, but claims against the estate are always taken care of.

Mr. GOULD: I was referring to cases where there are no heirs and no wife. If the individual owned property and had to purchase materials outside the reservation, should those from whom he purchased now have a prior claim? The minister at the present time recognizes that the individuals have no claim against the Indians, and the Indians themselves, possibly with the assistance of the Indian agents, have taken advantage of that circumstance; the Indian agents may have persuaded the Indians to go out and purchase things. Even the agents themselves, in cases I know of, have signed papers advising individuals to sell to certain Indians. They are not in any way responsible, but the individuals who furnished the materials, horses, implements and such things, have been taken advantage of.

Mr. STEWART (Argenteuil): I cannot conceive that there would be any difference between that condition of affairs and the condition prevailing in the case of a white person. Legitimate claims against an estate in any case would have to be settled, if the estate were worth the claim. There is no doubt about that.

Mr. FORKE: Does the minister feel sure of that? I rather think you cannot sue an Indian for debt.

Mr. STEWART (Argenteuil): No, that is quite true; but you can get your claim registered through the agency of the Superintendent General of Indian Affairs; and in the case of death the claim against the deceased Indian, if he has certain property in his own right, are not shut out. You may be denied it of course, but your claim is there just the same as it would be in any case.

Mr. MARCIL (Bonaventure): Is there any considerable number of Eskimo outside of the territory living in some of the provinces?

Mr. STEWART (Argenteuil): I imagine there are in Ungava, but this only applies to the other bands.

Mr. MEIGHEN: Does the minister take the ground that, after the death of an Indian, claims that could not have been prosecuted against the Indian in his lifetime can be prosecuted against his estate? What the hon. member for Assiniboia (Mr. Gould) has in his mind is this: Here are the claims, some of which were referred to by the hon. member for Qu'Appelle (Mr. Millar) which arose from the sale of property to Indians, a sale apparently on the authorization of the Indian agent. Now the Indian agent acted without authority, and consequently the department does not recognize the sale and does not recognize the agent. The Indian in person is shielded from all legal action by virtue of his

wardship. Suppose the Indian dies, are these claims valid against his estate, if he leaves an estate? Or does the estate go, under this section, to the widow if living and qualified, or if not to the next of kin, irrespective of the debts?

Mr. STEWART (Argenteuil): As I understand it the situation is a little complicated. My hon. friend (Mr. Millar) gives us one case in which he says the Indian agent issued orders without instructions. I confess that is a point that has given me some considerable worry. I know that the claim has been raised that the agent issued instructions for purchases, but without authority. I do not know just how far that contention might be carried in a contested case, because after all the Indian agent is an agent of the government. It is very clear that the Indian himself cannot be sued, but I think it is the clear duty of the government to assist in the collection of these accounts, notwithstanding the fact that action cannot be taken against the Indian himself and judgment rendered against him; but I have never taken the ground that the government could escape some responsibility through their agent in these matters, on the mere ground that the agent had given orders without authority. But in many cases orders cannot be produced at all; these are the difficult cases. We are trying to clear up as rapidly as possible the other cases, and we are warning the agents, giving them very definite instructions that it is only in case of relief and of dire necessity that they should issue these orders, and not for the purpose of indiscriminately purchasing implements, horses, harness, supplies, wagons and so forth, which has been going on heretofore, and which often end in difficulties, because when bad crops come the band are unable to liquidate their debts. I have in the estimates I may say, a request that I be granted sums of money that were provided out of the Greater Production programme, entered into by the previous government, that I wish to use for the purpose of assisting Indians who are starting up, and to avoid this issue of orders for the purpose of purchasing such supplies as I have mentioned.

But, dealing now specifically with the particular case mentioned, I do not see how we are barring the right of a creditor who has a perfect right to apply if he can substantiate his claim, even in the event of the death of the Indian who purchased from him. If supplies were legitimately furnished under authority of the order of the agent, I feel quite certain that the department would be willing, if the estate was worth it, to recognize the claim against an individual Indian. Although, after all, the communal interest always arises in these cases. The situation is rather difficult to handle, and one of the things I am determined to stop is the issuing of these orders and the securing of credit on the authority of the agent for the articles that I have indicated.

Mr. LADNER: In connection with advances made to Indians out of this fund by way of help, there is a case in Alberta of a man who now lives in Vancouver and who, at the request of and under the written guarantee of the Indian agent, sold some three or four thousand dollars' worth of horses and other things to Indians for which he was not paid. Is it not possible, when the department through its agent officially stands behind a purchase of that kind and when the Indian receives the advantage of the goods, to provide some relief?

Mr. STEWART (Argenteuil): Did the sale take place in Alberta?

Mr. LADNER: Yes.

Mr. STEWART (Argenteuil): What is the agency? The case has not come to my notice.

Mr. LADNER: I have communicated with the department about it. The Indian agent guaranteed the payment. The Indians received the articles but never made payment. The Indian agent is now unable to stand behind his guarantee and the department apparently has not been willing to make any settlement.

Mr. STEWART (Argenteuil): I have no knowledge of that case. I fancy he must be wrong about the province. The hon. member must bear in mind the fact that we have had Indian agents who are human like other people, who have gone wrong, and without any authority whatever from the commissioner or anyone else, have obligated by order the band with a heavy indebtedness of this character. A case of that kind is most difficult to settle. Sometimes I even feel that the vendor was cognizant of the fact that the transaction was not a strictly bona fide one.

Mr. LADNER: In this case it was.

Mr. STEWART (Argenteuil): I am not accusing my hon. friend, but too often that sort of thing happens and we have difficulty

in settling such claims. On the other hand, many legitimate claims are entered into in good faith by vendors when they have the signed orders of the agent on copies specially prepared by the department. These are produced and there is every evidence that the sale is a legitimate one. In such cases, of course, there cannot be any dispute about the matter, and the obligation is one that must be straightened out in some manner.

Mr. LADNER: How is the debt settled?

Mr. STEWART (Argenteuil): We have to resort to many ways of making adjustments —borrowing from band funds, for instance. In some cases we have to liquidate the debt. We try to investigate every one of them on its merits. When the responsibility of the government appears to be proven, we endeavour to adopt the best method possible of adjusting such claims. This, however, is a condition of affairs that cannot continue. Invariably, when distress strikes the Indian, as it strikes the white man, he is unable to pay, and unfortunately as the years drag on he becomes frequently unwilling to pay. We try, in the best way we can, to recover the sums of money from Indians who have incurred the liability, but the task is pretty difficult at times.

Mr. GOULD: The minister states that the practice is to be stopped. I would infer from that that the department or the government realize that they have assumed a responsibility through the medium of their agents to the people with whom these Indians have done business. The minister also mentioned that they were going to endeavour to assist in collecting these moneys and stated that they might borrow from the Indian fund. But I should like a more definite statement of what methods might be employed to secure these funds immediately for the men to whom the moneys are owing. The minister knows that I have a case which I have taken up with him. I am not satisfied that I can tell my people at home that I have been assured of any recourse.

Mr. STEWART (Argenteuil): Personally, I am willing to do the best I can to collect these claims, but the vendor must accept some responsibility. Dealing by note with an Indian always has been and will be a dangerous practice under any circumstance. When someone can persuade a crowd of Indians, even with the guarantee of the agent, to purchase a number of horses or to sign a note for twelve months in connection with some purchase, he is engaging in a dangerous venture, and I do not think the government should assume all the responsibility of seeing that man out of his difficulties when he gets into them. True, he says, your agent gave authority. The agent will frequently say that he was persuaded to do this. That is an evidence of weakness on his part, I will admit, and I have admitted that he is the agent of the government. But to say that the government are responsible for every act that happens and ought to provide money for every mistake that is made, is going a long way. The best advice that hon. members can give to their constituents is that when they contemplate dealing with Indians on the basis of a note coming due twelve months hence, they had better consider the matter twice. When actual difficulties arise and there is distress which requires relief, the agent is entitled to give that relief under his signature immediately. But to give the agent a free hand any longer to sign orders that will consummate a deal on the basis of long-term credit is something that will not be sanctioned by me. In the two years during which I have been in office we have liquidated many of these debts. Unfortunately they are not all liquidated and we have incurred some more. We have a rather serious case in Saskatchewan, but that is the case where an agent went wrong entirely. Nevertheless, I think it is the duty of the Superintendent General of Indian Affairs, so far as it is humanly possible for him, to assist in securing the payment of those notes and debts that are incurred by Indians, particularly where they have been incurred under the authority of the agent.

Mr. LADNER: If an agent specifically guarantees on the proper legal form the payment of a debt—a different thing from signing an order—and the Indian receives the goods, does the minister not think the government has some responsibility for a transaction of that kind?

Mr. STEWART (Argenteuil): What is the name of that case? I have no knowledge of it. So far I have not come across a case where the agent guaranteed the debt.

Mr. LADNER: I have in mind a case where the agent specifically guarantees the debt and the Indian receives the horses or goods. Does the minister not think that the government should either pay the debt or adjust the matter in some way instead of

leaving the creditor in the position of being unable to collect the debt although the Indian retains the articles?

Mr. STEWART (Argenteuil): The hon. member mentioned the case of an agent guaranteeing the debt, but no such case has ever come to my attention. What is done is this: There is authorized an order for purchase and that order is signed, but it carries no guarantee with it.

Mr. LADNER: But I have seen the guarantee—"I hereby guarantee the payment of the debt," or something like that.

Mr. STEWART (Argenteuil): Who was the particular agent?

Mr. LADNER: I have forgotten the name, but I can supply the full particulars to the minister. In fact, the department, I am sure, has all the information.

Mr. MEIGHEN: I do not want to be understood as making any special request in the premises as regards the creditors except to say that whatever policy is adopted it should be general and that there should be no discretionary power in the minister. Where an agent has stood behind the debt by either guarantee or recommendation, if there is to be payment in one case there should be payment in all. There cannot be any respecting of persons in a matter of this kind, nor can there be any difference in the conduct of the government in respect of the Indians and their creditors as between one agent and another. The agent may have been good or he may have been bad, but the government's conduct should be based upon a principle, and if they are going to acknowledge certain debts and clean them up they should clean them all up. I would suggest that the minister make public, so that it would be generally known throughout the Dominion, just what authority the agent has. An agent is an agent, it is true, but he is not an agent to incur debts; and I have no doubt whatever that if the matter came into the Exchequer court, where alone it could come, the court would hold that there was no authority in any agent to incur these debts. At the same time, however, the minister says that frequently the department has to authorize the agents specially to incur such debts. Well, the minister should make known to the whole country clearly that people must investigate the direct authority of the agent for the specific purchase; they should call upon the agent to show his authority from the department, and unless this can be done these people should not allow themselves to be vendors to the Indians at all. The question which I thought the hon. member for Assiniboia (Mr. Gould) raised was as to whether the creditor had any better claim in law after the death of the Indian than before; and referring to this clause particularly he wanted to know whether the widow and the next of kin were going to come in ahead of the creditors. I do not think the minister answered that question and perhaps he should not be expected to. But the estate is exactly in the same position as the Indian was; the Indian and his property were under the minister, who was guardian before the Indian's death, and the property and the heirs are under the minister afterwards. It is the minister as guardian who determines what comes in against the estate, and the creditor is not in the least better position after the Indian dies than before.

Section agreed to.

Mr. MEIGHEN: What is going to be done in regard to section 8?

Mr. STEWART (Argenteuil): As I mentioned, section 8 has been deleted in the reprint of the bill; it was dropped.

Bill reported, read the third time and passed.

CANADIAN NATIONAL RAILWAYS — KAMLOOPS-KELOWNA

CONCURRENCE IN SENATE AMENDMENT

Hon. GEORGE P. GRAHAM (Minister of Railways) moved the second reading of and concurrence in amendment made by the Senate to Bill No. 33, respecting the construction of a Canadian National Railway line, Kamloops-Kelowna division, province of British Columbia.

He said: This is an amendment inserted in all the bills in connection with section 8 with regard to "further information as the minister may direct".

Mr. MEIGHEN: There is no need for abolishing the Senate on account of this amendment?

Mr. GRAHAM: We accept it.

Motion agreed to; amendment
12 noon. read the second time and concurred in.

FISHERIES ACT, 1914, AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine Fisheries) moved that the House go into Committee on Bill No. 248, to amend the Fisheries Act, 1914.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

On section 1—License for manufacturing fish meal, etc.

Mr. CARDIN: Under the law as it stands the manufacture of oil and other commercial products from fish has been limited to certain kinds of fish, namely, sea lions, hair seals, sharks and grayfish. We propose by the amendment to allow the manufacture of oil or other commercial products from all varieties of fish. We want to cover by license, and so obtain control over, the manufacture of oil and other commercial products from all kinds of fish.

Mr. MEIGHEN: Does the minister think that we should go on with this bill in the absence of the member for Lunenburg (Mr. Duff) and the member for Victoria and Carleton (Mr. Caldwell)? I am sure they would have something to say on a subject of this kind. I understand the design of the bill is to give the minister some control over the manufacture of fish meal, fertilizer, oil, glue products, and so forth, from fish and fish offal.

Mr. CARDIN: Yes.

Mr. MEIGHEN: Why does the minister want to exercise that control?

Mr. CARDIN: There is a rapidly growing demand for these products and we think it advisable to have control over the manufacturing establishments in order that we may supervise them, and grant licenses only to persons deserving of such privileges. The matter was discussed the other day when the members to whom my right hon. friend refers were present, and no objection was taken by them.

Mr. MEIGHEN: I do not know that the bill is objectionable or that it is not. The purpose seems to be to make the government responsible for the character of fish meal as well as of fertilizer, oil, glue, and these other products. Have there been cases of spurious or deleterious products coming to the attention of the minister?

Mr. CARDIN: No.

Mr. MEIGHEN: For example, under the Department of Agriculture we have taken control of feeds, and I have no doubt for a good purpose, but only after years of experience had proven that unless we exercised such supervision imposition was made upon the public, particularly farmers, who were being sold spurious feeds. Have similar representations been made to the minister regarding these fish products? Because, otherwise, it is only a means of giving the minister a sort of political control over anybody who wants to do business in this way. I think very great care should be exercised before we attempt to superintend everything manufactured in this country.

Mr. CARDIN: At present we have no control over the manufacture of these products, but this bill would give us some control, and although it may not be complete, yet it would enable us to judge of the qualifications of those who make requisition for licenses and restrict their grant to men of good character. The present law was passed in 1917, and we are seeking to amend it in order to cover the manufacture of oil and other commercial products from all kinds of fish.

Mr. NEILL: These reduction plants are mostly in the district that I represent, and I do not think there will be any objection to this clause. For a number of years past it has been necessary to obtain a license for such plants, and the amendment simply extends the scope of the supervision. I do not think there is any danger of political control because the licenses will not be limited; anybody can get a license on making application.

Mr. MEIGHEN: Will the member tell us what earthly good this amendment will accomplish? It may be that any object served in British Columbia should be served throughout the Dominion, but apparently there is no control exercised over the product; the licensees can make whatever stuff they like.

Mr. NEILL: Yes.

Mr. MEIGHEN: Then what do we care what they make so long as we do not bother with the product?

Mr. NEILL: It has been held desirable to have control over all fish licenses by the Fisheries Act. We have always exercised control in regard to the product manufactured. Perhaps the operation of the works or the time they shall be conducted, as for certain runs of fish, might be regulated.

Mr. MEIGHEN: But unless that is done what can be the purpose?

Mr. NEILL: It is to give the department power to impose conditions.

Mr. MEIGHEN: The minister says a man must have a license to fish. That is to

give the department control of the quantity of fish taken in a certain area so that we may preserve our fish; but no such object could be served in regard to fish meal because the fish are there now. Unless we intend to superintend the product in the public interest, I am really at a loss to know why we are doing this. Does the minister know? There must have been some purpose in British Columbia or the act would not have been passed in 1917. I do not remember its being enacted. Apparently in 1917 a law was passed under which in British Columbia no one may engage in the manufacture of oil or other commercial products from sea-lions, hair-seals, sharks or grayfish except under license from the minister. Such license is not to be granted until the minister has approved of the site of the reduction works on which it is proposed to carry on such manufacture. Now this is being changed and made applicable to the whole Dominion. Really I should like to know what it is for.

Mr. NEILL: Under the old act such license was not to be granted until the minister had approved of the site. There is need for such regulation, for a man might want to start a reduction plant in the middle of a small town, which would be obnoxious. This bill gives the minister power to regulate the industry.

Mr. MEIGHEN: We have no control over those things unless under the trade and commerce provisions of the British North America Act. It is under those provisions that we presume to act in the case of the Department of Agriculture. We may be challenged there some day. But we cannot say to the owner of a plant: You must not open your plant in the middle of a town. We have no right in the world to say that.

Mr. LADNER: Following these questions, I would suggest to the minister that perhaps one of the reasons for exercising jurisdiction of this kind arose in connection with the manufacture of fish meal and fertilizer in district No. 3 of British Columbia. Is there anybody manufacturing the articles specified in section 9 who will be affected by this legislation?

Mr. CARDIN: I do not think this will interfere with any existing legislation. We are simply asking that the power we now have of requiring a license from manufacturers of oil and other commercial products shall be extended to manufacturers of all kinds of fish products.

Mr. LADNER: Why do you wish to extend it?

Mr. CARDIN: Because, since the law has been in operation we have discovered that there is a certain number of manufacturers who are manufacturing, without a license, oil and other products from other kinds of fish than those mentioned in the law.

Mr. LADNER: Are there any of them in district No. 3, British Columbia?

Mr. CARDIN: I could not say at the moment.

Section agreed to.

On section 3—Penalty.

Mr. CARDIN: This is only to correct a clerical error. In the last line of article 61A the word "sixty" is in error; it should be "eighty".

Section agreed to.

Bill reported.

RESEARCH COUNCIL

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of Bill No. 241, to amend the Research Council Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 3—Advisory council.

Mr. MEIGHEN: What is this?

Mr. STEWART (Argenteuil) The amendment to the act is simply to increase the number on the board. It is hoped that this will extend interest in the council's work.

Mr. MEIGHEN: Where is that amendment?

Mr. STEWART (Argenteuil): In section 4.

Mr. MEIGHEN: Is not this whole thing a mistake? The act is entitled "An act to amend the Research Council Act." Then it goes on and says:

> His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—
>
> 1. This act may be cited as the Research Council Act, 1924.

Well, if it is, it is not an amendment to the Research Council Act. Then it proceeds as if it was an original bill and apparently is so, all the way through.

Mr. STEWART (Argenteuil): No, it adopts many clauses of the old act.

Mr. MEIGHEN: My point is this: It is not an act to amend the Research Council Act.

Mr. STEWART (Argenteuil): The original act of 1917 is entitled "An act relating to the Honorary Advisory Council for Scientific and Industrial Research".

Mr. MEIGHEN: The title of this act is wrong. It should be called "An act respecting the Research Council." It is not an act to amend any other act at all; that is my point.

Mr. STEWART (Argenteuil): I confess I do not follow my hon. friend.

Mr. MEIGHEN: If this were an act to amend the Research Council Act, the bill would read: "His Majesty, by and with the advice and consent of the Senate and House of Commons, of Canada, enacts as follows: ——Section so and so is hereby amended to read as follows." The minister sees it is not such an act at all. This is a new act. It does not take the old act and amend it, but builds a new act from the ground up. There has been an error; there is not a single section in this bill that amends.

Mr. STEWART (Argenteuil): Does not section 4 do that?

Mr. MEIGHEN: It might be entitled, "An act respecting the Research Council." It repeals the old act and makes a new act.

Mr. STEWART (Argenteuil): Does my hon. friend suggest that instead of using the word "amend" we should say "enact"?

Mr. MEIGHEN: The title of the bill is now "An act to amend the Research Council Act." When we come to the title we can consider how it should be amended. It is not right now.

Section agreed to.

On section 4—Appointment of council.

Mr. MEIGHEN: This will mean added expense, will it not?

Mr. STEWART (Argenteuil): The hope is that by enlarging the board a greater interest will be taken in the council's work. I do not think there is any objection to increasing the number. The council is doing a very important work, and the wider the interest that is taken in it the better.

[Mr. Meighen.]

Mr. MEIGHEN: Clause 4 does not read right to me. In the first place, I question the wisdom of having so large a council. I am afraid it will dissipate the wisdom of each. Furthermore, it will undoubtedly be more expensive, because we pay all the expenses. Passing from that point does the minister notice how the clause reads. I may be wrong but just reading it hurriedly it seems to me not to be rightly worded:

> The members of the council, with the exception of the president, shall hold office for a period of three years, and not less than four members shall retire each year—

That is all right. Now, then, in the next line:

> —provided that of the members first appointed under this act, nor more than five shall each be appointed—

Should it not be "not more than five?" It is a misprint I suppose.

Mr. STEWART (Argenteuil): Yes. We will change it.

Subsection as amended agreed to.

Section 4, subsection 3—Reappointment.

Mr. MEIGHEN: Was a retiring member not eligible before?

Mr. STEWART (Argenteuil): I do not recollect; I think they were reappointed. I think Mr. Cronyn was reappointed. This is to place the question beyond doubt.

Section as amended agreed to.

On section 5—President of the Council.

Mr. SUTHERLAND: What salary does the president of the council receive? I notice here a provision that the Governor in Council shall have authority to deal with the matter of salaries.

Mr. STEWART (Argenteuil): No salary is being paid at the moment, but it is deemed advisable to make this provision in the event of a permanent president being appointed who will devote all his time to the work. The government have contemplated the possibility of having some person undertake this work permanently and, of course, if he gave up all his time to it it would be necessary to pay him.

Mr. MEIGHEN: As everybody knows the real power behind the throne in connection with the advisory council has been Mr. Hume Cronyn, of London. He has given his time unstintedly to this work, indeed in a sense it has been one of the ambitions of his life.

I earnestly hope Mr. Cronyn is taking the same interest in it that he always has. I have no doubt he will. I do not think anything in the world will ever rob him of that interest. I think the initial president was Dr. McCallum and upon his becoming Professor in McGill university, Dr. Adams took the presidency. Evidently it is proposed now to have a salaried president giving all his time to these duties. I presume this is recommended by the council. May I ask the minister is it recommended by Mr. Cronyn?

Mr. STEWART (Argenteuil): Yes, Mr. Cronyn was consulted. I understand that he is fully cognizant of all that is going on; he still takes a very active interest in the council. Dr. Tory drafted these amending clauses under the supervision, of course, of the council. Mr. Cronyn and he are working very closely on all matters pertaining to scientific research. I should just like to add to what the right hon. leader of the opposition has said with respect to the services of Mr. Hume Cronyn. Mr. Cronyn has given a great deal of thought to this question and is worthy of laudatory mention in connection with it, it is very important work and means a great deal to Canada.

Mr. MEIGHEN: I do not want to raise objection to the president being a salaried man if the council, and especially Mr. Cronyn, have thoroughly considered the subject and recommended accordingly. But I do express some doubts as to whether it is not going to change the whole character of the enterprise. It has never been on a salaried basis before; it has been the labour of scientific men whose efforts have been handicapped and restricted, because we have never been able to give the council local habitation and a name. Until we build it a home it will be a sort of creature of the wilds. Therefore, how the president is going to occupy all his time in this service I am at a loss to understand. Certainly if a man is to give all his time the salary will have to be large. The minister must prepare himself for that eventuality, because he will not get a man who will be of any service in that sphere to give all his time to the work and get him for a small salary—he cannot do it. Once he secures a large-salaried man then to have that man's time really count and have him earn his money there will have to be a circle of subordinates; because no man worth say five, ten or twelve thousand a year can earn his money unless he has others in his service. It is the only way a man can earn a large amount, anyway. Does the minister really give the Research Council that status prior to our going about the work in a scientific and business way and providing all the necessary apparatus? Does he really feel he is going to make it pay this country to have a future president on a large salary, and earning his salary by having under him an entourage of very considerable extent and very considerable cost.

Mr. STEWART (Argenteuil): I am very glad the right hon. leader of the opposition has brought the matter up in this way. There is considerable objection to the establishment of a research institute, and all that it would involve, as my right hon. friend has pointed out, at this stage in our history. But in all the universities throughout Canada an earnest effort is being made along some line or other of research work. In the university of Alberta they have been making special studies in two or three directions. In Saskatchewan, as Saskatchewan members well know, they have been doing splendid work with respect to the testing of field crops and solving the problems that arise in connection with the agricultural industry. In the Manitoba universities they are also carrying on a variety of experiments. I am extremely anxious that this research work should be encouraged. In connection with the Department of Mines in Ottawa experimental work has been going on with respect to road material, coal, oils; in fact there are a dozen different experiments in progress under the direction of the deputy minister. In British Columbia they are doing some research work in connection with the separation of metals, but throughout Canada there is a lack of co-ordinated effort in research activities, and there is, in many cases, duplication of effort. I am convinced that a council of this character, with the aid of men such as Mr. Hume Cronyn and others who have been identified with the board, men of force of character who are intensely interested in the work, can co-ordinate all these varied activities to the great benefit of the manufacturers, the farmers, and all concerned. As has been frequently mentioned, no one can estimate what the result was of the breeding of Marquis wheat at the experimental station at Ottawa. Just at the moment there is need of co-ordinated activity in connection with the research work dealing with the matter of rust which creates terrible devastation in our wheat fields of Canada. In the industrial fields there are a hundred and one different processes that can be improved upon, and research problems to be settled by some-

one who is vitally interested, and these men who are willing to give up their time to this work are in my opinion the proper body to decide on the scope and activity of the research work and co-ordinate the work, bringing into cohesion all these efforts that are being put forward throughout Canada along these lines. No one can estimate what it will mean to industry and agriculture if proper methods are pursued and problems of this character solved. I agree that perhaps the time has not arrived when we can set up at Ottawa an expensive building, expensively equipped, as my hon. friend points out, to warrant the employment of the high-priced officials to do this work. But I do not know any more enthusiastic worker in Canada than the present chairman, Dr. Tory. I do not think he would consider leaving his present position, but he has taken hold of the matter with a great deal of vigour, and is intensely interested in every phase of scientific work, and believes, as many of us believe, that if Canada and the Canadian people are to hold their place, it will largely be because of concentrated effort upon scientific and industrial research. This work assists in ways we have not yet thought of, in my opinion, and I think it extremely important that we should have this council. The question of the payment of the chairman is before us; I do not look upon that matter as the highly important feature of the bill, but I do believe that we will have to pay someone who will devote a considerable portion of his time to the co-ordination of this work. The council, it is true, cannot travel all over Canada to do the work. Someone will have to do it, and I think the chairman is the proper person for it.

Mr. FORKE: I would like to express my apreciation of the work done by the Research Council. I sympathize with some of the ideas expressed by the right hon. leader of the opposition (Mr. Meighen); we want to be rather careful in starting out on a new departure. I can readily see, from the little experience I have gained in the House, that it is much easier starting a thing than stopping it, and I want to be very cautious in regard to new expenditures. But every member in the House has had a report from the Research Council, and I think we all recognize the tremendous importance of the work that can be done by such an agency. As a farmer, I may say that we are anxious to find some way of meeting the terrible ravages that have been wrought upon the wheat by the rust. We have had no cure for it yet. We have had nothing from the Research Council and other scientists beyond an elaborate explanation as to what rust really is; no cure has been offered us. I would like to see everything done to encourage inquiry along scientific lines in the farm, the field, the mines, and our industrial activities; I believe great work can be done by investigation into scientific methods of production even in our industries. I hope nothing will be done to throw cold water on this movement. Whether it is necessary at the present time to have a salaried officer engaged all the year or not is a question that may be worth considering. I have risen principally to express my appreciation of the splendid work that is being done by those gentlemen voluntarily at the present time and of the great service they are rendering Canada in the work they are undertaking. Perhaps we may sometimes think the ordinary farmer has not his eyes open to research and investigation of this kind, but we are anxiously watching the endeavours made by these men to do something that will help the farmer to meet some of the difficulties he has to contend with.

Mr. SUTHERLAND: Scientific research is a work of unlimited possibilities. I understand the minister's idea is to co-ordinate the forces of those who are carrying on this work in the various departments of the government. I am not too sure as to whether that would be any improvement over what might be carried on in the respective departments. This is an age where people specialize rather than cover a wide range in anything, and it is only by the closest application and the study of a lifetime that the best results can be obtained. The minister mentioned the matter of rust, and what has been accomplished in the discovery of the Marquis wheat. These things appertain to the Department of Agriculture. The agricultural colleges of our country are devoting their best efforts to obtaining information with regard to these matters, and I cannot see how it would be any advantage to take from the Department of Agriculture the experienced men who are conducting that work, purely a work pertaining to agriculture. The same thing might be said with regard to the ravages of insect pests in connection with our forests.

Mr. STEWART (Argenteuil): I am sorry if I was not understood by my hon. friend. It is not the intention to interfere in any way with the departments, but I will put it in this way: Here is a clearing house, if you

will, for all activities and endeavours, to prevent overlapping. It does not mean that these men shall be removed from their positions, or that anything shall be taken away from them. Their work will go on in their several departments. Nor is it the intention to bring these men all into one place, except perhaps once a year, for the purpose of consultation. They will work where they are working now, in the universities, in the department of Agriculture, or wherever they are carrying on research activities.

Mr. SUTHERLAND: I understand that the number is to be increased from eleven to fifteen, and that it is the intention of the minister to utilize the services of those who are already in the departments carrying on this work, rather than to appoint men who are not in the departments.

Mr. STEWART (Argenteuil): Those men who are on the council are not employed as experts. They are men who are enthusiastic in scientific work. Mr. Hume Cronyn, for example is not a chemist, and is not engaged in actual investigational work, he is actuated purely by enthusiasm for the work itself and what it will produce.

Mr. SUTHERLAND: It would appear that when the president of this board is appointed at a salary, he will naturally have to surround himself, as the right hon. leader of the opposition (Mr. Meighen) says, with a staff, if the work is going to be effective. If he is going to apply the services of those who are already in the department in addition to those of the others already chosen, I question very much whether any particular benefit will be obtained by diffusing the efforts of those in the Department of Agriculture, for instance—which has been mentioned by the hon. member for Brant (Mr. Good)—over the work on which they now are centering all their activities and the work of some other branch as well, I do not think the minister has intimated very clearly to the House the full intentions of the government with regard to this matter. The term "co-ordination" is a very loose term to use regarding the activities of the scientific men of the various branches of the departments. If it is an intereference with the work which they are carrying on, I am afraid it was not what was intended when this council was first appointed.

Mr. STEWART (Argenteuil): I confess I have become interested very much in this work. I was interested in it before I came to Ottawa, through the efforts put forth in the university of Alberta, largely in research along one or two lines. But I wish to assure my hon. friend that my hope in connection with this matter is, at least, that every man who develops special qualities for a particular line of work will be encouraged to the limit. In the Mines branch highly important work is and has been going on for years, and no one knows very much about it except the men who are directly interested. We know about the success of Dr. Saunders because it was spread broadcast throughout Canada. The research work that has been going on in the various departments for years is very important and the services that these men are rendering is frequently not known to the public generally. That, however, is not the most important matter after all. A man whose temperament is so adjusted that he likes that kind of work is usually not looking for honour out of it; he is anxious to solve a problem and he devotes his energies towards solving it. I may mention the case of a young man who came into the service of the department three or four years ago and who died the other day as a result of investigational work in connection with gas. This man persisted in sticking to his post because he had a problem which he wanted to solve, and I believe that by doing so, instead of resting, he contributed very largely to his death. I do not believe, that we as laymen, appreciate enough the services of this large body of men who, from year to year, are going into scientific and research work throughout Canada generally, giving up what they might have attained through their splendid intellect and high training, and devoting their time to the solving of some problem directly in the interest of the public. My hon. friend mentioned the fact that they have not discovered a cure for rust. I remember that twenty-five years ago we were cutting down barberry bushes in Ontario because we thought that was the cause of rust, but we have since found out that there must be other causes. We know, only too well, the effect of rust, but it will probably be a period of years before we discover its actual cause and the means of prevention. I mention that because it is such an important question and we realize the importance of it, but it is only one question in the midst of a thousand, practically as important, on which these men are working.

I mention co-ordination for this reason. My hon. friend will agree with me that it will be well that the activities of these highly trained scientific men be engaged in

the particular line of work for which they are best adapted or which they desire to engage in to the exclusion of other lines. He will also agree with me that it does not matter what particular problem of research is under discussion, it is important that the chemical mind that is trained, for example, in solving agricultural problems should come into communion with other trained minds working in other directions, because their communion will assist very materially in solving some problem. If a body of these men sit down to discuss a problem that they are not working on at all, their life work is along those lines and very frequently they will greatly assist in solving a problem that, for the moment, is baffling to the particular one that is engaged on it. I believe, in this research council, we have a medium by which great service can be rendered, not in establishing an elaborate building with extensive equipment, but in utilizing simply the forces that we have at work to-day. I am confident a great deal of work can be done without going into the larger field or the establishment of an institution at Ottawa or in some other part of Canada and the employment of a number of men working exclusively along those lines.

We have to-day, in the Wood Products Laboratory in operation at Montreal in the grounds of McGill university, tests going on with respect to the manufacture of pulp, paper and other wood products. The manufacturers themselves are intensely interested in those experiments and they make us the offer of money to assist us in carrying on and in widening the scope of these experiments. We are not able to accept that money because, as a government institution, we do not feel that we are entitled to take outside money for that purpose. If we did take it, our men being all engaged on a basis of a monthly or yearly salary, the situation would be rather difficult. We might take into the service some one designated by these manufacturers who would be given the use of the plant to carry out the experiments which they are desirous of having us make. This council steps into the breach at this point; it is prepared to accept and to utilize donations, and if necessary to employ experts to carry out those experiments that are desired by the Pulp and Paper Manufacturers' Association. There is no desire on our part to employ or to give positions to men, if men can be found in the service for those pressing problems of scientific research which industry generally in Canada is desirous of having investigated. The desire is rather to prevent overlapping in the work on these serious problems that affect us so much. That is all that is involved in this legislation.

Mr. LADNER: The general purpose of the research council is undoubtedly to be commended in the highest possible terms. In the case of existing research work, I happen to know something about forest pathology, the study of the protection of trees from diseases. In British Columbia we are much interested in that question. Will that research work continue under the mechanical branch of the Department of Agriculture, or will it be transferred to the control of the Research Council with respect to both direction and general organization?

Mr. STEWART (Argenteuil): There is no desire to increase the staff or the service—or rather, I should say, the staff, because we are always anxious to extend the service as far as possible.

Mr. LADNER: I am not speaking about the staff, because I think that it is, if anything, too small. What I want to know is the authority, control or relationship that will exist between the Research Council and the Department of Agriculture in respect, for example, of forest pathology which has so far been under the Botanical branch of the Department of Agriculture. Will that work be transferred to the control of the council?

Mr. STEWART (Argenteuil): Whenever a problem of this kind arises the first duty of the council is to acertain whether it is not possible to carry on the work of investigation either with the different staffs of the federal government or in the various universities throughout the Dominion, the idea being to offer whatever assistance is required. First of all however the important thing is to ascertain whether or not there is already in existence adequate means for tackling the problem.

Mr. LADNER: As a matter of fact there is research work of this kind going on in the Department of Agriculture, and I have taken the question of forest pathology as a concrete example. There is work of importance to the country generally being carried on in this respect and I know that the staff is much too small. When this research council is established will it assume control of that particular line of inquiry or will the subject remain under the Department of Agriculture?

Mr. MEIGHEN: There is already a research council. This is not a new idea; it is merely bringing about a few alterations in the scheme.

At one o'clock the committee took recess.

After Recess

The committee resumed at three o'clock.

Mr. GOULD: I think it would be wise on the part of the minister to look into the question of salaries, not because we have not men in the Dominion who will devote their best energies to finding ways and means to advance science, but I think the minister will agree with me that the results which have been achieved in the past by our scientific men might have been still greater had they been under the direct supervision of the government. I suggest there should be provision for a nominal salary to the members of the council. I have in mind particularly men of the calibre of Dr. Saunders, Dr. Seager Wheeler, the late Mr. A. P. Stevenson, of Morden, Manitoba, and Mr. Larcombe, of Birtle, Manitoba. The second last named gentleman did a great deal to advance fruit growing on the prairies. I do not think these men could afford to give their time to scientific research without some remuneration, but they should not be overlooked in the formation of an advisory council when we remember their valuable contributions to scientific agriculture in the Dominion. I merely advance this as a suggestion for the minister's consideration.

Mr. MEIGHEN: I thought it was generally understood that this bill is not any new departure; the new departures of this government are of an entirely different character. This is merely a reprinting of the old act with certain changes, notably an increase in the number of the council and the giving to the council power to receive donations. The government, unfortunately for itself, has not that power—not that it is not in dire need of the power. Unfortunately the time has not yet arrived when we can afford to more highly organize this venture, to give it a home and the necessary equipment for doing its work, and until then we are not justified in having a highly salaried head. However, I am inclined to feel in line with the minister's suggestion in that respect. I remember the first head we had did have a salary; I do not think any has drawn a salary since. There would be no object in giving a salary to the other members of the board; in fact, it would detract from the general character of the organization if such were done. We have to keep abreast of scientific advance, but we cannot afford to go into work on as big a scale as other countries. We get the advantage, it must be remembered, of what other countries do, but chiefly we get the more immediate advantage of United States activities, because their scientific problems are virtually the same as ours, especially in agriculture. Personally, I have more hope of the rust problem being solved by American scientific men than by our own. They have been at it longer, they have far better apparatus and far greater breadth of experience, and a great many more of them are engaged in the work. I should be proud if Canada had the honour, but I know Canada cannot afford to launch into this scientific toil and enterprise as fully and vigorously as wealthier countries. But we must be active; it would never do for us to remain stagnant. And I add my word of praise to those who have given so much of their time and energy, very often under great discouragements, to prosecute Canada's end to the extent that it has been prosecuted. I do not know, if I were engaged directly in agriculture, that I would be so very enthusiastic about what the probable results of science will be upon that profession in the future.

Mr. FORKE: I would interrupt the right hon. gentleman to point out that nearly all the greatest things in the world have been accomplished by small countries.

Mr. MEIGHEN: As I live in a comparatively young country, I will not tarry on the road to dispute the point with my hon. friend. One thing we know, though—a small country never can accomplish much by getting into water beyond its depth. I have some tremors for my friends to my left when I think of what the possible scientific triumphs of the future may be. Reading a highly learned publication written by a member of one of Britain's finest families, a nephew of the present Lord Chancellor, I find he confidently predicts that the progress of synthetic chemistry will be such that the food products which to-day are the outgrowth of the soil or the bounty of animal life, will soon—within the lifetime of this generation—be the product of the factory and the laboratory. Already, I believe, the best of milk is produced by synthesis. This process, Mr. Haldane very confidently predicts, will now go on so rapidly that in the course of a very few years farming will be a lost occupation;—

Mr. FORKE: I hope so!

Mr. MEIGHEN:—it will be nothing more than the outdoor indulgence of the nature lover, and the farm itself will become just the playground of the plutocrat. Of course, long before that period the Progressive party will be no more. I will not raise their fears by any further digression.

Mr. MACLEAN (York): I would like to mention one question to which the council might devote itself, and from which a great revenue might be derived for Canada, and that is in connection with steel. It is a matter I have brought up in this House before. Canada to-day, so far as the world knows, has absolute control of the nickel deposits of all the world, and the greatest steel is nickel steel. It is essential to get from Canada the nickel to make that steel. but so far, for some reason or other, nickel has been controlled outside of Canada and is as controlled to-day, except for one factory in Ontario. This nickel of ours is going to other countries to be made into nickel steel. Canada could have a monoply of probably the greatest industry in the world in connection with nickel steel, if we would but encourage the development of this industry at home. At present practically all our nickel goes to England where it is refined by the Mond interests, and the rest of it goes over to the United States. Some day there may be disclosures as to where Germany got her nickel during the war; I think that is near at hand, but in the meantime we have control of the world's nickel supply, and the world wants our nickel. The nickel steel industry would be a greater industry than that of pulpwood, of which we also own the greatest supply. We ought to have a government commission investigating this question. Canada wants to know why it is that our nickel ore goes to the United States when we could refine it ourselves, and in that way control the nickel steel industry of the world.

Let me point out to the minister another thing. There have been published in a Winnipeg paper this week four articles dealing with what is called the pre-Cambrian shield, the greatest deposit of mineral wealth of the world, and all but five per cent of that belt is in Canada. One little portion of it runs into the United States and makes the country immediately south of lake Superior in the United States the greatest producer of iron in the world. There is more iron produced south of lake Superior in the United States than in any other country in the world, and the material comes from the one little piece of the pre-Cambrian shield that is outside of Canada. If that little piece in the United States is so productive, what about our own portion of the shield? We have the greatest gold mines in the world, and we have only begun to explore them; we have the greatest silver mines in the world, and we have only begun to explore them. And our great wealth of nickel lies in an area of from six to eight square miles in Ontario, right around Sudbury, and it is owned by people outside of Canada who have not yet disclosed to this country what the precious metal content of these ores may be. Now somebody is playing a game on Canada. They are taking the ore outside of Canada, and are treating it outside of Canada. We ought to keep it here, and if we did that, we would develop the greatest steel industry in the world in the production of nickel steel. We ought to put this research council at work on this problem, but it will be a long while before you see that arrive, because these investigations have been stalled for years past. But three will be an exposure of it some day. I have had a good deal to suffer because I challenged where our nickel went during the war, and it is still going out of our country. Germany came in here years before anybody else heard of nickel steel, and got control of our nickel, and they control it through England in one way and another to-day, and they will stop our production of nickel steel. The articles I refer to in the Winnipeg Free Press say there is a hope for new nickel fields being found in Canada in this pre-Cambrian mat or rug which contains the richest store of metals in all the world. There is the place for the minister to put his commission at work, to find out the story of that pre-Cambrian shield with its immense potentialities of mineral wealth. There is no such belt of minerals in the world to-day, and only from two to five per cent of that shield is outside of Canada. Canada, having that, is to-day potentially the richest country in the world. If hon. gentlemen wish to freshen up their memories, let them read the four articles to which I have referred.

Section agreed to.

On section 7—Council incorporated.

Mr. GOOD: I should like to ask a little more definitely as to the purpose of incorporation. What is the direct need of incorporation?

Mr. STEWART (Argenteuil): This is to enable them to receive grants. One of the difficulties that we have met with in research

work is that there is no organization, no particular department of the government which is enabled to accept grants and bequests for the purpose of carrying on research work. The council, under this amendment, will be permitted to do that.

Section agreed to.

On section 9—Remuneration.

Mr. MEIGHEN: Is this the same as in the old act?

Mr. STEWART (Argenteuil): Yes.

Section agreed to.

On section 10—Powers of council.

Mr. MEIGHEN: Is this the same as in the old act?

Mr. STEWART (Argenteuil). It is practically the same as in the act passed by this House in 1921. It defines a little more elaborately the work of the council.

Mr. MEIGHEN: There is nothing underlined; I do not know if there is anything new or not.

Mr. STEWART (Argenteuil): There is nothing new, except that the council is given power to accept grants.

Mr. MEIGHEN: That is in section 7; I am referring to section 10. The explanatory note does not say that there is any change, but it does not say it is the same as the old act, as in the case of sections 6, 8 and 9.

Mr. STEWART (Argenteuil): I have not the amendments of 1921 before me, but I have the act of 1917, and this just defines a little more elaborately the work of the council. I do not think there is anything here my hon. friend can take exception to.

Mr. MEIGHEN: Now that we have got to the work of the council, will the minister tell us what salary the government has in mind to pay under section 5 to the president?

Mr. STEWART (Argenteuil): The government does not contemplate paying any salary except to some one who was willing to give his whole time to this work.

Mr. MEIGHEN: Assuming that, what would the minister's idea be?

Mr. STEWART (Argenteuil): If it was a man who was capable of doing this work and the duties occupied the whole of his time I should think $10,000. I am simply voicing my own opinion; the matter has not yet come before the government. But I will be very frank in saying that I think a man capable of carrying on this work could easily secure that salary in other lines of activity.

Mr. MEIGHEN: That is about the government's minimum salary nowadays anyway. I do not say that it is excessive for this work, I do not know that it would be, providing the government is certain the man is going to have facilities with which he can earn the money. That is what I am in very great doubt about; —that he is going to be pretty much of a traveller, moving about from place to place, looking wise, and delivering Canadian Club addresses. Is the minister confident that he really has work for such a man to do?

Mr. STEWART (Argenteuil): Yes, I am more than confident, that if we get the right man he will earn ten times his salary for Canada. My experience here at Ottawa and my knowledge of the work done by our Mines branch in co-operation with the Mines branch in the United States has convinced me of that As my right hon. friend mentioned a few moments ago many important discoveries have been made over there, and we have worked in close association with their men. If these activities are carried out thoroughly no one can calculate the value that will result to Canada. On the other hand money can be very easily wasted or frittered away, but I take it that those who will compose the Research Council will be men who are intensely interested in the solution of research problems and the practical application of the information obtained. If I did not think so I would not advocate this measure. I am convinced, however, from the two years' experience that I have had here, that the Research Council can be efficiently organized under the control of a president who has the proper perspective as to the success which can be made of research work. After all, if the results are achieved that some of us hope for the salary itself will not be a very disturbing factor. Apart altogether from the establishment of a research institute there already exists throughout Canada a wealth of material which might be brought together and utilized under a proper system of co-ordination. At present there is sufficient along that line alone to afford occupation for one person. As to the reference of my right hon. friend to Canadian clubs, I think that a judicious use of these organizations can be made in connection with the education of business men to a realization of their opportunities that will result from research work, and I am confident that much has been done along this line in

the past four years. Our good friend Mr. Cronyn has played a very important part in bringing this question to the front. For example, no one can estimate what the Mellon Institute in the United States has accomplished in the way of enlightening the American people, and of course this institute is very largely maintained by industrialists themselves. We cannot hope to imitate them in Canada in that respect. I am not desirous of entailing a heavy expenditure, but I do wish to start and send this movement well on its way. When we can afford it a home of a proper character should be provided for the institute but as yet we have not arrived at that stage. My chief desire at the present time is to amend the act in such a way that it will give the council power to do a little more than they have been doing in the past and provide for possible development.

Mr. ROSS (Kingston): Is it proposed to change in any way the relations between the council and the universities where already much reseach work is being done?

Mr. STEWART (Argenteuil): No, I thought I had already made that very clear.

Mr. ROSS (Kingston): The minister will excuse me, but I was not present when he made his explanation.

Mr. STEWART (Argenteuil): It is not intended to disturb the work now being carried on in the universities but rather to assist it as much as possible by co-ordinating the methods and bringing together the scientists now doing the work. There is no desire to remove any investigator from his particular field of work, but rather to devise methods which will prevent overlapping.

Mr. ROSS (Kingston): Then I gather it is not proposed to interfere with the awarding of scholarships at the university which has been such a source of encouragement to research work?

Mr. MARCIL (Bonaventure): I avail myself of this opportunity to draw the attention of the Research Council to the requirements of agriculture in the older parts of Canada. Apart from the questions of transportation and markets, the basis of success in the pursuit of agriculture in the older districts of Canada rests very largely upon the fertilization of the land. The shores of the old parishes along the St. Lawrence and in the Baie des Chaleurs are flooded every spring, as they were last spring, with immense quantities of herring. The farmers in those districts still employ the primitive method of gathering these herring, and spreading them on their fields as a fertilizer. This method results in some measure of success, but if the aid of science was enlisted the fields would be enriched to a greater extent and more bountiful harvests would follow. In the parishes to which I have reference commercial fertilizers cannot be obtained except at a very high price, to which must be added the cost of transportation. If, therefore, the Research Council could take this question up and recommend a more modern and efficient way of using this harvest of the sea it would be most advantageous to the farmers not only along the St. Lawrence and the Baie des Chaleurs but also upon the coasts of New Brunswick and Nova Scotia.

Mr. MEIGHEN: The hon. member wants the government to direct the efforts of the Research Council toward the utilizing of herring and other fish for fertilizer. I should inform him that the last bill which went through the House was a measure to prevent companies utilizing fish for fertilizer unless they first got a license from the minister of Marine. The art of extracting oil from these fish as a fertilizer seems to have progressed so far that the government has made up its mind to check it, but they were not able to give any reason therefor. Possibly my hon. friend could find out; I failed to do so.

Mr. MARCIL (Bonaventure): I understand the object of the Department of Marine and Fisheries is to regulate this work. I have no objection, and I do not think the leader of the opposition should have either, to the issuing of a license in order to ensure that the work will be properly carried out. But I think the Research Council should consider the question, and see if some better results could not be obtained from these deposits of herring which have been thrown up on the shore, instead of continuing the system which has so long prevailed of the farmers mixing these herrings with fertilizer. It is for that reason I think the Research Council might look into this question, and if they can encourage the farmers of the district to use the fertilizer, the greatest good could be done.

Mr. GOULD: Under (1) of section 10 I find the following:

To promote the utilization of the natural resources of Canada.

That opens up a very broad question of course, and I have wondered if, after this commission has been appointed, we may expect them to report very early on the feasibility of the Hudson bay route.

Mr. STEWART (Argenteuil): The whole Research Council are dealing with the natural resources of Canada throughout the whole Dominion. Scientific research involves research in the matter of materials used in the process of manufacture or being manufactured. So that it has nothing to do with the matter my hon. friend suggests.

Mr. GOULD: I have thought that, on account of the suggestion that Hudson bay and the country tributary to it contain many minerals, we might reasonably expect to obtain some real scientific information concerning Hudson straits and the various ports of that district and its natural resources. The right hon. leader of the opposition has mentioned that these gentlemen would do much travelling. That would mean of course, by land, by sea, and by air, and they could bring very valuable information to the minister in a very short time.

Mr. EULER: Does my hon. friend mean to indicate by his remarks that he has abandoned all idea of using the Hudson bay route for transportation of grain, and that he confines it merely to mineral resources?

Mr. GOULD: This is a subsidiary question, and gentlemen who have paid much attention to the Hudson bay project will readily understand that the mineral resources of that district are simply subsidiary to the main question for which we have always pleaded. Concerning the straits themselves, it is not necessary to advise any one who now lives in the West, but in the case of hon. gentlemen who are unacquainted with the real facts pertaining to the question this commission might perhaps bring in the last vestige of information which might eventually persuade those who do not now know of the practicability and feasibility of that route. Hudson bay being a large inland sea, it seems to me if we are going to have a diversified personnel on the commission we might have two or three members devoting their time to obtaining information on that subject, and two or three devoting their time to agriculture, and two or three engaged on the problem of mines and minerals and various other things. The board might be composed of fifteen members. They would meet in council and find out what the consensus of opinion would be, then submit it to the minister, the minister would submit it to the Governor in Council and the Governor in Council would submit it to parliament.

Section agreed to.

On section 11—Discoveries and inventions, control of.

Mr. MEIGHEN: Might I ask the minister what his opinion is of section 11. What is the difference between this clause and the other.

Mr. STEWART (Argenteuil): I am sorry I have not the details of this before me, but there is no provision, in the case of a discovery made by an individual who is drawing funds from the council for investigational work, preventing the discoverer from claiming the rights in his invention. All the rights with respect to discoveries, under section 11 will go to the council.

Mr. MEIGHEN: This is very important.

Mr. STANSELL: Does that mean that, when you have employed a man at about $10,000 a year, and he has done some work and discovered something, he is to be paid a royalty for doing that work?

Mr. STEWART (Argenteuil): No, exactly the reverse, the hon. gentleman misunderstood me if he got that impression. Take a concrete case. Professor Boyle, for example, is employed by the Research Council at the moment on a very important piece of work, namely the development and invention of an instrument used inside the hull of a ship, which is so intricate, and nevertheless so accurate, that in a fog they can definitely locate other vessels or icebergs in their vicinity. The point is that whatever Professor Boyle may invent or discover will be the property of the council rather than his own. That is the meaning of section 11.

Mr. MANION: Should it not be left to the Research Council, with the approval of parliament? Suppose some man made a discovery of some value, such as Marquis wheat, it seems to me the matter should be left to parliament rather than to the Governor in Council.

Mr. STEWART (Argenteuil): I have no very fixed opinion about this. It was given to me by the council, but it appears to me that if a man is in the employ of the government or the board, being paid for his services, working on a problem given to him to work out, it is eminently fair that if he makes a discovery, it should belong to the board.

Mr. MANION: I do not object to that, but I object to it being left to the Governor in Council. Let parliament deal with the recommendation. I only suggest that.

Mr. STEWART (Argenteuil): I do not see very much difference. The discoverer of insulin, for example, was recognized.

Mr. MANION: By parliament.

Mr. STEWART (Argenteuil): And in any case he would have to be recognized. The Governor in Council would not have power to give it to him, but parliament would have the power.

Mr. MANION: The section reads:

The council with the approval of the Governor in Council may pay to its technical officers—

And so on.

I should think it would be for the council to recommend to parliament, and if parliament choose let them pay him.

Mr. MEIGHEN: This is a very important matter. Heretofore if any man in the employ of the government made a discovery, that discovery belonged to the department. For example, take Mr. Stewart in the Water Powers branch of the minister's department, who for some time has been engaged in purely scientific research work with very good results: If he succeeded in the development of his oxo-hydrogen proposition for instance, and made a discovery of tremendous scientific import, that discovery belongs to the department. With this section going through, as I understand the scope of the commission's power and jurisdiction, Mr. Stewart would be under the commission in just the same sense as anybody else would be. It is true he is employed by the Interior department, but his scientific work is, as the minister says, co-ordinated by the commission; at least if he is not under the commission, for the life of me I do not know what the commission is going to do under the new arrangement. All these investigating agencies are working on more or less scientific subjects. I can mention half a dozen of them. The minister has one of them working on ore flotation. The Minister of Agriculture (Mr. Motherwell) has three or four himself looking into various processes to overcome farm blights. In the Forestry branch there are those working on the bud worm, and so forth. According to the minister, all these are, in the sense intended by section 11, going to be under this Research Council; the Research Council is going to co-ordinate their efforts. How can it do so unless they are under it? I do not know. Assume, then, that they come under it and this section goes through; assume that they are to-day under it, in the sense of this section. Then hereafter the man who makes any scientific discovery becomes himself personally the proprietor of that discovery. It may be that he cannot exploit it except under the survey of the minister, but once this section passes, the moral right of that man to his discovery is established just the same as if he had discovered it when he was outside the employment of the government altogether. The country binds itself to make a fair and equitable arrangement with him as to his share of the royalty. I am not saying that there are not arguments in its favour, but it is a very radical and rather serious departure, and I hope the minister has very carefully considered its consequences.

Mr. STEWART (Argenteuil): I confess I do not see the difficulties that my right hon. friend has raised. The object may not be very well worded, but it was to retain men who were working directly under the control of the Research Council. If they made an important discovery, the benefit of that discovery should primarily belong to the Research Council, and as it acts under the control of the government, that would mean that the benefit of the discovery would primarily be under the control of the government—

Mr. MEIGHEN: Read the second clause.

Mr. STEWART (Argenteuil): There is nothing obligatory about that. The matter is left entirely to the Governor in Council. The hon. member for Fort William and Rainy River (Mr. Manion) has raised the question whether that ought not to be left to parliament. I do not think that is so important.

Mr. MANION: In the case of Dr. Banting the matter was dealt with by parliament.

Mr. STEWART (Argenteuil): I quite agree. A gratuity was paid to Dr. Banting by a rather grateful people through parliament. I cannot see the difficulty raised by the leader of the opposition (Mr. Meighen).

Mr. MEIGHEN: It is a recognition of the proprietary right of an inventor to his invention. It may be that what he is paid for it is left to the Governor in Council; but if this section goes through, it seems to me, the Governor in Council would be obliged to give that man such royalty as he could have obtained if he had been carrying on in private life, unless some proviso is inserted.

Mr. STEWART (Argenteuil). There is another element that perhaps my right hon. friend is losing sight of. In this case somebody—the Governor in Council—has reserved the right to say what shall be done in the case of an important discovery. But, after all, as I said early in this debate, there is not much

incentive to men engaged in research work. Surely there is no incentive in the mere salary that they get for their labours. You must, therefore, hold out some incentive to men who are tied down to a salary year in and year out, working in the interest of the public, because after all, that is what they are doing. They have an expensive education to secure before they can be of any real value to the country, and I think some flexibility should be permitted in dealing with a man who has, through his efforts and concentration, contributed something of real value to either science or industry. I went over this fairly carefully with Dr. Tory because I saw that it involved a little change. After all, the Governor in Council would not undertake to do things for any individual that he felt parliament would not back him up in doing. Naturally, in the case of very important discoveries, the matter would be referred to parliament.

Section agreed to.

On the title.

Mr. STEWART (Argenteuil): My right hon. friend has raised objection to the title, but it is in accordance with the act of 1921, when the act was passed before under almost similar conditions. In fairness, I should point out, that in 1921 there was an embodiment of a research institute which was struck out by the Senate on that occasion.

Mr. MEIGHEN: The 1921 act was an amendment, this is not an amendment, that is the point. I am however, quite satisfied having called the matter to the attention of the minister. I do not think the Senate was right. The minister will see at a glance that he is repealing the whole act. How can he be amending it?

Title agreed to.

Bill reported.

CIVIL SERVICE ACT, 1918, AMENDMENT

CIVIL SERVICE COMMISSIONERS—RETIRING ALLOWANCE

Hon. A. B. COPP (Secretary of State): moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Civil Service Act, 1918, to provide for the granting of an annual retiring allowance to any Civil Service commissioner who has served as a commissioner for fifteen years or upwards, or who has become disabled or otherwise incapable of performing the duties of his office, such allowance to be paid from the Consolidated Revenue Fund.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. COPP: The resolution provides that a commissioner who has served fifteen years or upwards or who has become disabled or otherwise incapable of performing the duties of his office, shall be given an annual retiring allowance. The bill which will be founded on this resolution is composed of one section only, which is simply in the words of the resolution and setting out that the retiring allowance payable for life shall be equal to two-thirds of his salary at the time of his retirement. In 1923 a similar suggestion was made to the special committee which at that time was inquiring into the operation of the Civil Service Act, but nothing was done in the matter. When the Superannuation bill was before parliament the Civil Service Commissioners drew to the attention of the Prime Minister (Mr. Mackenzie King) and the government the fact that there was no arrangement under that legislation for the superannuation of members of the commission. So that the committee may have before it as concisely as possible the representations of the commissioners I shall read the letter which they addressed to the Prime Minister on the subject:

CIVIL SERVICE COMMISSION OF CANADA

OTTAWA, May 19, 1924.

Right Honourable W. L. MACKENZIE KING, P.C., C.M.G., LL.D.,
Prime Minister of Canada,
Ottawa.

DEAR MR. PRIME MINISTER,—As the government contemplates the passing of a superannuation measure applicable to certain classes of the Public Service, the undersigned respectfully request your favourable consideration of such an amendment to the Civil Service Act as would provide for the superannuation of the present Civil Service Commissioners.

The reasons for this request may be briefly stated as follows:—

1. The present commissioners have the same tenure of office as members of the judiciary, viz., during good behaviour, and are only removable by the Governor General, on address of the Senate and House of Commons—future appointees holding office but for ten years.

2. The duties of the commissioners are of a semi-judicial character, involving as they do the interpretation of the Civil Service Act and Regulations, of the organic acts of the different departments, and other acts dealing with questions of domicile, of naturalization, retirement of public servants, etc.

3. Since their appointment the responsibilities of the commissioners have been extended to the Outside Service, the reorganization of the departments, the reclassification of the public service, the revision of salary schedules, transfers, leaves of absence, suspensions, etc., their duties having so been increased tenfold.

4. No adequate provision can be conveniently made for the commissioners in the contemplated Superannuation Act without differentiating sharply between the commissioners and those other employees in the service who do not perform comparable duties or possess the same status and tenure of office.

It is respectfully submitted that the provision to be made should be the same as that provided by the Judges' Act for members of the judiciary.

The following is submitted as a draft of the proposed amendment, the wording being substantially that of section 19, chapter 138 R.S. Canada.

"The Civil Service Act, 1918 as amended, is hereby further amended by adding the following:—

54. If any Civil Service Commissioner of Canada appointed under chapter 15, 7-8 Edward VII 'The Civil Service Amendment Act, 1908' or under chapter 1-2 George V, 'An Act to Amend the Civil Service Act' who has continued in office of Civil Service Commissioner of Canada for fifteen years or upwards, or who becomes afflicted with some permanent infirmity, disabling him from due exercise of his office, resigns from office, His Majesty may by Letters Patent under the great seal of Canada, reciting such period of office or such infirmity, grant unto such Civil Service Commissioner an annuity of two-thirds of the salary annexed to the office he held at the time of his resignation, to commence immediately after his resignation and to continue thenceforth during his natural life, and such annuity shall be paid out of the consolidated revenue fund of Canada."

The foregoing letter was submitted to the special committee to which was referred the Superannuation bill. There was read to the committee a letter from the Prime Minister's secretary enclosing the letter I have just quoted, and one of the Civil Service Commissioners appeared in person before the committee as well. In reply to that communication the following statement was made by the chairman of the committee:

There was also read by me to the committee a letter received from Mr. McGregor, enclosing a letter from the Civil Service Commission, suggesting certain salary revisions and amendments to section 54 of the Civil Service Act to make provision for the superannuation of the commissioners.

Mr. Clarence Jameson, one of the commissioners, was present at our meeting, assisting us with the re-drafting of various amendments to the bill, and he was asked to offer a further explanation to the letter which he did to the entire satisfaction of the committee.

The committee fully discussed the representations made to you by the members of the commission as contained in the letter to you of June 4, but it was held by the majority of the committee that the request of the commissioners, asking for an amendment to the Civil Service Act of 1918 to meet the injustices outlined in that letter, could not be dealt with.

The reference to the committee from the House was for consideration of Superannuation Bill 122 and the committee held it could not under its reference amend the bill to comply with the request of the commissioners for an amendment to the Civil Service Act of Canada, and, further, that as the Civil Service Act of Canada is not within the scope of reference, the committee could suggest no amendments thereto.

The committee, however, was most sympathetic to the views expressed by the commissioners and the following motion was unanimously carried by the members present:

"That in view of the representations from the Civil Service Commissioners, contained in letter to the Prime Minister dated June 4, 1924, and the further representations made by Commissioner Jameson to the committee, this committee hereby refers the matter to the government with the suggestion that favourable consideration be given to the request of the commissioners by the suggested amendments to the Civil Service Act of 1918."

[Mr. Copp.]

Under the circumstances, and after careful consideration, the government decided that it was only proper and just to the commissioners that legislation of this nature should be passed, and it is for that purpose that the present resolution is before the committee.

Mr. MEIGHEN: Does the bill alter the clause which makes the commissioners life-holders of their posts, or until disabled? Does it put that in any way in the hands of the government?

Mr. COPP: Let me read the section:

1. The Civil Service Act, 1918, is amended by inserting after section 3 thereof the following section.

"3A. (1) If any member of the commission who has continued in office as a commissioner for fifteen years or upwards, or who has become disabled or otherwise incapable of performing the duties of his office, resigns his office, the Governor in Council may grant unto such commissioner on retirement, in lieu of any allowance to which he might otherwise become entitled under the provisions of The Civil Service Superannuation Act, 1924, an annual allowance payable throughout life equal to two-thirds of his salary at the date of his retirement.

(2) Any payment under this section shall be made from the Consolidated Revenue Fund."

Mr. WOODSWORTH: Is there a similar provision for the members of other boards or commissions, such as the Board of Railway Commissioners, for example?

Mr. COPP: This legislation provides only for members of the Civil Service Commission.

Mr. WOODSWORTH: Why should this particular commission be especially provided for in this respect? Perhaps it is intended next year to bring down similar legislation in regard to other commissions?

Mr. COPP: The Civil Service Commissioners in their representations to the government pointed out that as their duties were of a semi-judicial character it was only reasonable that they should be given treatment similar to that of the judges, whose appointment is the same as theirs inasmuch as the tenure of office in both cases depends upon the same conditions. The government decided that there was justice in the claim and are therefore asking parliament to pass this legislation. Other commissioners, I may point out, are not appointed for life.

Mr. WOODSWORTH: Is not the work of the Civil Service Commissioners administrative rather than judicial?

Mr. COPP: There is a good deal of work of a judicial nature that is done by the commission. In the case of other commissions the appointment is only for ten years, but the present Civil Service Commissioners were appointed for life.

Mr. MARTELL: The present Civil Service Commissioners hold their appointment during good behaviour; but it is provided, I understand, that their successors shall be appointed for ten years only. Why should the bill not be amended so that succeeding commissioners may be provided for as well to some extent at least?

Mr. COPP: It would hardly be wise to provide pensions for men appointed for a period of ten years.

Mr. SHAW: I object to the principle of the resolution. It is special legislation and apparently is intended only for the benefit of those who at present hold office, because if that had not been the intention future appointees would have been provided for so that they would receive a certain superannuation at the expiration or their term of ten years. As my hon. friend (Mr. Woodsworth) suggests, there are many other officials appointed for ten years, notably in the case of the Railway Commission, a body exercising judicial functions, but no effort is made to include those officials within the scope of the act.

Mr. COPP: The cases are different; appointments to the Board of Railway Commissioners are only for ten years. And those who succeed the present Civil Service Commissioners will be appointed only for that period.

Mr. SHAW: I know that; under the Civil Service Act the Civil Service Commissioners have the status of deputy ministers. What provision is made for other deputy ministers under this act? Absolutely none. Why should the Civil Service Commissioners be singled out from all the employees of the government service to receive this special benefit over and above what they would be entitled to under the Superannuation Act? I also object to this legislation for the reason that the Civil Service Commissioners are appointed to see that the merit principle is applied to the public service—that no special favours are granted to anyone; but here the commissioners themselves are asking for special favours. I think they should be content with their position under the Superannuation Act. I have not any doubt that within a very short time after the passage of the bill every one of these commissioners will take advantage of its provisions and a new regime will be installed to administer the Civil Service Act. I find that Dr. Roche, the chairman, is 65, Mr. Jameson is only 52 and Mr. Larochelle is 57 years of age. I understand that Mr. Larochelle has already more than fifteen years' service to his credit, and that both Dr. Roche and Mr. Jameson have been in office since 1918, so these two commissioners have already served six years. One can readily see that in a few years they will be able to retire under the Superannuation Act at about $3,000 per annum; but under this provision for their special benefit they would each get considerably in excess of that sum. I do not think it is right for the Civil Service Commissioners to ask parliament for this special legislation, especially when we bear in mind the functions which they are supposed to fulfil under the Civil Service Act.

4 p.m.

Mr. COPP: These commissioners were appointed for life and do not come under the Superannuation Act the same as deputy ministers and other civil servants.

Mr. HALBERT: What are the present salaries?

Mr. COPP: The chairman gets $7,000 and the other two commissioners $6,000 each.

Mr. HALBERT: The idea is to give them two-thirds of their salary by way of superannuation?

Mr. COPP: Yes.

Mr. HALBERT: Does not the minister think that we will soon have one-half of the people paying superannuation to the other half?

Mr. COPP: Three more would go a very short distance toward constituting half the population.

Mr. WOODSWORTH: I noticed the other day that the Old Age Pensions committee recommended a very small annuity to the people generally who have been earning very small wages during their working years, but so far we have had no indication whatever that the government is prepared to carry out that recommendation. It seems to me that a measure of this kind might very well stand over until the government is prepared to make adequate provision for the old age pensions generally.

Mr. SUTHERLAND: Has the government any serious intention of bringing in a measure later on to superannuate the pulpwood commissioners?

Mr. COPP: That is not under consideration.

Mr. GRAHAM: They will soon have it by length of service.

Mr. HANSON: What is to be the annual retiring allowance?

Mr. COPP: Two-thirds of their present salaries.

Resolution reported, read the second time and concurred in. Mr. Copp thereupon moved for leave to introduce Bill No. 252, to amend the Civil Service Act, 1918.

Motion agreed to and bill read the first time.

PENSIONS COMMITTEE

DISTRIBUTION OF CANTEEN FUNDS

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the distribution of the canteen funds by distributing the same as follows:—

(1) The sum of $20,000 to be held for payment of any outstanding accounts;

(2) The sum of $100,000 to be paid to a central board of three trustees appointed by the Governor in Council, without remuneration, to be used in such amounts and such manner as it may deem best for the maintenance and assistance of an adjustment service and bureau for the benefit of ex-service men and their dependents;

(3) The sum of $50,000 to be paid to the United Services Fund of Great Britain, and the sum of $50,000 to be paid to the American Red Cross, to be used by them, respectively, in such manner as they deem proper for assistance in specially meritorious cases of ex-members of the Canadian Expeditionary Force who have served in France or England, and their dependents, resident in Great Britain or the United States, as the case may be, and who are in genuine distress;

(4) The residue of the canteen fund to be divided into nine provincial allotments in the proportion indicated by the following percentages:—

	Per cent
Alberta	7.346
British Columbia and the Yukon	10.286
Manitoba	10.702
New Brunswick	4.203
Nova Scotia	6.439
Ontario	41.641
Prince Edward Island	.857
Quebec	12.718
Saskatchewan	5.808
	100.000

(5) The provincial allotments to be made to a provincial board of trustees appointed by the Lieutenant-Governor in Council in each province without remuneration empowered to receive and hold the provincial allotment and to ascertain the wishes of those interested and residing in the province concerning the disposition of such allotment and to determine the object to which the allotment should be devoted, and to administer the same for such object or to provide for such administration by others, and to do such other things as may be indicated in the order in council appointing them. The expenses in connection with the trust to be a charge on the allotment.

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

[Mr. Hanson.]

Mr. MANION: Whose scheme is this and how is it worked out? Has it the approval of the soldiers generally?

Mr. BELAND: The resolution as submitted to the House to-day is the result of recommendations made by the Ralston commission, after a prolonged investigation of conditions regarding returned soldiers in Canada. I shall in a few moments give the exact amount of the funds which it is now proposed to distribute, but I answer now the question asked by my hon. friend as to how these percentages have been arrived at. The percentages are an average of three figures for each province, one figure being that of enlistments in the province, second, the number of discharges in the province, and third, the number of pensioners in the province. These three figures are pretty close to each other in every case, although they vary slightly. In British Columbia, for instance, there are more pensioners in proportion to the number of enlistments and discharges than in any other province. Climatic conditions, I presume, would be responsible for the difference.

Now as to the amount itself, I asked the Department of Finance to prepare for me a statement of the amounts which constitute the canteen funds which it is now proposed to dispose of. There are three main funds: One is called the canteen fund proper, the other is the cinematograph fund, and the third is the regimental fund. The principal of these three amounts to $2,030,403.25, and on the 31st of March, 1924, interest upon these moneys had accrued to an amount of $266,532.81, making a grand total of $2,296,936.06, which it is proposed to distribute.

The question has been very often approached during the last four or five years as to what should be done with what is commonly known as the canteen fund. In 1921, I think it was, a plebiscite was held in Canada, and as many as 450,000 ballots were distributed amongst the men. On the ballots I think were set out four specific questions, and any man who felt that he could not recommend any one of the four schemes there set out was at liberty to suggest something else. Out of the 450,000 ballots, opinions were received from only 22,000, which was such a small proportion as not to warrant any government taking any definite action. Moreover, amongst these 22,000 voters the opinions were widely divergent. The one question which accumulated the most votes did not get more than 5,000, and taking into consideration the fact that there are in Canada 450,000 returned men, in round figures, 5,000

votes in favour of any particular scheme is not sufficiently large to warrant any final disposition of the total amount. Many times since I have been at the head of this department I have been requested by the returned men individually and through their associations to take steps to ascertain what the wishes of the men were, and also to introduce legislation for the purpose of disposing of the funds. At the time of the appointment of the commission on soldiers' problems, commonly known as the Ralston commission, the order in council appointing them set out that a part of their work should be to investigate and report on the use that could be made of these moneys. The final report of the commission is not yet in, but in view of the impending end of the session I asked them to supply me with an advance report on the canteen funds in order to enable parliament to adopt some kind of legislation in connection therewith. They have done that three or four days ago, and the resolution which is now in your hands, Mr. Chairman, carries out to the remotest detail the recommendations of that commission. Repeating what any one can read: First, it provides for the holding of $20,000 here in the Department of Finance to pay any outstanding accounts. The National Defence department have submitted occasionally to the Finance department small accounts for payment. What these accounts are exactly I am not quite in a position to say, but I might suggest that they are accounts from trustees of former regimental units. Be that as it may, these accounts must be passed upon by the National Defence department and approved by the Finance department. As late as 1923 the Finance department has paid out on these accounts an amount of $2,000. The commission recommend that $20,000 be retained for this purpose, and I presume that if any balance should be left of this amount of $20,000 after a certain delay has elapsed, it would ultimately be distributed amongst the provinces on the pro rata scale mentioned.

In the second place, it is suggested that:

> The sum of $100,000 to be paid to a central board of three trustees appointed by the Governor in Council, without remuneration, to be used in such amounts and such manner as it may deem best for the maintenance and assistance of an adjustment service and bureau for the benefit of ex-service men and their dependents.

I am not aware that any great divergence of opinion exists regarding the maintenance of an adjustment board here at headquarters for the benefit of ex-service men. The report of the Ralston commission, which everybody will shortly be in a position to read, explains fully what the reasons are for the maintenance of such a bureau. Earlier in the year, or at any rate during the course of 1923, I had a correspondence on this subject with the former commander of Canadian forces in Europe, Sir Arthur Currie. Sir Arthur expressed the view that an adjustment bureau at headquarters was not only desirable but necessary. The manner in which it should be supported was another question, and on that point Sir Arthur would not definitely commit himself. He suggested, I think, at some time that it should be supported by public funds; on another occasion, I think, he was inclined to favour taking moneys from the disablement fund for the purpose. At any rate the idea of a central bureau in Ottawa for the benefit of the men has been generally recognized. I shall not take up time in reading what the commission has said on this particular phase of the question unless I am requested to do so.

Mr. MANION: Before the minister passes from that subject will he explain, in just a few words, what the duties of an adjustment board would be?

Mr. BELAND: I think I could best answer that question by reading what the report of the Ralston commission says in that regard:

> Representations have been made that before there is any distribution of this fund, care should be taken to see that machinery is maintained for the active presentation and prosecution of claims which may arise from time to time on behalf of ex-service men and their dependents, concerning the various forms of assistance which the state provides in respect of pensions, re-establishment, etcetera.
>
> There are a variety of instances in connection with such questions as government employment, land settlement, training, housing, and re-habilitation activities generally, the considerations affecting which depend on the presentation of the individual case rather than on the terms of a general regulation. There are also parliamentary matters not only affecting pensions but amendments to existing statutes, which may indirectly affect the rights and privileges of ex-service men, and in addition there is the desirability of having some agency completely detached from government organization to supply the necessary personal contact between ex-service men and dependents and those who deal with matters affecting their interests.

This outline fully indicates what the duties of the service bureau would be and, I think are, because at the present time those duties are being discharged here in Ottawa, and in my opinion to the general satisfaction of the men.

Then there is a sum of $50,000 to be paid to the United Service Fund of Great Britain, and the sum of $50,000 to be paid to the American Red Cross. The committee is undoubtedly aware that there are a large num-

ber of men who saw service in France or England who are now living in the United Kingdom and in the United States. According to the recommendation the moneys to be diverted to these two bodies—the amount of which has been fixed in each case by the royal commission—are destined to relieve special meritorious cases in both these countries. The United Service Fund—if I am well informed and I think I am—is the body in England which has been busy with the disposal of the British canteen fund. As to the United States there exists in that country a veterans' bureau and it was first suggested that it might be used in the distribution of this money. However, although it was held that the bureau is deserving in every respect it was pointed out that it is the official representative of our department. Accordingly, since the object is to reserve this fund entirely from government or political control or influence, it was recommended that the money be handed over to the American Red Cross.

The residue is quite a respectable sum, amounting to over $2,000,000. This is to be divided amongst the nine provinces of Canada on the pro rata basis indicated in the resolution founded, as I indicated a few minutes ago, upon the number of enlistments, discharges and pensions in each province. It is also provided in the resolution that the Lieutenant Governor in Council in each province shall appoint a board of trustees to administer the fund. In Ontario there will be five trustees because the number of returned men in that province is much larger than in any other province; in each of the remaining provinces only three trustees are to be appointed. It is somewhat difficult for this parliament to dictate to a provincial government as to the language in which its orders in council shall be couched. We have, however, attempted to go as far as possible in that direction in order that the recommendations of the royal commission shall be carried out to the letter in every province.

Mr. BOYS: The minister has indicated that an effort was made, by ballot or otherwise, to ascertain the views of the ex-service men themselves, but I have not heard him say what those views were. Could he give us some idea? I understand that only 5,000 ballots were cast for any one object and it might be interesting to know what that object was. If the views of the men were expressed in favour of any other purpose we might be told also what it was.

Mr. BELAND: The largest number of votes were given in favour of the education of orphan children—schemes of education. The second largest favoured relieving meritorious cases or cases of unemployment and distress. These were the two main schemes which were supported by a relatively small number of votes.

Mr. MANION: I think the explanation of the minister is very good, but I should like to know how many of the staff are likely to be paid? According to the recommendation, the sum of $100,000 is to be paid to a central board of three trustees, appointed by the Governor in Council without remuneration. But the adjustment bureau will be a paid bureau—at least some of them will be paid—I think it should be as far as possible the effort of the government to retain as much money as possible for the purposes for which it is to be used: in other words, that there should be as few paid men as possible to carry on the staff. During the war we had the Patriotic Fund, the Red Cross Fund and various other funds of the same kind, patriotic men all over the country were very glad to take part in helping to carry out the duties involved, to bring about the best allocation of the moneys, and so forth, and I believe that to-day, if the attempt were made, the same type of men could be obtained to a large extent to carry out the same duties in regard to this fund. In other words, I think we should pay as little as possible of this money in salaries, and retain as much as possible for the benefit of the returned soldiers and their dependents who are to receive benefits from it. I should like the minister to explain how much is to be paid the staff. How much does he think will be necessary to carry out the scheme, as provided in the resolution?

Mr. BELAND: It provides for two or three different things; but it refers particularly to the $100,000 which is designed to support the adjustment bureau. The number of the staff required for that purpose will be entirely in the hands of the three trustees who will be appointed by the Governor in Council without remuneration.

Mr. MANION: Will they be returned soldiers?

Mr. BELAND: Yes. The majority of them must be.

Mr. MANION: And they will have the choosing of the staff to be employed in the adjustment bureau? It will not be done by the government or Civil Service Commission, but by the board of trustees?

Mr. BELAND: Absolutely.

Mr. MANION: Has the minister any idea how many will be required for the adjustment bureau, and how much the staff will be paid?

Mr. BELAND: In conversation with Sir Arthur Currie, I think he pointed out that five would be sufficient, one at the head of the Service bureau and four assistants.

Mr. MANION: Has the minister seen in the Montreal papers the severe criticism by Sir Arthur Currie regarding the disposition of these funds?

Mr. BELAND: I have seen it, but I do not think it is severe.

Mr. MANION: It is about as severe as he could make it, without being in politics. The reason I quoted it is that my hon. friend quoted Sir Arthur Currie. I thought it was a very severe criticism. He did not agree with the division, and he thought it should be used for different purposes. I must confess I have not any very fixed ideas in the matter, and have not heard much discussion about it. Has the minister had any expression pro or con from the war veterans as a body in regard to this scheme since it has been published? I suppose there has hardly been time.

Mr. BELAND: From all the information we have been able to secure from returned men, I think they are in favour of this scheme; but whether they are or not, I feel that I am bound to put through the recommendation of the commission in regard to the fund. That commission has travelled all through Canada, and has heard any number of ex-service men and has information in regard to all features of the problem. This question has been discussed at almost every meeting they have had, and this is the result of their investigation. It is impossible to have unanimity in regard to the disposal of the canteen fund by any one particular scheme. For instance, no unified scheme for one particular method of expenditure has been supported generally. I would illustrate my point in this way: If all the returned men had asked us to construct a war memorial of very large proportions either in Canada or Europe, we might say that this scheme was supported by a consolidated opinion. But there is no such unity of opinion among the men. I might quote for instance what the different provinces have asked. Some four provinces are asking that the money be distributed by provinces, as we are providing now, and three other provinces, if not four, are promoting a scheme of education exclusively for returned men, so that it will be seen that in seven cases out of nine they prefer a provincial distribution. In the case of education we would recognize that the proper course to follow would be to hand over the money to provincial governments, for their disposal in whatever way they recommended.

Mr. LADNER: Does the minister not retain any hold on the money after it is given to the provinces? The Dominion government is the primary trustee of the fund, from whatever source it comes.

Mr. BELAND: We are the trustee, but I do not think we have been invested at any time by the returned men or by anybody with the duty of distributing the money in any particular manner. We are trustees, it is true, as my hon. friend says, but no intimation was given to us, when the money was transferred to the receiver-general, as to what our duties would be. The returned men generally of course are interested. They are shareholders, and we could not take upon ourselves to arbitrarily dispose of these moneys. We have been attempting to ascertain what the wishes of the men were, and I think we have succeeded, to a very large extent, in ascertaining that distribution by the provinces would be the desire of the immense majority of the men, always provided that in every province no distribution will be made by the government themselves, but by boards of trustees. The whole scheme is to remove from political influences or governmental influences the disposal of the money.

Mr. LADNER: Once they have handed over the money to the provinces, what restrictions exist to preven any abuse of the handling of the money by the provinces, the new trustees? In other words, the Dominion or federal authorities, having been charged almost completely with the whole of the war activities and with the entire matter, would it not be wise for the Dominion government to retain some slight hold upon these moneys after they have reached the hands of the provincial governments? Is it a wise thing to hand the money to the provincial governments, and to say, "Here's the money, find out what to do with it"? The provincial governments have had very little experience in these matters. It may be that on account of politics or certain influences, or from lack of experience or knowledge, the provincial governments will not be able to handle the funds in a manner that would be entirely satisfactory.

Mr. BELAND: The provincial governments would appoint boards of trustees, five in Ontario and three in the other provinces, and the order in council appointing them will set out what the duties of these men in the different provinces will be, and the money will be distributed accordingly.

Mr. GUTHRIE: I presume if we carry the resolution now before us into legislation, that legislation will be a complete execution of the trust, so far as the Dominion government is concerned. The action of parliament would operate in that way and would release the government from all further liability. Whether it is a good thing to invest in the trustees or the boards appointed by the province this responsibility I do not know. I had the advantage on Saturday last of having a formal discussion on this question with Sir Arthur Currie, who was the commander of the Canadian corps during the war. While the conversation was informal and, perhaps, in a way private, General Currie did not express any opinion adverse to the proposal now before the committee as contained in this report. He offered one critisism or one suggestion, if I might mention it here. He said that he thought the proposal was largely one of passing the buck. The Dominion government evidently could not make up its mind what the final disposition of this trust fund should be and had determined to hand it over to provincial trustees and to allow them to make up their minds what would be the best disposition to make of this fund ultimately. I quite understand that there is a great variety of opinion amongst returned men and associations of returned men in regard to the application of this trust money. I heard of that during the office of the present government. The suggestions were almost innumerable and none of them had anything like unanimity behind it. If the soldiers' committee or the Ralston commission has now found a solution which will satisfy the great majority of returned soldiers, the government should adopt that as a solution of this difficult question. If the proposal of the government now to hand this money over to provincial trustees in the proportions set out in the resolution meets with the approval of a substantial majority of the returned men, I do not think this parliament should hesitate. Certain it is that the money should not remain idle in the hands of the Receiver General of Canada where it now is, and from which money nobody at the present time derives any advantage whatever. The provincial trustees will be bound within the general terms of the legislation that this House passes, but this measure will set the machinery in motion which will ultimately distribute this fund to the best advantage of those who are entitled to benefit from it. I do not believe you will reach unanimity; I do not believe you will be able to satisfy everybody; but there is a practical suggestion worthy of consideration for the ultimate distribution of this money. General Currie was very strong on the question of the proposal to set aside $1,000,000 to be used for the maintenance and assistance of an adjustment service and bureau. He thought there had been a great necessity for such a bureau during all the years since the war, but he was inclined to think that such a bureau should be paid for directly out of the federal treasury as something which the government should maintain. He instanced the case of men living in remote parts of Canada who had no one near at hand to whom they might appeal, no one to take a personal or definite interest in the soldier's case. If such a board had been in existence at Ottawa, many of our returned men would have been able to take advantage of it in past years and they will be in the future. The government might well stand the expenditure of the maintenance of such a board; but if the committee with the approval of the various bodies of returned soldiers has come to the conclusion that $100,000 of this fund should be set aside for that purpose, that should be a sufficient authority on which this House should take action in carrying out that report. The report appeals to my judgment as offering a reasonable solution of a very difficult problem, and the minister would do well to pursue his course in carrying out this measure.

Mr. CALDWELL: I thoroughly agree with the last speaker (Mr. Guthrie) that this is a move in the right direction. I have sat on committees of this House that have had this matter before them on different occasions and this is as good a proposal as has ever been brought forward. Section 5 has a provision that reads:

> To ascertain the wishes of those interested and residing in the province concerning the disposition of such allotment and to determine the object to which the allotment should be devoted.

That is a very indefinite designation as to who shall have the disposition of the allotment. When I first read it over, I took it to mean that the returned men would be consulted as to the disposition of the allotment to each province. The wording does not designate who they might be. We might take it to mean that the returned men were

the only people interested in this, but that should be more clearly set out. Outside of that I do not see any criticism of this proprosal.

Mr. ROSS (Kingston): Will the minister give a little more detailed statement of what is meant by section 2 in connection with the $100,000 for the maintenance and existence of an adjustment service and bureau?

Mr. BELAND: Perhaps my hon. friend was out of the chamber when I first explained this matter at the request of the hon. member for Fort William and Rainy River (Mr. Manion), and I quoted a passage from the report of the royal commission upon this very subject. The report of the commission demonstrated very clearly not only the usefulness, but the necessity of this central agency, open to anyone outside of all political influences and the duties of that agency will be to act as a basis of contact between the ex-soldiers and the different departments.

Mr. ROSS (Kingston): Are these not matters principally of re-establishment? Is there any objection to making use of the Department of Soldiers' Civil Re-establishment? Why go to the expense of another department when we already have one with a large number of clerks and officials who have been continued to be paid for some time? It seems to me that, notwithstanding the report of the Ralston commission, this is simply establishing another paid service for something which could be done in the Department of Soldiers' Civil Re-establishment.

Mr. BELAND: The ex-service men will always object to having their interests rest entirely in the hands of the government; they will insist on having some intermediary body, chosen by themselves and selected from among their own number, to present their claims forcibly wherever they think that there is any right to which they are entitled. As a matter of fact there has always been in Ottawa one agency or another whose duties it has been to present the cases of ex-service men to the different departments, to supervise legislation, and to press amendments to existing statutes.

Mr. ROSS (Kingston): What branches of associations have been doing this work?

Mr. BELAND: So far it has been done principally by the Great War Veterans' Association although I will not say they are the only ones.

Mr. ROSS (Kingston): That association will continue, and as far as I know its representatives have always been cordially received by any parliamentary committee before whom they have appeared. But here we have another paid association and I cannot see that it will be of any great service inasmuch as the Great War Veterans' Association, Dominion Alliance, will continue.

Mr. POWER: The hon. member is no doubt aware that a portion of the canteen fund has already been given to the Great War Veterans for the purposes of adjustment, and very little information on that subject has yet been given to the House. How much money has been given veterans' organizations and how has it been expended? Has it been used in the payment of salaries of the officials of such organizations, or has it been spent in the adjusting of claims made by returned men? I do not know that any explanation has so far been given.

Mr. LADNER: Having seen something of the work that is done in connection with the adjustment of claims, I believe this measure is a good one upon which the government is to be commended. I think it would be preferable to have the money paid by the federal authorities, but apparently the government has decided to use some of the canteen fund for the purpose. With regard to the claims of all kinds which are made in the interests of ex-service men, and the widows and orphans and other dependents of ex-service men, it is important that applicants for relief should have confidence in those to whom they carry their petitions; if their confidence is reposed in those in authority they are more likely to be satisfied with the results. In the past, in certain cases which were dealt with entirely by departmental officials, whether of the Department of Soldiers' Civil Re-Establishment or of any other, there has been a latent suspicion that perhaps some undesirable influences were operating against the claimants. I believe that an independent organization such as has been carried on by the Dominion Alliance of the Great War Veterans is capable of doing, as it has done, a splendid work for the ex-service men of Canada and their dependents. These men have examined in greater detail the merits of the individual claims and they have obtained results which no ordinary govermental organization could have secured. They have always pressed their claims with a vigor and intelligence that could not be surpassed by any institution of the government, and they have secured justice and relief for many thousand of ex-service men throughout Canada which these men would not have obtained otherwise. I believe that most hon. members have had something

or other to do with the claims of ex-service men, and no doubt they will agree with me that an independent body of the kind which is now indicated will be of adventage to the men and will perform as great a srvice in the future as the volunteer organizations have done in the past. I do not think it should have been incumbent upon ex-service men and their dependents to finance and develop an organization for the purpose of presenting their just claims; that surely is the responsibility of the people. Yet on many occasions we have seen the officials of the government in a controversial attitude towards the ex-service men as represented in their official organizations, and in many instances in which the men have established their point and indicated the justice of their claims they have obtained relief which would not have been granted had things been left entirely to the disposal of the ordinary officials of the government. I fully realize the necessity for expediting things at this stage of the session, but I am bound to take up these few minutes to-day on this matter because I know that in thousands of cases in this country the ex-service men and their dependents have suffered hardships in connection with their claims, and it is highly important that there should be an organization of this kind independent of political influences and having the confidence of the ex-service men themselves. I repeat, I believe the measure is a good one, but I should have liked to see the money provided in some other way than out of the canteen fund.

Mr. SHAW: I agree with the principle of the legislation, and I also think that
5 p.m. the creation of a central board of three trustees is wise. That board should not overlook the splendid work which the Dominion Veterans' Alliance has done in behalf of the soldiers in acting as an adjustment bureau, and I should be extremely disappointed if the board found it necessary to set up additional machinery not now created by the soldiers themselves for getting this work done. Every one who has been a member of the Pensions committee, both in the past and at the present time, will I think agree that the secretary of that organization has undoubtedly presented the case of the ex-soldiers with a capacity and ability, not to say an insistency, which are at once commendable and highly desirable. And it is particularly because of this that I think the Board of Central Trustees which it is proposed to create would be unmindful of the facts if it set up a separate organization for this purpose.

[Mr. Ladner.]

I understand from the minister that the percentages payable to the various provinces have been arrived at by taking not only the average of enlistments but also of discharges and of pensioners. I do not know whether that would work out favourably to every province. For instance, a great many soldiers enlisted in Alberta, but many of them had friends and relatives in Ontario, and upon their return they took their discharges in that province and were provided by the department with passage money to Alberta. Has the minister figures indicating the percentages of enlistments in the various provinces, so that we may compare them with the figures it is proposed to use and see if there is any variation to the detriment of the province in which the enlistments took place?

Mr. BLACK (Yukon): What duties will the proposed bureau undertake that are not now handled by the Department of Soldiers' Civil Re-establishment?

Mr. BELAND: As the men who profit by the Pension Act take a good deal more trouble to study closely all the questions relating to the awarding of pensions than does the department they are in a better position to detect any defects in the pension law, and naturally they would require the services of a central agency to represent them before committees of parliament in order to secure such legislation as would, in their opinion, be to their advantage and probably to the advantage of the country generally. This work has been carried on in Ottawa by an agency entirely outside of the Department of Soldiers' Civil Re-establishment. The soldiers insisted that it was their own business, and they have subscribed funds to meet the expenses of this agency to look after their interests in regard to legislation and otherwise. Undoubtedly in many instances the agency has been able to adduce evidence and present arguments which have prompted the board to award many additional pensions to ex-service men. Their activities extend also to securing employment for returned men in governmental departments. We know that deputy ministers are not, perhaps, more anxious than they should be to employ partially disabled men; they may not be reluctant to do so but between a sound man and a partially disabled man, other things being equal, it is probable that the deputy minister would recommend the able-bodied man.

Mr. LADNER: Does the minister think that the deputy ministers should do that?

Mr. BELAND: They may not be aware that the applicant is a returned man. Most of our staff are returned men. The activities of the representatives of the returned men in Ottawa have been useful to us in very many cases and if I am not mistaken, there are today about 32,000 returned men in the public service.

Mr. LADNER: Would not the deputy ministers know by his application whether the applicant was a returned man or not?

Mr. BELAND: In many instances the applications are verbal. But the representatives of the returned men in Ottawa have been undoubtedly instrumental in securing a good many departmental jobs for ex-soldiers. I agree with my hon. friend from West Calgary (Mr. Shaw) that some of the associations in particular have been exceedingly active in this connection and have rendered a real service to the country.

Mr. LADNER: I thoroughly agree with that; in fact, in my remarks I complimented the G.W.V.A. and the Dominion Alliance on the splendid work they had done. But I understood the minister to say that the deputy ministers were not inclined to prefer returned men under certain circumstances.

Mr. BELAND: I do not say that; I say the deputies may not be aware that the applicant is a returned man.

Mr. BROWN: I heartily endorse the suggestion made by my hon. friend from West Calgary. We know that last fall the returned men were finding increased difficulty in securing the necessary funds to maintain their organization, and ever since I have felt that, on the same principle that the Crown sometimes assigns counsel to defend a prisoner, the government might very well bear the expenses of maintaining the necessary organization to present the claims of returned men to the administration and to the various parliamentary committees during the session. We can all bear testimony to the effective manner in which the work has been done in the past by the representatives of the returned men. If the government is going to take $100,000 from this fund it would be very desirable that the men selected by the returned soldiers' associations should be recognized by the government as those best fitted to carry on the work that they have hitherto performed so effectively.

Mr. BLACK (Yukon): With all due deference to what the minister has said, it seems to me that the very high tribute which he and others have paid to the returned soldiers' organizations on the effectiveness of their efforts on behalf of their members would indicate the lack of any necessity for the proposed bureau. If the work has been done so well in the past, why create another agency now? Surely the efforts of returned soldiers on their own behalf, coupled with the work done by the Department of Soldiers' Civil Re-establishment, ought to be sufficient; but if an additional bureau is needed I submit that the expense should not be met by withdrawing $100,000 from the canteen fund. That should be a government expense coming on the whole people. This $100,000 is not a gift to the returned soldiers; in fact, the whole of this $2,296,936.06 is the returned soldiers' own money now, and the government only have it in trust. It does not belong to the government or the public; it belongs to the returned men, who overseas ran a canteen and made a profit out of it, and now the money is theirs. I submit that neither the $100,000 nor any other amount should be taken out for this purpose. The bureau, according to the minister's own words, is not necessary, because the soldiers' interests are being so well looked after by the government and by the soldiers themselves.

Mr. POWER: Am I right in understanding that the hon. member is very much opposed to any of the canteen funds being used by the veterans' associations?

Mr. BLACK (Yukon): Not at all. My hon. friend must not draw that conclusion from what I said. What I do say is that the money belongs to the returned soldiers.

Mr. POWER: And should not be used by the associations?

Mr. BLACK (Yukon): It should not be used by the government. It belongs to the returned soldiers and should be handed over to them through the G.W.V.A. or some other association.

Mr. POWER: In 1920 and 1921 large sums from this canteen fund were handed to the Great War Veterans and other associations for the very purpose of adjusting these claims.

Mr. BLACK (Yukon): Those are the proper institutions to hand it over to.

Mr. POWER: For adjusting these claims?

Mr. BLACK (Yukon): And if my hon. friend objects to payments that have been made in the past, that is all the more reason why objection should be made now to continuing the payments.

Mr. POWER: I do not object to these claims in the past where the money has been really used for the purpose of adjusting veterans' claims, and if the amount of $100,000 is to be used for that purpose I do not know that I have any objection. I agree with some hon. gentlemen who have spoken that the secretary of the Great War Veterans' Association has done excellent work in presenting the veterans' case to parliament, and in urging the claims of the returned men before the Board of Pension Commissioners, the Appeal Board, and other bodies, but if some of these funds are to be used for the payment of salaries of unnecessary officials in the Great War Veterans, or are to be used to pay travelling expenses for officials who have gone overseas or who have travelled elsewhere, I am opposed to any such payments out of these funds, and in this connection I have a number of questions to ask the minister with reference to the disposal of these funds up to the present. I should like to ask him to give us an estimate, if he has not the exact figures, of what was the original amount of money in this canteen fund; how much of it was lost through injudicious investments; how much of it originally came to Canada, and how much of it has been expended since the fund came to Canada and was placed in the Receiver General's hands. I think the minister must have these figures, and I think that it is of great importance that the committee should know what has happened to this fund since its inception.

Mr. BELAND: Before the resolution carries I should like to give my hon. friend the information he requests. The amount I gave in the first place, $2,030,403.25, represents the total amount now with the Receiver General, outside of interest. What the original amount was can easily be made up if we add what has been paid out from that fund. The total amount that was paid out to different associations—

Mr. POWER: At what date?

Mr. BELAND: In 1921 different amounts were paid out by order in council to a total of $202,000.

Mr. POWER: To which association?

[Mr. Power.]

Mr. BELAND: I have not got here the associations. I have only the dates and numbers of the orders in council.

Mr. POWER: Does the minister know for what purpose it was given?

Mr. BELAND: I suppose it was for the purpose of maintaining the bureau, acting as an intermediate between the department and the returned men, and also for the purpose of relieving distress.

Mr. POWER: How much of the original fund which should have come to Canada after the war was lost through injudicious investments on the other side?

Mr. BELAND: I have no information in that regard at all. I am dealing only with the amount that has been transferred to us and which is now deposited with the Receiver General.

Mr. POWER: Is the minister aware that owing to mismanagement, if not worse, on the other side, large sums of money which should have been brought over to Canada to be distributed to the soldiers in some such fashion as this were lost in England through the operations of the United Canteen Fund, I think it was. Could the minister give us any details of those losses?

Mr. BELAND: I am not aware of it, and I should be very sorry to hear that such is the case.

Mr. MANION: The hon. member for Quebec South has made an allegation that is rather serious, and I hope he will be able to tell us something about it. It is the first I have heard of it. I should like to know who were the officials of the United Canteen Fund. Were they British or Canadian?

Mr. POWER: This took place some two or three years ago, so I have not the facts before me, but whether it was called the United Canteen Fund or some such name, I do know that canteen funds belonging to the whole of the British Expeditionary Forces were placed in a common fund, and owing to certain injudicious investments, or to mismanagement, large sums running into the thousands of pounds, if not hundreds of thousands, were lost and never recovered. I remember reading in the English papers, I think it was two years ago or more, of an investigation held by a parliamentary committee of the British House of Commons, in which all these facts were brought out, and there was some talk of it, if not debate, in this House at the time. The result of these

transactions was that a portion of the moneys coming to the Empire troops, which were put into a common fund with the British moneys, was lost. I thought perhaps the minister or his officials would be able to give us the figures, or to state clearly what were the facts in this connection. I am quite willing to admit that my recollection is not quite clear on the matter, but I do know that there was considerable scandal in the Old Country with regard to these funds, and that some of the Canadian funds were lost.

Mr. BOYS: I should like to ask what proportion of the funds the hon. member speaks of belonged to Canada?

Mr. MANION: I must confess that I have never heard of this charge made by the hon. member for Quebec South before. There are just two suggestions I should like to make to the minister, and one at least is a repetition of what I said before. I hope, and I am sure the minister will agree with me in this, that in the handling of these moneys every cent so far as possible will be retained for the use of the returned soldiers and their dependents in whatever distribution is finally decided upon, and that as little as possible goes in the shape of wages or salaries for any purpose in connection with this matter.

I hope that when the government finally asks the provincial governments to appoint trustees in the provinces, it will impress upon the provincial governments the importance of appointing men who also will realize that very deep responsibility, and try to avoid the waste of any of this money that can possibly be avoided in wages and salaries of any kind.

My second suggestion, and I know the minister will accept this in the spirit in which it is given, is this: In the appointment of the five trustees at headquarters here in the city of Ottawa the qualifications should be entirely of a military character, or at least of a public service character, and most decidedly not of a political character. I say this because it should be the desire of hon. members generally—I think it is the desire of the vast majority of them if not all—to see that all questions relating to the returned soldiers and their dependents, generally speaking, are dealt with on a high plane far removed from party politics.

Mr. BELAND: I can assure my hon. friend that as far as the members of the board of trustees in Ottawa are concerned those selected will commend themselves to the general appreciation of the public and of the returned men. To the extent that the provincial governments are concerned we hope they will be animated by a similar desire.

Mr. SUTHERLAND: I am sorry that I was called out of the House very shortly after the discussion of this matter began. Representations made to me by a number of returned men cause me to suggest that we should exercise extreme caution in dealing with this fund. This money was paid out by the soldier from his very meagre pay, and the accumulation of such a fund is evidence of the fact that great profits were made by the canteens in catering to the soldiers' requirements. The proposal to use this money for purposes of this kind appears to a number of these men to be rather high-handed action on the part of the government.

Mr. BELAND: Who are they?

Mr. SUTHERLAND: I am speaking on behalf of certain returned men.

Mr. BELAND: Yes, but who are they?

Mr. SUTHERLAND: A number of them spoke to me on Saturday last with regard to the paying of this money for certain purposes, particularly the payment to the American Red Cross Fund. What authority has parliament to use it for any such purpose? It belongs to the men who paid it in and it should be returned to them so far as it is possible to do so.

Mr. BELAND: The American Red Cross will do that.

Mr. SUTHERLAND: Return the money to these men?

Mr. BELAND: Yes.

Mr. SUTHERLAND: The fund consists of two million dollars and this is only a fraction of the amount. The Great War Veterans Association in the particular town where these men reside are very much opposed to paying the money out in this way.

Mr. BELAND: Are they opposed to the American Red Cross paying out the money?

Mr. SUTHERLAND: They are opposed to it being disbursed in any way instead of being returned to those who paid the money into the fund.

Mr. BELAND: It is for the purpose of helping Canadian soldiers who are in the United States.

Mr. SUTHERLAND: What about the balance of the men who are not in the United States?

Mr. BELAND: They are in Canada and in England and they are being provided for.

Mr. ROSS (Kingston): I must admit that I am getting a little more light. I thought when I spoke first, that this was an entirely new organization going out into this field of work without any relation to the existing organizations, but I can see that it will maintain close connection with the various bodies ministering to the needs of the returned men. I had not thought that the Great War Veterans' Association, and other soldier organizations, should be replaced by some new board. I only hope the government will receive in a friendly way the suggestions in regard to pensions and other matters which this organization may bring forward. I know that the American Red Cross does a lot of important work, but will the minister tell us briefly and precisely what work it does in connection with ex-service men in that country?

Mr. BELAND: It has been brought to our notice that the American Red Cross has extended relief in some cases of dire distress.

Mr. ROSS (Kingston): There is an understanding, I think, that whatever work is done for the Canadian ex-service man in the United States shall be done for the United States ex-service man in Canada.

Mr. BELAND: I presume so.

Mr. ROSS (Kingston): Does the American Red Cross do anything further than that?

Mr. BELAND: I am not in a position to say.

Mr. ROSS (Kingston): If so it is not doing any more than the Canadian Red Cross is doing for the American soldier.

Mr. BELAND: The idea is to find a body in the United States to do this work for the Canadian ex-soldier over there. We thought that the American Red Cross would commend itself generally speaking to our people, and that is why we selected it.

Mr. ROSS (Kingston): I am not objecting.

Mr. BLACK (Yukon): How has the British government applied its share of the canteen fund?

Mr. BELAND: The British share was placed in the hands of the United Service Fund. His Excellency Lord Byng was at the head of this fund before he was appointed Governor General of Canada. I am not aware of the details as to the distribution of the British share of the fund, but the opinions of something like two hundred local bodies in the United Kingdom were obtained in that regard.

Mr. HUMPHREY: I think I can approve of this proposal in its present form, but I must associate myself with the remarks of previous speakers in emphasizing the importance of seeing that on the central board for the distribution of $100,000 there should be a representative of the returned men. I was surprised to hear my hon. friend from South Oxford (Mr. Sutherland) entering a protest against the plan of distribution which the resolution provides for. As I understand it, this is carrying out the recommendations of the Ralston commission after that body had made a thorough investigation. Personally I have heard no protest against the plan provided for here of administering and paying out the fund. I should like the minister, however, to give the dates of the orders in council passed in 1921 for the expenditure of any portion of this fund and the purpose for which such expenditure was made.

Mr. BELAND: I may as well supplement the information I gave the committee a few minutes ago. I have here a statement which the Department of Finance has prepared on the subject. The orders in council referred to by my hon. friend bear the following dates: July 22, 1921; August 17, 1921; September 17, 1921; October 12, 1921; September 13, 1921; October 1, 1921; October 17, 1921.

Mr. CALDWELL: Are these the dates upon which these amounts were paid and what were the amounts each at date?

Mr. MANION: Has the minister the statement of the order in council as to the purposes for which this money was paid?

Mr. BELAND: I think it was in the report. I might read it, but it is pretty long. All the orders are in that report. It was an order in council for relieving distress caused by unemployment or other reasons among the returned men.

Mr. BLACK (Yukon): Why is it the allotment for British Columbia and the Yukon are joined? This allotment is not made in accordance with military districts and the percentage returnable to the Yukon can be ascertained as accurately as the percentage returnable for any province. It will be a smaller amount, but why should it be tied up with British Columbia.

Mr. BELAND: It is the recommendation of the royal commission.

Mr. BLACK (Yukon): I protest against that. I suggest that the exact percentage due to the Yukon be ascertained and allotted to the Yukon to be distributed by a local committee there, altogether separate and apart from British Columbia. Is it possible to do that? I submit there is no more reason why Yukon should be attached to British Columbia for this purpose than that Yukon should be attached to Prince Edward Island.

Mr. BELAND: There is a difference. The population in the Yukon is much smaller that that of the province of British Columbia, and I think what influenced the commission in annexing the Yukon to British Columbia was the fact that the territory is small and the number of returned men very limited. It would be an easy matter for the board of trustees in British Columbia to determine what amount should be paid to the men in the Yukon, and I expect my hon. friend will have full confidence in the board appointed in British Columbia. He may be quite certain that the men of the Yukon will not be neglected.

Mr. BLACK (Yukon): I hope that will be so, but I submit that according to the wording of the resolution this money and the distribution of it will be in the hands of the committee in British Columbia. The amount for the Yukon is as easily ascertainable as the amount for Manitoba or British Columbia. I could ascertain the number of enlistments in the Yukon in a very short time. The number of discharges will be proportionately smaller than in British Columbia. The province of British Columbia got an advantage which no other province got in the matter of discharges, because the government gave the returned men free transportation West, but not East, and many men went west to British Columbia and took their discharge. The Yukon men took their discharges all over the Dominion. I submit the legislation should provide that a definite amount allotted to the Yukon should be segregated from the amount going to British Columbia and from the amount going to other provinces, and put in the hands of a local committee in Yukon.

Mr. BELAND: If my hon. friend reflects he will be satisfied that no injustice will be done to returned men located in the Yukon. Why should they be discriminated against, and why should we go to the trouble of creating a special board of trustees for the Yukon? We may ask the provincial board in British Columbia to see that the men in the Yukon receive their proportionate share, and they would be quite willing to do that in any case. My hon. friend would not want a special board appointed.

Mr. BLACK (Yukon): Is a bill to be presented pursuant to this resolution?

Mr. BELAND: Yes.

Mr. SHAW: Can the minister give me the percentage of enlistments in the different provinces?

Mr. BELAND: I will give it to the hon. member in the committee stage of the bill. I do not have it at hand.

Mr. CALDWELL: Will the minister explain just who is meant in section 5 by those interested and residing in the province who shall have the deciding of what shall be done with the fund? Has the minister anything more definite than is contained in the resolution.

Mr. BELAND: It is the duty of the provincial government to ascertain what the wishes of the men are.

Mr. CALDWELL: It says "The wishes of those interested." Does that mean the returned men?

Mr. BELAND: Yes, surely.

Mr. CALDWELL: There may be others interested besides the returned men.

Mr. BELAND: The bill will provide for that.

Resolution reported, read the second time and concurred in. Mr. Beland thereupon moved for leave to introduce Bill No. 253, respecting the disposal of the Canteen Fund.

Motion agreed to, bill read the first and second times, and the House went into committee thereon, Mr. Gordon in the chanr.

Mr. CALDWELL: Is the bill printed and distributed?

Some hon. MEMBERS: No.

Mr. CALDWELL: I have no wish to hold up the bill at all. If it is available I would like to have it. If the resolution covers the bill, we are willing to go on.

Mr. BELAND: I move the committee rise and report progress.

Progress reported.

REARRANGEMENTS AND TRANSFERS OF DUTIES IN THE PUBLIC SERVICE AMENDMENT

BILL WITHDRAWN

Hon. ERNEST LAPOINTE (Minister of Justice) moved:

That the order of the House for the second reading of Bill No. 39, an act to amend the act to authorize rearrangements and transfers of duties in the Public Service, be discharged, and the said bill withdrawn.

Motion agreed to and bill withdrawn.

ADMIRALTY ACT AMENDMENT

RESOLUTION WITHDRAWN

Hon. ERNEST LAPOINTE (Minister of Justice) moved:

That the order of the House for the consideration of the following proposed resolution be discharged:

"Resolved, that it is expedient to amend the Admiralty Act, chapter one hundred and forty-one of the revised statutes, 1906, and to provide:—

1. That the Governor in Council may appoint one or more deputy local judges for any Admiralty district, and a deputy registrar for any district or registry division of any district;

2. That when the local judge of the Quebec Admiralty district resides at Montreal, the deputy local judge residing at Quebec shall be paid the salary, if any, which he would have received if he were the local judge of the district; and when the local judge resides at Quebec, the deputy local judge residing at Montreal shall receive the salary, if any, which he would have received if he were the local judge of the district; but not more than one deputy local judge in the district shall receive a salary."

Motion agreed to and order discharged.

ROYAL CANADIAN MOUNTED POLICE ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Royal Canadian Mounted Police Act by providing,—

1. That the Governor in Council may by regulation determine the pay and allowances to be received by the Commissioner and other members of the Royal Canadian Mounted Police Force.

2. That the time served by officers in the Dominion Police Force may be included in the term of service for pension purposes, and this provision shall apply as from the first day of February, 1920.

Motion agreed to, and the House went into committee, Mr. Gordon in the chair.

Mr. BLACK (Yukon): How is the amount of pay and allowance determined at the present time?

Mr. LAPOINTE: I will first give the purpose of the bill to be founded on this resolution. The salaries of all the members of the force are fixed by the Royal North West Mounted Police Act. The section of the statute fixing the salaries has been amended many times. Finally, in 1919, when the Dominion Police and the North West Mounted Police were amalgamated, that section was amended again and the following subsection was added:

The Governor in Council may authorize an extra rate to be paid to members of the force employed as detectives, to those serving in the Northwest Territories and the Yukon Territory and for a period of five years from the 1st day of June, 1919, to any other members of the force.

The government then granted extra statutory pay to the members of the force by order in council under that section. But the powers expired on the 31st May last, so the extra statutory pay which has been given, the government cannot renew under the law as it is. The purpose of this legislation is to place the mounted police on the same basis as the military forces and to have their salaries fixed by the Governor in Council. It is not proposed to increase the salaries of the force, but this is to give the Governor in Council authority to grant to the police what they are receiving at the present time. The hon. member for the Yukon (Mr. Black) asked what the present salaries are.

Mr. BLACK (Yukon): The minister misunderstood me. I asked as to the method of payment. I wanted to know what the change was.

Mr. LAPOINTE: Their salaries are fixed by statute and they have the extra statutory pay which is fifty cents a day in most cases. Sergeants and staff sergeants receive seventy-five cents a day. They also receive uniforms, food, and all that is estimated at a certain amount. As a matter of fact, the Royal Canadian Mounted Police have smaller salaries than provincial police officers and even police officers in large cities.

The purpose of the other portion of the resolution is to correct an oversight when the act of 1919 was passed. In that act there is this provision regarding pensions:

That service in the Dominion Police shall be deemed to have been service in the Royal Canadian Mounted Police in the case of such constables in the Dominion Police as are appointed constables in the Royal Canadian Mounted Police Force.

This amendment was not included in the section concerning the officers. There are only two officers who were officers in the Dominion Police, and whose services while they were in the Dominion Police cannot, under the act as it is according to the ruling of the Department of Justice, be added to their service as constituted now. This is to correct that anomaly.

Mr. KNOX: I should like to draw the attention of the minister to the second portion of the resolution and to ask him if he cannot possibly stretch this a little further. We have to-day in the Dominion of Canada some seventy-five non-commissioned officers and men who left the force prior to the 1st January, 1919. These men had to retire on the former pay which was at the rate of seventy-five cents per day. After the 1st January, 1919, the pay was $2 per day, so that any man retiring after that and drawing a pension received the benefit of the increased pension. These old veterans, of whom I am sure we are all justly proud, numbered at the end of last year about seventy-five. I question if there are as many as that at the present time, and it would not take a great amount to bring their pensions up to the same level as that of those who have retired since that time. Let us cite a few instances to indicate the inequality of this. I am comparing the pensions of men who retired prior to the 1st January, 1919, and of men of the same standing who have retired since then. Staff Sergeant Keenan retired after twenty-nine years' service, and I might state in passing that he is a man whom I know very well. He is at the present time living on a homstead all alone. I should say rather that men of this class are subsisting because they never had an opportunity of building up homes for themselves. They have devoted the greater part of their lives to the service of their country and no men in the employment of the government of Canada did more towards opening up and civilizing the great West than did these old veterans. After twenty-nine years of service this man, retiring on the old rate, receives a pension of $366. per annum or practically a dollar a day. That does not look very well when you compare it with the pension of Staff Sergeant Evans who retired on the 13th November, 1919, also after twenty-nine years of service, and who draws $973.33 per annum or almost three times what the other man gets, although Sergeant Keenan was in the service from almost the very beginning. His regimental number was 301 which shows that he enlisted very early in the force, and his record is one of the best amongst those who did the pioneer work in the West. They certainly had the hardest time. Sergeant St. Denis who lives at Duck Lake and whom I know very well, after twenty-six years of service has a pension of $262.77, while Sergeant Mapley, also twenty-six years of service, retiring after the date I mentioned, draws a pension of $735.46 Here is another man residing in Prince Albert and whom I have known for a great number of years. Nicholas Jaffrey was retired with the rank of constable after twenty years of service, having performed heroic work on many occasions. He draws a pension of $109.50, while Constable Phillips, after ten years' service, retiring after the date I have mentioned, draws $200.75. These things will not stand comparison and as a matter of fact they have often been pointed out as a blot on the escutcheon of our country. Surely the government can devise some means whereby these men may receive just treatment. I know the contention is put up that it would interfere with the Pensions Act, but if that is unavoidable I am sure there are other ways which the Department of Justice could find whereby justice can be done these men.

Mr. LAPOINTE: The remarks of the hon. gentleman will of course be carefully considered. The case of these veteran pensioners is a deserving one but the hon. member has himself pointed out the difficulty; there are at stake questions of principle and of precedent. There are in all branches of administration pensioners who are on the schedule just as they were when they got their superannuation, and they also have urged that their rate be increased in keeping with the rate now paid. There is no doubt that if this is done for one class it will have to be done for others. I admit that the case of the old Royal Northwest Mounted Police officers and constables appears to be a special one; these men deserve very much, perhaps more than others. But it is difficult to convince some people that their neighbours are more deserving than are themselves. However, I may pledge my sympathy in the consideration which will be given to the plea of my hon. friend.

Mr. LADNER: I have received representations from this class of pensioners some of whom reside in the West, and I think the whole point is one of economics. The purchasing power of the dollar to-day is much lower than it was when these men received their pension; at that time it enabled them to live fairly decently, or at any rate according to a certain standard, whereas to-day the same amount, owing to a depreciated purchasing power, leaves them in a most humiliating position. I would urge upon the minister the justice and wisdom of giving every consideration to this particular class of pensioners so that they may be put upon a plane of

subsistence worthy of their service to the Dominion and equal to the position held by pensioners to-day.

Mr. WARNER: I know a few of these men who are almost in every case unable to take care of themselves. They served the country when the country most needed them and at a time when men of lesser ability and qualifications would have been totally unfit for the service they performed. They have had a harder time than any other mounted policemen and I know from personal knowledge that they do not receive enough to allow them to live comfortably. There are only a few of them and I was pleased to hear the minister say that their case might be regarded as a special one. These were special men and they gave their best years to the country at a time when they were peculiarly needed; the conditions called for men of their type and no others would have done. I do not think it is at all just that these men should be required to get along on the pension which was paid them at the time they retired, and their case should certainly be favourably considered. Their position should be made comparable with that of pensioners who did not have as hard a time and who are receiving better treatment through being placed on a basis established at a later date.

Mr. MEIGHEN: I understand the minister to say that the allowances are now fixed by statute and that the intention is to have them placed in the power of the Governor in Council.

Mr. LAPOINTE: Certain allowances were fixed by statute but that was only for a period of five years. We cannot, however, decrease the salaries of the mounted police at the present time; far from it, they are paid less than any other police in the Dominion.

Mr. MEIGHEN: But why not bring in a statute to continue parliamentary control? I am astonished that the minister should undertake such a revolution as this. Is he not surrendering to order in council government, even to the extent of handing over the control of the purse strings?

Mr. LAPOINTE: No, I am asking parliament for the authority.

Mr. MEIGHEN: But parliament has the authority now.

[Mr. Ladner.]

Mr. LAPOINTE: That is not the proper way.

Mr. MEIGHEN: More order in council government? This is awful.

Mr. LAPOINTE: Why should there be special treatment for the mounted police? Are the salaries of other employees of the government dealt with in this way? In no instance, not in connection with civil servants or with the army, whether it be soldiers or officers, is there anything of the kind, and it is considered very undesirable that we should make an exception. We have come to parliament to have the change made.

Mr. MEIGHEN: One would have thought that the government instead of making the change in such a way as to hand over more power to the Governor in Council would have made it in the other direction, if they wanted uniformity, and brought the others under parliament.

6 p.m.

Mr. LAPOINTE: Does the hon. member advise that? Does he suggest that military salaries should be placed under parliament?

Mr. MEIGHEN: I should have thought that the minister himself would want to do that if he were consistent, because he was one of the loudest to complain of order in council government. The minister has lost his red corpuscles,—

Mr. LAPOINTE: Not at all.

Mr. MEIGHEN: —because he at one time predicted the wreck of the constitution by reason of order in council government whereas, since coming into power, he has failed to introduce a single bill to curtail the power of the Governor in Council and restore parliamentary authority, the encroachment upon which he used to deprecate so strenuously.

Mr. LAPOINTE: My hon. friend is not consistent. He has always complained that this government was not willing to assume responsibility for what it ought to do, but was always asking parliament to act for it. Now, however, he complains that we are not appealing to parliament.

Mr. MEIGHEN: The minister is wrong. The government is continually taking power but afterwards is afraid to exercise it, except in cases of paying out money or establishing commissions. In the way of determining policy it shivers on the brink, it cannot move at all, but it is continually coming back to

parliament for more powers to be given the Governor in Council. Now it wants to give the Governor in Council power to fix the wages of the Royal Canadian Mounted Police. Really the government must tremble for the fate of the constitution!

Mr. LAPOINTE: Not if my right hon. friend is trembling.

Mr. MEIGHEN: Where is parliamentary government that this administration was going to restore to an expectant people? The powers of parliament were to come back once again after being usurped by a former administration.

Mr. LAPOINTE: So they have.

Mr. MEIGHEN: Here we have power passing day by day from the hands of parliament into the hands of the Governor in Council. One would have thought to hear hon. gentlemen talk when in opposition that they would have taken from the Governor in Council, yea, from the Civil Service Commission or any one else, the right to fix salaries of civil servants and brought it back to parliament so as to restore "responsible government" to the people of Canada! This continual introduction of bills giving the Governor in Council more and more authority really alarms me.

Mr. GRAHAM: My right hon. friend does not look alarmed.

Mr. MEIGHEN: When it comes, though, to the exercise of any really fundamental policy, to declare what ought to be done in the powers the government has its weakness is manifested. Why, the government has ample power in many cases, but it refuses to take any responsibility. It is always wanting a little more power to pay out money so it does not have to come to parliament at all.

Mr. LAPOINTE: The difference between us and my right hon. friend is that he left to parliament only the small things and kept to himself the big things—

Mr. MEIGHEN: For example?

Mr. LAPOINTE: —we are giving to parliament the big things to decide, and the small things, such as salaries of the mounted police, we leave to the Governor in Council.

Mr. MEIGHEN: Will the hon. gentleman just inform us—and at the same time amuse us—by giving an example of where the late government exercised, aside from parliament, power in big things which this government has given back to parliament?

Mr. LAPOINTE: I did it in my speech on the Address, and really as it is already five minutes past six my right hon. friend must give me some latitude to do so again on some future occasion.

Mr. MEIGHEN: I will give him three days to think it over.

Resolution reported, read the second time and concurred in. Mr. Lapointe thereupon moved for leave to introduce Bill No. 254, to amend the Royal Canadian Mounted Police Act.

Motion agreed to and bill read the first time.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

FEEDING STUFFS ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 238, to amend the Feeding Stuffs Act.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

On section 1—Certain feeding stuffs as designated may contain 50 per cent by weight of bran, etc.

The CHAIRMAN: The words "as ingredients" in the eighth line were struck out in the committee; also sections (b) and (c).

Mr. MEIGHEN: This is the bill for the balanced hen ration, I believe. It is the one the minister had his doubts about. Has it come back from the committee unscathed?

Mr. MOTHERWELL: No. The words "as ingredients" have been stricken out of the eighth line, and sections (b) and (c) have also been stricken out.

Mr. MEIGHEN: That is of section 1?

Mr. MOTHERWELL: Yes. There were features in both of them that were quite commendable, but the committee thought they were not essential. The primary object of the bill is contained in subsection (a). The committee will remember that when the resolution was before the House it was pointed out that the purpose of the bill was to correct an inadvertent effect of the bill of last year, based upon a decision of the Justice department, which prevented the manufacturers of feeding stuffs using mill feeds

to any extent at all in mixing the feeds they were manufacturing. By subsection (a) the use of mill feeds is permitted up to 50 per cent by weight in feeds made by these manufacturers throughout the country, of whom I said there were about forty, but I have since discovered that it is nearer seventy. If they have a mixture of alfalfa, corn, buckwheat or any other of the permissible ingredients, they can mix with them 50 per cent by weight of mill feeds, and make a feed to put on the market under the terms of the Feeding Stuffs Act.

Mr. NEILL: Were not the words "as ingredients" stricken out in the committee?

Mr. MOTHERWELL: Yes, the chairman has announced that. The language was superfluous.

Mr. SUTHERLAND: Unfortunately I did not have the advantage of hearing the discussion in the committee on Agriculture when this bill was before it. There were two other committees on which I happened to be. It was very important that I should attend one of them, and we did not get through until two o'clock, by which time this bill had been disposed of by the committee on Agriculture. I presume, from the fact that the committee on Agriculture has seen fit to accept the bill, there must be something in it, but personally I could not see any necessity for a departure from the bill of last year. The mixing of mill feeds of these kinds I do not think is of very much importance. I would ask the minister if he will insist upon the manufacturers of these mixed feeds printing upon the containers the ingredients and the proportion in which they are contained in the mixture? I have good reason to believe that a great fraud has been perpetrated on the public in the past in connection with some of these mixtures. Some of them undoubtedly would not fall in that category, but in connection with others the grossest frauds have been perpetrated upon the people who have been purchasing them, and if the minister insists on this bill going through I think it would be advisable to see that the purchasers know exactly what they are buying. There is no secret formula that these mixers have that is of such great importance. The main thing is to protect the public from fraud of any kind. This is being done in connection with many foods now under the pure food laws, under which strict regulations are provided. The same is true with regard to fertilizers. Furthermore, a measure was passed this afternoon requiring a license to be taken out for the manufacture of certain by-products of fish. It appears to me that we are passing so many regulations, we are compelling the taking out of so many licenses and appointing so many inspectors that people are getting heartily sick and tired of the whole business. If a little more attention was paid to the matter of informing people as to what they are really buying—and that applies not only to this measure but a great many others—it would be more in the public interest. I think a bill was introduced last year with regard to clothing which sought to have it stated of what materials the clothing we purchased was made—the proportion of wool, the proportion of shoddy and the proportion of cotton. I simply mention this to indicate the character of a great deal of the legislation we are enacting. I really cannot discover any virtue in this bill but I do see a great danger in allowing the people who have been agitating for this legislation to accomplish their purpose.

[Mr. Motherwell.]

Mr. MOTHERWELL: If the suggestion of my hon. friend were carried out and the manufacturers of feed were required to state the composition of the preparation upon the package it would be revealing trade secrets. There has been no complaint, but in any event under the regulations we have the power to act whenever necessary.

Mr. SUTHERLAND: I am sorry that I cannot appreciate the minister's sympathy with those who fear to have trade secrets disclosed. The manufacturers of these feeds have taken full advantage of the situation and have advertised them under a score of different names.

Although we have had a Dominion analyst for many years some of these feeds have escaped being brought under supervision, and evidently the minister is not going to see that they shall be strictly supervised. I can see no reason why there should be an objection to stating what all these feed stuffs are composed of especially if they are to be sold in such large quantities—for poultry feed, for calf feed, or other like purposes—as the minister has indicated. There is not one of these formulas which could not be analyzed by any one desiring to do so. Therefore why not have the department undertake this work especially when there is a qualified official available for the purpose. Let the people know what they are buying: do not let them be imposed on in this way when it is altogether unnecessary.

Mr. NEILL: I wish to make a protest at the departure from the order of busines laid down. I have no objection to this bill going through, I am glad to see its passage, but we have a time honoured custom in accordance

with which the leader of the government announces each day's programme the night before at the time of adjournment. Now, this bill was not mentioned in the order of business for to-day that was announced on Saturday morning. As we all know when the House is sitting practically all day, and well into the morning, and committees sitting at the same time, it is almost impossible for members to attend regularly. They make it their business to be present when they know that something in which they are interested is coming up. But this bill was brought forward this evening without previous notice whatever; I ask what is the use of announcing a programme in advance if we do not adhere to it.

Bill reported, read the third time and passed.

VANCOUVER HARBOUR

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolutions:

Resolved, that it is expedient to provide,—

1. That the Governor in Council may, from time to time, advance and pay to the Corporation of the Vancouver Harbour Commissioners, in addition to the moneys heretofore authorized to be advanced to the corporation for the construction of harbour improvements by existing legislation, such sums of money, not exceeding in the whole the sum of $5,000,000, as may be required to enable the corporation to complete construction of terminal facilities in Vancouver harbour for which the plans, specifications and estimates have already been approved by the Governor in Council, and to construct such additional terminal facilities as may be, likewise, approved as necessary, further to properly equip the said port.

2. That during the period of construction of the works referred to, the interest payable on the debentures to be deposited with the Minister of Finance and Receiver General, under the provisions hereof, shall be deemed to be money acquired in the construction of such works and to be a part of the cost of the construction thereof, and may be paid out of the said sum of $5,000,000; the period of construction herein referred to shall begin on the day when the first advance is made on account of said construction, and terminate on such date as the Governor in Council shall determine.

3. That no advances shall be paid, as above provided for, unless such detailed plans, specifications and estimates for the works on which the money to be advanced is to be expended, as are satisfactory to the Minister of Marine and Fisheries, have been submitted to and approved by the Governor in Council before work on the same has been commenced.

4. That the corporation shall submit to the Minister of Marine and Fisheries for approval, monthly applications for such advances as they may be entitled to apply for, with statements, in detail, in such form as the minister may direct, and, upon approval of same, authority for the payment of the amount applied for may be granted by the Governor in Council.

5. That the corporation shall, upon any advance being made, deposit with the Minister of Finance debentures of the corporation equal in par value to the advance so made, repayable within twenty-five years from the date of issue, and bearing interest payable half-yearly at the rate of five per centum per annum.

6. That the principal and interest of the sums advanced to the corporation under the authority of any act founded on these resolutions shall be payable by the corporation out of all its property and assets and out of all its tolls, rates, dues, penalties and other sources of revenue and income, and shall rank as a charge thereon and have precedence in regard to payment next after payments provided for in section twenty-seven of chapter fifty-four of the statutes of 1913, equally with the advances made under authority of chapter twenty-nine of the statutes of 1923.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. GARDINER: On what facilities is this money to be expended?

Mr. CARDIN: I must state first of all that a certain amount of this money will be spent upon necessary work now under way and partially completed: The construction of a new grain elevator, No. 2, adjacent to the site of the new Ballantyne pier, to have a storage capacity of approximately 1,500,000 bushels, with car unloading plant and conveyor gallery, with a berth on the new pier; the construction of a grain loading jetty to be equipped with conveyor galleries to serve grain elevator No. 1 and the construction of a grain loading berth—

Mr. LUCAS: Has the minister the amount for each of the items he is giving at the present time? If he has and could give the amount of each, it would be more interesting.

Mr. CARDIN: The items are as follows:

No. 1 grain jetty, not yet contracted for,	
(a) Conveyor gallery	$204,000
(b) Dredging west inner berth	610,500
Total amount, for main jetty	$814,500

This is the first item.

No. 2 grain jetty, including conveyor system.	$585,000
West shore quay, Ballantyne pier	171,000
West basin dredging, Ballantyne pier	129,000
Lumber assembly wharf, north shore	317,000
Temporary overhead bridge to Ballantyne pier	30,000
Permanent pavements at Ballantyne pier and government pier	36,000
Coaling wharf, bunkers	450,000
Substation, Ballantyne pier	155,000
No. 1 elevator, addition	160,000
No. 1 elevator, addition and alterations	53,000
Terminal railway, north shore	264,000
Railway equipment	131,000
Extra grain storage, No. 1 elevator, 1,000,000 bushels	300,000
Total amount	$3,595,500

Mr. GARDINER: Will the minister give the cost for the new elevator with a capacity of 1,500,000 bushels?

Mr. CARDIN: The estimated cost for grain elevator No. 2 is $915,000.

Mr. GARDINER: And the capacity.

Mr. CARDIN: The capacity is 1,500,000 bushels. That is the superstructure.

Mr. GARDINER: Exclusive of foundation?

Mr. CARDIN: Yes.

Mr. GARDINER: What is the cost of the foundation?

Mr. CARDIN: The cost of the foundation is $190.000.

Mr. SALES: Is No. 2 let by contract?

Mr. CARDIN: The foundation was let by contract, and the superstructure at cost plus, on a 10 per cent basis.

Mr. GARDINER: Who is doing the building work?

Mr. CARDIN: The Northern Construction Company.

Mr. GARDINER: When the chairman of the harbour board was at Ottawa during the spring they were contemplating an expenditure of $17,500,000. Why did they cut down the proposed expenditure?

Mr. CARDIN: We have come to the conclusion that with the amount we propose to grant to the Vancouver Harbour Commission for this year the facilities at that port will be double what they are at the present time. We quite realize that business will develop at the port of Vancouver; but we did not think it proper this year to grant the full request of the harbour commissioners, without first having further plans carefully prepared for the additional work in connection with the port, and without giving all parties interested an opportunity to submit their views as to the future development of the port. The Canadian Pacific, the Canadian National, the Great Northern, the Chicago, Milwaukee and St. Paul, as well as the British Columbia Electric Railway are very much interested in the facilities that should be provided. The steamship companies are also interested as are the grain growers throughout western Canada. Therefore, it seems to me it would be wise to co-ordinate the views of all interested parties before deciding upon further large expenditures at Vancouver. It may be possible to constitute a sort of voluntary board upon which various parties interested would be represented to consult with the harbour commissioners of Vancouver and their technical advisers in preparing a comprehensive plan for such further developments as may be deemed to be necessary. The Vancouver Harbour Commissioners submitted a request that authority should be obtained from parliament during the present session to advance to them, as has been suggested by my hon. friend, an amount of $18,000,000 for the construction of additional facilities at that port. The view of the department was that to accede to such a request before taking such steps as I have outlined would be a mistake. With the $5,000,000 for which the authority of parliament is asked, it is proposed to complete at an early date the work now in hand and certain of the works outlined in the programme which I indicated a moment ago which are regarded as necessary. That is the reason why we submit to parliament a programme for a grant of $5,000,000.

Mr. GARDINER: I should like to congratulate the minister on the stand that he has taken with reference to consulting various parties interested before making further expenditures at the port of Vancouver. Has the minister any knowledge of the personnel of the board and their qualifications for holding their present positions?

Mr. CARDIN: I have no personal knowledge of the gentlemen who actually compose the Board of Harbour Commissioners of Vancouver. I have had an opportunity of meeting only the chairman of the board; I have not met the other members. I have nothing before me so far to shake the confidence that we have in those gentlemen.

Mr. MARTELL: I wish to take this opportunity of congratulating the minister on what he is trying to do at the port of Vancouver. I, as one from the extreme East, who have had an opportunity of visiting Vancouver, desire to say that Vancouver cannot get too much, and it will be in the interest of my hon. friends from the West not only to endeavour to develop that port and other ports on the British Columbia coast but to endeavour to promote industry and build up ports on the Atlantic seaboard. We should have no jealousy in regard to this matter. If we are going to be a great confederation, the East cannot afford to be jealous of the West. Vancouver is one of the great cities of Canada of which we can all well afford to be proud. I should like to see the great ports of Sydney and Halifax in the Maritime provinces developed. I am absolutely in accord with, as far as possible, having trade go through Canadian ports, but

I am not going to ask my friends from the West to endeavour to force trade through places which it should not go through naturally. As I have said in this House on divers occasions, the people of the Maritime provinces have been hewers of wood and drawers of water for the rest of confederation. We want our Maritime ports developed, but we do not ask that they be developed at the expense of the Pacific or of the shippers in this country. In the great maritime province of British Columbia every person who has true Canadian blood running through his veins must be pleased with the city of Vancouver. It would be very petty for us to endeavour in any possible way to prevent expenditures of money for the development of that important port. While I have admiration for every portion of the Dominion of Canada, if I could ever be tempted to leave my native province of Nova Scotia, I would find myself hieing to British Columbia which lies by the waters of the Pacific.

Mr. STEWART (Argenteuil): What is the matter with Alberta?

Mr. MARTELL: I do not think I could live on your prairies. I would rather be on the shores of lands that lie by the Atlantic or the Pacific. We should be prepared to spend anything within reason for the development of our great Canadian ports no matter whether they be on the Atlantic or on the Pacific.

Mr. GARDINER: I quite agree with the hon. member for Hants (Mr. Martell) as regards the development of our various ports, because I believe that unless our ports are properly developed, much of our produce will go through another country which will naturally derive the benefit. I should like to see all ports in Canada developed to the extent they are required. But on the other hand, I would not like to see any ports overdeveloped, because if any port is over-developed, the charge must be borne by the produce going through that particular port. Consequently, it is an extra charge upon the business of this country and that is something that should be guarded against in future.

The facilities owned by the government at the port of Vancouver were, some years ago, turned over to the Board of Harbour Commissioners. These facilities that are under the control of the harbour board are the property of the government, the harbour board being to all intents and purposes an arm of the government, and the government must be responsible for the actions of that board. That board is composed of three commissioners, Colonel Kirkpatrick, who received a salary of something like $6,000 a year, Mr. Prenter, who receives a salary of $4,000 and Mr. Beattie who also receives a salary of $4,000 a year. I am not very well acquainted with the first two gentlemen, but with regard to Mr. Beattie, I have some information which I should like to lay before this committee. During the last general election Mr. Beattie was a candidate and was elected to this House. Very soon after the election Mr. Beattie retired for reasons of ill health, as stated in the press; and very shortly after he had resigned his position as a member of this House he was appointed to the Harbour Board of Vancouver. I do not know whether Mr. Beattie is on that board for his health or not but the fact is that he is a member of it. I mention his name because last fall he was appointed to a position under the board at a salary of $4,000 per annum, so that taking his position as commissioner and his position as superintendent of the grain movement of the harbour we find that his two salaries of $4,000 each give him a total of $8,000 per annum.

Mr. MARTELL. Has the hon. member ever met Mr. Beattie personally and discussed matters with him? If he has he will have found him a very excellent gentleman and highly qualified?

Mr. GARDINER: That may be so, but that is not my point. Here we have a harbour board consisting of three commissioners. These gentlemen meet in session and appoint one of their number to a position under the board, and the commissioner so appointed sits on the board and assists in getting himself placed in that position. Consequently when any matters come up under the board in which this commissioner's work might be criticised he will be sitting in judgment on his own endeavours, and under the circumstances I need hardly point out that such a procedure is not advisable. I suggest that as soon as possible this feature be eliminated. Up to the beginning of the last grain season the elevator which was built by the Dominion government at Vancouver was under the control of the Board of Grain Commissioners but it was turned over to the harbour commission about the beginning of August. The original cost was something like $850,000 but for some reason or other it was turned over to the harbour board at a cost of $550,000 and no explanation was given why the board should have assumed control of the elevator at a sum $300,000 less than it had cost the government originally.

Mr. STEWART (Argenteuil): The hon. member says that no statement was ever made as to how the price was arrived at. It was arrived at on the basis of the ordinary depreciation of the building itself.

Mr. GARDINER: I will accept that explanation. Before the elevator was turned over to the board it was under the control of the Board of Grain Commissioners, and n their employ was a Mr. Bennett. Mr. Bennett was a qualified terminal elevator operator who knew his business thoroughly, and mmediately it was known that the elevator was to be turned over to the harbour board that body advertised for a superintendent and other help. The grain merchants of Vancouver as well as the shipping interests there then petitioned the board to retain the services of Mr. Bennett but the board decided otherwise and Mr. Bennett was discharged. It was given as a reason for dispensing with Mr. Bennett's services that he was not temperamentally fitted to work with Mr. Beattie. Well, that may be all right, but at any rate the board decided to have a new set of officers and to advertise for men to take the positions. They finally appointed Mr. Colin McLean as superintendent of the elevator. Now Mr. McLean had had no terminal elevator experience prior to that time, having been theretofore employed with Messrs. Davidson and Smith at Port Arthur, having served part of his time in a feed mill and part on a grain boat. So far as I have been able to ascertain he had never had any experience in a terminal elevator but he was appointed as superintendent of this particular elevator and, as far as I know, he still holds that position. I stated that Mr. McLean had previously been employed by Messrs. Davidson and Smith at Porth Arthur, and if we run down the list of important officers in the service of the harbour board handling the elevator we find that seven of the important employees were previously with the same firm of Davidson and Smith. The assistant superintendent is a gentleman named Penfold.

Mr. CHAIRMAN: I must inform the hon. member that the debate is limited in committee strictly to the subject immediately under discussion. He will observe that paragraph 1 which is at present before the committee relates to the propriety of an advance to be made. May deals with the question at page 281:

> On the consideration by the House of the names, taken seriatim, of commissioners to be appointed pursuant to the provisions of a bill, discussion, sought to be raised upon each name, of the general policy involved in the appointment of the commissioners was not permitted.

I doubt very much whether the hon. gentleman can go into detail to the extent that he has been doing when the resolution is in committee. Such extended remarks would be in order before a resolution was in committee but not after.

Mr. GARDINER: With all deference to your ruling, Mr. Chairman, I submit that I am in order; I am leading up to the question inasmuch as I am bringing to the attention of the committee matters touching the action of the Vancouver harbour board which would determine the advisability or otherwise of granting this money for the purposes set forth.

Mr. CHAIRMAN: The rule as to relevancy would also apply to any arguments leading up to the question.

Mr. GARDINER: I respectfully submit that I am not out of order.

Mr. MARTELL: Do not make your observations too long.

Mr. GARDINER: I will try to cut it short. Mr. Penfold, I say, was appointed assistant superintendent, and he also had been employed for a number of years by Messrs. Davidson and Smith at Port Arthur. Previously to being in their service he was employed by the Board of Grain Commissioners as a weighman but for certain reasons he was suspended and after that he received employment with Davidson and Smith. I trust the committee will remember that the assistant superintendent is Mr. Penfold. The superintendent of Elevator No. 3, known as Woodward elevator is a gentleman by the name of King. Mr. King was accountant for Davidson and Smith for a number of years but he was made superintendent of this particular elevator although he had had no experience except in accountancy. I am giving the facts so that the members of the committee may realize the situation exactly as it is at Vancouver at the present time and the kind of men that are employed by the board. The house inspector at No. 1 elevator, W. R. Biernes, was discharged in 1922 for his part in a shipment of grain at the head of the lakes. The chief electrician, a Mr. Thompson, was formerly employed by Davidson and Smith at Port Arthur.

The CHAIRMAN: Order. It would be quite proper, I think, for the hon. member to indicate that for certain reasons the harbour

board at Vancouver was not to be entrusted with the expenditure of a large sum of money because it would not appreciate its responsibility, or something of that character, but he cannot go over a list of employees seriatim, as he appears to be doing.

Mr. GARDINER: Mr. Chairman, I am leading up to the point, that in my opinion it is necessary for the committee to very seriously consider the advisability of entrusting $5,000,000 to this board for expenditure upon harbour improvements. I will be as short as possible in doing this. The harbour commissioners also employ a Mr. Hamilton as house weighman at No. 1 elevator; he too, was formerly in the employ of Davidson and Smith. As night superintendent the commissioners engaged Joe Smith, and he also was formerly employed by Davidson and Smith. These seven men are all holding most important positions under the Vancouver Harbour Commissioners. The harbour commissioners also employ as chief of police Charles Julian at a salary of $2,500. A little information with regard to this man's activities may interest the committee. According to the evidence given before the Royal Grain Commission he employed a number of ragamuffins to pick up loose grain that had been spilled from the cars. In the evidence it is stated very distinctly that all loose grain should be swept out of the unloaded cars and credited to the shipper. Instead of doing this a warehouse receipt was issued for this loose grain.

Mr. MARTELL: Where does my hon. friend get his authority to term people employed by the chief of police "ragamuffins"? Undoubtedly they were respectable citizens and thoroughly qualified for the work. Why should he use an opprobrious term?

Mr. GARDINER: This is part of the evidence taken before the Royal Grain Commission at Vancouver.

Mr. MARTELL: You are not following the evidence.

Mr. GARDINER: Mr. Julian handed the warehouse receipt over to Mr. Smith, who sold the grain covered by the receipt. He took the proceeds, and in his evidence he states that he disbursed it among the ragamuffins whom he employed. It is emphatically stated in the evidence that it was improper to issue a warehouse receipt for the loose grain, which should have been dealt with as part of the overage. The evidence also discloses that Mr. Smith sold for Mr. Beattie two cars of grain, and for Mr. McLean one car. I would ask the minister this pointed question: Why should these men who are in charge of the elevator at Vancouver be dealing in grain? They may have come into possession of it by legitimate means—

Mr. KING (Kootenay): My hon. friend is pretending to review the evidence taken before the Royal Grain Commission. Will he give the actual evidence adduced in regard to Mr. Beattie's sale of grain? It was proved that the grain came from Mr. Beattie's own farm, went into the elevator, and he received the ordinary warehouse receipt.

Mr. GARDINER: I have stated that Mr. Beattie may have come into possession of that grain quite legitimately,—

Mr. KING (Kootenay): He did.

Mr. GARDINER: —but in view of the fact that he was in charge of the elevator it does not look very well.

Mr. KING (Kootenay): What would my hon. friend have Mr. Beattie do with his grain —ship it to Fort William?

Mr. GARDINER: If that is a good excuse for the grain being there, it is quite acceptable to me; I simply want to get at the truth. I do not know whether Mr. McLean had a farm or not, but he sold one car of grain through Mr. Smith. Mr. McLean is superintendent of the elevator.

Another feature which I think is relevant to the question under discussion is the past attitude of the board with regard to the construction of the elevator. Last year an agreement was entered into between the harbour board and the Pacific Construction Company. The estimated cost of the elevator was $42,000 for the foundation and $350,000 for the superstructure. The foundation was built within the estimate of the engineer; but the ultimate cost of the foundation and superstructure was $711,000. The superstructure was built on a 10 per cent plus basis. Under the contract entered into between the harbour board and the Pacific Construction Company we find these two important clauses:

1. We are to receive as our fee for superintendence of the work and furnishing tools 10 per cent of the actual cost, but in no case shall our percentage exceed $35,000.

2. Should the total cost of the work—being the actual cost plus 10 per cent of the same—be less than $350,000 this sum being the engineers' estimate of cost, then we are to receive 50 per cent of the difference between such total cost and the engineers' estimate of cost of $350,000, that is to say, we shall share equally with the commissioners in any saving so effected.

Under that agreement the company could not receive more than 10 per cent on $350,000, except there was a saving, in which case the saving would be divided on a fifty-fifty basis. Now instead of the elevator costing $350,000 it cost $711,000. The construction company have up to the present time been paid $37,000 on their contract, and they claim another $25,000 as further remuneration for their superintendence in building that elevator. The harbour board, I understand, have set aside $25,000 for the purpose of paying the company that amount if they are forced to, but I submit that the Pacific Construction Company have already received more than the agreement called for to the extent of $2,000, and they should not under those circumstances receive any part of this $25,000 that has been set aside by the harbour board.

Mr. VIEN: Does my hon. friend think the House can settle that difficulty between the harbour commissioners and the contractor?

Mr. GARDINER: I think it is essential that the House should know just exactly where this money is being spent and how it is being spent.

Mr. VIEN: Is my hon. friend for or against this vote?

Mr. GARDINER: I have stated that I want to see all the facilities that are required at any harbour provided, but I want to see them provided at a reasonable cost.

Mr. VIEN: Do I understand my hon. friend to say that he is opposed to this vote?

Mr. GARDINER: Possibly the hon. member will find out after a little while whether I am or not.

Mr. VIEN: It is high time you came to that, if you have finished with these prefatory remarks.

Mr. GARDINER: It is only necessary for me to remind the House again of the excessive cost of this elevator. The final cost was over 90 cents per bushel capacity, whereas the average cost at the head of the lakes is from 23 to 28 cents. The committee will therefore realize that unless there were some extraordinary conditions prevailing at Vancouver the cost was excessive.

We have heard a good deal recently about the famous Maharg spout. I desire to give the committee a little information, so that they will know exactly what the conditions are in regard to that matter. This particular spout known as the Maharg spout is placed underneath the spout that comes from the receiving leg. The spout from the receiving leg takes the grain into the scales, and this Maharg spout being underneath the other enables the grain, by simply opening the valves, to be diverted from the scales, and the owner under those circumstances would not get the full weight of grain to which he was entitled. This is recognized as being a very improper installation. In fact, there is only one other elevator in Canada that has a spout in the same position, and that is the Davidson and Smith elevator at Port Arthur. The chief weighmaster, who is employed by the Board of Harbour Commissioners, testified before the Board of Grain Commissioners that he had not given his permission for putting in this spout. The spout was put in by Mr. Colin McLean, the superintendent of the elevator, and for fourteen days at least it was not locked.

Mr. KING (Kootenay): It was put in by the engineer of Metcalf and Company.

Mr. GARDINER: It may have been put in by Metcalf and Company's engineer, but if Mr. McLean was up to his job as a terminal elevator man, as he should have been, it was up to him to see that such a spout was not placed in such a position. I have information that a spout could have been placed in any other part of the building to have conveyed the grain to the place where McLean expected the grain to be conveyed to, and that was the cleaning machine. But the Maharg spout has since been taken out, I understand, and so far as that is concerned the elevator is all right now.

Mr. STEVENS: Is it not true, whatever one's opinion may be about this famous spout, that all parties who have examined it have admitted that there was no material damage done to anyone because of the spout having been placed there?

Mr. GARDINER: That is practically correct, because the weighmaster found it out after it had been there about a fortnight, and he sent the information down to the chief weighmaster, and on instructions from him the spout was padlocked and the key carried to the weighmaster. But the thing I want to point out to the committee is this: All these things are detrimental to the interest of the port of Vancouver because they create suspicion in the minds of the people who use that port, and we would like that kind of business to be entirely eliminated.

When the elevator that was built last year was finished, we found that it had three conveyors that deliver the grain to the ships that are to carry it away. Three scales are therefore necessary to weigh the grain before it goes on the belts. From the scales the grain

drops down to a garner, and from there it is run by another spout on to the conveyor belt. Of course, all the grain is weighed on the scales before being placed on the belts for transhipment in the boats. On examination of the new elevator that was built last year, three grain spouts were found on the spout between the scales and the garner, and consequently it was possible, if these three spouts were not locked, for any one of them to divert the grain from the garner, and consequently from the conveyor belt, and such grain would be taken back again into the bin. Naturally, if these spouts had been improperly used the shipments of grain would have been just that much short, and under those circumstances these spouts had also to be removed.

I would also like to bring before the committee the matter of the Woodward elevator. Mr. Woodward started to build an elevator at Vancouver, but just about the time he got the foundations built he died. Several firms including James Richardson and Sons, the Bawlf Grain Company, and the United Grain Growers tried to rent this elevator from the Vancouver Harbour Board, but under the order in council giving permission to buy this site and build the elevator, the elevator could be used for terminal purposes only. Consequently, these three firms did not look very kindly upon it, because they wanted a private elevator where they could buy and sell their grain and mix, if necessary. Some time after these three firms had made inquiries as to the possibility of renting this elevator the original order in council, I believe, was rescinded, and another one was passed giving the harbour commissioners power to rent this elevator as a private terminal. Now instead of the harbour board communicating with these three firms who desired to rent this elevator, what did they do? They rented it to the Oriental Grain Company, a company of Edmonton business men. The gentlemen comprising this company had had no previous grain experience; as a matter of fact, they are Edmonton business men. The capital of this company is only something like $20,000 but for some reason or other, unknown to anyone as far as I know, the harbour board did not notify these three companies who had previously tried to rent the elevator, but went ahead and rented it to the Oriental Grain Company. Now, I desire to call the attention of the House to the provisions of the contract for the renting of this elevator because they are very important:

> And whereas the lessor in leasing the said property desired, by way of rental, or otherwise, to be fully compensated for all moneys expended in the acquiring of the said property and in the completion of the said elevator, workhouse, dock and pier, to be included in such expenses all solicitors costs and other charges in connection with obtaining title to the said property and the issuing and placing on the market of the said debentures.

I forgot to state to the committee that the total cost of this elevator was to be approximately $650,000, the intention of the harbour board being to sell bonds to that extent. The company renting from the harbour board had to pay the interest on the bonds, and to provide for a sinking fund as well. I will now read the next part of the contract which deals with the amount to be paid annually as rental:

> The lessee covenants that he will pay to the lessor as annual rental for the lands and premises, an amount which shall be equal to the interest paid on the bonds issued by the lessor the proceeds of which have been used in the acquiring of the said property and making improvements thereon as hereinbefore provided for, together with an additional amount to be paid into a sinking fund which paid in equal annual instalments will retire the said bonds within a period of twenty-one (21) years, together with an additional annual amount of one per centum (1 per cent) on the amount of the said bonds as a supervision charge: It being provided, however, that in no event shall the total charges as aforesaid be greater than nine per centum (9 per cent) per annum on the amount of the said bonds, the proceeds of which have been used as aforesaid. The lessee in addition thereto covenants and agrees to pay all registration.

That means that the Oriental Grain Company must pay the interest on the bonds and contribute a sufficient sum to the sinking fund to retire the bonds at the end of twenty-one years plus one per cent for supervision charges. Let us see exactly how this would work out. We would naturally suppose that the harbour board, after having made such an agreement as that, would provide for a sufficient sinking fund at the end of twenty-one years to redeem the bonds. But let me show what an improvident bargain the harbour board made with the Oriental Grain Company. The interest on the bonds would probably accumulate at 5 or 5½ per cent, and the sinking fund would accumulate at either 3 or 4 per cent. Calculated by the firm of George Touche and Company of Vancouver, chartered accountants, the evidence shows that with the interest at 5 per cent and the sinking fund at 3 per cent the shortage by reason of the 9 per cent proviso would in each year be $3,380. With the interest at 5½ per cent and the sinking fund at 3 per cent the shortage would be $6,630 per annum. With the interest at 5 per cent and the sinking fund accumulating at 4 per cent the shortage would be $1,105 per annum. With the interest at 5½ per cent and the sinking fund accumulating at 4 per cent the shortage would be $4,355

per annum. The total shortage for twenty-one years by reason of this proviso limiting the earnings to 9 per cent of the bond issue would in the first case amount to $70,980; in the second case to $139,230; in the third case to $23,205; and in the fourth case to $91,455. The report of Touche and Company further shows that with the interest on the bonds at 5 per cent and the sinking fund accumulating at 3 per cent there would not be enough revenue from the rentals even to take care of sinking fund and interest. That is merely part of the agreement that was entered into between the harbour board and the Oriental Grain Company.

Hon. members will no doubt remember that last fall the harbour board raised the cargo rate from one cent per ton to six cents per ton. First of all the rate decided upon was ten cents per ton, but eventually it was reduced to six cents per ton. Now, I desire to call attention to another very important part of this agreement. The part in question is clause 10 and it reads as follows:

> It is the intention of this lease that the lessee shall have free use of the shipping facilities herein agreed to be provided, except the usual payment of cargo rates, but that in no event shall such cargo rates be annually less than twelve thousand dollars ($12,000). For the purpose of convenience it is agreed between the parties hereto, however, that rental as hereinbefore provided shall be paid in the manner set out in this agreement for the whole property, including the said shipping facilities, but that the lessee shall be credited annually against the said total amount so to be paid all cargo rates paid by the lessee up to but not exceeding the amount of twelve thousand dollars ($12,000) per year.

What does that mean? It simply means that under this agreement the Oriental Grain Company must pay the regular cargo rates, but in the event of the amount of cargo rates due by them to the board not amounting to more than $12,000 then that amount shall be credited as part of the rental of the elevator on the nine per cent basis. That is to all intents and purposes a present to the Oriental Grain Company of any sum up to $12,000 that would otherwise be paid to the harbour board as cargo rates.

I do not propose to take up any more time at present. Possibly the minister may have something to say with respect to the matters I have brought before the committee. My only reason for bringing this question up is this: In my humble judgment the present harbour board of Vancouver are not capable of spending money efficiently. I think I have produced sufficient evidence to establish that fact. Now what I desire is to see that the money shall be spent efficiently and that sufficient facilities shall be provided at that port to handle all the business that is offered.

Mr. STEVENS: Before the minister enters upon any reply, or any effort to explain the statements made by the hon. member from Medicine Hat, (Mr. Gardiner) I wish to say a few words in regard to this matter. In the first place I would like to make clear to the minister and to the government the position I take in regard to the general administration of this very important board. I believe that the principle directing the activities of the harbour commissioners under the supervision and guidance of the Department of Marine should be to keep the charges against the shipment of cargoes as light as it is possible to keep them, and that there should be an effort made to have the charges at a low minimum rate. It must of course be recognized that in a port which undertakes to pay interest on its capital and also to erect a sinking fund for the retirement of its bonds, there will have to be port charges of one sort and another. I think the effort of the harbour commissioners has been—at least up till very recently, if it does not still obtain—to keep these rates as low as they reasonably can be kept.

I want to refer to some of the things brought forward by my hon. friend from Medicine Hat. In the first place, I think it would be most unfortunate if statements unsupported by absolute and positive evidence should go unchallenged as to the management of the board. I am not here at all with a brief from the harbour commissioners. I have no responsibility for their appointment, with the exception of the chairman, who was appointed under the previous government. The other two commissioners were appointed by the present government and they did not consult me at all with regard to the appointments, but I wish to say this to the committee: judging of the work of the harbour commissioners by and large—that is in the general results—I think it will be admitted that phenomenal results were achieved during the past year in the handling of grain through the port of Vancouver. It ought to be borne in mind, as far as the elevator management is concerned, that the commissioners passed through one elevator, with a capacity of 1,300,000 bushels—which was I think increased in about February of this year by the addition of No. 1 elevator—seven and eight million bushels a month. At the present time I believe about 59,000,000 bushels have passed through that elevator. I am informed by the very best of grain experts and elevator operators that this is a phenomenal achievement and that such a feat has never been accomplished at any place. That is to their credit,

and is to the credit of Mr. Colin McLean, the manager of the elevator, more than to any other person.

Let me refer to the question of Mr. Beattie acting in a dual capacity. I do not think it is desirable the commissioner should hold a second position, carrying an additional salary of $4,000. I have no hesitancy in saying that in my estimation it establishes a very bad precedent, and in addition to that it is very difficult indeed to justify. From what I have discovered of Mr. Beattie I desire to say that he has certainly unbounded energy. He is constantly driving and working to the limit of his capacity in the interests of the harbour. I do not know that his energies have always been most wisely directed, but certainly they have been directed with vim and energy. Nevertheless, I question the advisability of allowing a commissioner to hold an additional position under the commission of which he is a member, carrying an additional salary such as he is drawing, namely, $4,000 a year.

Mr. VIEN: We have the same thing in Quebec. We have General Tremblay as general manager and commissioner, and the public at Quebec are extremely pleased with the results.

Mr. STEVENS: I am not going to debate that point with my hon friend. I merely say that the fact of a commissioner being appointed in a supervising position under the commission will always raise a question as to the advisability of such a procedure, and in my estimation it is not sound. I would very much rather increase his salary as a commissioner and expect from him the performance of those duties. When you look at the matter in the light of the general results, you have to admit that those results have been good, and that they are all to the credit of the harbour board. If there are certain details of management that may be called in question, I say to the minister that it is his duty to have a most searching investigation, indeed a most searching and continuous supervision, of the activities of this and other boards. This board has spent a very large sum of money, not only in the last two or three years since my hon. friend and his colleagues have had charge, but under the preceding government, and a very careful check must be kept. I speak from a very good many years' experience, and I say when the preceding government was in power the officers of the department and the minister of the department did exercise a very careful supervision. I cannot speak for the last two years, because, not being as closely in touch with the government, of course, I am not consulted as often. But the department always did check very, very carefully the proposals of the harbour board.

Referring to the cost of construction, I never have been able to approve, except on special occasions, of the methods of constructing large public works on the cost plus basis. I am a firm believer in the contract system, and, as far as I can recall, I never authorized any work except on a contract basis. I know that the previous elevator and the first government wharf at the foot of Salisbury drive, the Ballantyne pier and other various operations were all under competitive bids, the lowest tenderer securing the work, and I would urge the minister that wherever such a system can be adopted he should adopt it.

Mr. VIEN: Will the hon. member allow me to correct him on that point? The hon. member supported that system of construction in reference to the parliament buildings and in reference to the construction of the Welland canal.

Mr. STEVENS: As far as the parliament buildings are concerned, if the hon. member will recall, parliament appointed a committee consisting of members on both sides of the House, including on the original committee such energetic Liberals as the Hon. William Pugsley and the present Speaker, and one or two other Liberals, in conjunction with members supporting the government, and it was that committee which decided to do the work under the present system. I did not particularly approve of it, but I did not resist the appointment of this committee. We always gave contracts for the construction of work in Vancouver. There was an exception that might possibly be justified in connection with No. 2 elevator. I will explain that. I remember that when it was contemplated, I think about a little over a year ago, I questioned the harbour commissioners' course at the time, but this explanation was given to me, which, while I do not think it would wholly justify the course pursued, yet in a measure it was a justification, according to the way one looks at it. The contractors were working on the pier and they had the ground covered with their equipment. They had their little narrow gauge railway carrying material all over that huge structure and they were operating. It was pointed out to me that had the harbour commissioners given another contract to other contractors while the contractors in possession of the pier were still constructing the pier, you would have complications at once if you did not have an impossible condition. It was

further pointed out that what we wanted above everything else was elevator capacity at the coast, and if we were to get that, it would be advisable to give a contract on a cost plus basis to the contractors who were on the job and who had their equipment there. I am not prepared to go to the extent of wholly endorsing that contention, but there is an argument in support of it. That could be well and satisfactorily settled if the minister would make a careful investigation. Perhaps he has already done so and is prepared to advise the committee that the contract so let on a cost plus basis has proven to be as economical as if the work had been done by tender.

As regards the need of elevator facilities, one of the difficulties we have met with on the Pacific coast this year and one of the reasons for losses of two, three, four or six cents a bushel to the producer has been this, that because of the absence of elevator capacity the smaller shipper could not ship his grain from the interior to the coast unless he had an export permit. The reason was obvious. Had the harbour commissioners or the grain board as the case might be, permitted the promiscuous shipment of grain from the interior to the Pacific coast during the past season, the elevator would rapidly have been choked with individual shipments with the bringing in of small quantities of grain. So an embargo was put on that no grain would be received for shipment unless it was accompanied by an export permit, that is, unless the shipper had provision made for actual shipment out. We had as many as forty-seven vessels lying in the harbour of Vancouver in one day waiting to load and they were being loaded as rapidly as possible, all from the one elevator. Naturally, not only the grain trade and the shippers of grain on the prairies, but the business men on the coast, in fact everybody in touch with the business, demanded an immediate increase of elevator capacity. The result of that pressing demand was the letting of the contract for No. 2 elevator. I believe a very good job has been done, and no doubt when this elevator is in operation very soon now, it will be a splendid acquisition to the port.

As to the Woodward elevator, I want to say very frankly to the minister that I have never from the very first mention of the acquisition of the Woodward elevator, supported the suggestion. I wrote a letter—I do not have it under my hand—to the chairman of the harbour board, I think, last February warning him that the acquisition of this elevator, I feared, would be a costly move on the part of the commissioners and would result in loss later on. If the high pressure which has obtained this year were to continue year after year for a number of years, those who have rented this elevator would possibly make a success, make money out of it and be able to pay the harbour commissioners a handsome revenue for the use of it. But that would obtain only by the continuance of those abnormal conditions which we are seeking to relieve as rapidly as we possibly can and which we hope to see relieved immediately.

Mr. SALES: Does the hon. member mean that if the Woodward house is operated as a public or a private elevator, that profit will be made?

Mr. STEVENS: I am now referring really to what will not obtain. If the pressure of grain through Vancouver were to keep the Vancouver facilities operating to the limit, it might pay to acquire and operate the Woodward elevator. But if we secure at Vancouver sufficient elevator capacity to handle the grain under the normal issue, I cannot see how this elevator will pay those who are now leasing it. In the second place, I do not think the firm leasing it are responsible. When I say "responsible" I do not mean to say that they are not honest or honourable men. There is a vast difference between being honest and being responsible for an obligation running into tens of thousands of dollars a year. I do not think those behind the company are able to discharge the onerous obligations they have undertaken in this lease. I think they will fall down and the result will be that the harbour board will have nothing to fall back upon beyond a guarantee bond of $25,000 which was the full amount that could be secured. If the matter has not been finally concluded, I question, as I did in February last, the advisability of the harbour commissioners carrying out the Woodward elevator scheme. In saying that, I do not wish to be unduly harsh on the harbour board, because it must be borne in mind that all sorts of pressure was brought to bear upon the harbour board to get elevator capacity and perhaps, they were tempted because of this abnormal condition, to take up this proposal which, on mature reflection, perhaps, they would have hesitated to do.

As regards these spouts which have been bandied around the country and I think on the part of some with one object only, that of damaging the movement of grain westward—I am not charging my hon. friend who mentioned it to-night with that inten-

tion at all—this is being used by others, and no doubt when it is brought up in this House there are those who are quite willing to quote from Hansard what may be said here merely to damage the reputation of the westward route. That spout, which I think never should have been put in I say that frankly—was put in to convey grain to what they call the "money-making-machine.

Mr. GARDINER: Carter disc machine.

Mr. STEVENS: There are two machines which I have looked at myself. Why were these machines put in.

Mr. BANCROFT: Perhaps it was a money-making scheme.

Mr. STEVENS: My hon. friend should not be facetious about these things. That is the name commonly used in the trade regarding these machines. They are cleaning machines. I am not joking about this matter which is very serious. There was an insistent demand for cleaning machines to be put in at the coast and the only places where these machines could be put were two vacant places in the working house. In order to get the grain to these machines the main spout was tapped at a certain point and a valve put in. The criticism of that valve is this, that it taps the main spout between the hopper where the grain is dumped and the weighing machine. The suggestion is that if one desires to be a common thief, that valve could be opened and grain could be diverted before it could get to the weighing machine. As a matter of fact this valve was kept locked. There is a dispute between the weighmasters representing the Department of Trade and Commerce and the management of the elevator for permission being secured for putting that valve in. But this fact has been clearly demonstrated beyond any possibility of question that no improper use was ever made nor has there been any indication of any intention of any improper use of that spout or valve. I think it would be only fair to the management of the elevator to clear them completely of this continual suggestion that there were sinister motives that prompted the installation of the valve. As regards the extension to No. 1, the present government on the advice of the harbour board retained the services of Messrs. Metcalf and Company of Montreal to furnish the design, and I think I am justified in saying that this company is one of the most reputable firms of engineers in Canada. Certainly no one, not even the most prejudiced individual, has suggested that this firm is at all likely to draw plans or to make specifications that are not absolutely correct. And yet they installed three if not four of these diversion valves in the new extension to No. 1 elevator. These valves were never used; when the question arose regarding the valve in No. 1 elevator they were removed before the elevator was put into operation. So that in the interests of the grain movement on the western route it is imperative that we should dispose of the question as to the so-called Maharg spout and cease from referring to the matter with the implication that these valves were put in with some sinister motive. Not only has there been no evidence to support such a contention, but everything to the contrary has been demonstrated beyond any possibility of question.

As to the method of shipping at Vancouver, I have watched this with a great deal of care and interest because the original elevator No. 1 was erected in Vancouver after a couple of years of the hardest work I ever did in parliament in urging the preceding government to construct it. I had faith in the western route for grain and therefore pressed the matter with all the energy I could exert. I was laughed at at the time; indeed my political opponents at the coast referred rather disparagingly to the elevator as "Stevens' white elephant" and ridiculed the construction of it. Time however has proven the wisdom of that work, for we shall require much greater facilities. A charge has been made of 6 cents a ton, which I think is very moderate. I did say to the commissioners, when they raised the cargo tonnage charge to that point, that possibly they might have been well advised to let it stand for the time being. But when you divide it up what does it amount to? It represents a small charge. The point to be kept in mind is this: With one-sixth of a cent here, a quarter of a cent there, one-third of a cent somewhere else, or a cent and a quarter, as the case may be—and these by the way are some of the charges which now obtain—in the aggregate a considerable amount is involved. And it is the increasing number of charges against the movement of grain, whether east or west, which is causing a good deal of irritation and loss to the grower of grain. After all there is a certain price when the grain is taken to Liverpool and the grower gets that price less the cost of placing it in Liverpool; and that cost comprises handling charges, freight, insurance, elevation and so forth. All these

things accumulate against the grain and therefore as far as it is humanly possible it would be well to keep down to the minimum point the cost of handling the commodity. While the individual charge of 6 cents a ton is no great burden on the traffic, at the same time, added to the innumerable other charges that are involved, it certainly has an irritating effect on the shipper.

I do not wish to delay matters, but it is necessary that I should say something in justification of our efforts to build up the movement of grain westward. The committee should bear in mind that whether or not the Vancouver Harbour Commissioners are guilty in any detail—and I am not aware of any of the more specific charges made by my hon. friend—the accomplishment during the past year has been very commendable and of the highest character. There has been inaugurated a movement of grain through the port of Vancouver exceeding the movement through Montreal, and that is a considerable accomplishment. Naturally therefore we on the Pacific coast are very proud of the fact and believe in giving a measure of credit at least to those who are responsible for the work.

I do not know personally any of the gentlemen referred to by my hon. friend, with the exception of Mr. Colin McLean whom I have met probably two or three times. There has been made a suggestion which I think the minister should carefully look into, that there is some influence at work to secure the appointment of persons, in connection with the management of the harbour, on grounds other than that of efficiency. If that is the case it is the duty of the department carefully to check the administration of the harbour by the commissioners. If those charges are sustained and it is found that individuals have been put into positions when they do not know their business, such persons should be removed promptly and be replaced by those who are capable. But I will say for Mr. McLean at least that he thoroughly understands his business, and the result of his supervision of the elevator this year has proven that beyond question. As to the others, I know little about them. As regards Mr. Julian, the chief of harbour police, I want to say quite frankly that I am not in any way indebted to this gentleman for protection, if you like to put it that way; he has never been anything but a political opponent to me to the very limit of his capacity. Nevertheless I want to say in justice to his work that there was a good deal of pilfering going on in connection with grain, as in connection with other things around the government docks, such as goes on wherever there are waterfront operations. It is very difficult to detect and prevent these thefts. Men of all classes and descriptions are constantly going in and out of the wharves and the sheds and it is quite natural, unfortunately, that elevators should suffer from petty thieving, because a good many people are not altogether honest. So that things will disappear. It was found that some cars had been opened and some grain taken out; and a further discovery was made. Cars that were brought to the elevator, and in regard to which a dispute arose upon their being inspected, had to be shunted away from the elevator on to a side track to await the decision of the dispute before they could be unloaded. The result was that the seal of the car was broken and the door opened, and it was not difficult for a thief if he wanted to do so to obtain access to the grain. For these reasons the harbour board appointed Mr. Julian as chief of harbour police; and while I do not know anything about the ragamuffins about whom the hon. gentleman has made mention, I believe that certain persons were hired to assist Mr. Julian in watching the cars. It seems that for a while these fellows did sweep up grain that had leaked out on its passage to the ship; because there is always a certain amount of grain that will spill especially in the handling of sacked grain. And it was almost altogether in the handling of this grain that this occurred. There is a certain amount of loss in that way. For a short time this loose grain was sold by Julian and—I am not sure of what I am saying and I may be doing him an injustice—some of the proceeds were paid over to those who did the work. This question was brought before the grain board in February when they sat at the coast, and was not only ordered discontinued, but was voluntarily discontinued by the harbour commissioners. It was an undesirable practice, but really a very small matter, and having been discontinued I see no object in bringing it forward again.

In a general way I think this vote of a further $5,000,000 is certainly needed for the additional equipment of the port of Vancouver. Indeed, a very much larger sum will be required if this port is to keep pace with the insistent demands which are being made for increased shipping facilities. There is no doubt that this is the commencement of a great movement, not only of grain but of all classes of goods through the Pacific ports to the Orient and of incoming cargoes from Europe via the Panama canal. Therefore we must have adequate facilities to handle this growing trade.

I would add one further request to the minister; that he take the earliest possible opportunity of satisfying himself,—first, that the money is being wisely expended; secondly, that the present needs of the port are supplied out of this vote; thirdly, that early steps will be taken to supply other needs which are not covered by this vote.

Mr. MILLAR: Mr. Chairman, I believe this expenditure is quite warranted. When a request was made last winter for $18,000,000. I feared that perhaps a mistake might be made and too much money granted and too much elevator capacity provided. The advance from 19,000,000 bushels of grain last year to 55,000,000 bushels,—or, as the member for Vancouver Centre (Mr. Stevens) has said, 59,000,000 bushels— this year has been very rapid. I believe the movement is going to increase with equal rapidity in the next few years. For some reason not only in Canada but in the United States the production of wheat has moved northward and westward. Time was when Ontario grew a considerable quantity of wheat, later Manitoba became a great wheat growing province, and I can remember when I moved west first I was advised not to go farther than Brandon for wheat growing. Later on wheat production extended to Moose Jaw, then the time came when Saskatchewan became a great wheat producing province. Although I belong to Saskatchewan I admit to my friends from Alberta that when the Peace river country is opened up theirs will be the banner wheat producing province. The movement is going to continue steadily westward and northward.

With reference to the enormous amount of wheat handled through No. 1 elevator, 59,000,000 bushels, although its capacity is only 1,300,000 bushels, I believe this was handled very much too fast—too fast to give proper cleaning and proper handling. During the month of February when I was there with some other members of this group 178 cars a day were being handled. I am told by experienced grain men that the capacity of such an elevator is about 125 cars a day. It shows, as the member for Vancouver Centre says, Mr. McLean's ability as a grain man. In fact, until my hon. friend came to the point where he spoke of the Maharg spout I agreed with his remarks in every respect.

I add my voice to those who would urge upon the Minister of Marine and Fisheries, as well as on the Minister of Trade and Commerce, that the closest supervision should be kept over the port of Vancouver. I am not going to thresh over the old straw dealing with Maharg spout, with the irregularities, with the inefficiency referred to, but the evidence is such that it would be very wise indeed that the most careful supervision be exercised if this port is to be the great grain outlet that we hope it will be and the movement is to be handled with that efficiency and economy which we would all like to see. There is considerable evidence to show that the same abuses were creeping in which cost us so much on the eastern route, and if the wish of the harbour board at that time—although I think they have changed since—to be allowed to operate under the Department of Trade and Commerce instead of under the Board of Grain Commissioners had been acceded to, I am quite convinced that those irregularities would have increased. I do not wish to insinuate that the Department of Trade and Commerce is inefficient, but it is too far away and cannot exercise that close supervision so essential to the successful operation of the port; this supervision can be exercised only by the Board of Grain Commissioners. Under the Department of Trade and Commerce the harbour commmissioners would be left too much to their own devices, and would be inclined to build up for the port of Vancouver a prosperous institution and forget those who are producing the grain and paying the price. I am confident that unless the Department of Trade and Commerce, through the Board of Grain Commissioners take very close and strict supervision of the grain handling facilities at Vancouver they will not have the confidence of the people in the western provinces. I do not agree with my hon. friend from Vancouver Centre in thinking that insinuations have been made for the purpose of damaging the western grain route. I do not believe that is so except to a very limited extent. The desire is to keep this route absolutely clean. Those of us who have been growing grain for a number of years and know the abuses that used to creep in from the time the grain is loaded into the farmer's wagon until it reaches the port of Liverpool could tell the committee a great many things; but time is too short for me to deal with these abuses which, fortunately for us, have been cleared up.

I agree with my hon. friend in what he said about Mr. Beattie. I talked with him about the trade and the harbour of Vancouver and my conversation did not lead me to believe that he could not be trusted. I believe he is a man of energy and, I think I might say, of integrity. Perhaps when he started first he did not have a sufficient knowledge of the grain trade and it may be that for that reason he fell too readily under

the influence of the grain firm about which we have heard so much and about which we feel tempted to sometimes say things that we do not like to say. I think for that reason his course of action injured the grain shipping facilities of the port. I know some things that I should not like to repeat here that lead me to that conclusion. If all interests are to be served, if you are to get the best results, I think a very close supervision should be kept over the port.

I liked the remarks of the hon. member for Vancouver when he pointed out that when the rates were raised it meant only a little, but that little was vital. If we are going to compete against Russia, the Argentine, and India in the markets of the world, every quarter of a cent counts, and a saving of three or four cents a bushel on wheat that we are growing for export may enable us to raise wheat at a profit for years. There is only a step between failure in success, in this as in almost every other business. Let me point out one more thing before I close. A saving of two cents a bushel on two or three hundred million bushels of wheat amounts to an enormous sum, and it well warrants a little expense on the part of this government in making a thorough investigation and in taking steps to see that the handling facilities are up to date in every respect. Just consider what it means —two cents a bushel on two hundred million bushels! The amount is amazing. When we consider that grain shipped from this port last year sold on sample for five cents a bushel more than it would have sold on grade, we can realize the damage that is done, as I have already pointed out, by mixing and adulteration over the eastern route.

I would like to compliment the department and the government on keeping this expenditure down to where I think it ought to be. I think an expenditure of $5,000,000 is warranted, but to expend as much as $16,000,000 or $18,000,000 would be a mistake for the reason that the southern portion of Alberta, unfortunately, does not always have a bumper crop, and if we provided enormous facilities that would be adequate in a year when there was a bumper crop, and the following two or three years should be dry years, we would have a white elephant on our hands, more grain handling facilities than were needed. So I think the government were wise in keeping this expenditure down to $5,000,000, and I will have no complaint to make if they will just exercise careful supervision to see that the evils that crept into that eastern route, and that are creeping in at Vancouver, and were so apparent in the purchase of the Woodward elevator, are kept out, I am sure that Vancouver will be a winter grain port that we will all be proud of. It will jump by leaps and bounds into prominence and enable us in the western provinces, in Alberta and the western part of Saskatchewan, to compete at a profit perhaps with other countries where labour is cheap and where the grain is close to tidewater, but with which we shall otherwise be entirely unable to compete.

[Mr. Millar.]

Mr. LUCAS: I would like, in a few words, to say that I think the development of the Pacific coast is one of the most important questions we have before us at the present time. One of the cries we have heard from all parts of the House for a number of years past has been the amount of our grain that has been going through American ports. We in Alberta, especially, and I think I can speak for a great part of western Saskatchewan, believe that the natural outlet for our grain is through the Pacific port. I agree with a great deal that was said by my hon. friend from Vancouver Centre (Mr. Stevens) this evening, and I want to congratulate him upon the splendid fight he put up in years gone by in having built the first elevator on the Pacific coast. I happened to be living at the coast then, and I know the fight he put up. But I could not agree with him to-night when he said that a great deal of the opposition that was coming to Vancouver's development was from eastern interests who were opposed to that route. These charges were also made freely in the press of Vancouver during the recent investigation by the Royal Grain Commission, in connection with the evidence given by Mr. Van Allen, who was representing the Alberta government in that grain inquiry. I want to say definitely that Alberta is not antagonistic to Vancouver. On the contrary, we believe it is our port, and we want to see that port developed, but in such a way that the cost will not be prohibitive to shipping our grain over that route. We feel that we have been discriminated against in the eastern route, and that the charges have been too high, and consequently when a new port was being opened up we took a very keen interest in it, and we want to see that port developed so that it will get every bushel of grain that it is entitled to get.

In regard to the charges that have been made and the suspicions that have been aired with respect to the Vancouver Harbour Board, personally I have met a number of these gentlemen, and from my personal knowledge of them I can speak of them only in the

highest terms, but I am doubtful whether they were wise in selecting the persons whom they did because of certain suspicions that were attached to these men. We know that the firm of Davidson and Smith operating in Fort William, while no definite charges were proved against them, were engaged in several dealings that were sufficient to give rise to a great deal of suspicion, and while they were not refused their seat on the Winnipeg Grain Exchange, we were given to understand that they would not have received it had they applied for it. They went to Vancouver and we find in respect to the personnel operating the terminal elevator at Vancouver, that the more important positions are all held by men who formerly worked for Davidson and Smith at Fort William. One especially was discharged as a government weighman in connection with the Pollock shipment of grain. I am not making this as an idle statement, because any one who peruses the report of the grain commissioner's inquiry at Vancouver will find the statements therein set out. In regard to Mr. McLean, I do not know him personally, but the report states that he had had no experience as a terminal operator before going to Vancouver:

> McLean began his experience in the grain business as a grain trimmer. He was never at any time in charge of a waterfront terminal, either public or private, carrying on the sort of business that is carried on at the harbour commissioner's elevator here.

That is from the evidence. While there were over seventy applicants for this position, it was given to Mr. McLean, although many of the other applicants possessed the necessary qualifications to carry on this work. The report says:

> Mr. Beattie, of the Harbour Commission, who had the most to do with Mr. McLean's appointment, could not offer any cogent reason for the selection made of Mr. McLean over all the other competitors, some of whom, on the face of their applications appeared more readily qualified by their past experience for the position to be filled.

As I said before, we are very much in favour of the development of the port of Vancouver and the elevator facilities there, but I am glad that the minister has seen fit this year not to make a hurried development and increase the overhead to such a point that it would not be profitable to ship grain that way, but that he has rather confined himself to the amount asked for in this resolution. I believe there is another outlet on the Pacific coast that is well worthy of consideration when any further expenditure is called for there. We find in the Vancouver harbour at the present time elevator accommodation with over 2,000,000 bushel capacity, and when the contemplated programme is finished that capacity will be considerably augmented. Now we know that at the waterfront at Vancouver, the building of wharves is very expensive and there is already great congestion. Furthermore we know that the Canadian National Railway does not own its terminus in Vancouver. From September 1, 1923 to June 6, 1924 the Canadian National shipped 16,394 cars of wheat to Vancouver, while the Canadian Pacific shipped 19,368 cars.

I should like to bring to the attention of the committee, and of the minister, when any further expenditure is contemplated at this port, the desirability of building an elevator on the Fraser river at Port Mann or in that district. We find that when the Canadian National Railways bring their trains from Port Mann, which is their terminus across the Fraser river en route to Vancouver they have to split them into three sections. There is a one per cent grade approaching the provincial bridge across the Fraser and the charges on each car of the National Railways going from Port Mann to Vancouver amounts to something over $13. Taking the 16,394 cars that were hauled by the Canadian National during the period mentioned at $13 per car the total cost would amount to $213,122, and it must be remembered that is not for a full year. I venture to say that the Canadian National has had to absorb a loss of over a quarter of a million dollars on the shipment of that grain from Port Mann to Vancouver. Another important point is this: I am told that the time occupied in hauling those cars from Port Mann to Vancouver is such that by the time they get over to Vancouver and unload the cars could have unloaded at Port Mann and returned to Edmonton. It therefore can be readily seen the tremendous saving there would be and what a number of cars would be available if the cheaper and easier route was adopted. That is a very important point to the farmers on the prairie as there is usually a shortage of cars when the fall rush is on.

The leasing of the Woodward elevator has occasioned a great deal of annoyance. I trust the minister will look into this matter, that he will take cognizance of the report of the Royal Grain Commission and see if it is not possible to immediately break that lease. If the harbour board in any of these ports are really going to control the elevators they should take proper measures to give effect to that policy. Let me quote a few words from the report of the Royal Grain Commission on this matter:

> Finally it does not appear to be sound public policy for the harbour commissioners to finance out of public credit the building of an elevator, capable

of profitable use only as a private house, in order to lease it to a private company for private purposes, in the face of a report by competent engineers that the port's need of larger public terminal storage capacity could be better and more conveniently provided in connection with the commissioners' own elevator, numbers 1 and 2.

I ask the minister, and hon. members also, if they think it is sound government policy to finance a project of this kind in order to turn it over to private interests to make a profit out of it. If the harbour board are going to operate the Vancouver terminals any profit derived from them should go into the public treasury. I therefore trust that the minister will give this matter his very serious consideration.

Mr. CHURCH: The port of Vancouver is evidently destined to become one of the greatest ports in the world. Its growth and development is one of the results of the opening of the Panama canal which has revolutionized transportation not only on the Pacific but on the Atlantic. A lot of package freight is now going from Toronto to Vancouver by a boat called the Kirkwood. I think no less than 97 different wholesale and retail merchants are shipping freight by this particular line. I point out also that the Harbour Commissioners of Toronto brought 38 per cent of the lumber required in connection with harbour improvements from Vancouver. This lumber came from the Pacific coast through the Panama canal, and the shipment by this route effected a saving of, I think, 34 per cent compared with the all rail route charges. As a Canadian I rejoice to see the growth of the port of Vancouver. When you think that over 30 vessels a day lie in that harbour awaiting grain cargoes you can form some idea of how that port has developed. It certainly is rapidly transforming the grain carrying trade originating in the prairie provinces. The application of the principles of the good old National Policy in connection with this trade development will be of the utmost advantage. This wonderful growth at Vancouver indicates that the Pacific is coming into its own. Its day is dawning; it was only a short time ago that the Atlantic was pre-eminent in the transportation system. The ports of Montreal and Vancouver are destined to become two of the greatest ports in the world not only in connection with grain carrying but in the carriage of merchandise of all kinds. The government are to be commended for their vision in realizing the possibilities of trade development at Vancouver and taking action to provide facilities for the growing trade as they are now doing.

[Mr. Lucas.]

Mr. CLARK: I ask the minister whether the department approves of the appointment of Mr. R. E. Beattie as general superintendent of the port of Vancouver?

Mr. CARDIN: Yes.

Mr. CLARK: I am heartily in favour of the proposed legislation; that goes without saying. At the same time as a citizen of Vancouver I want to see a close supervision kept by the department over all expenditures. I think we are entitled to the most detailed information as to how this money is to be expended. I believe that $5,000,000 can be very easily expended in the harbour of Vancouver next year. It would be easy to expend double that amount, or even three or four times that amount, to advantage. At the same time I do not propose to be a party to the encouragement of extravagance at this moment. I want to see the development encouraged just so far as we can afford it, without increasing the harbour dues unduly. I am not in a position to say how far we can go toward increasing the port facilities at the moment without unduly increasing the harbour dues. That is the department's duty and the department should be prepared to give us the details and prove to the House conclusively that the improvements are essential, as I believe they are, and that every improvement is being made that is needed; because, as my hon. friends to my left have pointed out with great force, this is not a port which belongs to the people of Vancouver only. It belongs to the people of western Canada and we are equally interested in the development, and I can assure the minister that we are very much concerned both with securing adequate facilities and with the proper management of the port. From a general point of view I think we are bound to judge by results, and the general situation is favourable. The increase in grain shipments through the port has been simply phenomenal. I do not think that any port in the world can boast of such growth, particularly in grain shipments, as that port can boast of in the last three or four years.

There are a few things however I would be inclined to criticise, and I think the outstanding feature is this: That the government has permitted a suspicion of party influence and patronage to creep into the situation in the Vancouver Harbour Commission. First of all, we had two very capable harbour commissioners dismissed without cause and two others appointed. One of them, Mr. Beattie, was an elected candidate in the

upper country, and he never had anything whatever to do with harbours or the management of ports. He was appointed in the place of a man of great experience. Mr. Beattie has been a very hard worker. I must give him credit for being a very active man, but I can see no justification for the minister giving his approval to the appointment of Mr. Beattie to a position under himself. We have three harbour commissioners, and an appointment under the harbour commission, namely the general superintendent of the port. One of these harbour commissioners has been appointed to that position. I know there is no justification for it in the world, and particularly as he appears to be the junior commissioner, the last appointee. He is appointed to a position which commands exactly the same salary as he draws as harbour commissioner. He thereby draws a salary of $2,000 more than the chairman of the commission. I say that is not right. It is unfair to the man who is in charge, or who is supposed to be in charge, of the administration of the affairs of the harbour. Here is a man, the junior commissioner, drawing $8,000, whereas the chairman draws only $6,000. What chance has the chairman got? That is only one instance. The Woodward elevator has been touched upon by some of my hon. friends to my left. I do not know anything about that. I do not know particularly about the financial end of it; but I do know that the Woodward elevator has been leased to partisans. It is a strange thing, and I think that it is difficult to justify. We have a third instance of a very valuable piece of land in the harbour leased to the terminal Grain Company of which R. H. Gale, one of the defeated Liberal candidates in Vancouver, is the president.

Mr. GRAHAM: Would that be sufficient to condemn him as a business man?

Mr. CLARK: I am not condemning him. I am only pointing out facts, and I am not doing it in a partisan sense, but I think it is important for the House and for the country to know the facts. All I say is that here are certain facts. Are they right? Do they justify suspicion or criticism? Here we have a site, a piece of land on the harbour front adjoining the most important wharfage in the harbour, with the best grain facilities. That is leased to a partisan, and according to an answer which appeared in Hansard of April 24, this piece of ground which is in the most favourable part of the harbour, cost $325,000, and was leased for the first year for $2,566.67. For the next forty years it was leased for $12,000 a year. It is difficult to understand that. The point that worries me is this: How can a private enterprise, for instance the company of which the hon. member for Marquette (Mr. Crerar) is president, go into the harbour and compete against a company which has such a favourable lease? If the harbour commission can give all other companies equally favourable leases then they will be able to compete on an equal basis; but unless the harbour commission and the government can do that it does not give private enterprise the encouragement it should have to go into the port. I am pointing out what I consider in part to be minor features and the features that can be criticised, and which are being criticised by the Progressive members of this House. When we have such a marvellous opportunity for development, and such a wonderful record already established of being the greatest shippers of Canadian grain from any port in Canada, I say it is too bad that the government should permit the management of the harbour to be surrounded with any degree of suspicion whatsoever. I call this point to the attention of the government, because I do not think the government is justified in countenancing this appointment and such leases.

Mr. POWER: I wish to endorse the statements of those who praise the government for taking an interest in, and the development of Canadian seaports. In that connection, I think they have done well by Vancouver and by the country in encouraging that, and I express the pious wish and hope that they will do well by ports further east. But after having listened to the discourses of some of my hon. friends directly opposite and diagonally opposite, it struck me that, perhaps, there might be some objection to voting a large sum at this stage. Almost every speaker has cast some suspicion on the personnel of the Vancouver Harbour Board; even one of the hon. members from the city of Vancouver has intimated that it is not quite right for the government to entrust the board with such a large sum of money. Under the circumstances, I would suggest that only a certain portion of the money be advanced this year. I understand from the explanation given by the minister that some of the money is for work already under way. I suppose that must be carried out, and if the minister could state just what those works were, it would be in the best interest of the country to advance the money required for those and to leave the remainder over until next year. If the citizens of Vancouver and the people of western Canada who stand most to profit

by the development of Vancouver and the increase in its harbour facilities are not quite sure that the money will be properly expended, it is only reasonable that the matter go over until next year with the exception of such works as are urgently required this year. I have not been able to gather from the explanation of the minister just what is required, but it should be easy for the minister and his deputy to arrive at the amount necessary for those urgent works. If there is a little left over, may I express the wish that some of this would be applied to other harbours not quite so far west? In any case, it is our duty to consider very carefully any appropriation of this kind, and in view of the representations made in the committee, I would ask the minister to think over the matter seriously with a view to reducing the amount of the loan this year and to coming back next year, if he obtains the proper information and is satisfied that his appointees are trustworthy persons, in order to grant the remainder of the loan asked for.

Mr. MEIGHEN: It will not be difficult to catch the significance of the words of the hon. member for Quebec South (Mr. Power). Put in very brief terms they mean this, that if anyone dares to criticise an appointment which this government makes or even the conduct of the appointee, look out, for this government will take that as an excuse to deny moneys to a harbour!

Mr. POWER: I am not speaking for the government. They have not honoured me by placing me in the cabinet yet.

Mr. MEIGHEN: This is what the hon. member recommends to the government and he recommends it feeling that the government is governed somewhat by principles of that kind. His threats will not in the slightest degree affect anybody on this side of the House.

Mr. POWER: I have not made any threats.

Mr. MEIGHEN: I was not aware until tonight that this government actually countenanced an appointee of its own as harbour commissioner engaging himself and doubling his salary at the expense of this country, acting at the same time as employer in the service of the Dominion and employee in the service of himself. The minister states that the government has approved that, believes it to be right. Actually one begins to wonder what in the world this government is not capable of doing. It seems to be willing to be drifted, pitched and shoved by any partisan supporter, anybody it can find that still stands behind it, willing to do almost anything at all. Was ever a case like this known in the history of Canada?

Mr. KING (Kootenay): Going on for years.

Mr. MEIGHEN: Where?

Mr. KING (Kootenay): In the Harbour Commission of Quebec.

Mr. MEIGHEN: Who was appointed and who appointed himself? I have never heard of it before. I never knew of a case. A man appointed as a harbour commissioner under salary by this country, engages himself at the same salary over again, doubling his salary, acting as employer in charge of himself!

Mr. KING (Kootenay): That is hardly fair.

Mr. MEIGHEN: It is the fact.

Mr. KING (Kootenay): It is understood the harbour commissioners do not devote their whole time to the work.

Mr. MEIGHEN: I know that.

Mr. KING (Kootenay): In the case of Commissioner Beattie and also the chairman of the board in Quebec they devote their whole time to the work of the harbour, and in doing this, they are paid this additional allowance.

Mr. MEIGHEN: It does not matter if he is employing his whole time or not, he is still an employer. He is employing those under him and he is employing himself.

Mr. GRAHAM: Would this not be about the same case as that of the president of a company who is appointed general manager? He appoints himself.

Mr. MEIGHEN: It is anything in the world but the same. The government of Canada employs this man and pays him a salary to perform certain duties. In the discharge of those duties he employs himself at a salary of $4,000, doubling his pay, and the whole thing comes out of the people of Canada. The Minister of Railways and Canals actually approves that. I cannot believe he does. The minister stated that he was going to give another case where this was done. He cannot give it.

Mr. GRAHAM: I did not say that.

Mr. MEIGHEN: I mean the Minister of Public Works (Mr. King). I know the Minister of Railways would not say that. He has more experience in public life than the Minister of Public Works. This is the man who

resigned in order to let the Minister of Public Works get into parliament and this is his reward. He is permitted to play fast and loose with all principles of public policy and apparently with the treasury of Canada. I wonder how many members would care to support a vote of $6,000 a year for forty years to Spillers and Company to come to Vancouver with R. H. Gale or anybody else as president. Would there not be some cries against special privilege and the bonusing of concerns? Is that not precisely what is being done? It is true, parliament has not approved. Parliament never passed a vote. The way adopted is this. The government goes in and expropriates the property or rather affects that it is going to expropriate it and then pays $325,000 for it out of the treasury of the Dominion, borrows the money at 5½ per cent, for it costs the country that amount, all expenses included, and then rents it at what returns to the country a little over 3½ per cent. This means a bonus of approximately $6,000 a year to this company. We are all glad to have the company there, but is the government prepared to bonus every other concern that goes to Vancouver harbour? If so, has it the authority of parliament to do so? What authority has the government of Canada to ratify conduct which extracts out of the treasury indirectly this sum by way of bonus, with parliament having nothing whatever to say about the matter? This is the kind of conduct that we are threatened by the hon. member for Quebec South that we must put our hand on and approve.

Mr. POWER: I made no threats; but from what the leader of the opposition (Mr. Meighen) says, I am becoming more convinced that we should not advance this money. I am opposed to advancing such a large sum of money if it is going to be wasted or badly spent. The leader of the opposition tells me that a portion has been or is about to be badly spent. Therefore, I am opposed to the appropriation until a thorough investigation is made. I have no intention of threatening the government and I do not think they would pay any attention to me if I were to threaten them.

Mr. MEIGHEN: Would it not be more logical to get rid of the people who are wasting the money?

Mr. POWER: Perhaps that would be a good idea, but we cannot do it between now and the end of the week.

Mr. MEIGHEN: If there is a vote, will the hon. member support it? Will the hon. member stand night after night for this kind of thing?

Mr. POWER: The chairman must be in some way responsible for the conduct of the board. Does the hon. member want him to resign too?

Mr. MEIGHEN: I presume that two of them could appoint one of themselves and that would be two out of the three.

Mr. POWER: If the chairman is worth his salt he will not stand for being over-ruled by the two others; he will resign.

Mr. MEIGHEN: I fancy he is over-ruled by the government.

Mr. POWER: If that is so, why does he not resign? He does not owe anything to this government if what I know about him is correct, and certainly this government owes him nothing.

Mr. MEIGHEN: It is for the chairman himself to say what he will do. I am at present holding responsible those who assumed responsibility.

Mr. POWER: And the chairman is one of them.

Mr. MEIGHEN: I do not know whether he assumed it or not.

Mr. POWER: He must have.

Mr. MEIGHEN: I do not know what his attitude is; I have never heard of it until to-night.

Mr. POWER: He must have assumed some responsibility.

Mr. MEIGHEN: I was astonished when I heard the government approve of this conduct. Why not let each of them have a job under himself?

Mr. POWER: I am in favour of the chairman having such a job.

Mr. MEIGHEN: Why did that member of the board not appoint himself in this parliament to another job?

Mr. POWER: That would be all right if parliament would stand for it under the circumstances. The chairman was directly responsible and he is a friend of the right hon. gentleman's. Yet he did not have the gumption to resign.

Mr. MEIGHEN: The hon. member says that the chairman should resign because everything he wants done is not done or because something is done of which he does not approve.

Mr. POWER: When there is such an atrocious scandal he should resign.

Mr. MEIGHEN: I do not know whether he approves of it or not; at any rate I do not.

Mr. POWER: Tell him that; he is a good follower of your own.

Mr. MEIGHEN: Will the hon. member say whether he approves of such conduct or not?

Mr. POWER: I do not know the circumstances well enough to say whether I approve or disapprove. I understand the chairman of the board is a well known man. He enjoys a great reputation in Vancouver.

Mr. MEIGHEN: The hon. member had better give us his own opinion.

Mr. POWER: I am not familiar with the nditions there.

Mr. MEIGHEN: I do not know that it depends much upon the conditions for one to decide whether a man should be allowed to appoint himself to any position at the public expense; I know of no conditions that could justify such a thing. If the hon. member is aware of any circumstances that would warrant so peculiar an appointment I should be glad to have him reveal them to the House. There can be only one opinion regarding conduct of this kind, but I do not know that we could have expected anything better. Scarcely had the member for Cranbrook, I believe, resigned to make room for the minister—

Mr. GRAHAM: Get the geography right; it is Kootenay.

Mr. JACOBS: May I point out to the right hon. gentleman that other people resign their seats to make room for others?

Mr. MEIGHEN: That is very true, but they have never been appointed to jobs in which they could re-appoint themselves in order to double their salaries.

Mr. GRAHAM: There has been no opportunity yet.

Mr. MEIGHEN: Yes, there have been abundant opportunities ever since confederation, but no government has ever grasped any one of those opportunities until the present administration came into power. In conduct of this sort the present government excels all administrations, past, present, living or dead. I know of no precedent, either on this continent or anywhere else, that would extenuate this kind of thing. Fancy a man appointed to a post where he is the trustee of a tremendous interest, and forthwith, with the approval of his associates, he appoints himself to another post under review by himself. This is the kind of thing which this government sponsors.

Mr. CAHILL: He must be a "weak sister."

Mr. MEIGHEN: Well, then, if the government think he is a "weak sister" they had better deal with him. Hon. gentlemen try to hide behind the skirts of the chairman. Can no hon. member opposite stand on his own feet? Here we have conduct the justification of which would challenge the capacity and the ingenuity of any hon. member of this House, and I leave the matter to be settled by every hon. gentleman as his conscience dictates.

Mr. SALES: The hon. member (Mr. Stevens) pointed out the danger of any person who was associated with any company which had interests at the head of the lakes being accused of opposition to the port of Vancouver. At the risk of a charge of this kind I am going to say a few words on this question.

Mr. STEVENS: I do not think I made any such statement or even referred to the head of the lakes. The hon. member is mistaken.

Mr. SALES: As I took down the hon. member's remarks, he said that Hansard and newspaper reports would be quoted in this connection, or something to that effect. At any rate I realize the danger and I am going to take the risk. Now, we are not opposed to the port of Vancouver, for Canada cannot have too many outlets for her grain, no matter where those outlets may be. The company I am connected with has made extensive inquiries regarding the Vancouver situation and far from being opposed to it we are impressed with the possibilities of development there. At the same time, however, it is our opinion that the development of Vancouver should not be expedited for the glorification of Vancouver alone; the port should be built up for the benefit of the people as a whole who want to use it. And the same thing applies to the port of Montreal. The development of the port of Vancouver or of Montreal or of any other port for that matter should have in view the interests not only of the citizens of that particular place but of the people at large who have to transact business through those ports. I must admit that the confidence of the western farmers in the present harbour board is badly shaken, and there is every reason for its being shaken. Their actions, as related by hon. members around me, in the employment of men, some of whom have been discharged by the grain commission, are not creditable. I

have been reading the interim report of the royal commission which inquired into the grain trade, and while the hon. member (Mr Stevens) apparently takes it for granted that all suspicion has been allayed, I find at pages 12 and 13 of the report evidence to show that the commissioners themselves are still unconvinced in this regard. Reference is made to the spout and the commission finds that for several weeks the padlock had not been put on. I quote:

> We feel bound to say that this delay in having the by-spout properly equipped for the padlock should not have been allowed to occur, and has not been explained satisfactorily to us . . . . According to Mr. McLean's own evidence, the actual time required to do the necessary drilling in the slide and frame was only a few minutes. Instead of being done at once this work was left undone for a period of nearly two weeks (until Hollingshead arrived), during whicch time the by-spout was capable of being used, and was in fact used, to convoy grain.

They conclude thus:

> Further, we are of the opinion that positive rules should be enacted making it impossible for such installations, with their consequent perils and suspicions, to be placed in any storage elevator operated under the Canada Grain Act.

So that I must disagree with the hon. member when he says that all suspicions have been removed and that we should forget all about them. He said that the general results had been good; that is what we must judge by. He also stated that all the costs on grain between the farmer and the market must be paid by the farmer. Let me show how the results affect the farmer. For the year ending July 31, 1923, the port of Vancouver handled 34,309,172 bushels; the receipts were $203,477.96 and the expenses $106,329.10. This was during the period when the elevator was operated by the grain commission. On July 31, 1923, it was handed over to the harbour commissioners for operation. To the end of February they handled 31,176,900 bushels; the receipts from the farmers were $392,294.08 and the expenses $200,519.04. There is an increase of $190,000 in cost to the farmers and an increase of $94,000 to the harbour commission's expenses. The farmers paid more, and it cost the harbour commission more to handle that grain. If that is the result we are to have by the operation of elevators under the harbour commission, I say the sooner the operation reverts to the grain commission, the better.

As far as I can see from a perusal of this report, there was no justification for Mr. McLean's appointment. My hon. friend from Medicine Hat (Mr. Gardiner) referred to the very serious charge in reference to the issuing of warehouse receipts for car sweepings, and I find the word "ragamuffins" is quoted in the evidence, so he had good authority for using it. Five warehouse receipts were issued covering these sweepings-out of the cars. When grain is left in a car it means that the farmer is not getting paid for all the grain he put in that car. The farmers' grain covered by these warehouse receipts amounted to 1,600 bushels. One of these was for over 400 bushels and was given by the superintendent to the chief of the harbour police, with instructions to sell same and pay the proceeds to certain people whom he employed in the detection of pilferers of grain which was accumulated in this very manner. I find from the evidence that a cheque for this amount was made out to Mr. Smith, and is endorsed by him, and there is no record to whom the money was ultimately paid. When a harbour commission conducts its business in this way it cannot complain if suspicion arises that the commissioners are not altogether blameless.

Everybody agrees as to the necessity of terminal elevator facilities; whether these should all be at Vancouver or not is another point. The other night we discussed the erection of an elevator at Prince Rupert. I did not join in the discussion for fear, as I said before, that, being connected with a company which has large holdings at Port Arthur, I might be accused of opposing western interests. To my mind the place to build that elevator is at Port Mann on the Canadian National Railway, with an exchange of cars east of that point so that both Canadian Pacific and Canadian National cars could be unloaded there. That is one of the things which the Minister of Marine and Fisheries should devote his attention to. If it were not for the fact that part of this money is for the completion of some of this work at Vancouver, I would endorse the suggestion of the member for South Quebec (Mr. Power) that this money be withheld until a further investigation has been made.

Before I refer to the recommendations contained in the commission's report, I wish to again draw attention to the question I raised a few weeks ago, the danger of creating a monopoly by the formation of harbour commissions such as those in Montreal, Vancouver and other ports, and then allowing them to charge anything they wish for handling grain, with no one to supervise those charges. There is great danger in that course. All these terminal houses should be under the control of the grain commission; they should have power to regulate the charges imposed by the harbour commission.

I am reminded that a year ago I directed the attention of this House to the cost of the addition to the existing elevator at Vancouver. For an additional capacity of 500,000 bushels we were given an estimate of $400,000, a cost of 80 cents per bushel capacity. I pointed out to the then Minister of Marine and Fisheries (Mr. Lapointe) that similar additions were being constructed at the head of the lakes for 23 cents per bushel capacity. What do I find after this is all through? According to the government's own figures, as furnished to us by the returns, the original elevator, composed of the storage house and the workhouse—and it is the workhouse which is the expensive part of a terminal elevator—cost less than 70 cents per bushel capacity. The additional storage cost over 88 cents per bushel capacity, without a workhouse. At the same time two or three private companies were building similar storage capacity and paying at the rate of about 23 cents a bushel for it. Is it any wonder that we entertain a little doubt as to the ability of the present harbour commissioners at Vancouver to properly handle this money?

Mr. HOEY: What year was that?

Mr. SALES: Last year—the very same time that these additions were being built at Vancouver. That is the discrepancy.

Dealing with the operation of elevators by a harbour commission the royal commission sets forth the following conclusions in its report:

> The operation of terminal elevators is bound to distract the harbour commissioners and to interfere with them in the proper performance of their primary duty, the administration of the port.
>
> The operation of terminal elevators leads to difficulties over the general cargo rates levied for the services of the port. If the elevators make large profits, users of the elevators allege that cargo rates on grain should be reduced. Conversely, it has been argued that cargo rates might rightly be increased because the board is engaged in building terminal elevators or perhaps running them at a loss. Yet the two are absolutely distinct. A cargo rate is levied for the general services of the port and should not fluctuate with the success or failure of the harbour commissioners' adventures in terminal elevators. . . . The cargo rate on grain passing through the terminal elevators of private companies should in no way fluctuate or be determined by reason of success or failure of terminal elevators operated by the harbour commissioners.
>
> The assumption of dual functions by the harbour commissioners leads to conflicting interests and opens the door to favouritism and irregularities.

That is exactly the charge I made about the port of Montreal. When I find that half the revenue of the entire port comes from the handling of grain, the question naturally arises in my mind and that of every farmer whether grain is not paying too large a proportion. The commission finally report:

> For these reasons we recommend that the elevators of the Vancouver Harbour Commission should be acquired by the government of Canada and vested directly in the Crown.

Now in the face of this report that has been made after a careful study by the commission appointed by this government, I question whether the government is wise in continuing to vote money for the harbour commission to go on erecting elevators. I would like the government also to get this viewpoint in the appointment of harbour commissioners. They should be appointed not from local men, not Vancouver men for the port of Vancouver, or Montreal men for the port of Montreal, or Quebec men for the port of Quebec, but recognizing that these ports are national institutions, the government should appoint as harbour commissioners truly national representatives.

Mr. LADNER: I would like to occupy a minute or two of the time of the House to say a word on this very important question for Vancouver. The question of passing the vote cannot be in doubt by any one who will examine the situation as it actually exists. The development of the port of Vancouver and the works in course of construction there requires the expenditure of this money, and the business of the nation would be seriously interrupted if any one really thought of not going ahead with the proposal of the government.

The question of whether the grain elevators should be under the harbour board or under the grain commission is a question of policy, the responsibility for determining which rests upon the government. For my own part, although I do not profess to be an expert in the matter or to have more than the ordinary knowledge of this question, I am of the opinion that the elevators and the grain business should be absolutely under the control of the grain commission, and I may say that everyone you consult who understands the grain trade strongly advocates that course. However, the elevators in Vancouver and the grain business there at the present time are under the control of the harbour board. I am not hesitant in saying that I think altogether too much party politics is carried on sometimes in questions of appointments and matters of that kind in connection with the grain business in Vancouver. Applications for small, picayune jobs of no consequence must have the earmark of those of the same political inclinations as our friends across the way. That is usual in government matters,

but I do not like to see it carried on in connection with such a great enterprise as the grain handling business. Hon. members will notice that in paragraph 3 of the resolution it is stated:

That no advances shall be paid, as above provided for—

That is, under the terms of this resolution:

—unless such detailed plans, specifications and estimates for the works on which the money to be advanced is to be expended, as are satisfactory to the Minister of Marine and Fisheries, have been submitted to and approved by the Governor in Council before work on the same has been commenced.

The next paragraph requires:

The corporation shall submit to the Minister of Marine and Fisheries for approval monthly applications for such advances as they may be entitled to apply for, with statements, in detail, in such form as the minister may direct, and, upon approval of same, authority for the payment of the amount applied for may be granted by the Governor in Council.

It seems to me that our friends to my left should take some degree of confidence from the fact that departmental officials here, in conjunction with responsible officers on the coast, will probably see that there is a proper expenditure of this money, and if they do not the department and the minister will be accountable to parliament for anything that goes wrong in connection with this very large appropriation.

Personally, I do not take very seriously the argument that is made by some hon. gentlemen to my left that they must reflect upon this proposal of loaning $5,000,000 to the harbour board because of some doubt in connection with the personnel of the board. If the spirit and letter of this resolution are carried out by the government, it is unlikely that anything serious will go wrong in the handling of this money. It seems to me that the main point of this debate centres around the question whether the elevators and the grain business should be under the control of the harbour board or the grain commission. On that question I have expressed my own opinion, and I believe that sooner or later the government will be compelled to adopt the report of its own commission, and many other authorities who urge that course.

Mr. McBRIDE: I would just like to say a few words in connection with this resolution. There is one point that all the members who have spoken seem to have lost sight of, and that is that Vancouver is not getting $5,000,000 from the taxpayers of Canada. All this government is doing is lending the harbour board $5,000,000, every dollar of which will be returned with interest. The impression a number of members seem to have is that this government is voting Vancouver something, but it is not doing that at all. It is simply lending the harbour board $5,000,000, and that is all the harbour board asked.

Now in connection with the amount that is paid in harbour dues on wheat, when the harbour board in Vancouver arranged the dues that were to be paid, they increased the dues on everything that passed through the harbour at Vancouver three times as much as they increased the dues on wheat. We had a meeting there of those that shipped through the port, and the commissioners put it to us fair and square. They said: "We don't want the people on the prairies to think we are charging them more than any one else. We think the people of Vancouver should bear their fair share, and more than their fair share," we agreed to do this, and we are doing it to-day.

Mr. SALES: What has the hon. member to say about the proposal to increase cargo rates on wheat six times on the 1st of September of this year?

Mr. McBRIDE: I am not speaking of that, but of what exists at the present time. A good deal has been said about McLean being appointed and not having had experience. I would ask the men that make that statement, what experience they had when they were sent down to this parliament to run the affairs of this country, and yet each and every one is prepared to draw his $4,000 a year.

Mr. SALES: I think we have had just as much experience as the hon. member.

Mr. McBRIDE: I am not disputing that, but I am saying that each and every one of us is willing to draw his $4,000 a year without having had any experience, and yet there are some members willing to criticise McLean, who certainly had a certain amount of experience.

In connection with Port Mann, I am not here to condemn Port Mann in any shape or form, but we have to realize that the insurance on a steamer going up the Fraser river to Port Mann is considerable. The hon. member (Mr. Lucas) made the statement that it costs $13 to take a car of wheat from Port Mann to Vancouver. There was a time when that statement was correct; it is not correct to-day. A car of wheat to-day costs less than half of that amount to haul from Port Mann to Vancouver. I can see no good in taking up time with any further discussion on this matter. The hon. member for Vancouver Centre (Mr. Stevens) covered the ground

thoroughly and made a straightforward and honest presentation of the case. He dealt with the situation at the port of Vancouver so thoroughly that nothing more was left to be said. That being the case I think it is simply a waste of time to discuss this resolution any further.

Mr. KING (Kootenay): I do not wish to delay the committee but I should like to take a few minutes in justifying this loan to the Harbour Commissioners of Vancouver. The commission was created some years ago with a view of directing and controlling the development of the port. The first government loan amounted, I think, to $5,000,000. As the result of that expenditure a certain amount of development was brought about. Two years ago parliament again voted money for further improvements in the port of Vancouver. What has been the result in the last two or three years? We were exporting from Vancouver in 1921 between three and four million bushels. The following year the exportation had grown to approximately seven million bushels. In 1923 it had increased to twenty million bushels, and this year nearly sixty millions of bushels have been exported. A transformation of that nature could not occur without attracting the attention of people dealing in wheat, and the result has been that a certain campaign has been carried on in various parts of Canada with the idea of attempting to show that matters were not right in the port of Vancouver. For example charges were made by one Mr. Van Allen, representing the government of Alberta. Those charges were of such a nature that the government considered them worthy of investigation; in fact the Harbour Commission of Vancouver expressed their desire that an inquiry should be held. Accordingly the Royal Grain Commission went to that city and conducted a careful inquiry. What is the result? We have the report of the Royal Grain Commission on the matter and each one of the charges made has been dealt with by them.

My hon. friend from Medicine Hat (Mr. Gardiner) discussed the employees of the elevator and conveyed the idea that something terrible had happened in connection with them; there was the suggestion that Mr. McLean, for instance, was not a fit and proper person to be employed at the elevator. Nothing of the kind has been established. It has rather been shown that Mr. McLean's actions at the elevator this year were entirely unexceptional and such as to promote the interests of the grain movement. It is true that certain individuals moved from other parts of Canada and obtained employment about the Vancouver elevator; but those who have experience in operating elevators on a large scale realize that you can only get experienced elevator men at Port Arthur, Fort William and Montreal. When the control of the elevator was handed over to the harbour commission and a change was made in superintendents nothing was more natural than that men should go from Port Arthur and Fort William to Vancouver, especially when there was the likelihood of the Vancouver elevator running the year round. I do not know any of these men upon whom suspicion has been cast, but the report of the royal commission does not indicate that the patrons of the elevator suffered in any way from their actions. It is generally conceded that Mr. McLean's activities have justified the harbour board in employing him, and there is no doubt he has rendered excellent service this year.

The attempt has been made to show that there has been a great increase in the charges at the port of Vancouver since the harbour board took over the elevator. That may be true but what are the facts? The grain commission formerly operated the elevator built by the Department of Trade and Commerce. There were no interest charges to begin with; they were using free of expense a pier in the harbour of Vancouver built by the Dominion government. However, hon. gentlemen will realize that if the Vancouver harbour is to be developed by the revenue derived from the traffic passing through the port, and the revenue is to become a guarantee for the government loans, there certainly must be fair and reasonable charges made in order to earn the interest charges. That is what the government proposes, and it is a fact that the harbour board are able to carry these charges to-day. It must be borne in mind that under the grain board's operation of that elevator the charges were low because the board were not paying the interest on the original cost of the elevator, neither were they paying anything for the use of the pier already referred to which had been constructed at a cost of $3,000,000. I am informed, however, that the charges made in the port of Vancouver will be on a par with the charges made in other Canadian ports, but will be more moderate than those exacted in American ports on the Pacific.

Some criticism has been indulged in because one of the commissioners, Mr. Beattie, ac-

cepted a position under the harbour board and received a salary for discharging the additional duties. I think those who are familiar with the development which has taken place in the port of Vancouver during the last two years, and the activities which are in progress there, will realize that it became necessary either for the harbour commission to employ someone to devote his whole time to the work or else do what they did. However, there is a precedent in the case of Quebec. We are told that Mr. Beattie's work is satisfactory, and I do not think the harbour of Vancouver has suffered from Mr. Beattie's activities.

Mr. MEIGHEN: What is the precedent at Quebec; will the minister tell us?

Mr. KING (Kootenay): A commissioner who is also general manager.

Mr. MEIGHEN: Under this government?

Mr. KING (Kootenay): It is working well.

Mr. MEIGHEN: The government justifies this offence by pleading another which it committed itself.

Mr. KING (Kootenay): I do not think any offence is being committed. Service is being given and proper value is received for that service.

Mr. MEIGHEN: I should like to get the facts about the Quebec case: Can the minister tell us? I never heard of the case before.

Mr. KING (Kootenay): I am not familiar with the case. I did not say there was anything wrong; what I said was that it seems to be satisfactory.

Mr. MEIGHEN: How does the minister know the arrangement is satisfactory if he does not know the facts?

Mr. KING (Kootenay): I am told it is very satisfactory.

Mr. MEIGHEN: The minister does not know what the arrangement is and yet he says it is satisfactory.

Mr. KING (Kootenay): I did not say anything like that.

Mr. MEIGHEN: I am asking the minister what it is. What is the position in Quebec?

Mr. KING (Kootenay): I told you.

Mr. MEIGHEN: Who is the commissioner who has been appointed, and to what office, and what does he get?

Mr. BUREAU: He was appointed by the government. In Quebec they are appointed the same as in all other places where there are boards of harbour commissioners. They are appointed by the government.

Mr. MEIGHEN: I am not asking that. The Minister of Customs (Mr. Bureau) has come in a little late. According to the statement of the Minister of Public Works, one of the commissioners in Quebec was appointed by this government, and he also appointed himself to another post under the commission.

Mr. KING (Kootenay): I do not think that is a fair statement.

Mr. BUREAU: He is one of the appointing bodies. My hon. friend need not be smart about it. He is performing now one of his terpsichorean feats.

Mr. MEIGHEN: What happened at Quebec?

Mr. BUREAU: There were three appointees. One of the commissioners, General Tremblay, was an engineer, and to save money he was appointed chairman of the board, engineer of the board and general manager.

Mr. MEIGHEN: What does he get as engineer?

Mr. BUREAU: I do not know. The harbour of Quebec is not under discussion. My hon. friend is always shifting the question. We are now discussing the Vancouver Harbour Commissioners. Quebec will come later and the hon. member will have a chance to get after Quebec.

Mr. MEIGHEN: The minister gets in a little late. I did not do any shifting, but my hon. friend's colleague behind him has been doing some shifting.

The CHAIRMAN: The Minister of Public Works has the floor.

Mr. MEIGHEN: I do not care who has the floor. I do not want to have anything said—

The CHAIRMAN: The Minister of Public Works has the floor.

Mr. MEIGHEN: I am going to call attention to this, no matter who has the floor—

Mr. KING (Kootenay): I do not wish to detain the House at any greater length. I am satisfied that the development at Vancouver is necessary in the interests of Canada. Great benefit will result from the flow of grain

through that port—benefits to the farmer or to the producer of grain. Not only that, but it means that with the development which is taking place, and arising out of this grain trade, there will be allied trades that will come to Vancouver, to the benefit of the people of British Columbia and of western Canada. I am satisfied that this vote will receive the support of parliament; and that under the minister, who has already indicated that he proposes to have a thorough inspection into the developments and future proposals for that port, this money will be properly expended to the advantage of the port of Vancouver, and to the benefit of the whole of Canada.

Mr. COOTE: Before this question is decided, I would like to explain my position in regard to it. I am very anxious to see more facilities established on the Pacific coast for the handling of our grain. Last fall the farmers of Alberta were unable to ship their grain to Vancouver because there was not sufficient elevator accommodation there. As hon. members are well aware, a reduction in the freight rate on grain to Vancouver was made last year, amounting to about 2½ cents a bushel, but all the advantage which came to western Canada through that reduction came into the hands of grain firms, and not into the hands of the individual farmer, because the farmer could not ship his grain to the coast without a permit. He could not get a permit from the railway, unless he could show he had boats chartered to take the grain out of the elevator as soon as it got there. The only people who could ship grain to Vancouver were those who had permits, and the only men who could get permits were companies who were handling large quantities of grain.

I want the committee to understand the position the western members are in on this question, as to whether they are going to support a vote of $5,000,000 for Vancouver harbour or not. We need additional facilities on the Pacific coast. At the same time we feel that the money which was voted to the Vancouver Harbour Commissioners last year was not very wisely expended. Surely as members of this House we have a responsibility to the people of Canada, when we vote any money, to see that safeguards are provided for the expenditure of the money. The member for Saltcoats (Mr. Sales) quoted figures showing that the addition to No. 1 elevator built at Vancouver last year cost 88 cents per bushel capacity. Let me point out to the House that the government has recently given a contract for an addition to the elevator at Port Colborne of a million bushels capacity, for $376,000 or 37.6 cents per bushel. But this contract was let by public tender. The cost of the government elevator at Saskatoon I find was 33 cents per bushel, and the cost of the elevator at Calgary was 35 cents per bushel. The discrepancy is too great, and I am afraid that the Department of Marine and Fisheries did not excercise proper supervision over the expenditure which the Vancouver Harbour Commissioners made last year. I think the best thing we could really do in this case would be to suggest to the harbour commissioners that they might resign and the minister might appoint some new commissioners. Or, I would suggest that possibly he might get one competent man and put him in charge of Vancouver harbour. I do not really see why it needs three men to supervise a harbour like that.

I was at Vancouver last year, at the opening of the Ballantyne pier, and I suggested to the then Minister of Marine and Fisheries (Mr. Lapointe) that he should have more facilities at Vancouver. But what I have seen of the operation of the Vancouver harbour by the present board since that time does not lead me to feel that we could with very much confidence vote this money to-night. I do not suppose the minister will entertain my suggestion for a new board at Vancouver; but if not, I would urge that he should be very careful this year in supervising the expenditure of money, if it is to be voted. I want the minister to realize the position the western members are in. It has been stated very plainly to-night that the revenue from Vancouver harbour must be sufficient to pay the interest charges on the money invested in it. That is a good reason why we should carefully scrutinize the expenditure of money for that harbour. If the elevators are costing anything like twice as much as they should cost, hon. members will see that it is going to increase the handling charges on our grain. This grain trade is a national matter, and we have a very good reason to-night for carefully scrutinizing the vote. If we had not shown that the cost of the elevator erected at Vancouver was excessive I would not say another word. But I think we have certainly shown that.

I would like to draw the attention of the minister to a report which was made to the Canadian National Railways by Mr. Howe, one of the best known grain elevator engineers in Canada, in which he states, I think very distinctly, that it would be much better to build a grain elevator at Port Mann rather than to build this No. 2 elevator on the Ballantyne pier, because the elevator could be constructed

at Port Mann for less than 50 per cent of the cost which must be incurred in building it on the Ballantyne pier. On the other hand I presume, from what the minister stated tonight, that the work in connection with No. 2 elevator has proceeded to such an extent that probably it would be better now to finish it; but if we are going to finish it, I think the minister should send an engineer from his department out there, let him stay at Vancouver all season, and let him see that the money is properly expended.

I want to protest against the building of this elevator on a cost plus basis. The work should be done by tender. The action last year might possibly have been justified because of the necessity of getting the elevator ready, but I do not think the same reason can apply to elevator No. 2. As I said before, we are in the hands of the government in this case. We need more accommodation on the Pacific coast because that is the way our grain should go, and we want to get sufficient storage capacity there so that the individual farmer can, if he wishes, ship to Vancouver and save this little reduction which came last year in the freight rates. At the same time we want to guard ourselves against an excessive capital cost which is going to entail a heavy charge on our grain for many years to come. There is no question that the charge for handling grain through the elevator was largely increased after the elevator passed under the control of the harbour commissioners. I would not object so much to that if I thought that the money which they had received out of the handling charges had been wisely expended.

On page 18 of the interim report of the Royal Grain Inquiry Commission there is this statement:

> Mr. Van Allen in his statement at Winnipeg, quoted figures obtained from the Board of Grain Commissioners relative to the handling of grain in the Vancouver elevator, which showed that between August 1, 1923, and March 7, 1924, that elevator shipped 232,252 bushels of One Northern in excess of receipts.

That looks too much like the practice that went on in the private terminal elevators at Fort William. The minister, I hope will see to it that this practice is not allowed to continue, that is of shipping out more bushels of No. 1 than come into the elevator.

Mr. STEVENS: I know the hon. member does not wish to convey a wrong impression. I think that was explained afterwards by reference to the actual records which showed that on August 1, last there was in the elevator a certain quantity of No. 1 which was carried into this year, which accounted very largely for this excess, and that it was not made up of what is commonly called overages. Let me add, so that my hon. friend will not misunderstand me, that for the last seven years I have been bitterly opposed to the creation of overages, so that I am not for a moment defending that system. I am merely trying to get the fact as it was, I think, finally discovered. Although the record of this year showed a certain quantity received and a larger quantity shipped out, it was made up in that way.

Mr. COOTE: I have read this report and I did not notice that the commission has reported so, but I am willing to accept the statement made by the hon. member for Vancouver Centre (Mr. Stevens). Because they could not have a weigh-up of the elevator, it has not been decided whether they have an overage or not.

Another thing to which attention should be given is the shipping of wheat out of Vancouver without the surrender of certificates. This is mentioned on page 20 which shows that at that time there was a quantity of 12,500,000 bushels of outstanding warehouse receipts for cancellation. The report says that this should not be allowed to continue.

The lease to the Terminal Grain Company is very improper and unfair because it is made at such a ridiculously low price. It should have been high enough to return the amount of interest which the Board of Grain Commissioners have to pay on their bonds.

As regards the acquiring of the Woodward elevator and its subsequent lease, some time ago I put on the order paper several questions regarding the Woodward elevator. The last one was:

> If it was advisable, either in the interest of the grain traffic or the port of Vancouver, to acquire this elevator, why is it not to be operated by the Vancouver Harbour Commission?

The answer is:

> Before acquiring the elevator the commissioners had an inspection made of the plant by a competent engineer, and his report was to the effect that it was well designed for profitable operation as a part of the commission's elevator system without extensive alteration.

I hope the minister, if he can, will tonight explain why that elevator is not to be operated by the Vancouver Harbour Commission when, according to this statement, they say that the engineer reported that it was well designed for profitable operation as a part of the commission's elevator system. In spite of that they later on leased it to a number of Liberal friends.

Mr. BUREAU: Do not choke over it. It is all right.

Mr. COOTE: It may be all right and then again it may not. But I would like to refer again to this interim report on page 18—it says:

> We have been unable to clear up the discrepancy between the figures of the Board of Grain Commissioners and those submitted by Mr. McLean, superintendent of the Vancouver harbour elevators. The totals submitted by Mr. McLean show practically an equality between the receipts and shipments of No. 1 Northern, but they do not check with those compiled by the statistician of the Board of Grain Commissioners based on the weekly reports submitted to the board by the harbour commissioners. During the course of the inquiry various attemps were made to bring these figures into agreement by the officials of the elevator and the officials of the Board of Grain Commissioners who were present. This they proved unable to do. After the close of the public sittings D. D. Young, technical adviser with the commission, made further efforts, but reports on this date (June 18) that he cannot account for the discrepancy.

This is the discrepancy to which I referred in the shipment of No. 1 wheat. Possibly the hon. member for Vancouver Centre has some information which has been obtained since that date. I do not know. Perhaps the minister, when he makes his reply, would deal particularly with this question why the Woodward elevator is not to be operated by the Vancouver Harbour Commission.

Mr. CLARK: What causes the increased grain charges?

Mr. COOTE: That I am not able to say. Probably the minister will be.

Mr. CLARK: Is it not the fact that the increase of from one to six cents a bushel in cargo charges is largely responsible?

Mr. COOTE: I was not referring to that increase at all. I was referring to the charges in the elevator itself, for elevating and handling the grain.

Mr. CLARK: That is, there have been increased charges for handling and elevating the grain, in addition to the other?

Mr. COOTE: Yes, half a cent a bushel.

Mr. GOULD: Hon. members can understand that one who has been producing grain for thirty-three years on the western prairies and particularly one living near the dividing line that is where grain might be shipped east or west, has a great interest in this question. I have on former occasions mentioned what I consider a detriment to the producers of grain in the mixing privileges that have been accorded to elevator companies throughout the country in the past. At the present time the port of Vancouver is in its initial stage, and the Woodward elevator which has been under discussion was built there for the sole purpose of mixing and for that reason I am very much concerned, as people are throughout the country who are engaged in the production of wheat, as to whether this government is going to allow that practice to continue. I notice in the interim report which has been brought down that the commission made a very brief reference to the question of mixing, and while one might term it noncommittal there is nevertheless a phrase in the report which might be regarded as undoubtedly committal. It is this:

> If the mixing of different grades of grain in private terminal elevators is found after full consideration to be expedient the permission to do so should not be withheld from Canadian Pacific ports.

The grain commission has been taking evidence for some months and prior to their visit to Vancouver they received much evidence from the producers of grain against the practice which has been in vogue for some years of mixing grain. I hope that when the government brings down legislation they will definitely refuse to allow companies to mix our grain. I want to cite for a few minutes the way in which these evils affect us. For the past thirty-three years I have been engaged in the raising of wheat and in all those years I have had the good fortune never to have a solitary bushel which was graded either damp or tough. The reports show that in a decade there has been some 20 per cent of the total grain output registered as damp or tough wheat, so that 80 per cent would be real hard wheat with a moisture content of say 10 per cent. It is a well known fact that before the mills will grind this wheat they bring it up to a 14 per cent moisture content. I argue that as we had last year an exportable surplus of approximately 300,000,000 bushels, taking 20 per cent as damp or tough wheat—it was lower than that last year, but we will take that percentage—we had an exportable surplus of 260,000,000 bushels of real hard wheat with a moisture content of approximately 10 per cent. But after the elevators got hold of this wheat what did they do? It has been proved before the special committee on agriculture that only 1 bushed of every 4 which are supposed to go to the dryers really reaches them. The elevators mix that dry wheat, raising the moisture content of the 260,000,000 bushels up to 14 per cent; in other words the amount of moisture which is added to that 260,000,000 bushels represents 9,600,000 bushels of wheat. The elevators and mills will not accept the wheat except under these conditions. This mixing privilege is allowed and that 9,600,000 bushels, which is really water, represents a profit to the companies. It must not be for-

gotten that the individual who is unfortunate enough to produce wet or damp wheat has to pay the difference. The people who grade it make sure that they judge the moisture content against the individual who produces the wet wheat and he therefore pays the price, whereas the man producing the hard wheat does not receive the premium he deserves producing an article which lacks 4 per cent moisture content which must enter the wheat before milling. I argue that the people who have produced 80 per cent of hard wheat in all the years since the western country has been opened are entitled to a premium which they have not been receiving but which has been taken by the elevator and milling companies and used to their own advantage. I would therefore ask the government to seriously consider the question while the Vancouver port is in its initial stage. If this mixing privilege is allowed at one place it should be allowed elsewhere; but my contention is that it should be and must be abolished at all export places, whether Fort William, Port Arthur, Vancouver or anywhere else.

I have referred to the Price Waterhouse report which revealed the enormity of overages in mixing. The amendment to the Grain Act came as a result of the findings of that report, which showed that these elevator companies made from 36 to 50 and 56 per cent of profit in one year's operations in consequence of the mixing privilege and various other things. The amendment to the act was brought in allowing the elevators to retain only ¼ of 1 per cent of the overages, the rest going to the consolidated revenue fund. A recent decision handed down by the Exchequer court holds that the amendment was ultra vires and consequently at the present time the elevators have no restrictions whatever, such overages as there are they may retain. Hon. gentlemen can therefore see that this privilege is of such value to the elevator companies that they will naturally make all the overages they possibly can. The elevators being in this position, the grain producer must necessarily suffer; and whether by legislation or otherwise, some means ought to be devised to take from the elevator companies the undue and illegal profits which they at present make. I thought once that possibly a sample market would assist materially in eliminating this evil practice, and I am still of that opinion. However, for some reason or other, largely because of the agitation created by the companies themselves, who do everything they can to prejudice the producer aginst his own interests so that they may reap all the profits, the sample market is not in existence in the West. Hon. gentlemen can easily see that if there were a sample market at Vancouver, when any individual sent in grain that was worth a premium, being hard and dry wheat lacking moisture content, if the millers bought that wheat on its merits the producer would get his price for it. For my part I do not mind after they have paid me my price how they mix the wheat. At the present time, however, the profit is taken from the producer; the grain gets to the Liverpool market in a deteriorated state, because, although it may carry a certificate, that certificate is given after it has been mixed. So that I receive a price for an article which is several times lower in grade than the sample I grew. I do trust that when the final report of the royal grain commission is brought before this House the government will seriously consider the introduction of legislation to deprive the elevators of the country from mixing grain to the detriment of the producer.

Mr. SPENCER: Mr. Chairman. We have had a good many criticisms against the operation of the Vancouver elevator, and we should be glad to have the Minister of Marine and Fisheries (Mr. Cardin) reply to them, particularly to those made by the hon. member for Medicine Hat (Mr. Gardiner).

Mr. CARDIN: I was under the impression that the Minister of Public Works (Mr. King) had replied to the criticisms in a general way. The investigation by the Royal Grain Commission covered almost all the points which have been raised by hon. members, and without having gone through all the details of the report, I think the commissioners have found that certain of the complaints were not well founded and that on certain points the evidence adduced was, to say the least, very contradictory. I think we should be sufficiently generous to give the harbour commissioners the benefit of the doubt in view of the splendid record which they have achieved in handling 50,000,000 bushels of grain with the inadequate facilities at their command, and that we should be content for the time being with the investigation which was conducted by the royal grain commission. It is admitted that in all human institutions defects develop and must be remedied as time goes on, but I think, on the whole, the administration of the harbour commission has been pretty good and that they should be given some consideration. For myself I feel that the major portion of the criticism which we have heard

should not shake our confidence in the members of the harbour commission. I have listened with a great deal of interest to the representations which have been made, and I can assure hon. members that, being a new man on a new job, I will look into all these cases to the best of my ability and with all the enthusiasm which is left in a man of my age.

Section agreed to.

On section 6.

Mr. COOTE: Has the lease of the Woodward elevator been approved by the government?

Mr. CARDIN: I do not think it has been definitely approved by the department.

Mr. COOTE: Is it the intention of the government to approve that lease?

Mr. CARDIN: I suppose my hon. friend will not object to the usual answer—the matter is under consideration.

Mr. GOULD: What material is being used in additions which are being made to the Woodward elevator at Vancouver?

Mr. CARDIN: My information is that we are not building any additions to that elevator.

Mr. GOULD: There is provision made for another elevator there. What do the plans and specifications provide for?

Mr. CARDIN: They provide for concrete construction.

Mr. GOULD: I would remind the minister that the other night we were told that concrete disintegrated in salt water.

Mr. GARDINER: How is the completion of the Woodward elevator being financed?

Mr. CARDIN: The harbour commissioners have been authorized to issue bonds, but we have not been informed that they have yet made the issue.

Mr. GARDINER: I understood that the harbour commissioners have invited tenders for these bonds, but because of the proviso insisted upon they had withdrawn the issue. I was wondering how the elevator was going to be paid for.

Mr. CARDIN: We have no information as to that.

Section agreed to.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 256, to provide for further advances to the Vancouver Harbour Commissioners.

Motion agreed to, and bill read the first time.

Mr. DEPUTY SPEAKER: When shall the bill be read a second time?

Mr. MEIGHEN: Next sitting.

On motion of Mr. Graham the House adjourned at 12 o'clock midnight.

Tuesday, July 15, 1924

The House met at eleven o'clock.

REPORTS PRESENTED

Mr. JEAN J. DENIS (Joliette) presented the third and fourth reports of the special committee appointed to consider questions relating to pensions, insurance and re-establishment of returned soldiers.

Mr. H. B. McGIVERIN (Ottawa) presented the ninth report of the select standing committee on Miscellaneous Private Bills.

BANKING AND COMMERCE

Mr. THOMAS VIEN (Lotbiniere): I beg to move that the twelfth report of the select standing committee on Banking and Commerce be concurred in. I might explain to the House that the twelfth report was laid on the Table of the House on the 4th of July. As it is self-explanatory, I will read it to the House:

> Your Committee recommend that the government should study and consider the practicability of laying before parliament at a subsequent date the establishment in the chartered banks of Canada, of an additional class of savings accounts whereby all holders of deposits, who may place their money in such class of accounts, in any one bank or branch thereof, shall be protected against loss up to the sum of $3,000 by the establishment of a fund on an insurance basis, the premiums of which will be contributed by the depositor and the bank in such proportion as may be determined and that the government work out the details and actuarial data necessary for the establishment of the said proposal and upon conference with the banking institutions of Canada, that legislation may be enacted to carry out the results of the said conference and such scheme as may be evolved.

I may state that this resolution was moved by the hon. member for Vancouver South (Mr. Ladner), and was adopted unanimously by the Banking and Commerce committee.

Mr. STEVENS: I would suggest that the hon. member limit that to those who were present on that occasion. I was not present, and I would not have agreed to it.

Mr. VIEN: I have not here a list of those present at that sitting, but I know that the resolution after being amended was unanimously adopted.

Mr. HUGHES: I was not present at that meeting, and I do not think the project is feasible.

Mr. MACLEAN (York): Have any other reports of this committee been concurred in yet by the House?

Mr. VIEN: There are quite a few other reports to come before the House.

Mr. MACLEAN (York): When will they come before the House?

Mr. VIEN: As soon as feasible.

Mr. MACLEAN (York): How many more are there?

Mr. MEIGHEN: If we have many more committees and many more reports in this parliament, we had better have an official assignee for the Dominion.

Motion agreed to.

INDUSTRIAL RELATIONS

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): The committee on Industrial and International Relations had a number of sittings and finally adopted a report. I understand that the chairman has left the city, and the report has not yet been presented. I should like to know when this report will be brought down to the House.

Hon. JAMES MURDOCK (Minister of Labour): As the hon. gentleman has said, the chairman of the Industrial and International Relations committee had to leave Ottawa, but arrangements have been made for the committee to come together to-morrow at ten o'clock in order to determine what should be done.

HOME BANK

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): When may we expect that the motion to concur in the report of the select standing committee on Banking and Commerce having to do with the reimbursement of the Home Bank depositors will be made?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I cannot give my hon. friend a positive statement at the moment, but before the House adjourns this evening I think it will be possible to make an announcement on the matter.

MONTREAL HARBOUR COMMISSION

SOUTH SHORE BRIDGE

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

Resolved, That it is expedient to amend the Montreal Harbour Commissioners Act, 1894, and to provide,—

1. That the Harbour Commissioners of Montreal may build, own, maintain and operate a bridge for general traffic including tramways across the river St. Lawrence from a point in the city of Montreal to a point on the south shore of the said river to be determined by the said corporation, with all necessary or useful appurtenances or accessories.

2. That the plans of such bridge shall be submitted to and approved by the Governor in Council before beginning the construction thereof, and the corporation may, subject to the approval of the Governor in Council, charge and recover tolls for the use of or passage on such bridge.

3. That the corporation may, for the above purposes, and from time to time, borrow money or issue and sell or pledge bonds for such amounts, at such rate of interest, and on such terms and conditions as it may determine, and it may secure such bonds or loans by a mortgage or hypothec on the said bridge and by a charge on the tolls and revenues thereof.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. CARDIN: I do not think it is necessary to go into a detailed explanation as to the purpose of these resolutions. The question of the building of this bridge is not new to the House. It has been discussed on many occasions and, I think, nobody disputes the advisability of proceeding with the construction of this work. The object we have in view is to enable the Harbour Commission of Montreal to do that. The proposed bridge will be within the boundaries of the port of Montreal. It will be of great benefit and advantage to Montreal, because, it will afford a connecting link with the south shore of the St. Lawrence opposite the city. At present there is only one such link between the island of Montreal and the south shore of the St. Lawrence namely, Victoria bridge. Everybody who knows the situation will admit that the present means of communication between the north and south shore is quite insufficient. Any one that passes over Victoria bridge, particularly on Sunday, will immediately realize, in view of the heavy traffic, that the construction of another bridge is absolutely necessary. The new structure, we think, will be a source of revenue, and we believe the receipts from it will be ample to take care of its construc-

tion. It is proposed to make two amendments to the resolution. The first is to strike out the words after the word "determine" in the third line of paragraph 3 and to substitute therefor the following:

—and such bonds or loans shall be secured by a mortgage or hypothec on the said bridge and by a charge on the tolls and revenues only.

The other amendment is to add another paragraph reading as follows:

That any such loans or bonds shall as to form, terms and amount be subject to the approval of the Governor in Council, and the said securities or bonds may in whole or in part as to principal and interest or both be guaranteed by His Majesty and any such guarantee may be in such form and on such terms and conditions as the Governor in Council may determine and be signed by the Minister of Finance on behalf of His Majesty.

As I understand it is not in order for me to move these amendments, I shall ask my colleague, the Minister of National Defence, to do so.

Sir HENRY DRAYTON: What is the reason for the change? So far as the construction of the bridge is concerned? I am pretty well aware of the conditions; I know that the Victoria bridge, with its long length, with two tracks of steam railway running over it, with the electric line on the other side, and with the narrow roadway for traffic going in both directions, is not only congested but dangerous. I do not think there is any question about that; I have been there when it was dangerous. But applying ourselves to the manner in which this improvement is to be made, what is the reason for the change proposed by the resolution? Who has asked for it? What is sought to be done?

Mr. CARDIN: I think it is the general request of all the population of the country. Opinion is unanimous in regard to the construction of the bridge, and it is an old project which has been requested for a long time.

Sir HENRY DRAYTON: The minister does not get my point.

Mr. CARDIN: Yes, I am coming to it. The change suggested in the resolution is to give to the bonds which will be issued by the harbour commissioners the guarantee of the government. As the resolution was drafted at first this point was doubtful. The only reason for the change is to have the guarantee of the government for the bonds which will be issued by the harbour board.

Sir HENRY DRAYTON: I am not quarrelling with that. I realize that the credit of the country is absolutely behind the harbour commissioners, and whatever is best to enable the commissioners to borrow money cheaply ought to be done, and they can borrow more cheaply with the guarantee than without it; and so far this commission has properly looked after their interest funds—the commission has carried its investment; but that was not the change I was referring to. What is the idea of confining the securities solely to these tolls? Why is the word "thereof," struck out? Is it the idea that the harbour commission as such should be under no liability at all, so that we might be confronted in a short time with a proposition to take off those tolls altogether, which would result in a direct government charge and an expense to the country. I cannot see the reason for striking out the word "thereof," and substituting the word "only". I would have thought this would be a direct obligation of the harbour commissioners, and that it would not be confined merely to receipts accruing from the tolls collected, which might be taken off by this House at any time. It seems to me the minister has not thought that over.

Mr. GOOD: Would the chairman read section 3, so that we may get it clearly in our minds.

The CHAIRMAN: Section 3 reads as follows:

That the corporation may, for the above purposes, from time to time borrow money or issue and sell or pledge bonds for such amounts at such rate of interest, and on such terms and conditions as it may determine, and such bonds or loans shall be secured by a mortgage or hypothec on the said bridge and by a charge on tolls and revenues only.

Mr. CLARK: I am surprised the minister does not answer the question which has been asked. This amendment makes it perfectly clear as I read it, that if the revenues from tolls on this bridge are not sufficient to pay the interest, then the responsibility becomes that of the country and not of the Montreal Harbour Commission. That ought to be made perfectly clear; as the amended resolution reads, there can be no doubt about it.

Mr. LEWIS: I am not speaking in regard to the absolute necessity of having the bridge, but I would like to know if the total expenditure for the bridge will be added to the debt of the harbour commission and if so, as the result of the increased indebtedness, will the rates be higher? Or will the expenditure be kept as a separate issue to pay for itself?

Mr. HANSON: There is no question at all about the language of this resolution. The idea, as I understand it and interpret it, is

that this bridge shall bear itself. If it does not bear itself any deficit shall be paid by the taxpayers of the country. This primarily is a proposal of the Harbour Commission of Montreal. Speaking generally, I do not see why the whole revenues of the harbour commission should not be liable for this expenditure, if the tolls are not sufficient. Whether it raises the rate on grain by a hundredth of one per cent is immaterial to the rest of the country. This is a local proposition and should not be borne by the general taxpayers of the country, except that the credit of the country might be lent in order to borrow the money that much cheaper.

Mr. LEWIS: I would like an answer to my question.

Sir HENRY DRAYTON: Will the minister not tell us why the word "thereof" is taken out and the word "only" inserted in its place? If we leave the word "thereof" in the resolution, it is quite clear where we stand. If we insert the word "only" it is quite clear that we do not know what may be done later. If we insert the word "only" instead of "thereof," it means that the promoters do not believe what the minister is saying, that this will be a paying proposition. I would be sorry to think that, and I would be sorry to think it was anything but a project conceived in the best of faith to carry out something that ought to be done, and the best proof of that is to show it properly.

Mr. BUREAU: I do not want to butt in and say anything in advance of the minister; but I know there has been a general demand for the bridge and it has been a necessity, as the minister says. The primary object was to have the harbour commission look after the construction of that bridge, and they are the logical body to look after it. Everybody travelling across the St. Lawrence at that point is interested in the construction of the bridge, but more particularly people residing in the city of Montreal and the municipalities on the St. Lawrence in that district. I do not know what the details are, but I have heard it discussed as a most feasible thing to have the harbour commission take hold of the construction of the bridge, to bring in the province of Quebec and have the provincial government give a part guarantee of the debentures during construction time, and to have the municipalities also assume their share. From past experience and from data gathered lately as to the passage of vehicles over the bridge, I say it cannot be anything but a paying proposition. I think one day five thousand cars were lined up waiting to cross the Victoria bridge.

Mr. ARCHAMBAULT: Five thousand two hundred.

Mr. BUREAU: That shows exactly what kind of traffic we have over the St. Lawrence at this particular spot.

Mr. CALDWELL: Was it the twelfth of July?

Mr. BUREAU: No, Sunday, the day after the twelfth. They were just recuperating at that time and coming home. I do not know the object of the resolution. I suppose the harbour commissioners do not want to impair their credit too much and do not want all their elevators and docks to come in as security; and, knowing that this would be a paying project, they would have no objection to bringing in the other powers or public bodies and have them contribute, letting the bridge stand by itself as a security to the bondholders. What has inspired that, I do not know. If I were harbour commissioner of Montreal, I would not hesitate to pledge everything, because I am sincerely convinced, as is every other man who lives in that vicinity, that that bridge cannot come to grief; that it is bound to pay and that it will pay for itself in a couple of years after it is constructed.

Mr. CLARK: The explanation of the Minister of Customs and Excise (Mr. Bureau) is very interesting, but it does not answer the question. In view of his statement, let me give hon. members from the West a comparison between what is done in the port of Montreal and what is done in the port of Vancouver. In Montreal, we have congested traffic, apparently automobile traffic, on Sundays.

Mr. GRAHAM: No.

Mr. CLARK: It was congested on Sunday —5,200 cars waiting to cross the bridge.

Mr. BUREAU: That was the 13th July.

Mr. CLARK: Apparently that bridge is not going to be used for railway traffic.

Mr. CARDIN: Not for railway traffic—for tramways, motor vehicles, pedestrians.

Mr. CLARK: The port of Vancouver is a port where North Vancouver forms the industrial or prospective industrial portion of the harbour. We have no communication with that part of the harbour except by

water. For the last twenty years we have tried to get one bridge across that harbour in order to promote business.

Mr. GRAHAM: Did you not get a grant in cash from this parliament for that?

Mr. CLARK: I will admit that; I will come to that, but I wish to make my comparison. When the prairie farmers desire to get access to the port of Vancouver over the Canadian National railways and the only bridge access that can be given is by a bridge across the harbour and into North Vancouver where the Canadian National Railways could have its freight and grain terminals, we find it necessary to pledge the credit of the surrounding municipalities. The municipality of North Vancouver has pledged its credit to the last degree for the purpose of serving the Canadian National Railways and the prairie farmers, as well, of course, as the people of Greater Vancouver. We have come to the parliament of Canada. We got a bill passed in 1913 for a subsidy, I think, of $350,000 towards the building of that bridge, which expired before advantage could be taken of it, and last year another subsidy, I think, of $100,000. But the credit of these municipalities is pledged for over $1,000,000, and it will probably be pledged for a great deal more. Even then we shall not have a first-class bridge such as the Dominion of Canada is guaranteeing for the port of Montreal; we shall have a second-class bridge to serve the grain interests of the West. If the Dominion of Canada is going to guarantee bonds to the extent of $7,000,000 for the port of Montreal, the Harbour Commission of Montreal should take the full responsibility and give its covenant for both principal and interest. If the revenues from that bridge do not pay the interest, the people of western Canada should not be called upon to pay the interest. The surrounding municipalities of the wealthiest city in Canada have just as much responsibility to pay that interest as the surrounding municipalities of a city like Vancouver, a very much poorer city, which will have to pay both interest and principal in connection with the construction of a bridge at that port.

Mr. KNOX: After the fate of the branch lines, I was just wondering if the minister thinks there is any likelihood of this legislation in connection with the port of Montreal being able to get through the Senate.

Mr. CARDIN: In view of the representations made, if it is the desire of the committee, I shall be disposed to drop the first part of the amendment and to keep the resolution as it stood on the order paper last week, adding only clause 4 in regard to the guarantee.

Mr. CALDWELL: What is the estimated cost of this bridge?

Mr. CARDIN: About $6,000,000.

Mr. MEIGHEN: I would suggest to the minister that we make it $10,000,000 to start with, and thus save doing so later on. How is it that, when we have been all session occupied with some fairly consequential measures, but mostly a number of picayune amendments hardly worthy of the attention of parliament, of the latter number at least twenty commencing early in the session; now, when we get right at the end of the session we are loaded down with this sort of proposal, involving a project, however important, however necessary, of more consequence than the whole twenty bills many times over?

Mr. CARDIN: I am not very familiar with the procedure of the House and I have not very much experience yet, but I think the practice which we are following is the practice that has been generally followed. I think in the past we have received at the end of every session very important bills that could have been brought down at the opening of the session. At all events, this does not destroy the feasibility of the project. The leader of the opposition (Mr. Meighen) speaks of large disbursements. There is no disbursement in this case. We are not lending the Montreal Harbour Commissioners any money. They are to issue their bonds themselves and we are giving them only a guarantee in order to issue their bonds. Therefore, we have no real disbursements to make if this legislation goes through.

Mr. MEIGHEN: This does not affect the debt at all, and this is the government's favourite method. Speaking entirely apart from the merits of the bill, I am at a loss just to know why we should carry out this project in this way. The harbour commissioners are not bridge builders nor highway experts, nor have they in their custody anything of that character. They are there to manage the harbour in order to secure the transport of goods that go through a harbour. If the federal government is going to the extent of interesting itself in this project, why should we not do so directly, say with the province of Quebec and the city of Montreal, rather than get under the

shelter of the harbour commission, give this into the hands of Mr. McDougald? We put all our guarantee behind it, supply the whole funds necessary out of the treasury, for this amounts to the same thing.

Mr. BUREAU: The government has never paid anything for the Harbour Commission of Montreal.

Mr. MEIGHEN: I know it has not, nevertheless we commenced the harbour commission, financed it from the beginning. We are financing this from the beginning. If we lent the money directly, I do not presume that we would pay the interest, or at least, we would not be a bit more likely to do so.

Mr. BUREAU: What would be the difference?

Mr. MEIGHEN: Not a whit of difference, except that when we lend the money direct, we sign the bond at the bottom, and when we give a guarantee, we sign it on the back. It is just the difference bteween Tweedledum and Tweedledee.

Mr. BUREAU: That is where the right hon. gentleman shines.

Mr. MEIGHEN: It is well for somebody to shine in that way and let these things be understood. Do not let us fool ourselves by thinking that there is any real difference. The point that I am making does not apply to the merits of this project at all. As regards the project, our liability is just the same as if we went into the bond market, borrowed the money and lent it for the purpose. We might as well understand that at the beginning. The question I am asking is this: Why do we not go about this directly, in an open fashion, get under the project ourselves, superintend its construction, and not use another shadow, guarantee the bonds of that shadow and have this built just a little piece away from us? What is the reason of this? The harbour commission did not build the last bridge and I do not suppose they were organized when it was built. I do not know where they have ever built a bridge before. Why therefore is the harbour commission being used now? We have not had any explanation of the matter but we are now asked at the end of the session to pass this legislation. Why is the harbour commission being used at all? Is it merely in order that we shall not show this expenditure in our debt? Is it because the government wants to leave the people under the impression that we have no liability in connection with it? Are these the real reasons which the government has in mind, or does it expect the harbour commission to run some other service?

Mr. CARDIN: The hon. member must bear in mind that the bridge when built will be included within the boundaries of the harbour of Montreal.

Mr. MEIGHEN: The present bridge is in the boundaries of the harbour but the commissioners do not run it.

Mr. CARDIN: Does the hon. member refer to the Victoria bridge?

Mr. MEIGHEN: Yes.

Mr. CARDIN: Well, that bridge was built a very long time ago and I doubt very much whether the Harbour Commission of Montreal was organized at the time. This bridge is to be built within the limits of the harbour of Montreal and unquestionably the harbour commission is very much interested in it. I do not see therefore why we should hesitate to place our confidence in the commission, who have already made a success of the port of Montreal. In any event, there is no question that we should have an organization of some kind to take care of the bridge instead of creating a new body. Under the circumstances it is in my opinion very much better to use the organization already in existence and which, as I say, has made such a success of the port.

Mr. STEVENS: Is this a railway traffic bridge or is it used merely for vehicular traffic?

Mr. CARDIN: It is both a vehicular and a street railway bridge.

Mr. STEVENS: Then it will not serve the purpose of the harbour in moving goods from one part to the other.

Mr. CARDIN: If the bridge can be operated by the street cars there is no reason why it should not be capable of serving the purposes of the harbour.

Mr. STEVENS: It is either a railway bridge or it is not. The minister says it is not, and if it is not a railway bridge it cannot be used for the transportation of goods from one part of the harbour to the other, which is the only purpose that would justify the commissioners in controlling it.

Mr. BRISTOL: Who built the last bridge?

Mr. BUREAU: The Grand Trunk Railway.

Mr. ARCHAMBAULT: I only wish to say a few words in support of the resolution. The leader of the opposition (Mr. Meighen) visited St. Lambert in 1919 and at that time expressed his approval of a construction of this kind. The only obstacle he perceived was the costliness at the particular time; he pointed out that at the time the war expenditure was so large that it was not possible to spend the necessary money in this work, adding that in the future he would give it his approval. The right hon. gentleman said that we were not going about it in the right way and that instead of asking the harbour commission to build the bridge we should make the expenditure direct. But I remember well that when in 1921 I proposed a resolution for the construction of a bridge the then Minister of Public Works, Mr. McCurdy, replied that the government could not make that expenditure themselves. This is what he said, as appears in Hansard of 1921 at page 2217:

> But, admitting the necessity for such construction, I would suggest that the attention of the parties who are desirous of having these improvements carried out should really be directed towards the competent authorities, who should assume the expenditure.

He went on to say that requests had been made by practically every member who represented constituencies interested in the construction of the bridge, but he stated that the federal government could not make the expenditure direct. Now, we are asking the harbour commission to build this bridge, for the reason that the port of Montreal is already pretty well congested and there is no available space for further construction. On the west end of the port you cannot build anything; the Lachine canal and Victoria bridge make any construction impossible. And on the east end, construction has proceeded so far that it is a considerable distance from the centre of the port. The other side of the river, the south shore, belongs to the port of Montreal and to enlarge the construction of the port it will be necessary to build wharves and docks there. The intention is to have a bridge which will connect the two shores, and that is why the harbour commission is taking charge of the construction. But this will not cost the country a cent. My hon. friend opposite (Mr. Knox) asked us whether we had hopes that this bill would pass the Senate after that house had rejected some of the railway branch lines. There is no comparison between the two cases; this is an entirely different matter. In the other instance, the Canadian National Railways were asking the country to spend some money to build certain lines; but that is not what we are doing here: we ars asking the government to guarantee the bonds which will be issued by the harbour commission to build a bridge. I do not know whether hon. gentlemen realize the present situation, but the only avenue of communication between the south shore and the city of Montreal is the old Victoria bridge which was built in 1859. In 1898 that bridge was enlarged to provide two paths for vehicular traffic, one running north and the other in the opposite direction, each of them 13¼ feet wide. In 1909, however, the tramways company took over one path leaving for vehicular traffic going in both directions a roadway 13¼ feet in width. So that the facilities at the present time are not as adequate as they were in 1909, when the population of Montreal was about 200,000; and to-day the island of Montreal has a population of over 1,000,000. There was no motor traffic at the time the tramways company took over that pathway whereas to-day the tourist traffic is so considerable that the figures show that 506,000 motor cars crossed the Victoria bridge during the past year.

Mr. MEIGHEN: The hon. member says that the population of the island was 200,000 in 1909. Is he not mistaken?

Mr. ARCHAMBAULT: Let us say three or four hundred thousand, then.

Mr. MEIGHEN: It was rather six.

Mr. ARCHAMBAULT: Well, six then. Now the population of the island of Montreal is over a million.

Mr. HANSON: Why does the hon. member say that?

Mr. ARCHAMBAULT: The statistics show that.

Mr. HANSON: The last census showed that the population of the island was less than three-quarters of a million.

Mr. ARCHAMBAULT: That is for the city proper.

Mr. HANSON: No, the island of Montreal If the hon. gentleman was in the Redistribution committee he would have thought, from the action of some of his friends, that the population of the island was less than half that. He would have come to that conclusion from the representation they wanted to give it.

Mr. ARCHAMBAULT: I will not take up the time of the committee discussing such details. It is quite apparent that the population of Montreal has increased tremendously. In 1909, I repeat, there was no motor traffic whereas last year 506,000 cars passed over the Victoria bridge. One hon. member has said that the reason for this construction is to be found in the tourist traffic only. There is something much more important than the tourist traffic. The present Victoria bridge is the only means of communication between all the different counties on the south shore and the city of Montreal.

Mr. BRISTOL: Then why does not the city of Montreal build it and pay for it?

Mr. ARCHAMBAULT: It is the intention of the harbour commission to ask of the municipalities interested, and to ask the provincial government as well as the federal government to guarantee their bonds. The hon. member will find the following in the bill:

> The corporation may make agreements for receiving and may receive, take and hold grounds or tracts of property, movable and immovable, or money or any other form of aid from any government, municipality, corporation or person.

Mr. HANSON: That is not in the resolution.

Mr. ARCHAMBAULT: It will be in the bill.

Mr. MEIGHEN: The corporation there referred to is the Board of Harbour Commissioners, as mentioned both in the bill and here.

Mr. ARCHAMBAULT: Yes, the minister explained that it was the intention of the harbour commission to ask the municipalities interested and the provincial government to guarantee the bonds. Last year, outside of the revenue from horse-drawn traffic, which is tremendous, the revenue from the Victoria bridge was $229,000. I was just going on to say that this bridge is the only means of communication for the farmers of the most fertile counties in the province of Quebec—Richelieu, Laprairie, Chambly, Vercheres, Napierville and St. Johns. Most of the farmers in that district are market gardeners and they sell their produce in Montreal. There is no means of communication between Montreal and the south shore outside of the Victoria bridge. That bridge is not only inadequate for the purposes it is intended to serve, but it is positively dangerous. The space for vehicular traffic going both ways is only 13½ feet wide, and numerous accidents occur. About a year ago two farmers were thrown over the railing and were drowned. It would afford me pleasure to take any hon. member over that bridge so that he can see for himself how dangerous it is. There is another point: We are spending money for roads. All tourists from the United States proceeding to Montreal via the King Edward road have to cross the Victoria bridge in order to enter the city. It has been said that a chain is no stronger than its weakest link, and if there is no facility for communication between the King Edward road and Montreal other than the Victoria bridge, traffic will not increase. But I contend that the money brought into the city of Montreal as a result of the tremendous tourist traffic is beneficial not only to Montreal but to the country at large, because it is money that is left in Canada. I heartily support the resolution.

Mr. MEIGHEN: The hon. member is quite right when he makes reference to the visit I had the honour of making to St. Lambert in 1919 or 1920—I am not sure which it was; and he also states very fairly the position I then took. I realized then, as I realize today, the necessity of further ingress and egress between the city of Montreal over the St. Lawrence river and the south shore. It is just a matter of how far that necessity weighs in relation to our present financial position. At that time, as the hon. member points out, I made no promise of construction of the bridge. I told the people very definitely that I did not feel that as yet we were in a position to undertake the venture, however desirable, indeed, however pressing it may have been, owing to the very great financial obligations that would be involved. The hon. member refers to the words of the Minister of Public Works about three years ago, Hon. Mr. McCurdy, which were to the effect that even then we did not feel in a position to commence the enterprise. The government now seem to be of the opinion that they are able to do it. They are not able to do it now, though, by putting their names on federal bonds to get the money or a share of the money, but they are able to do it by putting their names on the back of the bonds of the harbour commission. Hon. members will, of course, see the distinction which the government draws. Our financial position would not justify our even joining with others, who are perhaps even more directly interested than we are, in a direct obligation for the purpose of construction, and taking upon ourselves

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the responsibility of seeing that the construction was properly completed, but we are able to do so provided we go on the back of the bonds of our own commission for the whole amount of the enterprise.

Mr. MARLER: Have not all the obligations of the Montreal Harbour Commission been financed in exactly the same way?

Mr. MEIGHEN: That is not the point at all; I know that. But when we finance them we do so because we think we are able to; and we are just in the same responsibility when we finance them direct and lend them the money as if we now endorse their bonds.

Mr. MARLER: That may be perfectly true, but the Montreal Harbour Commission have invariably paid their indebtedness, and have invariably paid their sinking fund also.

Mr. MEIGHEN: The hon. member is not on my point at all. The point is that if we are able to do it to-day this way we are able to do it the direct way.

Mr. MARLER: Why should we do it the direct way now? Why depart from what has been done in the past?

Mr. MEIGHEN: The hon. member wants to hasten me past my point, but he cannot do it. If we are in a position to do it by endorsing the bonds of the commission, we are equally in a financial position to do it the direct way.

Mr. ARCHAMBAULT: Oh, no, it is quite different.

Mr. MEIGHEN: I know it is different, but the financial responsibility is the same.

Mr. ARCHAMBAULT: Yes.

Mr. MEIGHEN: That is all I am arguing.

Mr. FORKE: Would it not all depend upon the security?

Mr. MEIGHEN: Certainly, it would all depend upon the security, and the security in the one case is exactly the same as in the other. Now, I hope this is clear; I know it was to the hon. member before I started, but I had to persist in order that nobody else would be misled on that point. Our financial responsibility now is precisely the same as though we set about to do it directly, because we would have the same security in each case.

[Mr. Meighen.]

Mr. ARCHAMBAULT: That is, in endorsing?

Mr. MEIGHEN: We have the same security whether we endorse or whether we give the bonds; we have the security of the bridge.

Mr. MARLER: An indirect liability is never taken into account in the consolidated revenue fund of the country.

Mr. MEIGHEN: No, it is a method of dodging an increase in our debt.

Mr. MARLER: No, it has not in the slightest degree been a method of dodging in the past. The principle has been recognized in this House time and time again. These questions have all been up before.

Mr. MEIGHEN: The hon. member is off the point again. I know we have done it that way in the past; the hon. member is pushing on me that fact. But in that way we escape having the amount appear in our debt, although our liability, our responsibility, is precisely the same. Very well now; let us pass on. Seeing that we have the same responsibility, the same financial liability, the same security, why do we use the harbour commission if it is not merely to avoid having the amount appear in our debt?

Mr. MARLER: That is not the reason.

Mr. MEIGHEN: The hon. member says it is not. What has the harbour commission to do with the bridge across the St. Lawrence? Is that in any phase at all a portion of their responsibility? Has it any kinship at all to their work?

Mr. MARLER: It has this: This bridge will be in a situation where ocean traffic passes up to the port of Montreal, and to give any private company or anybody outside the harbour commissioners absolute control of that bridge would be an impossible situation.

Mr. MEIGHEN: Ocean traffic does not go over the bridge; it goes under it.

Mr. MARLER: It goes under the bridge, of course, but both ends of this bridge will be in the harbour of Montreal. The bridge goes right across the harbour; that is an important point my right hon. friend should not overlook.

Mr. MEIGHEN: I do not think the point has any bearing. It is true the harbour commission has to use the water under the bridge, consequently, we should see that the bridge is of sufficient height that it will not interfere

with water traffic; but what in the world do we need to use the harbour commission for to build the bridge? Can nobody else build it high enough except the commission?

Mr. GRAHAM: My hon. friend knows the government must have some machinery to do it with, and is there anybody better than the harbour commission?

Mr. MEIGHEN: We have enough machinery, dear knows. We have the engineers of the department.

Mr. GRAHAM: But you do not want to use it.

Mr. MEIGHEN: We have all sorts of departments with engineering staffs. Are we going to use the harbour commissions as a sort of stool pigeon for the construction of various public works throughout the country? If we are going to do it in Montreal, why not in Vancouver, why not in Quebec, why not in Hamilton, and Toronto? Are we going to use the commissions just as shadows for the government, whose bonds we will guarantee, to get our public works constructed? What are our departments for? I must press this just a little further. Because a part—I do not think it is the whole, but because a part—of this construction is within the area over which the harbour commission operates is no reason in the world for putting the commission in control. Does anybody suggest that other public works there are under the control of the harbour commission? Not at all. It would be just as sensible for us to take the Victoria bridge, which now virtually we own, out of the jurisdiction of the Grand Trunk and put it under the harbour commission.

Mr. GRAHAM: Not at all.

Mr. MEIGHEN: It would be as sensible as this. The management of the bridge has no relation to the work of the harbour commission whatever.

Mr. ARCHAMBAULT: Yes; it has.

Mr. MEIGHEN: What relation?

Mr. ARCHAMBAULT: There will be a tramway line over this bridge. The intention of the commission is to electrify their vehicular traffic; in fact, they have already done so; and in order to join one shore of the port with the other they will use that bridge with its tramway line. As I pointed out before, on one side of the port of Montreal to the west you cannot go any further, and on the east it has gone too far. They have now to extend their construction on the other side of the river, and this bridge will be a link between the two sides of the port, and over it will pass this tramway line for the purposes of the commission and the port of Montreal. That is why they need the bridge.

Mr. MEIGHEN: Certainly they will use the bridge the same as anybody else, the same and no more—

Mr. ARCHAMBAULT: You want to get rid of it.

Mr. MEIGHEN: —but because they need the bridge is no reason why they should build the bridge and own it, we supplying the credit.

Mr. GRAHAM: Would my hon. friend support a straight estimate of $6,000,000 to build the bridge?

Mr. MEIGHEN: I would prefer a direct estimate to this. If there was no other way, I would do it.

Mr. GRAHAM: This is another way.

Mr. MEIGHEN: What I had in mind in 1919 and 1920, and what the government should have kept in mind, was coming to some arrangement whereby we would have some interest in the construction, whereby we would join with other corporations like the province of Quebec, the city of Montreal, and other municipalities directly interested, and by a joint pledge of credit get the bridge built, but ours being the principal credit, the bridge should be built under our superintendence.

Mr. BELAND: By whom?

Mr. MEIGHEN: I stated by whom, and on whose credit.

Mr. BELAND: The right hon. gentleman mentioned three bodies, the city of Montreal, the province of Quebec, and the Dominion government, which he says should get together and pledge themselves to the building of the bridge. But the bridge must be constructed, and who is going to do it?

Mr. MEIGHEN: I stated that; the hon. member did not follow me. I stated that inasmuch as it would be mainly on our credit, as the stronger factor, it should be built immediately under the superintendence of the Dominion government.

Mr. GRAHAM: Let us get rid of all this talk and cutting the corners. The fact is, here is a bridge that everybody can see ought to be constructed. My right hon. friend has not for a moment insinuated that it was not necessary; his colleagues around him know it is necessary, and the only question

is: What is the best way to do it? This talk of whether we guarantee or give a grant does not help. The fact is the Montreal Harbour Commission is not a charitable institution. It pays interest on the money it borrows, and it will pay interest on this, and if I were in business for myself, I would do it just as it is proposed to be done in this resolution. The commission come to us, or we go to the commission, and we propose to guarantee these bonds. My right hon. friend says: Make an arrangement with the city of Montreal and the province of Quebec. That is what is proposed. It is in the bill that has been read to the House.

Mr. MEIGHEN: The minister complains of our discussing for an hour how this is to be done as mere words. I would like to know what he is discussing now.

Mr. GRAHAM: My right hon. friend can surely allow me five minutes. He has spoken five times, and about ten minutes each time. He has been splitting hairs, for half an hour to try and make people believe he is in favour of this bridge, while he is actually trying all he can to kill the project. Let us just clear the atmosphere.

Mr. ARCHAMBAULT: As he killed it in 1921.

Mr. GRAHAM: The way to build this bridge is through the Montreal Harbour Commission, which is one of the most successful organizations in the Dominion. It has made a success of the harbour. It wants this bridge, and the public want this bridge just as much as the commission. This House is a unit in saying that the bridge is necessary. The only question at issue is, should we give the money direct? If this government had proposed to give $6,000,000 direct, I have an idea that the man to say most strenuously we should not do it, but guarantee the bonds of the commission, would be the leader of the opposition. He would have pounced on us at once because we did not do it the other way.

There are only two sides to this. The bridge must be built, and we believe the commission is the better body to do it. Both sides of the river are in the harbour of Montreal; this bridge is required, and I say that the most reasonable, the most business-like way to do it is through the harbour commission, and let these other bodies guarantee their bonds. It will not cost this country a farthing. My right hon. friend discussed securities, but that was only to becloud our minds about things that do not exist. It will not cost this country a farthing, because the commission pays its interest. The harbour commission has never yet come to this government and borrowed money on which it has not paid the interest; so we are not taking any risk.

Mr. COOTE: If the tolls on this bridge are not sufficient to pay the interest on this investment, will not the commission have to make a levy on the traffic which is going through the port of Montreal? If so, on what ground does the minister justify that?

Mr. GRAHAM: If the hon. member was down there he would not have any hesitation about the interest being paid. Now, I will take the other view. The Canadian National Railways inherited from the Grand Trunk Railway the Victoria bridge, and has undertaken to carry traffic across this river. Either the Victoria bridge will have to be enlarged, or another bridge will have to be constructed. If the former plan is adopted then parliament will have to give authority to guarantee bonds of the Canadian National Railways for the purpose of carrying out the work. It is not a local matter, it is one in which the Canadian National is deeply interested. I am strongly in favour of the resolution and believe that the method which it proposes is the best way to carry out this work.

Mr. STEVENS: The minister stated this bridge was for vehicular traffic only and not for rail traffic. How then will the congestion of the Victoria bridge and the rail traffic be relieved?

Mr. GRAHAM: Let me point out to my hon. friend that he does now know the situation.

Mr. STEVENS: I am speaking only of railway traffic.

Mr. GRAHAM: I am coming to the question of railway traffic—vehicular traffic, street railway traffic and steam railway traffic. This resolution will provide a means of relieving the congestion. To provide for all the traffic by means of the Victoria bridge at present cannot be done. People cannot get across that bridge at present, it is dangerous. Not only is it dangerous as the hon. member for West York (Sir Henry Drayton) has said but it is practically impossible for the traffic to pass back and forth. Now, this project will relieve that bridge of the vehicular traffic. In addition the harbour commission propose to run a tramway. It can therefore be seen what an immediate relief will come to Victoria bridge when this project has been carried out.

Mr. HANSON: This project is more or less new to most of us who do not live in the Montreal district.

Mr. ARCHAMBAULT: It has been mooted for four years.

Mr. HANSON: It has been suggested that there is federal responsibility in connection with the building of this structure. Will the minister please enlighten the committee as to just why and where this federal responsibility lies?

Mr. MEIGHEN: The minister has not answered the question. I wonder at that because he has got to believe himself lately that all others but throw a few empty words on subjects before the House and that only he can reach their merits.

Mr. GRAHAM: I should like to ask if there is any man occupying a responsible position who talks as little as I do?

Mr. MEIGHEN: I have not stated that the minister talked excessively.

Mr. GRAHAM: My right hon. friend spends more time on his feet than any five men in the House. He also dictates to hon. members more than any other man does.

Mr. MEIGHEN: I made no reference to the time the minister occupies when speaking. I think, though, that he rather exaggerates when he does speak. What I said was he has come to believe that while others could throw empty words on the subject he was the only one who could reach its merits. The minister has adopted a very haughty attitude in addressing the House in recent months which, perhaps, is not appreciated.

Mr. GRAHAM: If anybody has manifested a haughty attitude it is my right hon. friend.

Mr. MEIGHEN: The minister objects bitterly to any interruption while he is speaking.

Mr. GRAHAM: Not at all, never in my life. What objection did I ever make to an interruption?

Mr. MEIGHEN: Just a moment ago.

Mr. GRAHAM: I did not; I leave it to the House to say whether I did so or not.

Mr. MEIGHEN: The minister wants to convey the sinister impression that I am opposed to the building of this structure.

Mr. GRAHAM: I should like to ask my right hon. friend what interruption I objected to?

Mr. MEIGHEN: I asked him a question and he protested. If that is not resenting interruptions I should like to know what it is.

Mr. BUREAU: Oh, oh.

Mr. MEIGHEN: The minister has a good accessory also in his seat-mate.

Mr. BUREAU: You bet! I stand by him.

Mr. MEIGHEN: Because I sought to argue that what we do we had better do directly and not be adding to the responsibilities and jurisdiction of the shadows in the way of commissions, the minister wants to rank me as being in opposition to the bridge across the St. Lawrence river. There is not a man in this House who did not clearly see in every sentence I uttered that I recognized the necessity of this bridge. I know that we have to have these commissions—we have to have them for the management of our harbours—but I am not in favour of extending the jurisdiction of commissions and the management of harbour commissioners. That is all I have argued for. It seems to be rather a fair argument; I do not think it ought to be met merely by a sneer and by sarcasm. It is true the harbour commission has been a success. I am not so sure it is quite the success now that it has been; the era of criticism has arrived, not political criticism either. The management of the harbour of Montreal, on the whole, has really been a success; but that is no reason why we should make these gentlemen more than harbour commissioners. That they should continue the management of the harbour of Montreal is well and good, it is perfectly right, but we should not make them, because they have been successful in managing the harbour, constructors of public works in the city of Montreal. I would much prefer supporting this project if the government go about it in a direct way and assume a direct responsibility therefor. This is the only suggestion I have made. I have no doubt the House will not accept it because it emanates from me. However, I do object to a member of the government rising to depict my stand as different to what it is, and trying to becloud the issues, endeavouring to represent me as opposed to the project because I do not believe in the method that is being adopted here. I do not think the minister can show

wherever in my public life, whether in power or out of it, I have recommended the undertaking of public enterprises indirectly. Where the custom has been to do such a work directly I have always gone about it directly. I always prefer that way whenever it can be adopted.

Mr. GUTHRIE: I ask the minister and the government to consider this. The harbour commission is a corporate body, incorporated under the laws of this parliament. I doubt very much if it has any right to deal with the question of traffic at all. This a traffic bridge admittedly. It is true my hon. friend from Chambly and Verchères (Mr. Archambault) did suggest that in some way or other these harbour commissioners were going to use the bridge for the purposes of the harbour, but it has been made abundantly clear by every hon. member who has spoken on the subject that this is a bridge to relieve the congestion of traffic which undoubtedly exists and which must be relieved, otherwise five or six thousand cars in a day are impeded and delayed. To relieve that ordinary vehicular traffic we are going ahead with this bridge. Now, what have the harbour commissioners of the port of Montreal, incorporated under the laws of this parliament, to do with the traffic on the roads of the province of Quebec? That is a matter which the province of Quebec is concerned in. I can see that it might be possible to declare this work one for the general advantage of Canada, and in some way obtain jurisdiction over it in that respect; but as we stand to-day, having regard to the incorporation of the harbour commissioners, what right have they in law either to build a traffic bridge or to charge tolls for the traffic on that bridge, the structure itself being first and foremost a part of the ordinary highway of the province of Quebec? I believe the arrangement is a subterfuge; it is merely to get around the necessity of doing the work ourselves. I have not myself that confidence in the Harbour Commissioners of Montreal that some people have. I would have more confidence in a department of this government undertaking this work than the harbour commissioners, who are absolutely the political appointees of the government of the day. On obtaining power this government removed the former commission and appointed a new commission composed of their own political friends. Now should we have more confidence in the construction of this important work by political friends of the administration, than we would have in its construction by a department of the government? In my judgment this work would better be done by a department of government than by a board appointed to manage the harbour of Montreal and not to manage the traffic over a bridge.

Mr. MORIN: The question is whether this undertaking should be a direct obligation of the government or of the harbour commission. To my mind there are two good reasons why it should be only an indirect obligation of the government. The first reason is that, as the minister explained, we are looking for the co-operation of the province and of the municipalities. If it is a direct government undertaking, do hon. members think it would be proper for the government to ask the co-operation of the village of Longueuil for instance, or the help of that village, in a Canadian undertaking? I do not think so. Then the revenue of the bridge which would guarantee the issue of bonds will depend on the tolls. Those tolls will be raised or lowered according to the needs of the commission, the debts, and the cost of the operation of the bridge. Therefore these tolls will be much more easily adjusted to give the proper revenue by an independent commission than they will be by the government, because the public will always expect that the tendency of the government will be to lower the tolls and shoulder the deficits if there are any. It seems to me that, for these two reasons, it is better for the country that the undertaking should be under the direct control of the harbour commissioners.

Mr. HANSON: I asked the minister—

Mr. MARLER: The hon. member has spoken four times.

Mr. HANSON: I will not take very long. A few minutes ago I asked the minister what I considered to be a very pertinent question: Wherein was there any federal responsibility? I only asked that question for the purpose of information, being a new member of this House and not being very familiar with the project. I did not receive any answer.

Mr. GRAHAM: My hon. friend made a mistake. It was his leader said it was a federal responsibility. I did not.

Mr. HANSON: Then I may assume, from what the minister has failed to state, that he considers there is no federal responsibility.

Mr. GRAHAM: I did not say that.

Mr. HANSON: What stand does the minister take?

Mr. BUREAU: He does not take any stand. The hon. gentleman is not cross-examining.

Mr. GRAHAM: Yes, I am going to take a stand. My hon. friend said that one hon. member stated that there was a federal responsibility.

Mr. HANSON: No, no.

Mr. GRAHAM: Yes, Hansard will show, and he wanted to know what the federal responsibility was. His leader was the speaker who referred to the federal responsibility, I have not any hesitation in saying, in common with the right hon. leader of the opposition, that there is a federal responsibility in the matter.

Mr. HANSON: Now we have both sides committed. I do not agree that there is that responsibility on the mere ipse dixit of the minister and my right hon. friend. For the life of me I cannot see where there is any federal responsibility. It is purely a highway project, and while we have in days gone by granted aid to provinces in the way of subventions for highways, I never could understand on what principle it was done. I believe it was wrong, and it has brought our provinces, especially the smaller ones into such habits of extravagance that some of them are almost broken financially.

Mr. ARCHAMBAULT: That is fine. Go the limit.

Mr. HANSON: There may be a federal responsibility—

Mr. JACOBS: Does the hon. member know that this bridge is to be built over the St. Lawrence, and that that river belongs to the federal authorities? Does he suggest it should be built by private enterprise?

Mr. HANSON: I do not believe it belongs to the federal authorities. I am quite sure the friends of my hon. friend in Montreal, and his friends in Toronto, would not agree with that, because they claim jurisdiction within their territorial limits over the St. Lawrence, the same as they do in Quebec.

Mr. BUREAU: Can you build anything in the St. Lawrence river without the consent of the federal government?

Mr. HANSON: Under the Navigable Waters Act you have to have their approval, but I would like to see any government of Canada refuse permission to build a bridge across the St. Lawrence under the Navigable Waters Act, if the bridge was required for local purposes. But I have not made up my mind that it is not a federal responsibility. I want to be shown. We have large structures across the St. John river in New Brunswick, which is just as much an international river as the St. Lawrence, because for a great distance it forms an international boundary. Where it does form the boundary and bridges have been built, this government has had a responsibility, and has shared in the expense. I refer to the bridge at Edmundston, and the vote in the estimates this year for a bridge at Clair. But the most important structures across that river and the structures that have cost the most money, namely those below the international boundary, have been built, and built entirely by the province of New Brunswick without a cent of subvention from the Dominion government, and I do not think it ever occurred to the province to ask that this parliament should vote any money for it. However, I imagine that, because of the size of the undertaking and because Montreal is a great metropolitan city and because of the international character of the traffic, it may be suggested and urged with some degree of success that there is a federal responsibility, and I do not want to be taken as stating that there is not.

I rose to ask for information, and so far none has been forthcoming on the particular point, least of all from the minister. There are other aspects of this matter. This project involves on their own admission an expenditure of six million dollars. Hon. gentlemen can see that while you only endorse the notes you are not adding to the debt of the country, but you are adding to the financial responsibility of the country the minute you endorse these bonds. I wonder why it is that with a project involving an expenditure of six million dollars we are compelled to wait till the dying days of the session before it is brought forward. Is there foundation for the rumours that are current round the House and current in the country too, that this is another straw, another indication in favour of an immediate election? It looks like it to me. In so far as that may be the position, I doubt the bona fide of the government in connection with the matter.

Then it has been argued that this should be done under the harbour commission, because the harbour commission is above all the best body to build this bridge. I imagine that the interest of the harbour commission per se is much less than any other body that may be interested in this project. It is certainly much less interested than the department of Highways of the province of Quebec.

It is the problem of that department if the traffic should grow, and everybody realizes that it is a very live problem. I do not doubt anything that has been said with respect to the necessity, perhaps the immediate necessity, for the erection of the structure, but why should it be done by the harbour commission? That can be answered most readily by stating that the harbour commission is dominated by Dr. McDougald, the political friend of this government.

Some hon. MEMBERS: Oh, no.

Mr. HANSON: Yes, dominated by Dr. McDougald, so far as that has any effect. Therefore, it should be watched more closely. Dr. McDougald, the prospective candidate for St. Antoine division—

Mr. BUREAU: Where do you get that?

Mr. HANSON:—the go-between, between this government and certain contractors in Montreal. I would have less faith in the harbour commissioners building this bridge honestly than in any other body I can imagine.

Mr. MARLER: The building of a bridge to connect the island of Montreal with the south shore I think is admitted by all hon. members as being a necessity, and no question apparently rises on that score in the course of this debate. Other questions have, however, arisen. The member for South Wellington (Mr. Guthrie) brings up the question as to whether the legal power vests in the harbour commissioners to own and operate a bridge of that description. Whether the legal power vests in a harbour commission for that purpose is one question. That matter is very easily rectified if the power is not there. But the hon. member for South Wellington (Mr. Guthrie) says that this is a subterfuge; that the government is doing indirectly what it should do directly; that the Harbour Commissioners of Montreal should not own and should not operate this bridge. There is no subterfuge in the question at all. The intention is that the Harbour Commissioners of Montreal should own and operate this bridge. That is definite and distinct, and there is every reason why it should do so. Why is it the intention that the Harbour Commissioners of Montreal should own and operate this bridge? For a very simple and important reason. Not because, as the hon. member for York-Sunbury (Mr. Hanson) says, that they should not go into the highway business, not because they should not operate lines of cars across the bridge. That is not the reason at all. There is a real, live reason, and it is simply because the harbour commission must have the control of this bridge—for these reasons: Montreal, as everybody knows, is situated geographically in a very peculiar way. Towards the west there are the Victoria bridge and the canals and the harbour commission cannot extend in that direction at all. Towards the east it can extend only to the easterly limits of the island of Montreal, that is to say, on the north shore of the Ottawa-St. Lawrence rivers. Therefore, the only place that the harbour of Montreal can extend in the future—and we must look to the future in an enterprise of this description—is the south shore of the river St. Lawrence. That being the case, can any one in this House argue for a moment that if the harbour of Montreal extends to the south shore of the river St. Lawrence, as it is bound to do in the future, a bridge connecting the two parts of this harbour, for use to the harbour as a connecting link between those two parts, should not be owned by the harbour commissioners? Any other argument is absurd. It would be ridiculous to say that a private individual or that even a department of this government should own and operate this bridge, quite apart from the Montreal Harbour Commissioners themselves. Let me impress that point upon the committee as to the future necessity of the harbour of Montreal. You have it restricted on the north shore of the St. Lawrence at the present time. You have a prospective restricted area to the east, that is the island of Montreal. The only place that the Montreal harbour can extend is on the south shore which will be connected by means of this bridge. Some people will ask: What is the use of this bridge if the harbour is put on the south shore of the river St. Lawrence? Well everybody knows that the harbour of Montreal is a tremendous conveyor of traffic. It takes charge of all the traffic as soon as it reaches a certain point on the railroads. Its own locomotives transport that traffic from one end of the harbour to the other. A large portion of that system is electrified; it is not steam transportation. Therefore, what is operated on the north shore by trackage for the transportation of goods must necessarily be connected some day with the south shore by means of the same trackage and transportation facilities. That is why I say and still continue saying that this bridge must be owned and operated by the Harbour Commissioners of Montreal.

Sir HENRY DRAYTON: The hon. member said that if there was no power in the board, power could easily be granted. Is it his view that this parliament can easily give to any of its creatures power that admittedly rests in the provinces?

Mr. MARLER: I do not think it admittedly rests entirely in the province, but perhaps it may. That is really quite beside the point at the present time. We are not discussing fine, intricate legalities in the matter at all, and even my hon. friend would not discuss a matter of that description. If the power does not rest with the Montreal Harbour Commissioners to own and operate a bridge of this description, that power can be found and can be given by some means or another, if not by this parliament, by another parliament. I am not arguing that point, but it is absolutely necessary that the Montreal Harbour Commissioners should own and operate this bridge.

The next point, which has been very properly brought forward by the leader of the opposition (Mr. Meighen), is whether the obligation for the purpose of building this bridge should be a direct or an indirect obligation. Perhaps it should be a direct obligation if that bridge should not be owned or operated by the harbour commissioners. If they do not need to be the owners, if they do not need this bridge, if there is no possibility in the future of their using this bridge for the connecting link of which I speak, perhaps then there should be a direct obligation of the Dominion of Canada towards building the bridge. But that is not the case at all, because the Montreal Harbour Commissioners need this bridge; they require to own and operate it. That being the case, what other way is there of financing this than by making it an indirect obligation in precisely the same manner as all other obligations of the harbour of Montreal have been made? If the harbour commissioners owned and operated the bridge there can only be an indirect obligation of the Dominion. There is going to be no question so far as one can see, of the Dominion of Canada ever having to put up any interest for the operation of this bridge.

Mr. COOTE: Would the hon. member mind showing the committee what revenue they expect to get out of the bridge and that it will be sufficient to take care of the interest charges, the sinking fund and the necessary repairs on the bridge? If he does so, there will not be much more objection.

Mr. MARLER: I would not attempt for one instant to say to my hon. friend or to any other hon. member that this bridge is absolutely going to pay, or that the vehicular traffic or the tram-car traffic will make ends meet as regards interest and sinking fund. It would be foolish for me to say that. I believe it will pay. Everything we go into, we go into with the same idea, namely, in the belief that it will pay, and more so in this case there is every indication that it will pay owing to the fact that the vehicular traffic across the bridge will be enormous and the tramway facilities across the bridge are definitely required. But I would not attempt to give a definite assurance that the bridge will pay, although I have every reason to believe that it will.

The jurisdiction of the harbour commissioners is not being extended at all in this matter. If it needs this bridge, if it should own it and operate it, there is no question of extending its jurisdiction at all.

I come now to the question of what contribution should be made by others, a question which the leader of the opposition brought up also. That is a matter for negotiation between the Montreal Harbour Commissioners and others when authority has been given to that commission to construct this bridge. First of all, they must have the direct authority to do so. They cannot at the moment say to the province of Quebec or the city of Montreal: Will you contribute this or will you contribute that? When they have the authority, as this bill from the parliament of the Dominion of Canada gives them the authority, they can say: Now we have power to build this bridge, we have the money to build it; we think you, the city of Montreal, should contribute so much; we think you, the province of Quebec, should contribute so much. In other words, they must first of all have a basis of negotiation. But there is every intention, as far as I know, of asking contributions from other public bodies. What that contribution is to be, is a matter of negotiation.

Mr. EVANS: Is it not a direct responsibility of the province of Quebec to provide for that traffic?

Mr. MARLER: I do not think it is entirely—

Mr. EVANS: Why should it not be?

Mr. MARLER: —but I would not debate that matter with my hon. friend. The Harbour Commission of Montreal is a national

work. This bridge is a connecting link between the two points of the harbour of Montreal. The harbour could not be said for a moment to be a province of Quebec or a city of Montreal enterprise. It is a national enterprise, and it is for the purpose of facilitating that national enterprise and for no other purpose that the bridge is being built, because the bridge sooner or later will be wanted for harbour purposes and for that alone.

Mr. LEWIS: If this bridge ultimately will become the property of, and will be wholly necessary for, the harbour commission, what is to be done for the other traffic? You will have to build another bridge in a few years' time.

Mr. MARLER: Perhaps I did not explain myself clearly. Let us assume that the bridge is not built at the present time and that the question of vehicular traffic is left entirely out of consideration. And let my hon. friend remember what I said regarding the geographical situation of the island of Montreal. Eventually the south shore of the St. Lawrence, under the circumstances, would have to be developed for Montreal harbour purposes and it would be necessary to have a link for transportation between these two points. That is what I meant to convey; but I did not mean that this bridge, even when that connecting link is made, will not be used for vehicular traffic as well.

Certain remarks have been made in this House to-day regarding the Harbour Commissioners of Montreal, and I daresay those remarks have been due to the spirit that generally prevails at this stage of the session when happy and unhappy things are said touching matters of this kind. But let me say to my hon. friend from York-Sunbury (Mr. Hanson) that as regards the constitution of the Montreal Harbour Commission, it has been a well-recognized fact all through the political life of the country that a new board of harbour commissioners is always installed upon a change of government. Not because the old board has not enjoyed the confidence of the people but simply because that has been the practice. In the case of the Montreal Harbour Commission not one word was said against the old board which was composed of excellent men. I was present when the new board met, and met in the most amicable spirit, and I can bear testimony that not one question was raised against the old commissioners.

Mr. LAPOINTE: And I would remind the hon. gentleman that the old board resigned without being asked to resign.

[Mr. Marler.]

Mr. MARLER: I was just about to emphasize that very point.

Mr. LEWIS: That may be so; but because that has been the recognized practice in the past is there any reason why it should be continued indefinitely?

Mr. MARLER: That is a fine ethical point the hon. member is bringing up. At the moment my concern is to controvert the remarks of the hon. member for York-Sunbury and to say, from the floor of this House and before the country, that Dr. McDougald and his associates have managed the harbour exceedingly well and with the greatest honesty of purpose. Certainly with as great honesty as any other commission has shown which ever has had charge of any harbour in the Dominion. I say that without any fear of contradiction at all and I am surprised that the hon. gentleman should have made the remarks he did. Dr. McDougald is a man of unblemished character who has devoted his entire time and energies to Montreal harbour and he stands out in the country to-day as a gentleman of the very highest integrity and ability and a public servant of whom any government might well be proud. I tell my hon. friend that in no light language and, I repeat, I am astonished that he should have brought up this gentleman's name. Nor can anything be said against any other member of the commission. I challenge my hon. friend or any other man to go and see the manner in which the Montreal Harbour Commission manages its affairs; and I say emphatically that the port of Montreal is one of which the province of New Brunswick, the province of Ontario, or any other province in the Dominion of Canada should be proud to have in this country.

Mr. HOCKEN: It might be well to call the attention of the government to the possibility at least of this bridge interfering with the future development of the St. Lawrence river. Of course, the plans have not been prepared and I am not asking the House to do more than give the government some assurance that when the plans are prepared they will be of such a character as not to interfere with development nor constitute any impediment to such traffic as might arise therefrom.

Mr. CARDIN: I can assure the hon. gentleman that every precaution will be taken to ensure that the new construction will not in any way interfere with the navigation of the river. The bill will provide that the plans for the construction shall be submitted for approval to the Department of Marine.

Mr. HANSON: Notwithstanding the chastisement I have received at the hands of the hon. member (Mr. Marler) I am still unrepentant and I want to say that the present Montreal Harbour Commission and all harbour commissions that have been in office in the city of Montreal have been political institutions. I recognize that they have done good work but that does not in any way alter the fact that they are political commissions, and I stand by all that I said.

Mr. MARLER: You are taking back what you said.

Mr. HANSON: Let me ask the minister, who knows little or nothing about the resolution—

Some hon. MEMBERS: Order.

Mr. HANSON: It is only apparent from the discussion we have had that the minister knows little or nothing about the matter.

Mr. VIEN: It is unfair to say that.

Mr. HANSON: I do not want to hurt anybody's feelings.

Mr. VIEN: It is unfair to say that the minister who has presented the case does not know what he is talking about.

Mr. HANSON: Why not let him defend himself? I am sure he does not require the warrior from Lotbinière to come to his assistance. I want to know from the minister what is the primary federal responsibility for financing this proposed structure, either by way of guarantee or by direct loan. What is the primary federal financial responsibility, or have we any?

Mr. MARLER: Precedent.

Mr. MILLAR: If the Harbour Commission of Montreal is going into the bridge-building business it looks as though the sources of revenue will be largely increased. What guarantee have those who are producing freight, some of it thousands of miles from Montreal, that the rates to be charged will be just? After this bridge is built much of the revenue of the commission will be initiated in the city of Montreal by rates charged for the traffic over the bridge. I am not going to say that they will be unjust or that they will make a low rate for the traffic over the bridge and a high rate for the wheat brought from the prairie provinces. But unless there is a close supervision it would seem as though the door will be left open to that danger. The competition of American ports may be sufficient to keep the rates reasonably low. But it has frequently happened in the past, as it did in connection with the North Atlantic Conference, that an arrangement was arrived at by which the rates were fixed, and it is just possible that this might be done again so that the rates would be higher than they ought to be. The government is spending millions in developing the waterways, and water transportation provides a cheaper rate than do the railways. Is there any guarantee, however, that the difference will not be eaten up in part at least by the rates which will be charged by the harbour commission? When in Vancouver some months ago I noticed in the Vancouver Sun an article that suggested that a bridge was being built over the Narrows between North and South Vancouver and I thought I read between the lines that possibly Vancouver might have excellent facilities at the expense of the traffic carried over the bridge by placing it under the control of the harbour commission. I wondered whether there was not a possibility of the same thing occurring in the future in Montreal. True, they may pay their interest; they have done well in that respect in the past. But that does not mean that there will not be discrimination in the rates charged on the traffic originating near at hand, affecting a district where the people feel they own the harbour commission and the harbour commission feel they own the city, as against traffic originating thousands of miles away where the people have nobody to present their views to the harbour commission. Will there be merely a nominal guarantee of control, or will there be actual, practical control?

Mr. MARLER: The building of the bridge will not make the slightest difference in rates. Traffic is at present delivered by the railways to the harbour commission at a point on either the Grand Trunk or the Canadian Pacific and is transported to the various vessels into which the cargo is to be loaded. The building of this bridge, if the harbour is to be on the south shore of the St. Lawrence, as I have explained, will, if anything, minimize any rate, because if there is not this connecting link, the traffic will have to go round by rail, be turned over at some perhaps less convenient point on the south shore and brought to the southerly part of the proposed future harbour of Montreal on the south shore instead of being delivered at a convenient point on the north shore and thence brought to the south shore of the harbour.

Mr. MILLAR: I think part of the point I was making has been missed. After the bridge is built will not considerable of the revenue be drawn from vehicular traffic?

Mr. MARLER: After the bridge is built in the first instance, yes. But my hon. friend was asking whether the rates on wheat, for instance, would be increased.

Mr. BRISTOL: This is a very important resolution. I am familiar with the particular section of Montreal in question, and there is no doubt that a new bridge should have been built before this. It is very important in the interests of Montreal, the province of Quebec and Canada generally that this bridge should be constructed as soon as possible. As far as the harbour board of Montreal are concerned, they are a very able lot of men; they have been doing very important work. It is obvious that Canada generally, the province of Quebec and the city of Montreal are interested in this matter. As I understand it, the whole matter is to be placed in the hands of the harbour board, who are admittedly a very able body of men, and always have been, selected, as they are, in the interests of the great city of Montreal. The suggestion is that they should take hold of this thing as a business matter and make everybody come across in proper fashion and take whatever responsibility they should, and that the whole Dominion should guarantee the bonds. I think it is very much in the public interest that this proposal should go through at once. The plan as suggested by the government is in my opinion a common-sense one and in the interests of good business should be carried out.

At one o'clock the committee took recess.

After Recess

The committee resumed at three o'clock.

The CHAIRMAN: Shall the resolution as amended carry?

Mr. CLARK: I would like to ask the minister a question, but I do not see him in his seat.

The CHAIRMAN: Is it the pleasure of the committee that the amendment to section 3 be dropped? Section 4 is to be amended by adding a new section, as follows—

Mr. GUTHRIE: Mr. Chairman, I object, as this is a money vote and there is no member of the government present. It has been objected at my time that this House cannot proceed without a member of the government present.

[Mr. Millar.]

Mr. RINFRET: Mr. Chairman, I should like to say a few words on this resolution, which is of great importance to the city of Montreal. It has been first contended that this project has been brought down very late in the session, but I think that is a mere playing on words. It is true that the actual resolution embodying the project of building a bridge between the two shores of the St. Lawrence has only been brought down in the last few days, but this is an old project, well known, or at least it should be well known, to every member of this parliament. I fully realize, and I do not wish to take any advantage of this fact, that in a vast country like ours it is not possible that a member representing Vancouver, for instance, would be fully aware of the conditions that exist at the port of Montreal, but at the same time this is a project that has been before us for a number of years; it has been discussed very widely, and I think all the members who are interested in this matter one way or the other have had ample opportunity of making themselves conversant with the facts and ought now to be in a position to present arguments on one side or the other which can be substantiated with facts—arguments which should rest on something more than the mere fancy of the mind. I find it is very easy to focus discussion of this matter, because every one seems to be in favour of building the bridge. The leader of the opposition has stated very plainly, and some members around him have stated even more plainly, not only that they approve of the building of the bridge, but that they fully realize that the time is perfectly opportune to deal with this matter.

The purpose of this bridge is to make a connection between the island of Montreal and the south shore of the province of Quebec at that point. But as has been amply shown, it is not merely the intention to link up small portions of territory. This bridge will establish a connection between the whole of Canada east of Montreal with that part of Canada lying west of it. Montreal is a port of great importance. It is the main port of the Dominion of Canada, and it is well understood that it must be kept in connection with all parts of Canada. There is a deficiency at the present time in the connection between Montreal and that part of the province of Quebec which lies south of Montreal. At present there is only the old Victoria bridge, and as the hon. member for West York (Sir Henry Drayton) has well said, not only is the connection at that point insufficient, but it has become dangerous. Surely, therefore,

Mr. Chairman, if we are all agreed on the principle that this bridge should be built, there is room for surprise that there should be such a discussion on the mere point of who is going to build the bridge, and by what means it is going to be built. The leader of the opposition this morning intimated that to his mind it would have been less objectionable if the government were to build the bridge itself. I wish the leader of the opposition had been more clear on that point. He did not say he would object to the building of the bridge by the government, but he said it would have been less objectionable if the government were to build the bridge. My right hon. friend will understand that we cannot build the bridge more or less; we have either to build it or to refrain from building it. Why does not he state plainly whether or not he is in favour of this bridge?

Mr. MEIGHEN: I am in favour of it, and I have said so many times.

Mr. RINFRET: He may be in favour of building that bridge in the future, but we are discussing whether we are going to build it now. He says that he objects to the bill because the bridge is going to be built by the harbour commission, and it would be less objectionable, he says, if the government were to build it. Would it be objectionable altogether in that case?

Mr. MEIGHEN: I did not say that. I said it was the right thing for the government to take full responsibility and go ahead with the construction, securing such co-operation from the province and the municipalities as it could.

Mr. RINFRET: That is the point in argument. I am not quite clear that my right hon. friend does not object to the building of the bridge or that he is as intent as we are that the bridge be built now. But if we are agreed on this point, it should be very easy to agree on the very minor matter, to my mind, as to who should be entrusted with the work, because after all, the harbour commission is a commission that has been appointed by this government, and I do not think the government will shirk responsibility for what the commission does.

An hon. member on the other side has said that we were anxious to have the commission build this bridge because Dr. McDougald was very close to the government. Well, surely the hon. member does not want to imply that Dr. McDougald is closer to the government than the government itself, and if the motive of the government was political in getting the harbour commission to build the bridge, surely that motive would have induced it to build the bridge itself.

Mr. MEIGHEN: Is the hon. member aware that the accounts of the harbour commission do not come before the Public Accounts committee of this House for review?

Mr. RINFRET: There are so many ways in which any member of this House can bring before parliament any matter whatever that it does not seem to me to matter very much whether the accounts of the commission come before the Public Accounts committee, or whether the matter is discussed in this House in some other form, and that is the main point of my argument. I had expected all morning that the discussion of this resolution would be very short, because everybody seemed to be in favour of this project, differing only as to minor parts, but I am much afraid the Minister of Railways (Mr. Graham) was right when he claimed that the opposition does not dare oppose this project on its merits, and that they are merely seeking a way by which they might be able to say in the future that they were not altogether in favour of it, which is a very different thing.

Now, why should the government entrust the harbour commission with this work? The member for West York,—and I am trying to find my argument from what has been said on the other side—put a question this morning; he wanted to know if the proper guarantees would be given that this bridge would not obstruct navigation on the St. Lawrence. That only shows that there are many matters involved in this project, and the Harbour Commission of Montreal is a better judge than anybody else in this country of all these questions that are involved. I am quite sure that if the government had proposed to build this bridge through an independent board or through one of the departments of the government, the argument would have been brought up that there might not be proper co-operation with the authorities of the harbour of Montreal, and surely we would have heard from the other side that this bridge should not be built unless its construction were supervised by the commission. That is what we are doing, Mr. Chairman. As some members have pointed out, both shores of the St. Lawrence are a part of the harbour of Montreal. At present they are connected by one bridge, the Victoria bridge. This proposed bridge will provide only tramway and vehicular connection; the traffic will be divided between it and the Victoria

bridge. It is not correct to say that the new structure will merely serve to connect both shores of the St. Lawrence; that, in my opinion, is only belittling the importance of the project. It will also connect many portions of the province of Quebec and will likewise provide continuous connection between both shores and the rest of the Dominion. If some body is to be entrusted with the construction of this work it seems to me eminently proper that it should be the Harbour Commission of Montreal because in my opinion they are the best judges as to the co-operation which should exist in the planning and the construction of this bridge as between those immediately concerned and those throughout Canada whose interest is of a more general character. Perhaps I might call to the attention of some hon. members opposite an editorial which appears in this morning's issue of the Montreal Gazette. I will not say for one minute that I would endorse everything the Montreal Gazette says. I do say, however, that when that newspaper is dealing with a Montreal project launched by the government there might be reason to hope that it would endeavour to be fair especially if it approved of the enterprise. And, mind you, the Gazette not only approves of the construction of this bridge but of the particular means the government is adopting to carry it out. The Gazette says:

> The liveliest satisfaction will be felt at the prospect, raised by a government notice of motion to confer the necessary powers upon the Montreal Harbour Commission, that a new bridge connecting the city with the south shore of the St. Lawrence will become a reality within a measurably brief period. The construction of such a bridge is long overdue.

That answers the argument that the proposal for the construction of this bridge has been brought in at the last moments of the session. This is a well known project; it has been before the public for a number of years.

Another point which has been raised is that there might be a probable deficit in the operation of this bridge, and that such a result might have an influence in the fixing of rates on the theory that the Harbour Commission would be forced to make good such a deficit by increasing the rates in other parts of the harbour. That opinion has never been entertained for a moment either in Montreal itself or in the surrounding district. On that point again the Montreal Gazette is very clear. It says:

> Presumably the bonds will be guaranteed by the government, but such a pledging of the national credit will in this instance be a mere formality, in view of the fact that the bridge is certain to be a producer of revenue from the day of its completion, this being assured by the volume of existing traffic, not to mention the large increase which is inevitable in the interval.

[Mr. Rinfret.]

The situation, therefore, is this: Here is a bridge which every one seems to want built; here is a bridge that will not cost the public treasury a cent; here is a bridge that will pay for itself. But the government, instead of building the structure itself, is entrusting that duty to the very authority which is the most competent to give effect to its wishes. Furthermore this will be a bridge of international and not merely local importance. Such is the opinion entertained by all well informed persons, and I am surprised that this project should meet with any opposition at all. I might well conclude with the following further citation from the Gazette:

> It is unlikely that any voice will be raised in opposition to a project which, national and international in its character as this is, meets to an unusual degree the definition of being to the general advantage of Canada.

I quite appreciate the fact that in an important matter of this kind there should be a demand for information, and I do not object at all that we have spent some time in discussing it. I think, however, that any moderate-minded man, no matter to which party he belongs, who gives due attention and reflection to the subject, will admit with this good Tory organ that the construction of this bridge is a most excellent project, that the methods adopted by the government are right, and that no voice should be raised in objection to it.

Mr. FORKE: I feel some little hesitation in interjecting myself into the debate in view of my limited knowledge of the conditions in Montreal and the requirements which call for the construction of this bridge. However, it seems to be acknowledged by the opposition as well as by the supporters of the government that the bridge is a necessity and that it ought to be built. The point in dispute does not seem to be as to the necessity of the bridge but as to how it should be financed and by what body it should be constructed. Well, no matter by whom it is undertaken it is apparent that the bonds will be guaranteed by the federal government and the question arises what is its liability and what security will be provided. A reading of the resolution would indicate that the security will be the bridge itself. The question arises whether it would be better for the government to build this bridge or entrust that work to the harbour commission, the government simply guaranteeing their bonds. I am, as hon. gentlemen know, a believer in government ownership. At the same time it seems to me there are special circumstances in connection with this particular project which place it in a somewhat different posi-

tion from, we will say, a government railway. Tolls are to be collected which will be devoted to meeting the interest on the bonds and providing a sinking fund. It appears to me that if the government undertook this work it would have to set up some special machinery for the purpose, would have to assume control of the bridge, would have to fix the rates, and carry out all those duties of supervision which the obligation would involve. Under the circumstances it would appear that the harbour commission is in a better position to undertake this work than the government would be. The leader of the opposition presented a thought which also occurred to me. The government is guaranteeing the bonds to be issued in connection with this enterprise, and seemingly the only source of revenue will be the tolls which will be collected; I think the resolution itself states that. Now when the government assumes this responsibility I think it would be only fair to require the harbour commission to make a return to it each year showing what the exact financial position of the bridge is, and whether the commission is taking the proper steps to ensure that the interest shall be paid and the sinking fund provided for. If that safeguard is adopted I would be perfectly in favour of the resolution as it stands.

Mr. MANION: I wish to reply to some observations of the hon. member for St. James (Mr. Rinfret) who rather conveyed the idea that because hon. members in this corner of the chamber have been asking questions as to details we were showing opposition to the resolution.

Mr. RINFRET: No, I expressed the hope that you were not.

Mr. MANION: Yes—damning us with faint praise. Of course it is very easy to see why my hon. friend should endeavour to put this corner of the House in a position of hostility to the proposition. I well remember that when the Quebec estimates were under consideration last year, and some fifty or seventy-five items making provision for works in that province were passed, my hon. friend's newspaper and a number of others came out very strongly in support of the charge that we were opposing the estimates for Quebec. My hon. friend's attitude to-day is for the same purpose, I should take it. I listened to this debate all the morning and this afternoon so far as it has gone and I have heard no opposition to this project as a project from this corner of the House. I have heard many questions as to details; but surely in a matter of such importance any hon. member is quite justified in asking for information.

Mr. VIEN: Did not the hon. member for South Wellington (Mr. Guthrie) energetically oppose the measure?

Mr. MANION: I do not remember that the hon. member for South Wellington did any such thing. I remember that he and other members opposed some of the details. My hon. friend from York-Sunbury (Mr. Hanson) took the same attitude in regard to details. My right hon. leader spoke of the handling of the project by the harbour commission. But these are all details. I am speaking off my own bat now, and not for hon. members on this side of the House. I have listened to the debate, and I have come to the conclusion that the whole House is in favour of the project, and we have a right to argue as to the details. My hon. friend the Minister of Soldiers' Civil Re-establishment (Mr. Beland) introduced into this House a proposition to deal with the canteen fund. For the whole afternoon my hon. friend from Kingston (Mr. Ross), and those who are absolutely favourable to some disposition such as suggested being made with the canteen fund, discussed the question in a constructive manner, simply arguing as to details, but nobody objected to the project. I desire to put these remarks on record, because I do not think it is fair, when some members ask for information that it should be said they are opposing a project which, so far as I have been able to see, none of them opposed.

Mr. CLARK: I should like to add that, as a result of some of the questioning and some of the remarks that were made, this resolution was amended in a very important feature, one of very great importance to the country, and I rise to ask the minister whether, assuming this project is one of great importance to Montreal and the country generally, he is prepared to state that the same principle involved in this resolution will be adopted in regard to the bridge over the Second Narrows at Vancouver, which is not only a bridge for the use of vehicular traffic and pedestrians, but also for use by the Canadian National. If the same principle is not adopted, what policy will the government adopt with regard to it?

Mr. CARDIN: I am quite sure that my hon. friend does not expect that I will make any commitment with regard to the bridge of which he speaks.

Mr. CLARK: It is not a new matter so far as the government is concerned; I have pressed this matter since early in the session by private conferences, and I think the government should be in a position to answer my question before the session closes. It will be only a very few days now till prorogation.

Mr. CARDIN : Unfortunately I am not in a position to state that the government has taken any stand or any definite position in regard to this bridge. The project of which he is speaking will be considered in due time, and I can promise him that the attention of the government will be given to the representations which he has made and also to the representations which have been already made in regard to that bridge. However, I think it would not be proper to make any announcement of our position or policy in regard to a matter which is not actually before the House.

Mr. CLARK: I am quite in accord with that statement, if the minister will state that the announcement as to the intention of the government with regard to this project will be made before prorogation.

Mr. CARDIN: I think I may say that this question will not be brought up this session.

Mr. CLARK: Nothing will be done this session in regard to it? Is that the minister's answer?

Mr. CARDIN: Yes.

Mr. COOTE: I suggest that the minister should not drop the amendment to paragraph 3. If he drops the amendment he will saddle on the harbour commission any loss on the operation of the bridge, and I do not think that should be done. The commission should not be asked to assume that loss. If parliament feels that the providing of this bridge is a matter which this government should attend to, we should assume the risk and not put it on the harbour commission. Let us be honest in this matter; and let the government assume this responsibility and retain this amendment to paragraph 3 of the bill.

Mr. CARDIN: After hearing the discussion which has taken place in regard to the proposed amendment, I think it is the opinion of the committee that the amendment should be dropped, and I think my hon. friend need not worry very much in regard to the effect of this paragraph, because there is every reason in the world to believe that there will be no charge at all on the harbour commission, that this bridge will take care of itself very easily, and that there is no serious danger that the rates of the harbour commission will be changed on account of the building of the bridge. If we were not quite sure that the bridge would be a paying proposition, we would not dare to introduce it before the House. We introduce it in this way because we are convinced that it will be a paying proposition, and I strongly hope that the revenues of this bridge will completely meet the obligations of the harbour commission in respect to it. I may assure my hon. friend that, as far as I am concerned and as far as the government is concerned, we will take any precaution in order to see that the rates of the harbour at Montreal be not changed on account of this construction, and no doubt it is the intention of the harbour commission and of the government that a completely separate account be kept in regard to the bridge, apart from all the other expenses of the harbour commission, and parliament will be in a position to check up the accounts and to deal with the question of the construction and the operation when the bridge is completed. Therefore, I think he need not worry and need not be afraid of the result, because in the end it will be a paying proposition.

Mr. COOTE: I am going to ask hon. members of the House to let us have a fair hearing on this one question. I have asked what revenue the government expects to get from the bridge, and what the expense is to be. A great many members opposite have spoken in support of the project, but they have not yet told us the estimated revenue from the bridge. If the minister is so sure there is going to be no loss to the commission under the operation of the bridge, surely he has some figures on which to base such a statement; and why should he not give them to the committee? We have spent a great deal of time in this committee without getting down to what I think is the real essence of this question. What is going to be the cost to the country or the harbour commission under the bill? That is what I want to know. I am not primarily concerned with whether the harbour commission builds it or whether the Dominion government builds it. I think it is a matter for the provincial government to deal with bridges, but if it is the opinion of the House that it is the Dominion government's duty to deal with this question, surely I am not asking anything unreasonable when I ask the minister to tell us what the revenue from the bridge is expected to be, and what is to be the annual outlay to take care of the annual interest on bonds to be floated to provide for the construction of the bridge.

Mr. CARDIN: My hon. friend will realize that it is quite impossible for the government at present to give specific details in regard to the cost of this construction. The plans are not completed. We have only a general idea that this bridge will cost about $6,000,000, but surely we cannot state any fixed amount as the revenues from the bridge.

Mr. HOEY: What is the annual revenue from the Victoria bridge at the present time?

Mr. ARCHAMBAULT: Last year it was $229,000, outside of the railways.

Mr. CARDIN: We are giving the harbour commission the right to go on with this project, but we have not the details for which my hon. friend is asking and we can state no specific amount as the estimated revenue from this bridge. From conditions already existing at the Victoria bridge and the development of the harbour of Montreal, we have strong reasons for believing that this new bridge will be self-supporting. The opinion generally expressed by all interested parties around Montreal and by all the business men of Montreal is that this bridge will be a paying proposition, and I think we should rely upon the opinions of those who are in the best position to judge from actual conditions what is likely to be the situation in the future.

Mr. COOTE: The revenue at present being derived from the Victoria bridge, even if we look at it in a very optimistic way, is not sufficient to cover more than 50 per cent of the annual expenditure in connection with the proposed bridge.

Mr. ARCHAMBAULT: Last year the revenue from the Victoria bridge was $229,000, outside of what the railways should pay for crossing the bridge. This new bridge is going to connect St. Helen's island with Montreal and to bring in an enormous revenue. St. Helen's island is a natural park and the people of Montreal and people from the south shore also will visit St. Helen's island. Anyone who knows conditions around Montreal is well aware that we shall derive an enormous revenue from that traffic.

Mr. EVANS: I do not think the hon. member for Fort William and Rainy River (Mr. Manion) is quite correct when he says that the whole committee is in favour of this project. To me, the whole principle is wrong, that this government should assume the responsibility of this project and hand the whole thing over to the care of another body on which we shall have no check whatsoever, and I oppose it for that reason.

Mr. GUTHRIE: My attention has been called to remarks made by the hon. member for Lotbiniére (Mr. Vien) during my absence from the chamber. I have been informed that he said that I had drastically and frankly opposed this measure. Anyone who heard the few remarks which I made on the subject must know that I did not oppose the measure as a proposal in any way, shape or form. I supported it. I oppose the method by which the government proposes to erect the bridge. I stated frankly and emphatically that I believed the bridge should be built now. I think the government is proceeding on a wrong principle in regard to this project. My view is that the Department of Public Works should construct this bridge; that parliament should control the expenditure of this money and that we should have recourse to the Public Accounts committee of this House in regard to the expenditure of this money. My view is that the harbour commissioners have no real identity with this proposal. This is a traffic bridge pure and simple. We have the machinery to construct bridges; we have the engineering department, and we are thoroughly equipped for the undertaking. Why, then, should we not carry it out? It is a wrong principle to authorize anybody, beyond our control, to expend vast sums of money, and for that reason I oppose that principle. I do not oppose, I support the proposal to construct the bridge.

Amendment to clause (3) dropped.

Clause (4) as amended agreed to.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 257, to amend the Montreal Harbour Commissioners Act, 1894.

Motion agreed to, bill read the first and second times, and the House went into committee thereon, Mr. Gordon in the chair.

Mr. COOTE: Is the bill printed?

The CHAIRMAN: Copies have been sent for.

Mr. HANSON: What is the unholy haste for? Why does the government want to put this bill through before we have had a chance to read it? This is railroading legislation and it cannot be justified even for the great city of Montreal. I want to serve notice on the government that when any big structures are to be built in the Maritime provinces, no matter what government may be in power, we are going to ask for assistance. We have never yet had any.

Mr. MACKENZIE KING: This is the first objection that has been raised to proceeding with the bill. If any hon. member seriously objects we will not go on with it.

Mr. HANSON: I do object; I have not seen the bill.

Progress reported.

RAILWAYS, CANALS AND TELEGRAPH LINES

Right Hon. W. L. MACKENZIE KING (Prime Minister): With the consent of the House I move that we revert to the order, "Motions". Some hon. members desire to make certain motions.

Motion agreed to.

Mr. FRANK S. CAHILL (Pontiac): I beg to present the eighth report of the Select Standing Committee on Railways, Canals and Telegraph Lines. I move that in accordance with the recommendation contained in the report, Bill No. 58, to incorporate the Confederation Canal and Power Company, be withdrawn.

Motion agreed to.

PENSIONS COMMITTEE

Mr. JEAN J. DENIS (Joliette) presented the fifth report of the special committee appointed to consider questions relating to pensions, insurance and re-establishment of returned soldiers, as follows:

In view of the widespread dissatisfaction amongst returned men and others, and the representations made in regard to the attitude shown by the present Board of Pension Commissioners for Canada, your committee has taken evidence and having considered the matter very carefully, has come to the following conclusions:

That the interests of the returned men will be better safeguarded, and the intent of parliament will be better carried into effect by a more sympathetic interpretation of the Pension Act, and its schedules, and that this can be best carried out by the reorganization of the Board of Pension Commissioners for Canada and the medical services attached thereto.

Your committee therefore recommends to parliament that the government be asked to take the necessary steps to carry this resolution into effect.

On motion of Mr. Mackenzie King the House reverted to the order, "Government Orders."

TORONTO VIADUCT

RESOLUTION AND BILL—TORONTO TERMINALS RAILWAY COMPANY

Hon. GEORGE P. GRAHAM (Minister of Railways) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure respecting the Toronto Terminals Railway Company and the construction of a viaduct and certain other works in the city of Toronto, and to provide,—

1. That in lieu of the viaduct and works provided for by the orders of the Board of Railway Commissioners and the agreement made between the corporation of the city of Toronto, the Toronto Harbour Commissioners, the Grand Trunk Railway Company and the Canadian Pacific Railway Company, of 29th July, 1913, there shall be constructed by the Canadian National Railway Company and the Canadian Pacific Railway Company, either by themselves or through the Toronto Terminals Railway Company, a viaduct in the city of Toronto with a prescribed route all in accordance with the plans, profiles and books to be approved by the Board of Railway Commissioners.

2. That the cost of construction of the viaduct, bridges and other works shall be borne by the Canadian National Railway Company, the Canadian Pacific Railway Company and the Corporation of the city of Toronto, in such proportions as the said parties may agree upon, or, in default of agreement, as shall be determined by the board: the city of Toronto to pay compensation to the Canadian Pacific Railway Company for lands taken or consequential damages to its facilities by reason of the opening of York street.

3. That the Toronto Terminals Railway Company be empowered to issue bonds and securities not to exceed $30,000,000; and the Canadian Pacific Railway Company and Canadian National Railway Company be each empowered to subscribe for, take and hold shares in the capital stock of the said company to the extent of one-half of the total capital stock from time to time issued.

4. That the Canadian Pacific Railway Company may guarantee the principal or interest of one-half of the bonds, debentures or other securities at any time issued by the company or, in lieu of such guarantee, may issue consolidated Debenture stock for the purpose of acquuiring one-half of the bonds, debentures or other securities at any time issued by the company; provided that the annual charge for interest on such consolidated debenture stock shall at no time exceed in amount the interest on the securities so acquired, and any securitiees so acquired shall be held by the Canadian Pacific Railway Company as still subsisting and continuing as a security pro tanto for the holders of all consolidated debenture stock then issued by the Canadian Pacific Railway Company and the holders of consolidated debenture stock so issued shall rank pari passu with the holders of such consolidated debenture stock as the Canadian Pacific Railway Company has, prior to the passing of this act, been authorized to issue; and that the Canadian National Railway Company be authorized to issue bonds and securities not to exceed $7,000,000 to be used in the purchase of securities, not exceeding, together with the securities issued under the provisions of Resolution No. 5, at par one-half of the total securities to be issued by the company for the purposes of its undertaking.

5. That the Canadian National Railway Company may issue bonds and securities not to exceed $3,577,500 to purchase securities to be issued by the Toronto Terminals Railway Company for the purpose of retiring one-half of the principal and interest of a certain note issued by the Toronto Terminals Railway Company, dated 31st March, 1924, payable to the Bank of Montreal, one year after the date thereof, for $6,750,000 with interest at six per cent, endorsed by the Canadian National Railway Company and the Canadian Pacific Railway Company.

6. That any securities issued by the Canadian National Railway Company under any of these pro-

visions may, with the approval of the Governor in Council be guaranteed by His Majesty and any such guarantee shall be signed by the Minister of Finance or Acting Minister of Finance on behalf of His Majesty.

7. That the Toronto Terminals Railway Company may, within five years from the coming into force of the Act to be based upon these resolutions, complete the construction of the works authorized by its act of Incorporation and amending Acts, and by this proposed legislation.

8. That an agreement providing for the construction and completion of the said works, on terms approved by the Governor in Council but not inconsistent with the act to be based upon these resolutions, shall be entered into within four months from the passing of the said act, and thereupon the Governor in Council may by proclamation bring the said act into force on a date in such proclamation specified.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. GRAHAM: Mr. Chairman, I cannot imagine any opposition to this resolution, but I think the committee is entitled to an explanation. In the first place, the resolution and the bill to be based on it do not imply any new liability or any added liability to the railways or to the city of Toronto; in fact they provide for a reduction of liability to the parties interested in an amount in the vicinity of five million dollars.

Sir HENRY DRAYTON: Six millions.

Mr. GRAHAM: It is six if you take into account the $34,600,000 of the original estimate. I shall give a little history of the matter in order that the situation may be understood. In 1906 a company was formed in Toronto called the Toronto Terminal Company, really a holding company for the Canadian Pacific Railway Company and the Grand Trunk Railway Company, to provide for joint facilities in Toronto, almost entirely for passenger traffic. In 1909, on the application of the city of Toronto, the Board of Railway Commissioners made an order for the construction of a certain viaduct. To this order the railway companies took exception and appealed to the courts, on the ground, I think, of the jurisdiction of the Board of Railway Commissioners. The courts upheld the jurisdiction of the board and ordered the railway companies to proceed with the work. The Grand Trunk and the Canadian Pacific for some reason decided that it would be desirable to carry out a much bigger project than that which they had been ordered to undertake; accordingly they proposed a much larger and more elaborate scheme of viaduct construction, a proposal to which the city of Toronto eventually agreed. In 1913—and I am running rapidly over the history—an agreement was arrived at between the city of Toronto, the Canadian Pacific Railway Company and the Grand Trunk Railway Company for the construction of a viaduct on this larger scheme. That scheme if carried out in 1921 would have cost, it was estimated, $34,600,000. Possibly construction costs at present would be a trifle lower, but not very much. The war broke out and the construction was not proceeded with, and that situation has continued up to the present. On several occasions the city of Toronto and the Toronto Harbour Commission have urged that the agreement be implemented and that the railways proceed with the construction. Under this agreement the harbour commisioners, whose bonds are guaranteed by the city of Toronto, have expended with the city, $20,000,000—perhaps a little more than that; I have had two figures. The harbour commission itself has spent $14,000,000, and in addition the Dominion has spent some $3,000,000, in the development of the harbour. The railways themselves have expended a large amount of money under this agreement. They constructed a station which cost $6,750,000, the money being borrowed from the Bank of Montreal, which now holds the notes of the Canadian Pacific Railway Company and the Grand Trunk Railway Company for that amount. A reference to that amount will be found in one section of the bill. Further, under the agreement the harbour commission registered expropriation notice on many million dollars' worth of land along these works, with the result that this land has been tied up, and the damage accruing day by day while this work is not proceeded with may be so large as to be appalling. Members of parliament representing Toronto, members representing other parts of Ontario as well, representatives of the railways, of the harbour commission and of the city of Toronto have several times been in consultation in an effort to arrive at a method by which construction under the agreement could be recommended. The government, and I think all parties, were anxious to have the agreement implemented, but we thought some money might be saved by again looking into the plan of construction. A few weeks ago Colonel Dubuc, the very able chief engineer of the Department of Railways and Canals, was asked by the Canadian Pacific, by the Canadian National, by the government, by the city of Toronto and by the harbour commission to proceed to Toronto and to take into consideration all the plans that had been proposed—the original plan of the 1913 agreement and succeeding plans which were either new or modifications of the old. All parties

4 p.m.

were of the opinion that if Colonel Dubuc could arrive at anything of a reasonable character there would be an effort to close the matter up and to proceed with construction as all parties had agreed to in 1913. Colonel Dubuc worked a good many days and a good many nights, and out of the study of all the plans, and with the assistance of the engineers of the railways, of the city of Toronto and of the harbour board, who lent him every aid, Colonel Dubuc a few days ago brought to Ottawa a recommendation of what might be in the public interest, something he believed would serve all parties just as well and would save several millions of dollars. The new scheme was submitted to members from Toronto and vicinity, to members of the Toronto Harbour Commission, the city council and engineers of both railway companies, and after careful study and discussion pro and con as to its suitability, the city of Toronto tentatively agreed to it through its mayor and aldermen and later through a resolution of the council, and the harbour commission through its chairman and members approved of it. The two railways have also approved. And now, after all parties have agreed on this new scheme as outlined by Colonel Dubuc, I come to parliament to ask it to ratify the agreement in legislation.

I shall be asked as to the financing, and that is a very important matter. It is proposed that the financing shall be done through what is known as the Toronto Terminals Railway Company, to which reference was made a few moments ago. This is really a company organized by the Canadian Pacific Railway and the former Grand Trunk Railway, to which the Canadian National Railway, becomes heir. The stock of this Toronto Terminals Railway Company is held on a fifty-fifty basis by the two companies. It is really what we might call a holding company. The Canadian Pacific Railway under this legislation is given power to issue bonds for the construction of its share of this project. It can either deal through the Toronto Terminals Railways Company or by itself, but undoubtedly it will deal through the Toronto Terminals Railway Company, and that company is asking for power to increase its capitalization to $30,000,000, which will cover a little more than is involved in this project by the two railways. The Canadian National Railway is asking for power to issue bonds that may be exchanged for the Toronto Terminals Railway Company's bonds, and the legislation also asks for power to guarantee the bonds to be issued by the Canadian National Railway. The bonds of the Terminal company will be held in equal amounts by the two railways.

Now you may ask me, what is the estimated amount of the cost to the Canadian National Railway, the Canadian Pacific Railway and the city? It will cost the Canadian National Railway, it is estimated, a little more than either of the others. You ask me why that should be, if it is on a fifty-fifty, or thirty-three-and-one-third basis. The reason is this: In the whole viaduct scheme there are certain works that will be for the Canadian National only; there are other works that will be for the Canadian Pacific only; and other works possibly that will be for the city of Toronto only, such as the extension of the York street viaduct. When the readjusment is made and all these works are taken into account, a greater amount in value pertains to the Canadian National than to the Canadian Pacific. Outside of the station, $10,000,000 is the amount estimated to be the share of the Canadian National Railway. You will ask me, if that be the case, why is $7,000,000 put in the resolution? The answer is this: In the readjustment, certain properties which are owned by the Canadian National Railway in the terminal at the city of Toronto will be turned over to the Terminal company, and become the property of that company; that is, in reality, be divided between the Canadian Pacific and the Canadian National as to ownership, and the amount estimated to be credited to the Canadian National Railway on that account is approximately $3,000,000. So, taking into consideration the amount they will be credited for lands in Toronto, it is estimated that $7,000,000 will be the cost to the Canadian National, and the bill only provides for the actual amount required.

There is another section of the resolution which provides for another payment of $3,577,500. I intimated at the beginning what this amount was for. After the agreement was signed, the Toronto Terminals Railway Company proceeded with the construction of the new station in Toronto of which you have all heard. The station up to the present time has cost the Terminal company,—that is, the two railways themselves,—$750,000; if I remember correctly. These notes are in the Bank of Montreal, carrying 6 per cent interest, and it is good business for the Toronto Terminals Railway Company to retire these notes when securities have to be issued for completion of the viaduct. So there will be a saving in interest, for all will be put in one issue of securities.

As I said in the beginning, this is an inheritance from the Grand Trunk. It is not a new liability; it is not an added liability; it is a liability already in existence on the part of the Grand Trunk and the Canadian Pacific, and by this new agreement, to which all parties have agreed, the parties interested will save in the neighbourhood of $5,000,000 or over.

Sir HENRY DRAYTON: Has my hon. friend got an amendment to clause 8?

Mr. GRAHAM: Yes. If hon. gentlemen will read clause 8 they will see the effect of the amendment I propose. Mr. Chairman, I move:

That clause 8 be struck out and the following be substituted therefor:

"That the act to be based on these resolutions shall come into force upon such day as the Governor in Council may by proclamation appoint, and such proclamation may be made only if an agreement providing for the construction and completion of the said works on terms approved by the Governor in Council, but not inconsistent with this act, shall have been entered into within four months of the passing of this act."

Amendment agreed to.

Mr. MACLEAN (York): Does the minister know what the commitments are in connection with the expropriation of land either by the railway or the harbour board? And, who is to assume that responsibility? Outside of the commitments by the Canadian Pacific and the Canadian National which the minister has mentioned, is there not also a commitment for the expropriation of additional lands on the Toronto water front? Who is to assume that?

Mr. GRAHAM: The lands to be expropriated for this work in their entirety will cost, it is estimated, in the neighbourhood of $9,000,000, maybe a little more. That is all included in the viaduct scheme.

Mr. MACLEAN (York): When this matter was taken up at the conference with Colonel Dubuc, was there laid before him the proposal that was originally undertaken by the Canadian Pacific Railway and by the Grand Trunk, and then by Sir Henry Thornton on behalf of the Canadian National, to build the station at North Toronto away from the water front? Was that considered in the discussion? The Canadian National Railway was committed to it; the Canadian Pacific Railway was committed to it; Mr. Beatty was committed to it, and the chairman of the Canadian National and the solicitors and engineers were all committed to it, and they were all working on it. Why was that scheme abandoned?

Mr. GRAHAM: The North Toronto suggestion was not discussed, as all parties to the original agreement of 1913 seemed to be of the opinion that the present location of the railway terminals was the proper one. I must not say anything to commit the Canadian Pacific Railway to that opinion because I have never discussed the matter with them and I do not know what their view is. However, the president of the Canadian National Railway considered the question several months ago and he came to the conclusion that it is necessary to take into consideration two or three facts. First, the business part of the city of Toronto is down where the terminals are now and to go from the business part of the city to the north end would be a very expensive proposition which would entail the acquiring of a lot of valuable land; I am not sure that the city would not object very strenuously to going up that way. Then there was the other question that was considered; the damages that would accrue on the lands expropriated, the lands held under this registration of expropriation for so many years without any improvements being made on them, would be considerable. So that the cost of going to North Toronto would exceed the expenditure for constructing the viaduct at the point where it is intended to be built.

Mr. POWER: I cannot allow this resolution to pass without voicing certain objections thereto. Somewhat along the lines of objection raised by the right hon. leader of the opposition this morning to the project for the construction of a bridge between Montreal and the south shore of the St. Lawrence. That is to say, the present project has been brought down somewhat late in the session and it has taken a lot of hon. members by surprise.

Mr. MEIGHEN: Does the hon. member think this project should be put in the hands of the Toronto Harbour Commission?

Mr. POWER: I do not know and I do not care. Perhaps it would be just as well in the hands of the Toronto Harbour Commission as in the hands of the Toronto Terminals Railway Company or some authority we know nothing about.

Mr. MEIGHEN: We do not guarantee their bonds.

Mr. POWER: Perhaps not, but we are being held responsible for the expenditure of a large sum of money.

Mr. MEIGHEN: It is a reduction from what we were already responsible for.

Mr. POWER: I shall come to that point in a moment. I was about to say that we have not the fullest possible information on this subject, and that up till very recently very few hon. members had heard anything about it.

Sir HENRY DRAYTON: Oh, oh.

Mr. POWER: We do not all read the Toronto papers from which the ex-Minister of Finance (Mr. Drayton) may get his information; we derive our inspiration from other sources. Let me point out that there are other urgent works required throughout this country—

An hon. MEMBER: Yes, the Hudson Bay Railway for example.

Mr. POWER:—but had we suggested that those works should be carried out at this stage of the session we would have been told by the right hon. leader of the opposition, and by a number of other gentlemen opposite that it was too late, that no propaganda in its favour had been carried on throughout the country, that the people of Canada were not familiar with the proposed expenditure, and that we could not expect at this time, when we are hoping to prorogue, that the House would take into consideration the demands of other sections of the country. I see no reason why Toronto should be treated in any way differently from other portions of Canada where urgent need for public works exists. I do not have Hansard before me but I think it is not more than two or three weeks ago, when we thought we were on the eve of prorogation, that the leader of the opposition asked the Prime Minister what other legislation was to be brought down. If my memory serves me rightly the Prime Minister then stated that there was no more legislation except perhaps something in connection with harbours.

Mr. CANNON: That is irrigation.

Mr. POWER: It is true that somewhat later on another occasion the Prime Minister, I think, stated that possibly there might be legislation with regard to the Toronto viaduct. So that a number of us have been taken by surprise; we have not had time to prepare ourselves for a debate on this subject or to get information from the best possible sources. However, since this resolution has been brought down I happened to lay my hand on two clippings from newspapers, one from the usually well informed paper, the Montreal Herald. I am going to read these quotations because there seems to be some divergence of opinion as to just what this money is to be used for. The clipping from the Herald is entitled "Toronto's Plum". If it had been "Toronto's Peach" it might have appealed more to some hon. gentlemen. The clipping reads:

> The construction of the viaduct at Toronto the Globe jubilantly remarks, will enable Toronto "to carry to completion waterfront improvements which will not only make the harbour the finest on the Great Lakes, but will make Toronto Island accessible to the citizens at all seasons, and provide a system of waterfront parks, playgrounds and boulevards of great beauty and utility. Five years after the viaduct is built the water gate of Toronto will be the pride of its citizens and a delight to hosts of visitors."

I can imagine the hon. member for West Toronto (Mr. Hocken) gaily parading along the Toronto viaduct and thanking the members of this House—

Mr. HOCKEN: May I state that in all my experience I have never heard so much misinformation contained in so short a space as in the clipping which the hon. gentleman has quoted.

Mr. POWER: Do you ever read the Orange Sentinel?

Mr. HOCKEN: I do not know where the Montreal paper which makes these statements got its information but not a dollar of this money, as the Minister of Railways knows well, is to be spent for the purpose indicated in the article.

Mr. POWER: I quite realize that it would be a waste of money to provide amusement for the people of Toronto. Apparently, at its best, this expenditure is intended to raise Toronto to a higher plane.

Mr. HOCKEN: If possible.

Mr. POWER: For that purpose we are spending millions of the people's money. Now, the Montreal Herald in all probability, I accept the word of the hon. member for West Toronto, was most unfair. But we still have the opinion of the Montreal Gazette, a good Tory paper. It does not speak about playgrounds; it is a very serious paper; but it states:

> As originally projected, the estimates called for an expenditure of about $13,000,000, inclusive of the cost of the Union station, which was completed several years ago. After-war costs of labour and material raised the figure for the viaduct alone to well over $30,000.

I suppose it means thirty millions. It goes on to say:

The city of Toronto rejected a proposal for a considerably modified plan of construction which would have cut the present-day cost to approximately the original estimate.

We have not the means of finding out whether or not this statement is true.

Mr. HOCKEN: It is not.

Mr. POWER: I take it to be true because it comes from such an unimpeachable authority. The information given in the Gazette makes me think that first of all the proposed cost was elevated to thirty-four, thirty-five or thirty-six million dollars. Then the city got to work and said "We will cut it down. Let us knock off six million or seven million dollars for the playground, and then we will go to the House of Commons and say: We have done well. We do not include this $6,000,000" —which was never intended to apply and which never would have been necessary. This article continues:

A further proposal for a slight modification was accepted by the Toronto civic authorities—

I was glad they accepted. Let us go to any other city in Canada and ask them to accept $30,000,000.

—and the anticipated outlay is now set at $28,500,000 to be shared in equal proportions by the city, the Toronto harbour board and the two big railway systems.

There is a great deal more, some of it of importance, some of it relative, and the last paragraph of it is perhaps not relevant to the discussion now proceeding but it might be quoted I think for the information of the House. It reads:

As for the possibility that Mr. Mackenzie King and his party will gain any advantage from their overlavish bestowal of the people's money on the viaduct, here again history points the other way. The good old Tory city of Toronto will take the $7,000,000 proffered it and any other favours which are forthcoming from Ottawa, and will then proceed, as in the past, to vote in the good old Tory way.

Mr. HOCKEN: That is what bothers you.

Mr. POWER: Is this true? This part is as true as the rest of it—

The good old Tory city of Toronto will take the $7,000,000 proffered it, and any other favours forthcoming from Ottawa, and will then proceed as in the past to vote in the good old Tory way.

I think that is about all. The point is that here are two reputable newspapers which state that there are serious objections to this plan. As I said before, we have not had time to study it, and I think that the project might be laid over until next year, in order that we may be better educated as to the appropriateness and the urgent necessity of such a large expenditure of public money.

Mr. BRISTOL: One thing, Mr. Chairman, that seems to be very much in favour of the resolution presented by the Minister of Railways is the fact that the suggestion embodied in it has been made by a very distinguished French engineer, who I am sure hon. members all know is a very economical and able man, whose work has always been particularly well done. I want to compliment the minister on the way in which he stated the proposition. Of course my hon. friend from Quebec South (Mr. Power) has a right to make fun of the poor city of Toronto. That city has been the object, I am afraid of amusement for members of parliament and people in the province of Quebec for a long time. But we accept all the remarks that are made about us in regard to our peculiarities, and we are still struggling along, paying about $100,000,000 a year to the revenues of the country.

Coming back to this particular plan for the Toronto viaduct, I point out that the government of the day is merely carrying out an order which was made by a very distinguished member of the Liberal party, who was head of the railway commission, who decided that it was very important in the public interests that this particular work should be built, and that a viaduct should be constructed. I refer to the late Judge Mabee. The railways took the decision of Judge Mabee to the Privy Council, to find out that his law was good and that his plan also was good. It may be that the people of Toronto are not very intelligent, but I think my distinguished friend will, perhaps, admit that the Canadian Pacific Railway and the Canadian National Railway officials are pretty fair business men, and when they come before the parliament of this country, in conjunction with the city of Toronto, which is paying a third of the cost, and the harbour board, which is paying a share, I think my hon. friend should take it for granted, with his distinguished intellect, that if he spent a month studying the question he would not know any more than the best engineers who have been looking into the matter on behalf of the Canadian National and the Canadian Pacific Railways and who favour the resolution now before the House.

Mr. CANNON: Who is going to conduct the work? Is the work going to be performed in a direct or an indirect way?

Sir HENRY DRAYTON: In a direct way by the Toronto Terminals Railway Company, the owners.

Mr. CANNON: Who is the company?

Mr. BRISTOL: The Canadian Pacific and the Grand Trunk.

Mr. CANNON: When were they incorporated?

An hon. MEMBER: In 1906.

Mr. CANNON: If incorporated in 1906, how is it the charter has not lapsed? We are now in 1924.

Mr. BRISTOL: They still owe the banks.

Mr. CANNON: Have they done any work?

Mr. BRISTOL: They are $7,000,000 in debt to the Bank of Montreal.

Mr. CANNON: Are they political appointees? I listened this morning to the right hon. leader of the opposition (Mr. Meighen). He wanted the work in Montreal to be conducted directly under the control of parliament, and he was most vigorously upheld in his contention by the hon. member for South Wellington (Mr. Guthrie); it is funny that I have not heard him in the present debate, nor have I heard the right hon. leader of the opposition. We were told the harbour commission in Montreal had nothing to do with traffic. If that commission had nothing to do with traffic, why should the harbour commission in Toronto have something to do with traffic? I draw the attention of the House seriously to this most extraordinary situation. This morning these members were up in arms fighting a resolution under which a much smaller amount is to be voted for necessary, useful work in Montreal. My mind is not a parochial mind, and I am not limited by the needs of my own province. If this work is useful and necessary for Canada, let it be done, but I wish to call the attention of the people and of members of Parliament to the extraordinary attitude assumed by the opposition in this matter. This morning the right hon. leader of the opposition got up, followed by his chief lieutenant, fighting any grant of money for the harbour commission of Montreal—

An hon. MEMBER: No, no.

Mr. POWER:—because the bridge was to be built by the harbour commission.

Mr. BOYS: I think the hon. member should have some regard for facts and for the truth.

[Mr. Cannon.]

Mr. CANNON: I certainly heard the hon. member for South Wellington as a lawyer contend before this House that the harbour commission had absolutely no right to conduct the work.

Mr. GUTHRIE: I think that contention is right too.

Mr. CANNON: If the harbour commission in Montreal had no right to conduct the work because it was traffic work, how can my hon. friend this afternoon support a measure in which the harbour commission in Toronto is concerned, and which is also traffic work?

Mr. GUTHRIE: The harbour commission in Toronto has nothing to do with it.

Mr. CANNON: Certainly. I heard the minister claim that it was the Canadian National, the Canadian Pacific, and the harbour commission.

Mr. GUTHRIE: The hon. member is wrong.

Mr. BOYS: They are putting up something.

Mr. CANNON: The Chairman can say whether I am right or wrong.

Mr. GUTHRIE: The Terminal company will construct the work, and that company is made up of the representatives of the two railroads.

Mr. CANNON: I know that one company, which we know nothing about, is going to carry on the work. How it will be carried on we do not know, we have no assurance whatever.

Mr. GUTHRIE: It is contributing to the cost.

Mr. CANNON: The contributors in the construction of this project are the Canadian National Railway, the Canadian Pacific Railway, and the Toronto Harbour Commission.

An hon. MEMBER: No, no.

Mr. CANNON: Certainly. The minister stated that in his opening remarks, and I want to make sure whether I am right or wrong before I go any further.

Mr. GRAHAM: The agreement was made recently between the city of Toronto, the Grand Trunk and the Canadian Pacific. The harbour commission under that agreement, having their bonds guaranteed by the city of Toronto, spent a large amount of money, but under that agreement the railways in the Terminal company were to construct the viaduct.

Mr. BRISTOL: Clause 3 covers that.

Mr. FORKE: I have been rather interested in the discussion that has taken place. Several projects are apparently proposed in different parts of the country. We hear of millions being required in Montreal and millions in Toronto. Not very long ago, this House voted certain sums of money for some purposes out in the West, and something has happened. This project for the West has died. I think we are wasting the time of the House because I am sure that after this legislation has gone through, we shall hear no more of it. It will meet the same fate.

Mr. CANNON: Clause 1 of the resolution reads:

That in lieu of the viaduct and works provided for by the orders of the Board of Railway Commissioners and the agreement made between the corporation of the city of Toronto, the Toronto Harbour Commissioners, the Grand Trunk Railway Company and the Canadian Pacific Railway Company.

If the harbour commissioners are not interested, why should they be a party to the agreement?

Mr. GUTHRIE: Nobody said that they were not interested. They are very much interested. They are not, however, constructing this work.

Mr. CANNON: We know the company that is going to construct the work is the Toronto Terminals Railway Company; but the main argument brought before the House this morning by the hon. member for South Wellington (Mr. Guthrie) was that the Harbour Commissioners of Montreal could not build a bridge because it was a traffic matter. Why should the harbour commissioners, according to him, have no right to build a bridge when, on the other hand, he would claim that the Harbour Commissioners of Toronto have the right to build a viaduct?

Mr. GUTHRIE: I do not claim that. I am, however, willing to leave the matter at that.

Mr. BRISTOL: They own a portion of the land.

Mr. CANNON: Where is the difference between the harbour commissioners building the viaduct themselves and contributing the money for building it?

An hon. MEMBER: They do not.

Mr. CANNON: If they do not contribute any money to it, why should they be a party to the agreement?

Mr. GUTHRIE: They have terminal facilities there.

Mr. CANNON: I wish to call the attention of all members on every side of the House to the extraordinary attitude of our hon. friends. When money is asked for the West, they scrutinize every item with microscopes. When money is asked for the province of Quebec, the hon. member for York-Sunbury (Mr. Hanson) waxes so eloquent that his voice is heard even in the corridors, and the hon. member for South Wellington brings out the most extraordinary legal theories that I have ever listened to. But the moment holy Toronto is concerned, they all congregate together and it does not matter whether $30,000,000 or $50,000,000 or $100,000,000 are asked for, if it is for Toronto and Ontario, it is good enough for them. I will not delay this legislation any more. I certainly would delay it if was proposed by my hon. friends on the other side. We have been talking about guarantees and securities. The moment the measure is endorsed by the Minister of Railways and Canals (Mr. Graham) that is good enough for me.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 258, respecting the Toronto Terminals Railway Company.

Motion agreed to and bill read the first time.

Mr. GRAHAM moved the second reading of the bill.

Mr. CANNON: I do not think it would be fair to have the bill read a second time to-day. It has not yet been distributed.

Motion stands.

REDISTRIBUTION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee on Bill No. 2, to readjust the representation in the House of Commons.

Motion agreed to and the House went into committee thereon, Mr. Gordon in the chair.

On section 3—Division into electoral districts.

Mr. STEWART (Leeds): This section should stand until we pass the schedules item by item.

Mr. LAPOINTE: Why?

Mr. STEWART (Leeds): Some of the descriptions are inaccurate and there are two or three schedules that require discussion.

Mr. LAPOINTE: According to the section an electoral district is as provided in the schedule as it will be.

Mr. STEWART (Leeds): All right.

Sir HENRY DRAYTON: It will have to be clearly understood by the committee that by adopting section 3, we are adopting merely the formal part of the section and not the schedules at all; that all the schedules are to be open for discussion, they being taken as a separate item.

Mr. MACKENZIE KING: The section reads: "The schedules to this act," not "the schedules to this bill."

Sir HENRY DRAYTON: As a general rule, when you adopt a section dealing with a schedule, you adopt the schedule as well. As long as it is clearly understood that the schedules are not adopted, I have no objection.

Section agreed to.

On section 4—Construction of schedule.

Sir HENRY DRAYTON: This is new. Perhaps the Prime Minister will tell us the reason for the change in the law which this section brings about.

Mr. MACKENZIE KING: I would suggest that the chairman of the committee explain it.

Mr. MACDONALD (Pictou): This amendment has been made at the suggestion of the Chief Electoral Officer and is being now enacted in substitution of the old section 4, which reads:

> Every city, town, village, township, parish or place lying within the territorial limits of any electoral district, and not specifically included in any other electoral district by the said schedule, shall be and be taken to be part of the electoral district in which it is so locally situate.

The Chief Electoral Officer called the attention of the committee to the fact that throughout the country there were numerous instances in which a difference of opinion had arisen since he assumed office which indicated the necessity for a more ample and specific definition such as is contained in the new clause which was drafted by him. Power is given the Chief Electoral Officer under the new amendment to decide any questions of dispute that might arise as to the particular constituency or electoral district in which the locality in question might lie. And it is further provided—which is the most important part of the new section—that:

> In any doubtful case the Chief Electoral Officer shall finally determine of what electoral district, if any, any area not expressly referred to was intended to form part, and shall, within the first fifteen days after the session of parliament next following any such determination, report the same, with the reasons therefor, to the Speaker of the House of Commons.

That, I think, speaks for itself.

Sir HENRY DRAYTON: I take it that the idea of the old section was that any municipality or corporation separately constituted, although not specifically named in the bill, so long as it was within the boundaries specified in the schedule for a particular riding, would form a part of that constituency. I assume that is right.

Mr. MACDONALD (Pictou): I have just read the old section to my hon. friend.

Sir HENRY DRAYTON: I do not see how there could be any possibility of dispute under the circumstances. There could be a dispute if you had an incorporated place which was not included within the limits. Or, again, a dispute might arise in the case of an incorporated place which was equally within the limits of each of two constituencies. Let us take the last proposition I have stated. You have an incorporated town to which apparently this section is to refer: It is not mentioned by name in the schedule but it lies equally within the boundaries of two properly described electoral districts, half in one and half in the other. Is it the intention of the section that the Chief Electoral Officer should be empowered to include it all within either one, or that he may decide that half of the municipality in question shall be in the one constituency and the other half in the other, according to the geographical situation?

Mr. MACDONALD (Pictou): The Chief Electoral Officer indicated two or three instances that showed the necessity for having this power conferred upon him. I have not at hand his statement as to the particular localities and I shall therefore ask that the section stand. I have asked him to come here.

Mr. GRAHAM: It might be possible that an unincorporated village might be incorporated after the passing of this act. Had redistribution taken place after its incorporation it would be named in the bill.

Sir HENRY DRAYTON: If under the old section it was within a properly described constituency it would still remain a part of that constituency.

Mr. HANSON: There is one feature of the section which bothered me in the committee and it worries me still. The first three lines of the section read:

The whole of that part of the said schedule relating to any province shall be read together—

Mark this.

—and shall, so far as possible, be construed as including the whole of such province in some one or other of the electoral districts therein described.

I drew to the attention of the committee the situation that exists in the county of Pontiac, which is made up of three provincial counties, namely, Pontiac, Timiskaming and Abitibi. There is a large area of country lying immediately north of the county of Abitibi extending nearly to Hudson bay, well up to the East Main river. As the schedule for that county was originally drafted by the electoral officer, there was included the northern boundary of Pontiac at the East Main river, which would be several hundred miles from the lower boundary and which would include the greater part of the uninhabited portion of the province of Quebec on its western side. I should like to have the opinion of the Chief Electoral Officer as to whether that portion which lies beyond the three provincial counties I have mentioned would be included within the electoral district of Pontiac, because if it does that was not the intention of the committee. The last part of the section provides that in any doubtful case the Chief Electoral Officer might so declare, and it seems to me that if this section of the act is intended to cover such cases as I have suggested it should be amended by appropriate words to exclude this particular example at all events. I know of no other case of this kind, unless there are other portions of unorganized territory in Quebec or Northern Ontario.

Mr. BOIVIN: The hon. member is right in his statement concerning the unorganized portions of the county of Pontiac. The schedule was first drawn with two unorganized territories included in the county and the subcommittee for the province of Quebec in charge of the drafting of the schedule for that province came to the conclusion that owing to the very sparsely settled condition of that part of the province those territories should not be included in any electoral district. The hon. member (Mr. Hanson) was absent from one meeting of the Redistribution committee at which the Chief Electoral Officer was present. I asked him then for the expression of opinion which the hon. member has asked for now in the House. The Chief Electoral Officer told me that the case of the county of Pontiac could not possibly be included in this clause; that the words "so far as possible" which are found in the second and third lines of clause 4 of the bill made it optional to him only when the territory was not specifically excepted, and he said that in this particular instance there would be no possibility, and could be no probability, of his at any time declaring that these territories should form part of the county of Pontiac.

Mr. BOYS: I have no doubt that what has been done in this connection is correct. I have been asked questions already concerning this measure, and I have no doubt I shall be asked more in the future. I would therefore like to understand one or two things that I cannot understand now. How is it that some cities and some towns are included in the descriptions of ridings, while others are not? Let me give an illustration. Take Hastings South, for instance; I find that the clause winds up with the following: "and including the city of Belleville". Then we come, for instance, to the constituency of Ontario, in which there is the recently incorporated city of Oshawa. No mention whatever is made of Oshawa there. I was first told that the cities alone were specifically mentioned and not large towns, but that instance does away with that theory. We pass on to Peterborough West and we find that the city of Peterborough is specifically mentioned; but we turn to my own county of Simcoe East, with which I am more familiar, and we find that towns like Orillia, Midland, Penetang.—good-sized towns, two of them almost ready to be incorporated into cities—are not mentioned at all. Then, in the case of Simcoe North, towns like Barrie and Collingwood are not included. I have no doubt that it is all right, but I would like to know the reason; I cannot see why the towns should be mentioned in some cases and not in others, and, similarly, the cities in some cases and not in others.

Mr. MACDONALD (Pictou): In order that we might have in the bill a full description of all the constituencies that could not be described purely by county boundaries, great care was taken in the drafting of these descriptions under the direction of Colonel Biggar and his officials. He explains to me that the cities are mentioned in all cases.

Mr. BOYS: That was the reason given to me. But Oshawa is a city in the constituency of Ontario, and it is not mentioned.

Mr. MACDONALD (Pictou): It is probably due to the fact that Oshawa was very recently incorporated as a city. That is the only explanation.

Mr. BOYS: I think the minister understands that I am not making any complaints. I am simply inquiring about these things so that when we return to our homes and are asked questions we shall be able to answer them. As I understand it, then, in
5 p.m. all cases where there are cities they are specifically mentioned, but towns are not mentioned, being included in the townships of which they form part or originally formed part.

Mr. MACDONALD (Pictou): Towns are also mentioned in cases where the exact location may be in doubt.

Mr. SUTHERLAND: I think the cities of Sault Ste. Marie and Sarnia are not mentioned.

Mr. MACDONALD (Pictou): My hon. friend is right. Corrections of that kind can be made as we come to them. Some typographical errors have been made and I have some slight amendments to propose in that respect when we come to the schedule.

The CHAIRMAN (Mr. Marcil, Bonaventure): Section 4 stands?

Mr. BOIVIN: No, we are going on with it now.

Mr. McMASTER: Before section 4 carries I have a word of criticism and expostulation to offer in connection with the naming of the county which I have the honour to represent in this House. It has been known for a great many years as the county of Brome. Henceforth it is to be merged with another county, and as it is the smallest in the province of Quebec I am not objecting to that. But I do not see why the word Brome should be put at the end instead of at the beginning. It is to be known in future as the county of Missisquoi-Brome, and I think it should be the county of Brome-Missisquoi. The reasons are as follows: First of all, in alphabetical order, B comes before M. Secondly, as regards euphony, Brome-Missisquoi seems to me to have a pleasanter sound than Missisquoi-Brome; my ears, however, may be prejudiced in that regard. Thirdly, the practice in our province, though not the universal practice, has been to follow the alphabetical order when two counties are placed together. I would cite to the committee the case of Berthier-Maskinongé, Chambly-Verchères, Charlevoix-Saguenay.

[Mr. Boys.]

Mr. POWER: Drummond-Arthabaska.

Mr. McMASTER: That is against me.

Mr. BOIVIN: St. Johns-Iberville.

Mr. McMASTER: That is against me too. But the majority of double-barrelled counties follow the alphabetical order—Chateauguay-Huntingdon, Laprairie-Napierville, L'Assomption-Montcalm, Laval-Two Mountains, Richmond-Wolfe. There are, I grant, some counties, such as Drummond-Arthabaska, where the contrary practice has been followed, but I take it that the alphabetical order is the more usually followed and the more correct.

Mr. RINFRET: What is the difference?

Mr. McMASTER: The difference is merely a question of order, and I am always for having things done properly and in order.

Mr. RINFRET: Why not put the hyphen first?

Mr. McMASTER: If anybody desires to put the hyphen first he can do so. However there is another reason why I think I can ask the committee to have the county called Brome-Missisquoi rather than Missisquoi-Brome. I leave entirely out of my discussion any reference to those who represent at the present time in this House either of the two counties. But I would like to point out that the county of Brome has had a very long and, in the persons of those who have hitherto represented it, a very distinguished history. Prior to confederation it was represented by Judge Dunkin, who was, if I recollect, Treasurer of the United Canadas and one of the foremost public men of his day. Subsequently in the federal arena it was represented for over thirty years by one of the most highly regarded public servants this country ever had, in the person of the Hon. Sydney Arthur Fisher. And latterly it was represented by the only member of this House who gave his life on the battlefield, Colonel George Harry Baker. In the provincial field it was represented not only on the Liberal but also on the Conservative side by men who held high positions in the province. The late Hon. W. W. Lynch was provincial secretary and member for Brome; and Hon. Mr. Duffy and Hon. Mr. McCorkill, both distinguished treasurers of the province of Quebec were also members for Brome. I think therefore that Brome, although it is a small county, has justified its existence in the history of this country and that the united counties should in future be called Brome-Missisquoi and not Missisquoi-Brome.

Mr. MACDONALD (Pictou): I am sorry to point out that my hon. friend's eloquent plea had better be made when we come to the schedule. For the moment we are considering section 4. Colonel Biggar informs me that under the old section the words did not cover certain peculiar areas which are to be found in certain parts of this country, such as Indian reserves, and river lots, which are to be found in the West. This section as amended does nothing more than aptly and conclusively to give power to include whatever area there may be outside the city, town, township or parish in the old act. It gives the electrical officer power to decide in any disputed case what is the intent of the new section as to these peculiar areas. I am instructed that frequently the responsibility of determining unusual questions of this character has been assumed by Colonel Biggar without having the authority which this section will give him. I think we all will agree that this is a wise provision. The matter was fully understood by the committee when it was discussed there, and I think the section is one which ought to be passed.

Section agreed to.

On section 6—Incorrect description.

Mr. CANNON: When in the act "county" is mentioned, is it the provincial or the federal county?

Mr. MACDONALD (Pictou): There is only one county organization in Canada, and that is the county organized provincially by the different legislatures.

Section agreed to.

Mr. MACDONALD (Pictou): Before we proceed to consider the schedule, as chairman of the committee I would like to say a word. The task which was committed to the committee was a very difficult and onerous one, and involved in some of the provinces very difficult problems. Speaking as chairman of that committee I feel that I should bear testimony to the assiduous way in which all the members of that body worked in order to arrive at a satisfactory readjustment of the representation.

So far as the government were concerned, we had no hard-and-fast propositions to submit to the committee in regard to any one of the provinces. Following the principle that had been laid down in 1904, and again in 1914, the question of what the representation in each particular province should be was first submitted for the consideration of sub-committees made up of members of the whole committee who came from the particular province concerned. These sub-committees held frequent conferences, and agreed upon certain situations and certain presentments, which we have made to the House.

There were certain fundamental differences of opinion, with reference more particularly to urban representation. It was claimed by some hon. members of the committee, and I understand it is still claimed, that in determining what the unit in the city should be the committee as a whole have put it at too high a figure. The unit for the whole country, arrived at by the division of the population of Quebec by 65, is in the vicinity of 36,000. Now the principle has always been recognized in the past that there should be a larger unit in the cities than in the country; that situation has existed in all the previous readjustments that have been made in the representation. I am not going to labour the proposition or justify for the time being the unit that was adopted in each particular province, because hon. gentlemen will see that in British Columbia, for instance, or in the city of Winnipeg, having regard to the population and other considerations, the unit might vary a great deal from what it might be in, say Montreal or Toronto. On that point there are certain gentlemen who feel that the committee have not in the fullest degree dealt with the representation of the cities in a way that is satisfactory to them. Manifestly it was impossible to make a redistribution that would be satisfactory to everybody. This is the second time that I have had the honour of sitting on a Redistribution committee, and I am well aware that there are some hon. members who think that in some respects the redistribution that we are recommending to the House is not absolutely equitable and complete in every way. All I can say, speaking for myself and other hon. gentlemen on the committee, is that if there are anomalies and inequalities, it is not through any desire on our part, but simply through an endeavour to arrive at some conclusion which would be fair and equitable.

With those preliminaries, Mr. Chairman, I would ask the attention of the House to the schedule which we have prepared. I understand there are some differences of opinion in regard to the province of Ontario, and I would therefore suggest that we begin consideration of the readjustment of the province of Quebec. In a bill of this size, comprising as it does 48 pages, a large portion of it devoted to technical descriptions, naturally there have crept into the printing certain errata. These have been gone over very

carefully by the various clerks and officials, and where we come to anything of that kind I will direct the attention of the committee to it as we go along.

On the schedule, Quebec.

Mr. SUTHERLAND: The question of redistribution is one that has to be dealt with every ten years in this Dominion. I presume that is owing to the foresight which the framers of the British North America Act displayed in anticipating a great increase in population in this country. It is quite natural that during a decennial period there should be a very great increase in population in some constituencies, and possibly a decrease in others. That is exactly what is happening, and consequently an adjustment at the termination of the decennial census is necessary.

I am inclined to think that some of the redistributions that have taken place in the past have been more in the nature of a temporary readjustment than a real redistribution. In regard to the present one, having been a member of a special committee appointed to deal with the matter not only during the present session but also a year ago, I regret that I am not as well pleased with the result of our labours as the chairman of the committee appears to be. I think it is generally acknowledged, and history will show, that the duties and responsibilities of the citizen to the state are recognized not only in this country but in every other country. Away back in the early days, at the time the Magna Charta was obtained in the Old Land, the individual rights of the citizen were established to a greater degree than they had ever been before. It was only during the latter part of the last century that human rights were recognized above property considerations. In fact it has only been since the close of the great war that every citizen of good repute over the age of twenty-one, whether male or female, has been conceded the franchise. We have made great progress in this direction, and that being the case redistribution should receive even closer attention now than it would have received in the old days when property considerations instead of the individual rights were recognized. Because equality of obligation undoubtedly prevails in this country, and our rights ought to be equal. Each individual citizen in this country has and should enjoy the same right as any other citizen in the carrying on of the government of Canada. I am sorry to find that in the schedule for the province of Ontario which will be submitted that equality has not been recognized. On the contrary you will find a great disparity between the influence exercised by one citizen and the influence exercised by another. I regret to say that in many instances a citizen in one constituency has been given twice the influence and powers that another possesses elsewhere. Yes, not only twice but in some instances three times the influence: Some constituencies will be able to exert three times the influence that other constituencies will exercise. Such being the case it is quite apparent that the question of equality of rights has not been recognized.

Now, I wish to say a word or two respecting the methods which have been pursued not only in the present redistribution but in preceding redistributions of ten or twenty years ago. The Prime Minister on the second reading of the Redistribution bill this session outlined what he claimed he desired to be the guiding principles which should be observed in the bill, and in my opinion no exception could be taken to the rules to which he asked the committee to adhere. I am sorry that the committee ignored almost in their entirety what we may assume to be the instructions of the Prime Minister to them, with regard to equality of right, with regard to boundaries, with regard to area, with regard to convenient proximity to railways and other transportation facilities. All these have been absolutely disregarded in many instances, particularly the matter of equality of population. After many meetings of the sub-committee a report was presented to the main committee on redistribution. A year ago, and during the present session, I urged repeatedly upon the main committee when the sub-committees were being appointed that it was necessary, it was essential, and it would save time, if the main committee would lay down some general principles as a guide in effecting redistribution. This the committee refused to do. The Prime Minister intimated to the House that he was desirous of having an absolutely fair redistribution; for that reason he was appointing a special committee the members of which might sit around a conference table, discuss the situation, and arrive at satisfactory conclusions; that this system was preferable to the method which had been adopted in the past where the government itself assumed responsibility for bringing down a redistribution measure, to be dealt with by a committee of the House. I am sorry that the Prime Minister's proposal was not carried out, but in any event the government must be responsible for the system of redistribution which takes place.

The government have—through a sub-committee, not through the main committee—submitted a plan of redistribution for the province of Ontario. In arriving at this plan, I regret to say, in many instances little or no consideration was shown to the members who happened to be in the minority on the sub-committee. I even go to the length of saying this: In order to ensure that their own sweet will would be carried out in the matter the government caused a committee of nineteen members to be appointed. Of this number ten were supporters of the government, six were cabinet ministers appointed in order to see that the redistribution would suit them. Of the remaining members five were Progressives, and four belonged to the party with which I am associated. Hon. members will see that our influence was not as great as it should have been. After many long and tedious meetings of committees a majority report of the main committee was finally arrived at. We were denied the right of presenting a minority report either to the main committee or to the House. Consequently our only course is to state now exactly what took place in regard to this matter. I may say that last year the proposition then submitted was accepted by us in many instances. A new plan was brought down at the beginning of the present session and certain changes from the plan of a year ago were made. We accepted a number of these, but finally another plan was brought down, with which we could not agree at all. After the government had insisted on having its way—I presume owing to the fact that six members of the cabinet were on the main committee—little or no consideration was paid to proposals of the Conservative members on the sub-committees. This reminded me of a statement made by the Prime Minister before a women's association meeting held in Ottawa—in 1922—when he stated there were many things in common between hon. gentlemen to our left, the Progressives and the Liberal party, that common feeling being a desire to put down Toryism in this country. If ever an effective means was employed for that purpose it was in the committees which conferred regarding this redistribution. We found ourselves in the position that we were outvoted time and again. Finally, owing to a fear of what would happen when the measure would come up in the House, as a result of this union between the two parties it was thought advisable to accept this proposition which was made. Accordingly an arrangement was entered into with the government supporters respecting the province of Ontario, and I presume it will be necessary to adhere to that arrangement.

I might point out that the first thing that was settled in committee was the representation to which the city of Toronto would be entitled. I pointed out in the main committee time and again, indeed I emphasized the fact, that it would be necessary for us to lay down some principle—in deciding the unit of population for the representation for the large centres of population—before we could make any progress. The suggestion was not acted upon. The main committee would not, and did not, deal with that matter, but they delegated it to the sub-committee. Along that line let me call your attention to some of the anomalies in the bill.

The sub-committee having decided upon the number they considered the city of Toronto were entitled to, namely nine members, it does not mean an increase of three, because Toronto city had six members before and the county of York four. In the constituencies of York there were 146,049 belonging to the city of Toronto in the census of 1921. In 1911 there were 60,642. To-day the boundaries of Toronto constituencies are confined to the city boundaries, and they have nine members, or a unit of representation of 57,988. I think that any fair-minded person who believes that the franchise is or should be universally distributed among all people in this country over the age of 21, will admit that that is unfair and requires some explanation, which so far has not been forthcoming. Why the unit should be fixed so high in some centres of population compared with the unit in others is hard to understand. There are fourteen constituencies in this province where the unit of representation averages 55,109, the other sixty-eight have an average unit of representation of 31,796. I might point out, here, that the unit of population under this redistribution is 36,282, based as it is upon the population of Quebec in relation to the number 65, which was decided upon at the time of confederation, as a fixed representation, Quebec being the pivotal province for the whole of the Dominion in fixing the unit of representation. Hon. members will observe that there is a great disparity there, in those fourteen constituencies to which I have referred. Placing them upon an equality with the other sixty-eight, there are 26,192 in every one of these fourteen constituencies who are not entitled to exercise the franchise to the same degree, or to any degree at all. They are absolutely disfranchised to that extent in each of the

fourteen constituencies referred to. Now, in regard to some of the other anomalies, to which I might point to the constituencies of East and West Middlesex, and the city of London, because they are all in the county of Middlesex. East Middlesex has a population of 27,994, which includes 7,151 of the population of the city of London. West Middlesex has 25,035 of a population. Thus we have two constituencies for a population of 53,029. The city of London, notwithstanding the fact that over 7,000 of its people are in East Middlesex has still a greater population than those two constituencies combined, or 53,838. Now this comes home very close to the people living in that district because a person on one side of the line loses one-half of his identity. If he remains in East Middlesex or West Middlesex he has twice the influence in carrying on the government of the country that the man has who is living in the city.

Further on we have some other anomalies of which I do not approve, and which I would gladly have eliminated. I will mention, for instance, three constituencies, North Bruce, South Bruce and South Perth with a population of 62,672. The county of Welland under this scheme outlined here has a population of 66,668. They have one member for this number, and they have three members for a much less number in the case of the three constituencies to which I have referred. There is more than three times the difference here and a considerable surplus over that namely 4,000. I do not think that any one can justify such a discrimination. I have not heard of any attempt at justification for it so far. It was found necessary, on account of the increase in population in northern Ontario, that two new constituencies should be created in the North. We understood that it was the intention to create two new constituencies in western Ontario, one in the Niagara peninsula, and the other in the Essex peninsula, owing to the great increase in these two districts. And two more in the city of Toronto, because that is really what it amounts to—two and not three. After negotiating during these various meetings, and after having dealt with practically all the constituencies in the province, we arrived at that stage where we were quietly informed that the Niagara peninsula was not to have another member—as there would have to be another seat provided in order to give this district the representation to which they were entitled. I would like to point out in that regard that instead of giving the increase to the county of Essex, by all fair rules the increase should have taken place in the Niagara peninsula and not in the peninsula of Essex for the simple reason that the two constituencies of Essex had a population of 102,575, and are now to have three members. Yet Lincoln and Welland, with a population of 115,293 are to remain as they were. There are nearly 13,000 more people in Lincoln and Welland than there are in Essex, and yet this is the result of our labours, and this is provided for in the schedule which is now before the House.

I would point out further what took place with regard to cutting out the other constituencies that have been in existence for many years. Hon. members will understand that in order to create new constituencies with a fixed representation, some other constituencies must be eliminated, because the representation of the province of Ontario has not increased or decreased; it is exactly the same as it was at the last redistribution, namely 82. We find one of the Elgin constituencies is eliminated. It is also somewhat significant how constitutencies with a Conservative record were struck off. The constituency of East Elgin which had been Conservative in 1904, 1908, 1911 and 1917, while it went Progressive for a short time, went back into the old Conservative column in 1921. This was one of the first constituencies disposed of. Another constituency which was eliminated was Dufferin or South Simcoe. I do not know whether you would say it was South Simcoe or Dufferin that was eliminated. At any rate the constituency in this bill is Dufferin and Simcoe. This constituency also has been Conservative with the exception of the last election; since 1904. South Simcoe has been Conservative continuously from an earlier date than that. North Ontario was also removed from the list of constituencies. This also was Conservative in 1904, 1908, 1911, 1917 and until the death of the late member, when it went Progressive in 1919 and 1921 by a small majority. East York also Conservative.

Then coming down further east in Ontario we find the constituency of East Peterborough is being merged with the two Hastings. This also was Conservative for a long time although it went to the Progressive party in 1921. East Hastings has been a Conservative constituency from 1904 to the present time. West Hastings has been a Conservative constituency from quite a while before that period down to the present time. The constituency of Lennox and Addington was also removed from the map. This constituency returned a Conservative member in 1904, 1908, 1911 and 1917, and went Pro-

gressive in 1921. I am pointing this out to show that the Conservatives on the committee were in a very small minority, and historic Conservative constituencies were ruthlessly eliminated as a result; that they were not in a position to exercise much influence, and were helpless to prevent the government from eliminating Conservative constituencies in accordance with their own desire. Yet the government claim that this method of bringing about redistribution is a fair one. After my experience on the committee, I say to the government: By all means accept the full responsibility, come out in the open, lay your cards on the table, do not go behind closed doors and exclude the public, but do what you are going to do in the light of day so that the people will know what is going on. I hope I shall never again hear an argument in approval of a scheme such as we have been a party to during practically the whole period of this session.

Mr. MACKENZIE KING: Did my hon. friend not himself by his vote approve this method of dealing with redistribution?

Mr. SUTHERLAND: I am speaking now from experience. I am not aware that a vote was taken on the matter.

Mr. MACKENZIE KING: When the measure was before the House and it was referred to a special committee to be dealt with in this way, my hon. friend acquiesced.

Mr. SUTHERLAND: I certainly did not oppose it and I presume that implies I acquiesced. I am speaking to-day from experience. I have had some experience since that I did not have at that time. I then attached some importance to the statement made by the Prime Minister to the committee as to what he desired to have done in this regard. I am referring to these things to-day to show that the expressed instructions of the Prime Minister have not been carried out, but they have been violated in almost every instance. There were four cardinal principles which he laid down and asked the committee to adhere to. The committee have absolutely disregarded every one of them, and not in a single instance have they carried out the instructions which the Prime Minister issued to them. Consequently, I am pointing out to-day that it would be much better for the government to assume full responsibility, to lay their plan on the table so that everybody will know what they mean and not be misled into believing that something that has happened behind closed doors, is the result of the mature deliberation of the committee. I noticed something further. The chairman of the committee has intimated that there was some difference of opinion with regard to representation in the cities. The report of the committee laid on the table of this House on Friday, July 11, is very misleading, and I think the chairman of the committee should have explained the attitude of the minority more in detail than he did this afternoon. One would assume from reading this report that the committee were practically unanimous with regard to fixing the boundaries of these constituencies. That was not the case; but after we realized what the situation was, we finally consented under protest to a scheme of redistribution for the province of Ontario. It was the best we could obtain. It is not satisfactory, and if the government have any regard for their reputation in this country, they will take steps to see that a fair representation is made and that three constituencies in western Ontario will not have three representatives in the House of Commons with a less population than another county which is only to have one.

Mr. HEALY: What is the population of the constituency that the hon. member himself represents?

Mr. SUTHERLAND: My hon. friend knows that as well as I do.

Mr. HEALY: Perhaps other hon. members do not know.

Mr. SUTHERLAND: If this is all the justification my hon. friend can give for the inequality to which I have referred, I may say for the benefit of the other members of the House that the population of South Oxford numbers 22,236.

Mr. HEALY: Did the hon. gentleman protest in committee that his constituency should be increased?

Mr. SUTHERLAND: I can assure my hon. friend that when Oxford was mentioned, I informed the committee that I was not asking for any favours in connection with the constituency which I have the honour to represent. I made that quite clear to every member of the committee, and in not a single instance have I departed from that principle, I take that position to-day. I have not asked and I do not ask for favours for myself, nor do I ask for others favours but justice. What I ask for is a redistribution that will be somewhat equitable. Equal rights to all, and special privileges to none! As

regards my hon. friend, how many times was the map of Essex changed at the instigation of somebody behind the scenes? After we had accepted the proposition of the government two very important changes were made.

Mr. HEALY: What is the present population of the constituency of Essex to-day and how fast is it increasing?

Mr. SUTHERLAND: The two constituencies of Essex are 13,000 less than the constituencies of Welland and Lincoln.

Mr. HEALY: The hon. gentleman is entirely mistaken there.

Mr. SUTHERLAND: I am speaking about the population as given in the census returns on which we have to make redistribution.

Mr. HEALY: And pay no attention to the present condition?

Mr. HANSON: None at all.

Mr. HEALY: That is an intelligent way of making the redistribution.

Mr. SUTHERLAND: If the hon. gentleman has taken the trouble to read the British North America Act, he will understand that redistribution is based on the census immediately preceding redistribution. The last decennial census is the one on which the redistribution must be made. In that regard, I am pointing out that the constituencies of Lincoln and Welland have increased very much more in the last ten years than the constituency of Essex has.

Mr. HEALY: The hon. member is entirely mistaken.

Mr. HANSON: How does the hon. member know that?

Mr. HEALY: I know both counties.

Mr. SUTHERLAND: I base my statement on the recent census returns which show that there was 2,673 more of an increase in Lincoln and Welland than in the county of Essex. Consequently, it was in the Niagara peninsula that increased representation should have taken place. As I pointed out, we accepted the government's proposition as regards Essex, under pressure, it is true. But after we did that, what did we do? Adhere to county and municipal boundaries? No, in the last scheme presented four sections were to be taken out of the county of Kent and attached to other ridings, one of them a small village. The police village of Wheatley is taken out of Kent and put into Essex.

[Mr. Sutherland.]

Mr. GRAHAM: That is half correct. Wheatley is a village, half of which was in Essex and half in Kent. They put the entire village into one constituency so that the entire village could vote in one constituency.

Mr. SUTHERLAND: Does it not belong to the municipality of the county of Kent?

Mr. GRAHAM: Half of it is in each county.

Mr. SUTHERLAND: For municipal purposes.

Mr. GRAHAM: I know that the line dividing the county runs through the village of Wheatley and the town of Tilbury.

Mr. HANSON: That frequently occurs, but we still adhere to the county boundaries.

Mr. SUTHERLAND: The hon. member (Mr. Graham) will find that the whole of Wheatley is in the county of Kent for municipal purposes.

Mr. GRAHAM: I made no reference to that; I said that half of it was in each riding.

Mr. SUTHERLAND: I am not speaking about the riding; I am saying that it is all in the municipality of Kent.

Mr. GRAHAM: Kent is a county.

Mr. SUTHERLAND: Most assuredly.

Mr. GRAHAM: And half of the town is in Kent and half in Essex.

Mr. SUTHERLAND: It is all in the county of Kent.

Mr. GRAHAM: No it is not.

Mr. SUTHERLAND: It is true that part of it is in the constituency of Essex South, but that is not the county of Kent.

Mr. GRAHAM: The line runs through the centre of the village.

Mr. SUTHERLAND: The same applies to the town of Tilbury north of it; these are both taken out of the county of Kent although they belong to that county for municipal purposes. I have pointed out but a few of the anomalies that exist in this redistribution scheme as proposed. As late as June 10 we were led to believe that a constituency would be created in the Niagara peninsula. I have the report of the sub-committee under that date which was not submitted and I find that it provides for six new constituencies—Rainy River, Timiskaming, South Essex, Niagara, and two for Toronto. And by reason of the fact that Toronto is now confined to the city boundaries there is no portion of that city within the Yorks

so that there is one York less than we had before. The report of that sub-committee is dated June 10 but since that time we have been very coolly informed that the plan then proposed would not be carried out. I have here the scheme submitted in 1923 as well as the first one of the present session, which is quite different; and although in three instances the Conservative members on the committee agreed with the government's proposals those proposals were afterwards changed. I point these things out because I know that there has been a feeling in the House that something very unsatisfactory was going on, and I have been personally blamed for a good deal of the delay which has occurred in connection with this matter. Some one has been very busy handing out reports to the press to this effect and I am referring to these things to show that our hands have been absolutely tied and that in the end it was merely a matter of bartering for politicial advantage on the part of the members of the committee. It was not the rights of the people of this province which were given first consideration but the effort was for political advantage. Finally we reached that stage where we had either to submit to what was offered or to accept something worse. We have accepted under protest the scheme which has been outlined here on behalf of the province of Ontario, that is apart from the unfair redistribution in the cities to which we were not a consenting party.

Mr. SHAW: I am not familiar with the difficulties which beset the hon. member for South Oxford (Mr. Sutherland) but hon. members will recall that after the abortive effort at redistribution last year, when the chairman brought in his report, I stated my own objection to the secret arrangement of constituency boundaries and made certain suggestions which it seemed to me might be adopted with profit. As compared with our system I desire briefly to draw the attention of the House to the system which prevails in Australia, and I certainly would commend to the next redistribution committee or to the next parliament, as the case may be, the great desirability of passing such an effective law as obtains in Australia. In Australia the redistribution is arranged by three distribution commissioners appointed by the Governor General, of whom one is the Chief Electoral Officer or an officer having similiar qualifications; and, if his services are obtainable, one shall be the Surveyor General of the state or an officer having similar qualifications. I quote the following sections:

In making any proposed distribution of a state into divisions, the Distribution Commissioners shall give due consideration to—

(a) Community or diversity of interest,
(b) Means of communication,
(c) Physical features,
(d) Existing boundaries of division and subdivisions,
(e) State electoral boundaries;

and subject thereto the quota of electors shall be the basis for the distribution, and the Distribution Commissioners may adopt a margin of allowance, to be used whenever necessary, but in no case shall the quota he departed from to a greater extent than one-fifth more or one-fifth less.

What follows is interesting.

Before reporting on the distribution of any state into divisions, the Distribution Commissoners shall cause a map wth a description of the boundaries of each proposed division to be exhibited at post-offices in the proposed division, and shall invite public attention thereto by advertisement in the Gazette.

Objections or suggestions in writing may be lodged with the Distribution Commissioners not later than thirty days after the first advertisement in the Gazette of the proposed distribution, and the Distribution Commissioners shall consider all objections and suggestions so lodged before making their report.

When the report has been submitted parliament, if it is dissatisfied with its provision, may refer the redistribution back to the Distribution Commisioners. This is the plan which has been followed in Australia and which I am sure, as compared with the secret arrangement which exists here, is much more commendable. Furthermore, it really safeguards the interests of the people, although perhaps not so much attention is paid to the fortunes of any political party. I do not anticipate for a moment that any legislation of this kind could be enacted to affect this redistribution, but I earnestly suggest that at the earliest opportunity machinery be provided which will give in following years in this country a redistribution which will be fair and satisfactory and which will be consummated in the light of day.

Mr. HANSON: As a member of the Redistribution committee, and as a member of the sub-committees for the provinces of Quebec, New Brunswick, Prince Edward Island and Nova Scotia, I must confess that I fully appreciated the responsibilities that were placed on my shoulders. The work was arduous and I desire at the outset to convey to the other gentlemen of the sub-committees my sincere thanks for the courteous treatment which was accorded me and for the consideration that was shown me as a member of each of the sub-committees, especially in view of the fact that for the most part I was ignorant of local conditions particularly in the province of Quebec. I desire to make it perfectly clear that I do appreciate the treatment accorded me by the other members of the sub-committees.

As regards the provinces of New Brunswick, Nova Scotia and Prince Edward Island, redistribution did not present any very real difficulty; I am satisfied there was no local demand from either New Brunswick or Prince Edward Island for any change in their representation. There might have been in one or two isolated cases some expression of opinion which would affect a particular local situation, but on the whole I think I can fairly and safely say that the desire of public opinion in those two provinces was that their representation should be left as it was.

In the case of Nova Scotia the situation was entirely different. Unfortunately owing to the system under which the representation is allocated the sister province of Nova Scotia loses two seats, and it became necessary to provide for the disappearance of two seats. I think it was agreed by all that the two seats that should disappear were the old and historic county of Hants, the county of Joseph Howe, and the small county of Queen's, represented by the Minister of Finance (Mr. Fielding). Most Maritime province people feel some regret that a county of the historic interest of Hants should have to disappear, and in this connection I am glad to observe that the name has been retained in the front rank of the united consituency of Hants-Kings. I second the earnest suggestion made by the hon. member for Brome that if that county is to disappear the name at least should be given considerable prominence, that the constituency should be known as Brome-Missisquoi. I urged this before the sub-committee and before the whole committee, but my views in that respect did not meet with very much consideration, perhaps because the urging was not sufficiently strong. There is only one other change of importance in Nova Scotia, in regard to one of the Cape Breton constituencies. That can be justified on a good many grounds, I base my acquiescense in it on the fact that Richmond and the rural parts of southern Cape Breton are chiefly fishing and agricultural, the remaining part of the constituency being wholly industrial. While the change may work out to the benefit of our political opponents—and I have no doubt that the suggestion was made with that in view—I do think the change is justified, and if they can take any political advantage out of it they are welcome to it. They may find, however, that there is not quite as much political advantage in it as has been suggested.

With regard to the province of Quebec I expressly reserved to myself and my colleagues the right to discuss the disparity between the urban and the rural representation in that province. If hon. gentlemen have examined the census statistics, and also if they heard the observations that fell this morning from the lips of the hon. member for Chambly and Verchères (Mr. Archambault), they will at once agree with me that the work of the committee has not done full justice to the population of the city and district of Montreal. According to the hon. member for Chambly and Verchères there are over a million people on the island of Montreal. Well, if there are, the unit of representation on the island of Montreal will be over 80,000 or two and a half times the standard unit. That state of affairs cannot be justified on any statement of fact or any argument that may be produced before this House. However, we are not favoured with a population on such a basis. The population of the city and district of Montreal, according to the census of 1921, was some 724,000. That district has been represented up to the present by twelve members. By the grace of the majority we are now to have thirteen, or a unit of representation of approximately 56,000. Just here I may say that in the northern part of the province of Quebec, on the Saguenay river where the population has grown very considerably in the last ten years, and where according to the last census there were some 91,000 people, very properly a new constituency has been created, and it was with the full consent of the whole committee that that was done.

I have pointed out that with a population of 724,000 in the city and district of Montreal the unit of representation would be approximately 56,000. There are left in the province of Quebec some fifty-two seats, and of these twelve have a population of under 22,000. These are single member constituencies. They are as follows:

Argenteuil	17,165
L'Islet	17,859
Richelieu	18,764
Yamaska	18,840
Wright	21,850
Vaudreuil-Soulanges	21,620
Laprairie-Napierville	20,065
Beauharnois	19,888
Montmagny	21,997
Bagot	18,035
Bellechasse	21,190
Kamouraska	22,014

There are ten seats in the province, principally situated on the island of Montreal, which have a population in excess of 50,000, or two and a half times the population of the twelve seats to which I have referred.

Mr. BROWN: Has the hon. member any figures in that connection with regard to the other counties?

Mr. HANSON: There are one or two of that kind, but not many more. If you take the unit of representation for the fifty two seats you will find that it is somewhat less than the standard unit of 36,000 for the whole province. As a matter of fact the unit for the fifty-two seats will be approximately 31,000. There are two or three large rural ridings, such as Beauce, represented by the Minister of Soldiers' Civil Re-establishment (Mr. Beland) and the two counties on the Saguenay which between them contain 91,000 people.

Mr. ARCHAMBAULT: Does the hon. member contend that the rural constituencies should have the same unit as the city constituencies?

Mr. HANSON: No, but I say there should not be the disparity that there is, a difference of one and a half times to three times in some cases. Some of these seats have a population of 80,000 people, and if we apply the remarks of the hon. gentleman himself this morning, that there has been an increase of at least 25 per cent in the population there, some of these seats in the island of Montreal would include 100,000 people. It is not fair, it is not equitable, it is not in accordance with the principles laid down in this House by the Prime Minister himself or with the views of anyone who has given careful attention to the problem, that there should be this disparity. I admit that there should be some disparity, but I do not think it should be anything like the disparity that exists here.

Mr. MACDONALD (Pictou): What would my hon. friend concede?

Mr. HANSON: I would concede 50 per cent but not more.

Mr. IRVINE: Why?

Mr. HANSON: It is an arbitrary figure. Fifty per cent in my judgment is enough, and I have made a careful study of the situation.

Mr. IRVINE: Why give fifty?

Mr. HANSON: Perhaps I am erring on the side of generosity, but I certainly do not think it is a fair and equitable redistribution which makes the vote of one man in a rural constituency such as Yamaska equivalent to the votes of five men in Hochelaga. You cannot prove it to my satisfaction or to the satisfaction of any fair minded man in this House. I think I know the underlying reason actuating our friends in the province of Quebec for not wanting to make this change.

Mr. MACDONALD (Pictou): Does my hon. friend know that what he regards as an iniquity has prevailed in Canada from the days of Sir John A. Macdonald and has been continued by every Prime Minister on both sides of politics?

Mr. HANSON: The fact that you can quote history to prove it does not make it just. On many occasions in this House we have heard that argument: It has always been so, therefore it ought to be, it should be, and is. But I want to point out to the hon. gentleman that this discrepancy is becoming greater and greater with each decennial census.

At six o'clock the committee took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

BANQUE CANADIENNE NATIONALE

The House in committee on Bill No. 218 to change the name of La Banque d'Hochelaga to Banque Canadienne Nationale, Mr. Gordon in the chair.

On section 1—Name changed.

Mr. GOOD: When this bill was before the Banking and Commerce committee a good deal of objection was raised to the adoption of the proposed name, and this measure ought not to pass without due consideration. The proposal is to change the name of this bank to what is practically the Canadian National Bank. The question arose in the committee as to whether or not the English translation of the French title should be used, and the promoters of the bill stated that they required to use the English translation. It seems to me wholly inadvisable that such a name, which is very misleading indeed, should be used. The matter received very full consideration in the committee, and the request of the promoters of the bill for this particular title was turned down. I would submit that before the request is agreed to by the House, the whole matter should be pretty fully discussed. Personally I am very much opposed to the use of either Banque Canadienne Nationale or the Canadian National Bank. Other objections were raised that perhaps some of the other members of the committee might explain. If there are any hon. members here who are supporting this bill I should like them to present whatever claims they think the promoters have for seeking this change of name.

Mr. MERCIER: La Banque d'Hochelaga took over all the assets of La Banque Nationale, including the name of Banque Nationale and the good-will it had acquired since its foundation. The name Banque d'Hochelaga, although advantageously known and well thought of by those who are in business relations with this bank, is no longer in keeping with the importance of its operations. The word Hochelaga has an historical value, being the name of the Indian village Maisonneuve found on the island which is now called Montreal, but it is no longer borne by any city or town in Canada. Outside the district of Montreal and the persons who know the history of the Canadian metropolis, very few people in the province of Quebec, and elsewhere in Canada are familiar with the origin and the raison d'être of the name of La Banque d'Hochelaga. On the one hand, those who are interested in La Banque Nationale do not wish to see it disappear completely and would like the new name to recall the old institution; on the other hand, the shareholders of La Banque d'Hochelaga, while acknowledging that the name of their institution is no longer appropriate, would resent the implication that their bank has been absorbed by La Banque Nationale. The directors of La Banque d'Hochelaga, who have been unanimously authorized by the shareholders to take in this matter whatever decision they deem in the best interests of the bank, have decided to change the name of La Banque d'Hochelaga to that of Banque Canadienne Nationale —National Canadian Bank. This name has the advantage over the names of Banque d'Hochelaga and Banque Nationale in that it localizes the institution which bears it. This is very important, particularly from the standpoint of foreign affairs. It is most desirable that foreign banks and business houses, upon seeing the name of a bank on a letter of credit or a bill of exchange, be aware that the bank is a Canadian one.

Now, coming to the real objection of the hon. member there are some people who are under the impression that the word "National" in the name of a bank implies or suggests that the institution is a government bank. Such interpretation does not seem justified by experience. In the United States the banks which are organized and operate under the jurisdiction of the federal government all have the word "National" in their name. Let me cite the names of many private foreign banks which all contain the word "National" although the operations of these banks are not guaranteed by the government of the country where they have their head office. For example:

Banco Nacional, Santiago (Chile); Banco Nacional de Mexico; Banque Nationale de Crédit, Paris, Banque Nationale Française du Commerce; National Bank of Australasia, Ltd.; National Bank of Egypt, Cairo; National Bank of South Africa, Ltd., National Bank of Turkey, Constantinople; National Bank of Scotland, Ltd., Edinburgh; Banque Nationale Suisse.

On the other hand, government banks, whose capital stock, in most cases, is partially or totally privately owned, but which enjoy exclusive privileges or monopolies, usually bear the name of their country without the word "National", which does not appear in the name of the Bank of England or the Bank of France. In this connection I might properly mention the following state banks:

Bank of England; Banco da Beira, Lisbon; Banco de Espana; Bank of China; Banque d'Etat du Maroc; Banque de France; Banque de l'Etat, Moscow; Finland's Bank; Bank of Japan.

I humbly submit that this demand is just and right. The fact that the Senate has passed this bill must be regarded as evidence that such is the case.

Mr. FORKE: I desire to ask the promoters of the bill if there was not some understanding that the English translation, the National Canadian Bank, would not be used. If that is the understanding I think, perhaps, some of the objection raised to this change of name might disappear.

Mr. MERCIER: I am ready to accept an amendment of that kind.

Mr. FORKE: That is to say you would strike out the clause which says that the name shall in the English language be translated to the National Canadian Bank?

Mr. MERCIER: I am ready to accept such an amendment.

Mr. FORKE: If that amendment is made I should feel like voting for the bill. I do not forget that we had a bill before the House not very long ago which adopted the title "United Church of Canada", we thought there was no harm in the title; I do not think there is any harm in this title either providing the French name is adhered to.

Mr. BOIVIN: What would be wrong with the English name?

Mr. FORKE: There would be nothing wrong with it. If the title were left as it is it would be all right.

Mr. BOIVIN: We are conceding a little more than my hon. friend did in the case of the bill incorporating the United Church of Canada.

Mr. ST. PERE moved, seconded by Mr. Vien:

That Bill No. 218 (Letter O-5 of the Senate) intituled: "An act to change the name of La Banque d'Hochelaga to Banque Canadienne Nationale", be amended by striking out from paragraph 1 on the second line the following words: "which name shall in the English language be translated as 'National Canadian Bank' ".

Mr. WOODSWORTH: I do not think the amendment helps out very much. I cannot see why we should have a Canadian National Bank in French when the Canadian National Bank is not suitable for the English translation. The member for Brandon (Mr. Forke) appears to be satisfied if he does not hear the words in English. It does not seem to me to make any difference whether it is English or French. It is the principle we are concerned with. The member for Brandon referred to the fact that we had under consideration the other day the United Church of Canada. I joined with the member for Shefford (Mr. Boivin) and others in objecting to that name. The member for Shefford at that time pointed out that some years ago that bank had made application to be called the Banque du Canada, that such application had been refused and this was made a ground for objecting to the name United Church of Canada. In any case the United Church of Canada is not nearly so objectionable as would be the name United National Church of Canada. I do not think that any member in this House would have accepted the name the National Church of Canada, and that is the phraseology we are asked to accept in this case.

We have precedent for raising an objection to this name. Back in 1910 and 1911, application was made for the incorporation of the name Banque du Canada. The name was objected to by the Minister of Finance (Mr. Fielding) and others both in committee and in the House and that name was not allowed to be given. I would point out that, though the assets of the National Bank were taken over by the Banque d'Hochelaga, at the same time the promoters of this bill acknowledge that the present bank has no legal claim to the word "National". So that we are free to start from the very beginning in regard to that. I would put forward the objection that this term is very misleading both in this country and in foreign countries. It may very well lead depositors and others to regard it in some way as officially connected with the government of Canada. A good many of us are urging that some day we should have a thorough-going Canadian national bank. It seems to me that in view of such a contingency, no one particular institution ought to be allowed to preempt this name which one day we believe will be associated with the government of this country. We have to-day the Canadian National Railways which are well known in this and other countries. It is only a matter of time till side by side with Canadian National Railways we have Canadian National Banks. It is not so much the use of one word or the other word in a name that can be objected to. The word "National" would be bad enough and the word "Canadian" would be bad enough, but when you have the two in combination, the National Canadian Bank, it seems to me that the name becomes very objectionable indeed, and it would be a wise thing for those who take anything of a broad or patriotic view of this question to try to discover some other name that would be suitable for doing business; but I would not infringe upon phrases that ought to be reserved entirely for public concerns.

Mr. CANNON: Does my hon. friend know that one of the banks that was merged was called La Banque Nationale, and had that name for years?

Mr. WOODSWORTH: I am quite aware of that, but that bank failed and the legal title passed.

Some hon. MEMBERS: No.

Mr. WOODSWORTH: At least the assets were taken over and the legal title passed.

Mr. POWER: When this question was before the committee I was opposed to the suggested name of the bank on the ground that there might be some confusion in the minds of depositors and of people outside of Canada. I took very much the same objection as my hon. friend from Centre Winnipeg (Mr. Woodsworth) has just stated, that perhaps the word "National" in itself might not be objectionable, and the word "Canadian" might not be objectionable in itself, but the combination of the two might leave room for misconstruction and misunderstanding. There is also another reason, though at the time I urged this reason it was not considered to be a very serious one by a number of the members of the committee, and that reason was that there might be some confusion between the National

Bank and the Canadian National Railway. There might be in the minds of some people an idea that this bank was in some way attached to the Canadian National Railway. It is true a number of my hon. friends did not seem to see the force of this argument; but I think it is generally understood that we pay the deficits resulting from the operation of the Canadian National Railway, and if anybody were to think that we were going to pay the deficits resulting from the operations of the Canadian National Bank we might have the same state of affairs as we have to-day, in the case of the failure of the bank, of people coming to the government and asking for compensation on the ground that they understood the government was responsible.

With regard to the amendment, we are not to call the institution La Banque Canadienne Nationale, because there is some objection to the English version of the name. A number of us on this side of the House have for many years been urging that the two languages are official in this country, and that the two languages are of equal value, so far as any legal effects of the statutes are concerned. It seems to me that this House, by declaring, as it will, if it should vote in favour of the amendment, that the French translation is innocuous and cannot be objectionable, declares that the French language is in somewhat of a position of inferiority to the English language throughout the country.

Some hon. MEMBERS: No, no.

Mr. POWER: I think those members who have been urging equality of languages should take this matter into serious consideration before asking that we pass the bill, because it would not do so much harm in the English as it would do in the French translation. I have the same objection to the amendment as I have to the original proposition.

Mr. GOOD: What is the ordinary expression used in Quebec in regard to the Canadian National Railway?

Mr. POWER: "Canadian National" is the common expression, but I do not think it is the correct one.

Mr. SHAW: Many hon. members may not know that this bill was referred to the Banking and Commerce committee and that the Banking and Commerce committee considered the matter very thoroughly; all the arguments both for and against the proposed change of name were canvassed very thoroughly, and after a full consideration that committee decided that the Bank d'Hochelaga should not be allowed to use the name which it desired to use.

Mr. CANNON: What was the vote?

Mr. SHAW: My recollection is that it was 13 to 12—I am not just sure. I took the objection there to this bank being allowed this particular name. It is true that La Banque d'Hochelaga now represents the fusion of two banks, La Banque d'Hochelaga and La Banque Nationale. La Banque d'Hochelaga is not however now entitled to the name La Banque Nationale. I presume that prior to the merger it would have been entitled provided the consent of the Minister of Finance had been given to use that name instead of the name it accepted, La Banque d'Hochelaga. But having accepted the name, La Banque d'Hochelaga, the other name goes out of existence except for the purpose of winding up the affairs of La Banque Nationale. My objection to the bill is much along the same lines as have been pointed out by the hon. member for Centre Winnipeg (Mr. Woodsworth) and the hon. member for Quebec South (Mr. Power). We should seriously guard the name "National." It may be that at some time in the future we shall require that for some of our national institutions. We have a National railway now, and I do not know what other national undertakings we may have in the future. But certainly we should not have a private banking institution in a position where it may subsequently be mistaken for a public banking institution. It is proposed now, as I understand the matter, to strike out that portion of section 1 which gives the English translation. I presume the ground is that it is objectionable when translated into English, but if the French name alone is used, nobody will be deceived, and that consequently the only people who are likely to be deceived are English-speaking people or people who would have occasion to use the name "National Canadian Bank." I do not agree with that system of reasoning. Generally speaking, whatever is fair for one section of our community should be fair for another. If it is improper and undesirable that the name "National Bank" should be available to English-speaking people, I do not believe we should allow the translation of the name "National Bank" to be available for Fernch-speaking people. If it is objectionable to English-speaking people, it certainly would be objectionable to French-speaking people. They would be just as likely to be misled as the English-speaking people by the use of

these particular terms. The mere striking out of the English translation is founded upon the suggestion that the French-speaking people will not be deceived by the term "Nationale," whereas the English speaking people will be so deceived. I do not think there is anything in that distinction at all. Consequently, I believe this bank is ill advised in asking to have the use of these two terms, or either one of them. If they want to get a term which will distinguish them as a Canadian bank, they should ask for a change so that the name will be the Bank of Hochelaga "in Canada" or "of Canada." That will give them the Canadian status which, I understand, they desire. In view of the consideration which was given to this matter by the Banking and Commerce committee, I think this committee of the Whole House should hesitate before it changes the action that committee has taken.

Amendment agreed to.

Section as amended agreed to.

Bill reported.

Mr. SPEAKER: When shall this bill be read a third time?

Some hon. MEMBERS: Now.

Some hon. MEMBERS: No.

Mr. SHAW: Next sitting.

Mr. BUREAU: Will the hon. member state his reasons? It has always been the custom to read a private bill the third time the same day.

Mr. SPEAKER: The rule of the House is that when objection is taken, the third reading is deferred until the next sitting of the House.

Mr. BELAND: My hon. friend who objects to the third reading of the bill at the present time is, of course, aware that the end of the session is now pending. It is expected that prorogation will take place within three or four days, and it may not be possible to have this bill read a third time before the end of the session. Unless my hon. friend has very serious grounds upon which to base his objection, I would suggest to him that he withdraw it. The sentiment of the House has been pronounced strongly in favour of the bill.

Mr. VIEN: The Senate has passed the bill already.

Mr. BELAND: I would request my hon. friend and his friends not to stop the bill at this date that we have reached in the session.

Mr. SHAW: I do not know whether the hon. gentleman is addressing me or not—

Mr. BUREAU: Yes.

Mr. SHAW: —but the situation is that several hon. gentlemen who are interested in this matter and who have taken a view contrary to that of the minister, if they had known that the bill was to come up for second reading this evening, might have been here to discuss it. I do not know whether they would take objection to the third reading or not.

Mr. VIEN: I have seen here all those who expressed a different view in committee, and the attendance to-night is certainly more than what my hon. friend could desire.

Mr. SHAW: Speaking for myself, I would have no objection if the rules of the House were waived and the bill were given third reading to-morrow.

Mr. POWER: I have opposed this bill in committee and in this House, but as it is evident that the almost unanimous opinion of the House is that this bill should become law, I am willing to take my beating like a man, and if they want to go ahead with the bill, I have no objection. I think, however, it is bad law.

Mr. SPENCER: Has the hon. member for Lotbinière (Mr. Vien) seen the hon. member for Macleod (Mr. Coote) and the hon. member for Bow River (Mr. Garland) who opposed the bill when it was going through the committee?

Mr. VIEN: I grant that those two gentlemen opposed it in committee.

Mr. MARLER: Supposing they come here to-morrow evening and vote against the bill, what is the effect going to be? Two votes on the other side of the House will not affect the situation one way or the other. This is simply impeding the business of the House.

Mr. SPENCER: Has the hon. member changed his mind since the bill was before the committee?

Mr. MARLER: The bill is drawn in exactly the form I suggested in the committee myself, and I voted for the bill as it is now drawn, not as it was formerly drawn.

Mr. SPEAKER: I understand the objection has been withdrawn.

Mr. GOOD: In view of the fact that a number of hon. members who opposed the adoption of this name in the committee are

not here to-night, they ought to be given an opportunity of expressing their opinion when the bill is up for a third reading. There will be another opportunity for discussion on Friday evening when the matter is brought up in the ordinary routine.

Mr. SPEAKER: Next sitting.

Mr. BOIVIN: I move, with the unanimous consent of the House, that the third reading of the bill be made the first order of business to-morrow at eleven o'clock.

Mr. BUREAU: Are we to understand that in order to have the unanimous consent of the House every hon. member is to be present?

Mr. SPEAKER: This question is governed by rule 56 which reads:

> All amendments made in committee are reported by the Chairman to the House, which shall receive the same forthwith. After report the bill is open to debate and amendment, before it is ordered for a third reading. But when a bill is reported without amendment, it is forthwith ordered to be read a third time at such time as may be appointed by the House.

In the present instance there is an amendment and as the House does not give its unanimous consent to the third reading I must rule that the matter shall stand until the next sitting.

Mr. VIEN: I would submit, Mr. Speaker, that with the unanimous consent of the House the motion of the hon. member (Mr. Boivin) could be put, that the third reading be made the first order of business to-morrow.

Mr. SHAW: There is no objection to that.

Mr. SPEAKER: I am in the hands of the House, and if that is the unanimous desire I shall put the motion.

Mr. BOIVIN: I understood that I had the unanimous consent of the House to make the motion; I was aware that without that consent I could not move it. I now move that the third reading of Bill No. 218 be the first order of business to-morrow.

Mr. VIEN: I second that motion.

Motion agreed to.

UNITED CHURCH OF CANADA

CONCURRENCE IN SENATE AMENDMENT

Mr. ROBERT FORKE (Brandon) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 47, to incorporate the United Church of Canada.

[Mr. Good.]

Mr. WILLIAM DUFF (Lunenburg): Before the amendment is concurred in I desire to make just a few observations in reference to this subject. When the bill was under consideration in this House I moved that one of the clauses be amended to provide that instead of the vote being taken at a congregational meeting it be taken by ballot. I am very pleased indeed to note that that august body, the Senate of Canada, has seen fit to amend the act as passed by this House by the insertion of a clause providing that the vote shall be taken by ballot. My only regret is that in addition to that important provision certain other amendments were not made to the bill. I understood at the time that when the bill was submitted to the Senate the suggestion was to be made that not only should the ballot be provided for but also that the title of the church be changed from "The United Church of Canada" to "The United Church in Canada." I was given to understand that the promoter of the bill (Mr. Forke) would suggest that change. I take it, however, that no such suggestion was made inasmuch as the title remains as it was.

Let me say that those of us who opposed the clause which gave the congregations only the right to vote in open meeting have certainly to express our appreciation of the action of the Senate in providing that the vote shall be taken by ballot, which is the proper method. Bill 47, after this amendment is adopted by this House, will in the usual course be assented to by His Excellency the Governor General and will come into full force and effect on the day specified in the bill. I do not think it is irrelevant to the amendment before the House to say that in spite of the fact that this Bill No. 47 deprives the Presbyterians in this country of the right to use an historic name which has existed for centuries, and in spite of the fact that the bill seeks to disrupt the continuity of a church which has been dear to so many of the people of this country, their fathers and their forefathers, the Presbyterian church will still prevail. Let me say to this parliament and to the country that the Presbyterian church is going to continue in Canada and from this moment it will increase in strength and influence, notwithstanding what this parliament, through this legislation, has done.

Motion agreed to; amendment read the second time and concurred in.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 243, to incorporate Joliette and Northern Railway Company.—Mr. Denis (Joliette).

Bill No. 244, for the relief of William Smith Scott.—Mr. Clifford.

Bill No. 245, for the relief of Rebecca Smolkin Koffler.—Mr. Martell.

Bill No. 246, for the relief of Earl James Sharpe.—Mr. Jacobs.

Bill No. 249, for the relief of Henry George Stuart Johnston.—Mr. Boys.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate to acquaint this House that the Senate doth insist upon their amendments to Bill No. 7, an act to amend the Industrial Disputes Investigation Act, 1907, for the following reasons:

The amendment of the Senate must be read with the other amendments made to the Industrial Disputes Act which impose heavy penalties in certain contingencies. The employer and the employees will each have a representative on the board, and it is in accord with natural justice that the third arbitrator should be chosen as far as is legislatively possible, by a method that will guarantee an appointment free of political or economic influences. The amendment is fair and just to both parties to disputes arising under the Industrial Disputes Act.

REDISTRIBUTION

The House resumed consideration in committee of Bill No. 2, to readjust the representation in the House of Commons—Right Hon. Mr. Mackenzie King—Mr. Marcil (Bonaventure), in the chair.

Mr. HANSON: When the committee rose at the dinner recess I had been referring to certain disabilities in the matter of population with respect to constituencies in the province of Quebec. I had read a list of twelve seats in that province which under the present arrangement will have a population of less than 22,000 each. There are ten seats, on the other hand, which will have a population of more than 50,000, as follows:

St. Denis	78,920
Hochelaga	73,526
Laurier-Outremont	72,047
Jacques-Cartier	68,000
Maisonneuve	64,933
St. Mary	63,975
George Etienne Cartier	54,800
Beauce	53,841
St. Ann	52,049
Three Rivers	50,845

So that it will at once be apparent that with one or two exceptions there is a very great disparity between what might be termed the purely rural seats in the province of Quebec and what might be termed the urban seats. That disparity is altogether too great and it will some day have to be corrected, because it is growing. I have no doubt, however, that the redistribution for the province of Quebec is probably as fair as any that could be arrived at under the method adopted, and I for one propose to stand by the report of the committee in this regard.

I would like to point out, however, that those who come after us ten years hence will have to grapple with this situation, and so far as I am aware there is only one possible excuse for maintaining the disparity that it is apparent now exists, and that is the question of sentiment. This, of course, is a very strong element. No member and no group of members like to see any particular historic constituency disappear, and the province of Quebec being in sentiment the most conservative province in the whole confederation, probably that sentiment is stronger there than in any other part of Canada. In preceding redistributions this matter has had to be met with, and the disparities that existed had to be dealt with. May I point out that in my own province the historic county of Sunbury, which originally comprised the whole province of New Brunswick, was one of the first to lose its representation in this House. The people of that county and the people of that province did not take to that change very willingly, but the force of events was so strong as to compel them to do so, and it will be necessary for the people of the province of Quebec to look forward, at least in the next redistribution, to seeing some of their rural constituencies disappear and be united with others of a like population if the disparity is not to continue.

There is just one other matter to which I should like to advert, and it is this: We have not arrived, I think, in this country at that state of perfection which the sister colony of Australia seems to have reached. I do not think that any party in power in this country has yet reached that state of perfection when it will willingly delegate to an irresponsible body, and I use the word in no derogatory sense, the allocation of the constituencies under our system of government and under our constitution. That duty has been cast upon parliament, and while I have no doubt that in days gone by there have been what might be termed outrages, yet in my humble opinion, in so far as I have personal knowledge, the committee in this case, at least the sub-committees I have

had the honour of serving upon, did their work in as fair and equitable a manner as was humanly possible, having regard to the fact that there were three divergent elements on every one of the sub-committees. On that very account it has been no easy task to arrive at a settlement, because there were groups represented on each and every one of these committees, and that led to a triangular contest which made some of the problems very difficult, and in the case of Ontario impossible, I understand in some cases to overcome. With the exception, therefore, of the disparity with respect to the urban and the rural constituency, I am free to say that, in the light of all these circumstances, having regard to the long and patient sittings of the sub-committees, in which the spirit of compromise at times had to be called into effect, and with the further possible exception of some individual cases of certain constituencies in different parts of the country, I believe the redistribution as now presented to the House in this bill is at least an attempt at a fair settlement of what, in any event, is bound to be a very difficult problem.

Mr. STEWART (Leeds): I desire to address the committee very briefly indeed, and shall deal only with the situation in the province of Ontario and the proceedings of the general committee so far as they have special reference to that province.

Let me emphasize what has already been pointed out, that the province of Ontario presents the greatest number of difficulties in connection with redistribution of any of the provinces of confederation. The peculiar geographical formation of the province is one source of difficulty. Surrounded as it is by the Great Lakes, and indented in different sections by these bodies of water, it presents an altogether different problem from the adjoining province of Quebec, and a much more complicated one than the prairie provinces. There are also other difficulties because of the county municipal organizations. These follow the exterior of the province in somewhat irregular formation, but the interior is very irregular indeed. These counties vary in size; some are thickly populated; some, on the contrary, are sparsely populated. The Prime Minister, in laying down the first principle that should be followed, emphasized that of county boundaries, and in that he was absolutely correct. A great deal of our thought and local sentiment and municipal activities gather around these organizations, and go from these into the larger unit of the province and of the Dominion. We have not, unfortunately, in the province of Ontario, been able to follow altogether the county municipal boundaries. I want to say frankly it would be impossible to do so in all cases and at the same time preserve the unit of population.

There are some features of the redistribution in connection with Ontario to which I find myself bound to take exception, and I think our difficulties arise from some mistakes which were made in the beginning. The objection which I wish to urge first is the wide disparity or difference between the unit of representation for the cities and more thickly populated rural districts, and the average rural district. These were emphasized by my colleague, the member for South Oxford (Mr. Sutherland) this afternoon, and I do not propose to go over them in detail. The figures which he gave are, I believe, correct and are well within the recollection of this House. At the beginning of our proceedings my colleague and myself endeavoured to have a general principle adopted in the large committee that would be applicable to the cities. In this we failed. When we came to the province of Ontario we endeavoured to lay down a definite unit for the city of Toronto. Let me say also that I think the island of Montreal, including the city, should be treated as one unit. It is pretty largely urban in its character, and the same may be said of the city of Toronto and the counties of York, with the exception possibly of North York. We endeavoured to have this treated as one unit and to have a readjustment made accordingly, but in this we failed. Our next endeavour was to have the number of members for the city of Toronto declared as eleven, which would give a unit of 47,000 of population. In this we failed, and the committee decided that the city of Toronto could have only nine members, which made the unit 58,000 on the average. Some of them are considerably larger than that. We then endeavoured to have four members for that portion of the county of York lying outside the city of Toronto. We did not succeed; it was determined there should be three members in that area. We urged, and I think our arguments should have met with greater success, that this was an area in which the population was increasing very rapidly, and that before the taking of the next census the disparity between the unit in this area and the rest of the province, would be very marked indeed. We also expected that in the Niagara peninsula a member would be added there. In making this recommendation we failed also. Now, as I have said, our difficulties arose from these two sources. It is true that throughout the rest of the province there is considerable disparity

between the rural districts and between the counties. This, however, is not so serious, and the objections which I desire to urge to this report are those with respect to the city of Toronto, the county of York, and the Niagara peninsula. I feel that something has been gained in the direction of removing some of the anomalies and inconsistencies that existed prior to our meeting. We have not had a full measure of success. There has been some compromise in which we have all been concerned; but subject to these reservations and criticisms which I have made I propose to support the report of the committee so far as it affects the province of Ontario.

I wish to say that if the number of groups in this House increases it will be almost impossible in the future to make a proper redistribution of the seats of the province. Some of our most acute difficulties arose from the fact that in the province of Ontario we had three groups, each contending for a point of view which was difficult to harmonize when they were all brought together. I hope there will be no further multiplication of groups, and that our next redistribution will be much easier than the one we have just completed. The work has been very trying indeed and very difficult to all concerned but as I have said, subject to these objections and these criticisms, I intend to stand by the report of the committee.

Mr. BOIVIN: Before the Quebec schedule carries I think that a word or two in answer to the undoubtedly well intentioned remarks of the hon. member for York-Sunbury (Mr. Hanson) would not be out of place. It is true, as he has pointed out, that the redistribution of the province of Quebec, like the redistribution of all the other provinces, may not be mathematically perfect; but I think that when the reasons that induced the subcommittee to make the redistribution as it has been made are disclosed, the schedule will be accepted without any further discussion. The unit of representation for the entire Dominion, according to the census of 1921, is 36,283, while the unit of representation in the year 1911 for the entire Dominion was 30,819. According to law Quebec shall always retain the fixed number of 65 members, and as the population of the province has only increased from 2,005,776 in 1911 to 2,358,412 in 1921 very few changes were required in that province. In the redistribution which followed the census of 1911, when our friends of the Conservative party were in power, the principle was maintained that constituencies in large cities should have a larger population than constituencies in counties containing smaller cities and rural constituencies. For the purposes of redistribution in 1915 the island of Montreal was considered as a separate entity. It was divided into twelve electoral districts, each returning one member. The average unit of representation for the island was 46,230. Proceeding upon the same basis adopted when the average unit of population on the island of Montreal was 46,230, and the unit of representation in all Canada was 30,819, the unit of representation upon the island of Montreal to-day should be, to be absolutely correct, 54,425. The total population of the island of Montreal according to the census of 1921, is 725,205 and if one extra seat is added, as has been proposed in this schedule, the average unit of population for the entire island will be only 55,785, that is to say only 1,360 more than the proportion fixed by the figures that were adopted at the time of the last redistribution. It is true that adopting 55,785 for the unit of representation, the population of the different ridings in the island of Montreal would be on the average about 50 per cent larger than the population of the average rural constituency in the other parts of the province of Quebec. The hon. member for York-Sunbury has pointed out, and very rightly so that there are in the province of Quebec twelve constituencies with a population of 22,000 or less.

Mr. MEIGHEN: If the proportion is 50 per cent it is far more; it is 31,285.

Mr. BOIVIN: It is absolutely the same proportionate difference as that which existed in the year 1914 when the last redistribution was made.

Mr. MEIGHEN: I do not think so. It is larger.

Mr. BOIVIN: Larger by 1,360 per constituency. That is the exact difference to be mathematically correct.

Mr. MEIGHEN: Both are wrong.

Mr. BOIVIN: Which are wrong?

Mr. MEIGHEN: Both.

Mr. BOIVIN: Both redistributions are wrong? My right hon. friend may argue that both are wrong but if such is the case that condition has existed since confederation. If both are wrong it is wrong to have a larger unit of representation in the cities than it is in the rural districts.

Mr. MEIGHEN: Not necessarily.

Mr. BOIVIN: In the rural districts, as we all know, the constituencies have a large area. It is very difficult for the member of parliament to visit every corner of his constituency, it is very difficult for the electors to get in touch and to keep in touch with their member who resides in one corner of the constituency; whereas in the city of Montreal, it is always easy for the electors to reach their representative, and it is easy for him to reach his electors.

Mr. MEIGHEN: Too easy.

Mr. BOIVIN: Take a constituency in Montreal where there are 72,000 people. The member representing that constituency, can during election campaign, hold four or five meeetings and meet all of his electors in one evening. In the rural districts it would be absolutely impossible, with the same population, for a member to meet his electors in the course of several weeks.

Another thing to be considered is that in the city of Montreal there are in the different constituencies a larger floating population, many of whom are not naturalized, many of whom are not British subjects, many of whom have no right to vote and who could not have their names placed on the lists even if they so desired and took the necessary steps to do so. There is perhaps more room for criticism in the fact that, instead of all constituencies having a population of 55,000 in the island of Montreal, there are some constituencies where there is a population of 72,000, and in other parts of the province there are constituencies with a population of 22,000 or less. It must be remembered that in the province of Quebec, as in the province of Ontario, where there are county municipalities, there is an innate desire on the part of the population of those respective counties to remain in the same group for both federal and provincial electoral purposes. For that reason, in making up this redistribution the committee had always in view to disturb as little as possible the provincial groups. When it was possible to do so, as in the case of Brome and Missisquoi and Berthier and Maskinongé, and as has been done in other districts in the past, two provincial electoral districts were united to form one federal constituency, leaving to the groups in each of the constituencies the same common interest when the federal election was called. It is true there are twelve constituencies with less than 22,000 population, but they are not located one beside the other. They are not constituencies that could have been united, and if it was sought to do away with that disparity it would have been necessary to make an entirely new distribution for the whole of the province of Quebec, wiping out the boundaries of old historic constituencies, drawing new lines according to lots and ranges, and changing the entire map of the province.

Mr. MEIGHEN: Were there not other cases where there were two small counties adjoining, in addition to those that were united?

Mr. BOIVIN: There are two cases, I think, in the province of Quebec. They are L'Islet and Montmagny and Richelieu and Yamaska, if I am not mistaken, where one at least of the two counties has a population of less than 22,000.

Mr. HANSON: They all have.

Mr. BOIVIN: But adding those constituencies together, you would have a much larger population than the population of any of the two present added constituencies.

Coming back to the constituencies of the island of Montreal and the figure of 55,000 for each constituency, it would have been an easy matter for us, in making up the map of the island of Montreal, to do away with any constituency having a population of 72,000 or 65,000, or even 60,000. We could have equalized the constituencies in the island of Montreal. But if we had done so the English-speaking population of the island of Montreal would have been deprived of the representation to which they are entitled. In the island of Montreal there is a total population of 724,205 people. The population is made up as follows:

French origin	439,653
British origin	179,912
Belgian origin	2,229
Italian origin	14,591
Hebrew	45,792
Other races and nationalities	24,026

So that if you give to the English population of Montreal the representation to which they are entitled you should give them, including the constituency of St. Ann, at least four constituencies. Those four constituencies are St. Ann, St. Lawrence-St. George, St. Antoine, and the new constituency of Mount Royal. They have there the representation to which they are entitled, even if the population is small, because there is in the other parts of Montreal, in the French Canadian constituencies in Montreal, a scattered English population who necessarily must vote for or against a representative of

French Canadian origin, because the majority of those constituencies are French Canadian. It was absolutely impossible to enlarge the boundaries of those four constituencies without giving to them a French Canadian majority, with the result that the English speaking population of the city would have been deprived of the representation to which it is entitled. I am sure the hon. member for York-Sunbury (Mr. Hanson) will admit, and I say it to his credit, that he insisted, when the map of the island of Montreal was being prepared, that the boundaries of St. Lawrence-St. George and St. Antoine, the old English constituencies, be not changed and that the new constituency now named Mount Royal be given to the western end of the city and island of Montreal.

Mr. MEIGHEN: Without changing the boundaries of those counties which the hon. member calls English counties, why could not two more French counties be taken from the other portions of Montreal?

Mr. BOIVIN: That could be done. We could have added another French constituency to the eastern part of the island of Montreal.

Mr. MEIGHEN: Two more.

Mr. BOIVIN: We could have added two more, but we would have abandoned the principle established since confederation that this proportionate difference should exist between the constituencies in the city of Montreal and the constituencies in the rural parts. What I am pointing out to this committee is that, as near as we could possibly do so, we have followed the same proportion between the size of the city constituency and the size of the rural constituency as was followed in 1914, and as was followed in every redistribution previous to that date. My right hon. friend (Mr. Meighen) a moment ago, said that that was wrong. It must have been wrong in days gone by. If it was wrong in days gone by, the Conservative party sanctioned the wrong when the redistribution was adopted in 1914. I do not admit it is wrong. If the 55,000 could be divided equally among the different constituencies of Montreal the disproportion would not be too great. If the constituencies on the island of Montreal are not divided equally it is in order to safeguard the rights of the English population and to give them the four seats to which they were entitled. No matter how many French seats you might have added to the city of Montreal, you could not give to St. Antoine division and retain its English majority, more than 32,000, and it remains now at 32,000. You could not give to Mount Royal more than 48,000 and it remains at that figure. You could not give to St. Lawrence-St. George more than 36,912. The moment you add any territory to these constituencies, you are transforming the English majority into a French Canadian majority, and exposing the English elector to the loss of his representation in this House. I maintain that the division of the island of Montreal is fair. The division of the remainder of the province of Quebec may not be mathematically correct, but for the reasons already given, in changing the boundaries of rural constituencies the principle was adopted by every member on the sub-committee, including both Progressives and Conservatives, that in so far as it could be carried out, provincial county boundaries should not be altered. The only changes of importance made in the province of Quebec outside of the city of Montreal are as follows:

The constituencies of Berthier and Maskinongé and the constituencies of Brome and Missisquoi have been combined.

The electoral district of Chicoutimi-Saguenay has been divided into two new constituencies, with a third portion having a population of about 13,000 which was added to the present constituency of Charlevoix-Montmorency, which now bears the name of Charlevoix-Saguenay. In every other instance the slight changes made were to re-establish county boundaries. One objection which may be urged is that a mistake was made in merging the constituencies of Berthier and Maskinongé instead of L'Islet and Montmagny to provide for the new seat which was given to Chicoutimi-Saguenay. It was urged that as the new seat was given to the district of Quebec, the combination of the two counties should have been made in the district of Quebec. The total population of the district of Quebec is 865,222 divided between twenty-four counties making a population of 31,884 per member or per constituency. In the district of Montreal outside of the city there is a population of 773,875 divided into 29 counties making a population of 26,685 per member. With the change as it is now, the district of Quebec has 25 counties, that is to say one more, and the population of each county is 34,608, whereas in the district of Montreal, where there are two counties less, the population by county is still much less than that in the district of Quebec, be-

cause it attains only the figure of 28,662, as compared with 34,608 in the district of Quebec.

Mr. RINFRET: Does the district of Quebec include the city of Quebec?

Mr. BOIVIN: Yes.

Mr. RINFRET: That explains it all.

Mr. BOIVIN: The city of Quebec could be taken out and there would be absolutely no change because, if my hon. friend will look at the figures of the last census, he will find that the population of the constituencies in the city of Quebec are in several instances smaller than that of several of the rural ridings surrounding the city of Quebec. What exists in Montreal where the population of the city constituencies is very large does not exist in the city of Quebec.

Mr. RINFRET: Quebec is still treated as a rural constituency?

Mr. BOIVIN: The city of Quebec, in my calculation, was considered the same as three rural ridings, but the city of Quebec has for all time had three members, and for that reason the redistribution committee did not think any change should be made this year. The city of Quebec retained its three members by the unanimous consent of all the members of the sub-committee.

It became absolutely necessary to join Brome and Missisquoi owing to the fact that Brome is the smallest constituency in the entire Dominion of Canada. It was impossible to leave them as separate constituencies in spite of their historic connections and position. I have a great deal of sympathy with the remarks made by the hon. member for Brome (Mr. McMaster) when we were considering section 4 of this bill. He intimated that it was his earnest wish and desire that the name of the county of Brome should come first and that the constituency should be called "Brome-Missisquoi" instead of "Missisquoi-Brome." When the name "Missisquoi-Brome," was chosen the time-honoured rule was followed and the county having the largest population was given the first place in the joint name. It will be found by comparing populations in all the constituencies in Quebec which have heretofore been joined that the name of the largest constituency has always been placed first.

Mr. HANSON: That has not been observed elsewhere in this very schedule. As regards Hants-Kings, Digby-Annapolis, Queens-Lunenburg, and Shelburne-Yarmouth, the smaller constituency is always named first.

Mr. BOIVIN: As my hon. friend knows, I was not on the other sub-committees. I am merely stating the rule that was followed by the sub-committee for the province of Quebec when the name "Missisquoi-Brome" was chosen. I do not think the House or the committee is wedded in any special way to either name "Missisquoi-Brome" or "Brome-Missisquoi." I would point out, however, that while the hon. member for Brome was here this afternoon to voice his objection to the new name, the hon. member for Missisquoi (Mr. Kay), who saw the schedule in its present form and who was satisfied with the change as it had been made, is not in his seat to-night, and he might have equally cogent and valid reasons to argue in support of leaving the name as it appears in the schedule.

Before the schedule of the province is adopted, there are two slight corrections which I would like to make in the description of two constituencies in the island of Montreal. After the electoral map for the island of Montreal was made and approved by the sub-committee it was pointed out to me that the name of one street which serves as a boundary to two constituencies, the constituency of St. Antoine and the constituency of St. Lawrence-St. George, has been recently changed. In previous years Mountain street extended only as far as Sherbrooke street, and from Sherbrooke street to the limits of Mount Royal park it bore the name of Redpath avenue. The name "Mountain" is now given to the entire street from St. James street to the limits of Mount Royal park. In order that the schedule may be absolutely correct, I would move that in the description of St. Antoine constituency on page 24 of the schedule in the fifth line, the words "to Redpath avenue and the centre of Redpath avenue" be stricken out, so that it will now read:

Thence following the centre of Mountain street and its extension to the limits of Mount Royal park.

In the other constituency, St. Lawrence-St. George, I would move to strike out in the eighth, ninth, tenth and eleventh lines the following words:

Extension of Redpath avenue, thence following the centre of the extension of Redpath avenue and the centre of the said avenue to Mountain street and the centre of Mountain street.

And replace them by the following:

Centre of the extension of Mountain street, thence following the centre of the extension of Mountain street and the centre of the said street.

So that the description of the electoral district of St. Lawrence-St. George will now read:

ST. LAWRENCE-ST. GEORGE consisting of that portion of the city of Montreal bounded by a line starting at the intersection of the centre of Craig street and St. Lawrence boulevard, thence following the centre of St. Lawrence boulevard to the centre of Duluth avenue, thence following the centre of Duluth avenue to the limits of Mount Royal park, thence following the limits of Mount Royal park to the centre of the extension of Mountain street, thence following the centre of the extension of Mountain street and the centre of the said street to the centre of St. Antoine street, thence following the center of St. Antoine street to Craig street, and thence following the centre of Craig street to the point of departure.

With these two amendments I move that the schedule for Quebec be adopted, and in conclusion I desire to pay tribute to the courtesy and broad-mindedness of our friends of both the Progressive and the Conservative parties who were on the sub-committee for the province of Quebec. My relations with the member for York-Sunbury (Mr. Hanson), who took a much greater interest than did the representative of the other party in the redistribution of the province of Quebec, have been most friendly and cordial. He has fought valiantly, for what he considered to be the rights of his party in connection with this redistribution, but he has done so in a friendly and kindly manner, and I am sure that our association with each other on this sub-committee of the Redistribution committee has given birth to a friendship which I hope will be long continued.

Mr. MEIGHEN: It is perhaps best that the schedule should be taken in paragraphs by provinces, but as what I have to say will be of a general character applicable everywhere I may just as well make my remarks complete, brief though they will be, on this schedule as to the province of Quebec. I am free to say that the complaint which I have to make appertains more to the province of Ontario than it does to Quebec, but the principle which has been followed in the one is a wreck in both. My first and main charge against the redistribution is that it amounts to a virtual disfranchisement of half the cities of Canada. I am quite aware that from confederation an advantage has been given to the rural parts of our country in redistribution. In all representation bills which have ever been passed it has been taken as an axiom, often without very much support, that there should be a larger representation given to the country districts than to the cities, in proportion to population. It is entirely true that in the redistribution of ten years ago this principle was maintained; and although in my judgment it was less accentuated then than it is now, nevertheless it was insisted upon to a greater degree than could be justified on any ground whatever.

I call attention first to the reasons which have been advanced in favour of this disparity—I mean, of the general principle of some advantage to the rural representation. To the reasons which I have heard I accord some weight, weight however which in my judgment diminishes with years and which is by no means as potent now as it was in earlier days. The first reason is this, that owing to the territory to be covered the member had great difficulty in reaching his people and ascertaining their views in order properly to represent them in parliament, when he represented a rural district than would be the case did he represent a city. This reason loses force with time, because, first of all, our rural territories have contracted in area and our population has increased. So that the districts are not so scattered, although, it is true, they are to some extent. But there is another reason why the disparity should be reduced; and the second reason has much more force than the first. The difficulty now of covering the district is infinitely less than it was fifty, forty, thirty or even ten years ago.

Mr. McMASTER: Not when the government calls an election on December 7.

Mr. MEIGHEN: Yes, even then it is less.

Mr. McMASTER: Not in the mountains of Brome.

Mr. MEIGHEN: I do not think any one has much difficulty in covering the constituency of Brome.

Mr. McMASTER: The right hon. gentleman shows his entire ignorance of the constituency when he speaks like that in regard to a winter election.

Mr. MEIGHEN: I do not think it should be difficult to cover that constituency; it is a southern county in the banana belt and it is not very large.

Mr. JACOBS: There is no place like Brome.

Mr. McMASTER: Western people are strangely ignorant of eastern conditions.

Mr. MEIGHEN: There is no trouble in covering the constituency for election purposes; one may encounter some physical

difficulty, that is true, but that has never been the reason alleged. The reason has been that it is difficult, during the four years of the term of a party, to reach the various outlying portions of the county, and so to keep in touch with conditions, and consequently be in a position to press the views of the people in the House. So far as an election is concerned, I can give reasons why it is far more difficult to represent a city seat than a county seat. Hon. members know as well as they are sitting in their seats to-night that the cost of representing a city seat is greater than it is in the case of a country constituency; and the cost of an election in the city is greater than it is in the country. If any hon. member doubts that he has only to review the sworn records of the House and he will find that every statement I have made is abundantly substantiated. So that the improved methods of transportation, the additional railway advantages, the better roads, and particularly the newer and more rapid methods of getting about, have now all combined to bring the country constituency almost to a level with the city constituency in so far as the ease with which a member can reach his constituents is concerned. I admit that it is still more difficult geographically in the country constituency; and there are some constituencies, notably in the northern parts of the country, where the distances to be covered are very great indeed. In regard to some constituencies it is only fair to admit that the difficulty is as great perhaps as it ever was. But the areas have been extended and the population has spread into the far North. In these constituencies it is only right that a smaller unit should prevail. But in the great populated country districts the reason which has been advanced in days gone by for a greater representation in proportion to population than the cities enjoy, and which has had so much weight, has lost its force almost wholly if not quite so.

Mr. FORKE: The season of the year makes a great deal of difference to a country district. In the months of December, January, February and March it is almost impossible to get around the country.

Mr. MEIGHEN: Is that really to the point? Let us take for example the constituency of Neepawa or that of Nelson; one has about 4,000 and the other about 10,000. We have not made it much less difficult to get around these constituencies; the difficulty still exists. The difficulty is still there; you can never get away from that. I admit that in these cases we have to keep the area down pretty well and keep the county necessarily small in population as a result. But in the large, populated parts of Canada the difficulty of getting around during an election is no reason at all; it weighs little in the balance in determining what should be the unit of population or in supporting even any disparity as between one and the other.

Another reason has been advanced, one to which I attach some weight myself, but not anything like sufficient weight to warrant the startling disability that appears in this bill. The third reason is this: That the country population is more stationary; that there is not the same movement from place to place, not the same tendency to leave on short notice, not the same passing of crowds, perhaps to other countries, as at times takes place from the cities. It is true that the country population is more stationary, that it is more likely to remain. The proportion of those who have a real stake in the country is larger in the rural districts than in the city. But this reason is also diminishing in its force as time goes on. The proportion of our people in the cities who now have a stake is getting greater, and the stake of our cities is getting greater. There is almost as much fluidity of population in the country as in the city. I do not know that the difference now is very great, but I admit so far as there is a difference the advantage is with the country population.

The question then comes, how much weight should be attached to those reasons; what should we allow in the way of extra advantage to a country population? I submit it is very dangerous to allow too much. You cannot go too far in denying to a great people their fair share of representation in this House. If you do, instead of securing the institutions of our country you are only likely to be affronting that sense of justice which is in the breast of almost everybody and making more determined those who would overthrow those institutions. It is dangerous for this House to deny too violently to our city population their fair share of representation here, and I affirm without the slightest hesitation that the extent to which that process has gone in this bill is utterly indefensible. It is an affront to the whole of our city population; it is in the province of Quebec, and still more so in the province of Ontario. I know that in the city of Montreal on the last redistribution a unit of some 48,000 was struck. I know that in the city of Toronto a somewhat smaller unit of population was struck. If I remember correctly, the government of that day and the government supporters on the committee yielded in this respect in order to effect a compromise with their political

foes, knowing as they did, and as we all know in this House to-night, that the Conservative party, generally speaking, is stronger in the cities than in the country—or I should say that the Conservative party as against the Liberal party is stronger in the cities. Therefore the government of that day only went a distance beyond what they felt was right and the government supporters a distance beyond what they thought was fair in order to effect a compromise with hon. gentlemen opposite.

Now we come to a time when hon. gentlemen opposite are in power. Now we come to a time when every reason that in the past should give advantage to the country districts has weakened in its force from what it was ten years ago, twenty, thirty or forty years ago. Yet we find that the cities are denied more violently than ever their fair share of representation in this House. For example, we find in Montreal only thirteen representatives to a population of some 750,000 people, not to consider the immense increase that has taken place since 1921, which according to the hon. member for Chambly and Verchères would run the population up to over a million to-day. But keeping wholly out of count the increase since 1921, we have a unit of some 55,000 or 56,000 in that city as against a unit of 31,000 throughout the rest of the province of Quebec. The city of Quebec has about the right representation, about 104,000 people with three representatives. Disability to that extent I do not think any hon. member from the city of Quebec or anywhere else would complain of. But when we run it up to 55,000 or 56,000, an increase of 75 per cent over the unit for the rest of the province, surely there is ground for complaint; surely you have there disfranchisement on so wholesale a scale as to be incapable of defence here or before the electors disfranchised.

But come to the province of Ontario. The city of Toronto has even a larger unit, though not very much larger, than that of Montreal. The four largest cities of Ontario—Toronto, Ottawa, Hamilton and London—added together have a unit of population of 55,972, 28 short of 56,000. The rest of Ontario has a unit of representation of 25,642. In a word, 25 people in any average rural district of Ontario, even including all the smaller cities, have as much say in the government of Canada as 56 people in either London, Toronto, Hamilton or Ottawa. I would like to hear from hon. gentlemen opposite how they support a disability so striking, so startling as that. Never in the history of redistribution has a disability like that been suggested to this House. How can we answer to the people of Toronto, how can we answer to the people of the rural city of London, with a population of 54,000 and only one representative, while Huron and Bruce, with a population of 92,000, have four representatives? There is no answer.

Mr. JACOBS: I suggest to the right hon. gentleman that the cities should see to it that they have men of a higher order of intelligence than in the country districts.

Mr. MEIGHEN: That may apply to Montreal and to George Etienne Cartier, although I should be the last to suggest that it does. I think the cities are very well represented. They are sometimes very generous, and I am afraid in the case of Ontario they have been exceedingly generous and anxious to meet hon. gentlemen opposite in a conciliatory mood.

The hon. member for Shefford (Mr. Boivin), in the argument he presented—the fairest and best that could be presented—stated: Well, if we give more to Montreal we cannot do it —I do not know just what his argument was. It was this, though, I think: If we give more to Montreal we have to give it to the French districts. With that I agree. We make no complaint as to English and French districts. It is the French districts that should have more.

10 p.m.

Mr. BOIVIN: That was not the main point of my argument. The main point of my argument was that we could not give more to Montreal without disturbing the county boundaries, and that the people of the remainder of the province did not want their county boundaries disturbed.

Mr. MEIGHEN: Certainly not, and I do not wonder at that; they want all the seats they can get. That merely means to say that you cannot put it on Montreal without taking it from some one else.

Mr. BOIVIN: Absolutely.

Mr. MEIGHEN: Well, we agree with that. That applies to Ontario too: You cannot give to one without taking from another. But if this is to be the answer, then we shall never change at all. The hon. member did say something about the difficulty of adding to what are known as the English seats of Montreal; I quite appreciate his argument there. The result is this, that the English seats of Montreal have a far less average population than have the French seats of Montreal. The cure for that is to give the French more seats, and even after that is done, if you give the French

two more seats, it only brings their unit to the unit of the English seats, and only to a size which will still be fifty per cent more than the average size for the province of Quebec.

Mr. BOIVIN: My right hon. friend is certainly wrong when he says that 31,000 is fifty per cent more.

Mr. MEIGHEN: The hon. member did not catch my point, but he will if he follows me, because it is not difficult for him to catch a point. The city of Montreal and the city of Quebec have 16 seats between them now, Montreal 13 and Quebec 3, Montreal with a population of 724,205 and Quebec with a population of 104,029. The rest of the population of Quebec is 1,532,965. The average for the rest of the population is 31,285. Now what I say to the hon. member is this: The average English seat in Montreal is fifty per cent more than 31,285.

Mr. BOIVIN: That is exactly where I take issue with my hon. friend. I would like to know how he can argue that when the population of St. Antoine is only 32,000 St. Lawrence-St. George 36,000, and of the new seat only about 42,000.

Mr. MEIGHEN: 48,000 the hon. member told me. What about the fourth one?

Mr. BOIVIN: The fourth is St. Antoine, which is reduced in population according to the census.

Mr. MEIGHEN: What is it though, now?

Mr. BOIVIN: About 48,000.

Mr. MEIGHEN: Now take the average of those four, and I venture to say you are going to have close to fifty per cent more than the average throughout the province.

Mr. BOIVIN: No.

Mr. MEIGHEN: What I am arguing is that if you will give two more French seats for the city of Montreal, give 11 seats to the district now represented by 9, those 11 seats will still have a unit that will be fifty per cent more than the average through the rest of the province of Quebec, and I do not think any hon. member from that province would justify more than a fifty per cent advantage to the country districts. This is the charge I level against the representation in the province of Quebec, but in Ontario it is—well, it is shockingly worse. In Ontario it is not 50 per cent advantage, it is not 100 per cent advantage, it is almost 125 per cent advantage. The four seats taken out leave a unit of 25,642 for the rest. The figures that have been given me are these. There are 68 seats remaining after 4 constituencies are taken out, and the 68 remaining have a population of 1,743,679.

Mr. STEWART (Leeds): 2,162,000.

Mr. MEIGHEN: Those were the figures given me by the committee. But even if the figures given me now by correction are correct, the unit would be about 30,000 or 31,000. So there would be a disparity in the province of Ontario, if those figures given me are correct, of about 85 or 90 per cent. Now this cannot be defended, and what is more, hon. members know that as the ten years proceed, the disparity increases. This ought to be kept in mind. We are supposed in this House to allocate the seats on the basis of representation by population, with what we decide to be a reasonable advantage to the country districts; but in deciding what is reasonable to the country districts we must keep in mind the constant tendency in civilization, from which Canada is no exception, for the proportion of the cities to increase; so whatever disparity we now erect, it is bound to be accentuated during the whole of the ten years that follow. What is it going to be in the election after this, and in the election after that again? We are going to find that in the province of Ontario, it is going to be more like 3 to 1; it will be at least 2½ to 1, as between the cities and the rural districts. This I do not need to argue further. It is indefensible. This is disfranchisement. This is unjust. It does not appeal to any instinct of fairness or of right. The hon. member for Brome looks querulous. Does he think he can defend that? I do not think he would argue so.

Mr. McMASTER: The thought that occurred to me was that the sub-committee that had sat for weeks and looked into this question came forward and through the mouth of the hon. member for York-Sunbury said that it regarded it as fair.

Mr. HANSON: We expressly reserved our right to criticise that feature.

Mr. MEIGHEN: They have expressly taken the ground that it is indefensible right from the beginning.

Now I want to point out one other objection that I have, and this will be all that I will urge to-night. Even aside from the disfranchisement of our cities, and the consequent injustice done to the Conservative party of Canada, the undoubted injustice done

at the hands of a majority in this House, even in the country districts there is no defence for certain very outstanding disparities that occur. I am not going to argue that you could produce even approximate equality. It cannot be done. For one to stand in this House and say: "You must maintain county boundaries and at the same time you must have equality," is to talk nonsense; you have either to abandon county boundaries or abandon equality. But what ought to be aimed at is this: Get equality as closely as you can, consistent with the least possible violation of county boundaries. This should be the object that this House should have in view. Now, we have not done it.

Mr. BOIVIN: That is what we had in view.

Mr. MEIGHEN: It may have been in view, but I am afraid the view was blinded by some interposed medium, whatever it may have been. I only name one instance, and I could name half a dozen. I name one that will be illustrative; I know it is an extreme one. I take the counties of Huron and Bruce. I do not think we have a representative in this House now from either county, and I put against those two counties the counties of Lincoln and Welland. I find Huron and Bruce with a population of, I think, about 90,000; I find Lincoln and Welland with a population of 115,000, or a little more. Huron and Bruce, with 90,000 odd, are left with four representatives in this parliament; Lincoln and Welland, with 115,000 odd are told to be content with two representatives. I do not think that it can be said that one differs by any natural phase or right from the other. I do not know where the distinction comes. But certainly that district of Ontario does not get its rights under this bill, and it is for hon. gentlemen to explain why. Certainly I have no indictment to level against Huron and Bruce. They have a right to elect whom they please to this House, but I do not know on what principle 90,000 people are to have four representatives here, four votes on every division in this House, while 115,000 odd are to have only two. This will take some explaining.

Now because of unfairness in distribution, even in the rural counties of Ontario,—and Ontario really is the battleground; there the great difficulties arise, and inevitably will arise —because also of the shocking, indefensible disparity between the cities and the country, particularly in the province of Quebec and the province of Ontario, I protest against the bill before the House.

Mr. PRITCHARD: How does the right hon. gentleman explain that in some of these small constituencies where the population is not one-half that of the larger centres more votes were registered in the last election than in the city constituencies? Does my right hon. friend attach any importance to that?

Mr. MEIGHEN: It may be just this—that in some of the city constituencies it is a certainty who is going to be elected; the people know the result is a foregone conclusion and they do not vote. This is very often true. It may possibly have been true, for example, in the city of Quebec in the last election. It may have been true of the city of Toronto in the last election. This also has some effect: I understand the women in the country, in Ontario at least, vote more generally than the women of the cities. However, I do not know that I am called upon to explain that; it really has no relevancy to the question that I can see.

Mr. MACKENZIE KING: There is one significant point of which my right hon. friend made no mention. He said he would enumerate the reasons that had been urged for representation of urban communities on the basis of a larger unit of population than rural communities, and he gave to the House three or four reasons with which, I think, most honourable members are in entire accord. He did not mention however that if one looks at the complexion of the House of Commons as it is at the moment and as it has been in all parliaments since confederation, one will see that while there may be a number of members of the House residing in urban centres who represent rural districts, there are very few if any instances of members representing urban constituencies who reside in rural communities. The important consideration in the discussion of questions which come before the House is the point of view **gained from one's environment** and the familiarity which one has with the different phases of questions which may be presented here. Take the city of Montreal which has been referred to many times this evening. The attention of the House has been drawn to the circumstance that it will have thirteen members; but sitting in this House at the present time are the hon. members for Brome

(Mr. McMaster), Chambly and Verchères (Mr. Archambault), Charlevoix-Montmorency (Mr. Casgrain); and Drummond and Arthabasca (Mr. Laflamme). These are four rural districts, but I think every hon. member will admit that the gentlemen who represent these rural districts are wholly familiar with the Montreal point of view. They are all residents of the city of Montreal and in any question affecting that city which is discussed here they take as much interest as they do in questions affecting the constituencies they represent. Other cases may be cited. Take my right hon. friend and myself. Each of us represents what would be termed rural constituencies, and yet the association of our lives has been with urban centres.

Mr. MEIGHEN: Oh, no, not with me.

Mr. MACKENZIE KING: Well, I think I am right as respects the time since my right hon. friend has taken an active part in public affairs; I am not speaking of his infancy. Since my right hon. friend has taken any part in public life I venture to say that he has spent an average of 300 out of every 365 days in the the year in an urban centre. However, at the present time both he and I are representing rural constituencies and are resident in urban communities. Will any one venture to say that, through our association with the problems of urban centres, when questions that affect urban centres come up in parliament we are apt to overlook the interests that may be affected thereby? Take a few other members. Take for example the Minister of Finance (Mr. Fielding). The Minister of Finance represents a rural constituency yet he has been a resident of the city of Ottawa for a great part of his life. The member for Argenteuil (Mr. Stewart) represents a rural constituency but he was formerly a resident of the city of Edmonton and is at present a resident of this city. Take the hon. member for Bonaventure (Mr. Marcil) who represents a rural constituency. He has been for many years either a resident of the city of Montreal or of the city of Ottawa. His Honour the Speaker represents the rural constituency of Gaspé, yet for most of his parliamentary life he has been a resident either of the city of Montreal or the city of Ottawa, and is wholly familiar with city problems. The hon. member for Labelle (Mr. Fortier) is a resident of the city of Hull; and the hon. members for Lotbiniere (Mr. Vien), Quebec County (Mr. Lavigueur) and Dorchester (Mr. Cannon), although they represent rural constituencies reside in the city of Quebec.

Mr. MEIGHEN: Is it not equally true that practically everyone in this House who represents a city spent most of his life on the farm?

Mr. MACKENZIE KING: I doubt if it can be said of each member he has spent a good part of his life on a farm. I believe however that the more time spent there, especially in early life, the better for the member and the better for the country.

Mr. JACOBS: Perhaps it would have been better for the country if they had remained on the farm.

Mr. MACKENZIE KING: I am inclined to think an ideal equipment for a man in public life is to be brought up in the country and gain the physical health and strength the country affords, and later on enjoy the advantages which residence in a city affords. I have not exhausted the list of hon. gentlemen who although residents of cities represent rural constituencies. The Postmaster General (Mr. Murphy) who represents the county of Russell lives in Ottawa. The hon. member for West York (Sir Henry Drayton) represents a rural constituency yet he has been a resident either of Toronto or of Ottawa practically all his life.

Mr. MEIGHEN: West York is a city riding is it not?

Mr. MACKENZIE KING: Yes, but it is largely rural as well. I might name several hon. members similarly situated who are residents of Ottawa, but I will pass this list over for the moment to refer to western Canada. The hon. members for Springfield (Mr. Hoey) and Marquette (Mr. Crerar) both represent rural constituencies and yet both are residents of the city of Winnipeg, and I venture to say that when any question affecting that city comes before the House for consideration they are prepared to give their contribution in the city's interest in the debate. All ministers of the Crown are residents of this city during the greater part of the time they are in office. These are facts that have to be taken into account in the shaping of legislation or the moulding of opinion in parliament; and it seems to me this particular circumstance, of all that have been enumerated, affords the strongest reason for giving the rural constituencies representation on the basis of a smaller unit of population than is the case with urban centres.

My right hon. friend the leader of the opposition asked why the cities should not,

to quote his words, "be given more of a say in the government of Canada." I would ask hon. members to reflect upon the complexion of all the governments that have existed since confederation and note where for the most part the members of the different cabinets have come from. I think it will be found that about nine-tenths—that may be an undue figure at the present time but certainly it was correct at one period—nine-tenths down to seven-tenths of the members of the different governments have been gentlemen who were or became residents of cities in the course of their lives, and it is in cabinets that policies are decided and views on all questions presented.

Mr. MEIGHEN: It used to be.

Mr. MACKENZIE KING: It used to be, I admit that policies are more largely decided by the will of parliament now than they were in my hon. friend's time. However the point I wish to make is that as respects both the business of the House and the work of the government as carried on in council the cities receive in fact a very much larger representation than appears upon the surface, and it is for this reason that I think the House is wise in giving to rural centres representation on the basis of a smaller unit of population than is the case with the cities.

Amendment (Mr. Boivin) agreed to.

Mr. McMASTER: Before the schedule carries, I have just a word to say about the constituency of Brome and Missisquoi. I am not going to propose an amendment in view of the fact that my colleague from Missisquoi (Mr. Kay) is not present. I said what I had to say this afternoon. I pointed out that in accordance with the rules alphabetically and the rules of euphony and in accordance with what I thought was the historical associations in the counties, the name should be Brome-Missisquoi rather than Missisquoi-Brome. Against the latter proposition it could be urged that Missisquoi is somewhat larger than Brome. However, I am in the position of the lawyer who finds himself before the court and dislikes to ask for judgment in the absence of his confrere. I am in the hands of the committee, and if they think they should change the constituency in accordance with the view of the hon. member for York-Sunbury (Mr. Hanson) from Missisquoi-Brome to Brome-Missisquoi I will say that I feel justice will be done, but I am too interested a party to ask for the change.

Schedule agreed to.

On the schedule, New Brunswick.

Mr. MACDONALD (Pictou): There are no changes to be made in this schedule. New Brunswick is the same as it has been for years.

Schedule agreed to.

On the schedule—Prince Edward Island.

Mr. MACDONALD (Pictou): This schedule is the same as previously.

Schedule agreed to.

On the schedule, Manitoba.

Mr. MACDONALD (Pictou): There is a typographical error in this schedule on page 32 which I would like to have corrected. I move that the word "ranges" in line 6 be stricken out, and that the word "range" be substituted therefor; and that the words in lines 6 and 7 "and five" be stricken out.

Amendment agreed to.

Schedule agreed to.

On the schedule, British Columbia.

Mr. MACDONALD (Pictou): There are no corrections to be made in the schedule as printed, and it has been unanimously adopted.

Schedule agreed to.

On the schedule, Saskatchewan.

Mr. MACDONALD (Pictou): In the Saskatchewan schedule, in the fifth line of the description of the Long lake constituency the printer has made an error. The word "Aitkow" is incorrectly spelt, and I move that the word "Aitkow" in lines five and seven be struck out, and that the word "Aiktaw" be substituted therefor.

Amendment agreed to.

Mr. MACDONALD (Pictou): At page 41 of the Saskatchewan schedule there is the same mistake in spelling. In the second last line of the Moose Jaw description the word "Aitkow" appears, and I move that this word be struck out and that the word "Aiktaw" be substituted therefor.

Amendment agreed to.

Mr. STEWART (Humboldt): Before the schedule carries I desire to bring certain points to the attention of the committee, because I believe an injustice is being done to certain communities. The province of Saskatchewan has the advantage of division by certain natural boundaries, which I think were taken into consideration by the com-

mittee and which were generally agreed upon. Those natural boundaries would divide the province into three sections, a southern section, a central section running east and west, and a northern section. In the central section ten constituencies have been cut out or arranged. Of course in the province of Saskatchewan six new constituencies had to be created, and no hon. member supposes that these new constituencies could be created without readjusting the boundaries of the old constituencies. But we contend that the boundaries have not been adjusted in the matter of equality of population as fairly as was possible. The constituencies arranged in the central section to the west of the province are too small in population as compared with those in the eastern part of the province. This has brought about more of a readjustment of boundaries than is absolutely necessary and it has brought into play the interruption of community interest.

I want to bring to the attention of the committee one particular community and the position that the people of that community find themselves in. The committee will bear in mind that in Saskatchewan, even with 21 constituencies under this new redistribution as compared with 16 at the present time, many of the constituencies are still very large. In the corner of one constituency, the new constituency known as Mackenzie, there is placed the town of Wynyard, a town of about 1,600 people. It is on the Winnipeg-Calgary line of the Canadian Pacific which simply cuts into the constituency, runs through it a few miles at the corner and then out again. That town, having a considerable population and being a divisional point on the Canadian Pacific, is deserving of some consideration. Its community interest has always been in the constituency of Humboldt. Of course, I admitted a few minutes ago that all community interests could not be preserved; that the old line could not be preserved in the new constituencies. But the town of Wynyard finds itself in such a peculiar position in its new constituency that I think the boundary should be readjusted. The point that I first emphasized that the constituencies in the western part of the province are smaller than those in the east has brought that about. If that had been taken into consideration, as I maintain it should have been, the condition would not have obtained as it has in the schedule as presented to the House. The people of Wynyard have a grievance in so far as they have no community interest with the new constituency of Mackenzie and they have no connection with it. As I have said, the railroad simply cuts into the corner of that constituency, and if they want to reach any central point in that constituency, they have to travel many miles east, then northward or westward and then back northeast, probably 200 miles. The railroad leads into the constituency of Humboldt which I have the honour to represent and they have always been part of that constituency. The lines should have been so arranged that the only important town of that neighbourhood would not have found itself in the peculiar position in which it now is, cut off by natural barriers from the constituency in which it happens to be the largest town, and separated from it in such a way that at times of the year when travel across country is not possible, the people have to travel many miles to reach any other central point in the constituency.

The hon. member representing the constituency of Mackenzie (Mr. Campbell) could well point this out, but I see that he is not in his seat. He also had a grievance with respect to another town which, I think, finds itself in the constituency of Yorkton, but which has always been a part of the constituency of Mackenzie. As I have pointed out, the adjustment which has made the constituencies in the western part of the province smaller than those in the east has also brought about this circumstance of which I believe the hon. member for Mackenzie wishes to make a complaint. I am simply mentioning the matter to the committee at this time. This line ought to be moved to give justice to the people of Wynyard who find themselves penned off in one corner of a new constituency with which they have no connection and no community interest. They should be left in the constituency of which they have always formed a part and with which they have a community interest.

Schedule agreed to.

On the schedule, Alberta.

Athabaska:

Mr. MACDONALD (Pictou): I beg to move that on page 44, line 2, in the constituency of Athabaska, the words "fifty-six (56)" be struck out and the words "fifty-five (55)" be substituted therefor.

Amendment agreed to.

Wetaskiwin:

Mr. MACDONALD (Pictou): I beg to move that on page 48, line 7, in the constituency of Wetaskiwin, the words "fifty-five (55)"

be stricken out and the words "fifty-three (53)" be substituted therefor. These are corrections which are made by the Chief Electoral Officer in going over the proof.

Amendment agreed to.

Schedule agreed to.

On the schedule, Ontario.

Mr. MACDONALD (Pictou): I would suggest that as regards Ontario we take up each constituency separately. There are several changes to be made.

The CHAIRMAN: Is it the pleasure of the committee to take up this schedule by constituencies?

Some hon. MEMBERS: Yes.

Algoma West:

Mr. MACDONALD (Pictou): I move that on page 3, line 4, in the constituency of Algoma West, the word "west" be stricken out and the word "east" be substituted therefor. The paragraph will then read:

On the east by the east boundary of the said district.

Amendment agreed to.

Brant, Brantford City:

Mr. MACDONALD (Pictou): In the case of Brant I move that lines 8 and 9 be amended by striking out the words:

Including that part of the city of Brantford contained therein.

I am informed that this is an inaccuracy.

Mr. STEWART (Leeds): Is the effect of that to leave Brant as it is at present?

Mr. MACDONALD (Pictou): The effect is to take three polling places out of Brantford city. The first intimation I had of any doubt in regard to this constituency came to me today at dinner time from the hon. member for Brant (Mr. Good) who informed me that there was an inaccuracy in the description. I advised him to see Colonel Biggar and this amendment is the result.

Mr. STEWART (Leeds): Am I to understand that this amendment does make a change in the constituency of Brant as heretofore constituted?

Mr. MACDONALD (Pictou): I have no desire to make any change myself.

Mr. STEWART (Leeds): I simply want to know whether that is the effect.

Mr. MACDONALD (Pictou): I am informed that it is.

Mr. STEWART (Leeds): But that was not the arrangement; it was understood that Brant was to remain exactly as it has been, and also the city of Brantford.

Mr. GOOD: Perhaps I can explain the matter more fully to the hon. member. The amended descriptions of Brant and Brantford city will leave the two constituencies exactly as they were before so far as the descriptions themselves are concerned. But there will be this change: A very small section of the city of Brantford called locally Parkdale which in the last election polled its votes in Brant will henceforth be included in Brantford. The reason for this is that when the voters' lists were prepared Parkdale was not in the city of Brantford but was taken in before the election; therefore the residents of that district voted in Brant. From now on they will come under the present description. This particular locality is a suburb which as I have said was taken into Brantford about the time of the last election.

Mr. MACDONALD (Pictou): I was not aware until my hon. friend raised the question that there was any doubt in the matter. I move that Brant and Brantford city stand, for the time being.

Mr. STEWART (Leeds): Can the member for Brant inform the House what population has been taken into the city?

Mr. GOOD: In that suburb?

Mr. STEWART (Leeds): Yes.

Mr. GOOD: About 800 I think.

Mr. SUTHERLAND: After we have discussed the other constituencies, when we do come back to this one what redress have we if the amendment is insisted upon?

Mr. MACDONALD (Pictou): My intention is to have a description drawn up in regard to both these ridings the effect of which will be to keep them as they are.

Mr. SUTHERLAND: But that is exactly what is done under the present description, except that there might be added:

That part of the city of Brantford contained therein known as Parkdale.

Mr. MACDONALD (Pictou): A doubt has been raised in regard to Brant and I propose that that constituency and the constituency of Brantford city both stand for the time being so that we may have them covered in a proper description.

Mr. GOOD: The phrase in the last line of the paragraph—"including that part of the

city of Brantford contained therein"—would throw about seven-eighths of the city of Brantford into the constituency of Brant. That obviously is not intended and it is therefore absolutely necessary if the intention is to be carried out that that particular phrase should be struck out.

Mr. SUTHERLAND: "That part of the city of Brantford known as Parkdale" would cover it entirely.

Mr. GOOD: That would not clear up the difficulty.

Brant; Brantford city. Stand.

Elgin:

Mr. STANSELL: Naturally I am somewhat interested in the county of Elgin. Looking at the present redistribution in a general way, I find it difficult, not having been on the committee, to understand the system of redistribution which has been applied to Ontario. There are about 12 or 15 ridings in Ontario, largely rural, which under the new arrangement have an average population of 23,000 approximately. The county of Norfolk and the county of Elgin adjoining have in round numbers about 72,000. If that district were divided into three constituencies, as it has existed for many years, those constituencies would have a slightly larger population than the other 12 or 15 I have mentioned. The county of Elgin is geographically very long and narrow, being situate on the north shore of lake Erie, and it is divided in the centre by the city of St. Thomas. The west portion of the county, that part devoted to agriculture, is more particularly interested in the growing of beans and tobacco and the raising of fat cattle. The eastern portion is entirely a dairy district and the geographical formation of the country provides a natural division. I submit that under any circumstances this county should have been left divided into two electoral districts. The division in St. Thomas should have been made a little more nearly in the centre so as to give about 23,000 to each side, and the natural growth of the city would have ensured the permanence of that arrangement. I have made representations to members of the committee calling attention to this fact, and pointing out that in many other counties where the conditions were similar the unit of representation was lower than we have asked for in regard to Elgin. We have in the present redistribution rural seats as low as 18,000 and urban seats as low as 24,000. There are twelve or fifteen ridings as low as or lower in population than this, so that Elgin county should have been left with two divisions, east and west Elgin. Norfolk county has nearly 27,000 people and is a very compact county in itself. In many other places there has been an entire lack of system in the arrangement made. Take the three constituencies of Grenville, Dundas and Glengarry and Stormont, the largest of which was about 38,000. Under the new plan there are still the three constituencies, but the largest is reduced to about 20,000 while Grenville is added to Dundas making over 41,000. These things make it difficult to believe that justice has been done with regard to the present plan. Under the present division nearly half the constituency of East Elgin is put into West Elgin, and the remaining part of the county, a little more than half, is attached to the county of Norfolk. I am not complaining because I am deprived of a constituency, but I am complaining on behalf of the people themselves. I am afraid that in the dying days of the session any protest on my part with regard to the arrangement would be futile. But I do wish to suggest that at least the people in East Elgin should have their name retained. With this in view I wish to move an amendment to the effect that the portion of Elgin county which was formerly West Elgin and to which has been added two townships shall be called Elgin West and that Norfolk county, to which has been added the remainder of the county of Elgin, be called Norfolk-Elgin. This is quite in accord with what has been done in other constituencies. In the county of Peterborough a division similar to this was made; the main part of the county is now described as West Peterborough, and the eastern part, which was added to Hastings, is known as Hastings-Peterborough. I wish to impress strongly upon the committee the injustice that is being done in respect to this constituency, and I am sure that hon. members will be willing to grant this small favour. I am extending to Norfolk county the privilege of having its name first because it is the larger.

The CHAIRMAN: The amendment is out of order because it deals with two constituencies. We are considering at the moment the item of Elgin, and the amendment has to do also with Norfolk.

Mr. STANSELL: Could that part of the amendment be accepted which deals with Elgin, and I will reserve the right to submit the other part of it when we come to Norfolk?

The CHAIRMAN: Moved by Mr. Stansell that the constituency of Elgin be known as Elgin West.

Mr. MACDONALD (Pictou): As it stands East Elgin has a population of 17,300, and West Elgin, 27,618. In providing increased representation for urban centres with increased population it was obvious that this constituency had to be dealt with. Under the report of the committee there have been taken from East Elgin two townships, Malahide and Bayham, the former with a population of 3,438, and the latter with a population of 3,191, making altogether about 6,500 people. The combined population of Elgin is 45,000. We take 6,000 from that and add these townships to the county of Norfolk, so that Norfolk has a slightly increased population.

Mr. STANSELL: I think that figure should be 9,111 instead of 6,000. The minister is not including the town of Aylmer.

Mr. MACDONALD (Pictou): I am taking the figures of the census returns.

Mr. STANSELL: No, I have given them.

Mr. WALLACE: The town of Aylmer with a population of 2,194 is also added.

Mr. MACDONALD (Pictou): I was not on the sub-committee in the earlier stages of the committee's work, but about ten days ago I did attend some of the meetings and I found that this matter was regarded as practically settled. If every hon. gentleman who feels that his constituency has been affected adversely by the redistribution owing to its being one of the smaller constituencies proceeds to move an amendment, we are 11 p.m. going to have a very complicated situation. This committee is hardly in a position, on the complaint of an hon. member who does not want to have his constituency interfered with, to decide adversely to the report of the committee. However much we may sympathize with my hon. friend, there was no way of avoiding the action taken with respect to his constituency. No 17,000 constituency in Ontario could pass in this redistribution where five new constituencies had to be found.

Mr. STANSELL: How about South Perth, which now has only 18,000?

Mr. MACDONALD (Pictou): When I went to the committee I found that South Perth had not been discussed and was not one of those that had been so dealt with, whereas the constituency of Elgin, with a population less than South Perth, had been dealt with. That was the position when I went to the committee. I would ask the committee as a whole to accept the judgment of the Redistribution committee. They have given this question the best consideration they possibly could. They have endeavoured to do what is fair and reasonable, and the complaint that my hon. friend makes is one that any hon. gentleman could make whose constituency was affected. There are a great many hon. gentlemen who may have greater ground for complaint than my hon. friend. I am free to say that there are hon. gentlemen sitting in this House who have cases which on their face they might well complain of, but in view of the discussion which took place in the committee, I do not think my hon. friend has very much ground for complaint.

Mr. STANSELL: The hon. gentleman has missed my point entirely. I thought I had made it clear to the House that I was not complaining at the present time of the division of the constituency, that I admit seems to be hopeless, what I do ask is that East Elgin be allowed to retain a part of its name. Everything that the minister has said could be applied to the constituency of Peterborough. That constituency has been divided, and is now known as West Peterborough and Hastings-Peterborough. All I am asking now with respect to this particular constituency is that it should be known as Elgin West, and the remainder to which has been added the county of Norfolk be known as Norfolk-Elgin.

The CHAIRMAN: Is it the pleasure of the committee that Elgin shall be changed to Elgin West?

Amendment agreed to.

Hastings-Peterborough.

Mr. MACDONALD: I have a clerical amendment to move to the description. I move to strike out the words "Douro and Otonabee" in lines 20 and 21 of page 6, and substitute therefor the words "and Asphodel." This is to put the townships of Douro and Otonabee in West Peterborough.

Amendment agreed to.

Mr. MACDONALD: I move that the word "Rawden" in line 24 of page 6 be changed to "Rawdon."

Amendment agreed to.

Mr. BRETHEN: Mr. Chairman, the passing of this amendment does not improve the

situation with regard to Peterborough. It will be remembered that when the report of the committee came before this House on Friday last, there was unanimity with respect to practically all the Ontario constituencies, but there were some exceptions. The exceptions in which I am interested are the two Peterboroughs and the two Hastings. I therefore beg to move:

That the Ontario schedule of Bill No. 2 be amended by striking out all words beginning with the words "Hastings-Peterborough" and ending with the word "Belleville" on page 6, and beginning with the word "Peterborough" and ending with the word "Peterborough" on page 10, and the following substituted therefor: "The county of Hastings into two ridings to be called the east and west ridings of the county of Hastings—

(a) The east riding shall consist of the townships of Thurlow, Tyendinaga, Hungerford, Madoc, Elzevin and Grimthorpe, Tudor, Cashel, Limerick, Dunganan, Mayo, Monteagle and Carlow; the town of Deseronto, and the villages of Madoc and Tweed.

(b) The West riding shall consist of the townships of Sydney, Rawdon, Huntingdon, Marmora and Lake, Wollaston, Faraday, Herschel, McClure, Wicklow and Bangor, the city of Belleville, the town of Trenton and the villages of Marmora and Sterling. The county of Peterborough with the township of Monaghan South into one riding to be called Peterborough.

(a) The riding of Peterborough shall consist of the townships of Anstruther, Asphodel, Belmont, Burleigh, Chandos, Douro, Dummer, Methuen, Otonabee, Cavendish, Ennismore, Golway, Harvey, Monaghan North, Monaghan South and Smith, and the city of Peterborough and the villages of Havelock, Lakefield and Norwood.

In short Mr. Chairman this amendment proposes to unite the two Peterboroughs into one and leave the two Hastings as they were. I might say that under the circumstances there is little objection on the part of the electors of East Peterborough to the dropping of the member. We believe it is only just and equitable because East Peterborough is one of the smallest, if not the smallest, riding in Ontario, but it is the unanimous wish of the people of Peterborough that the two ridings should be merged not rent asunder, and I propose to give the committee the reasons for this. I have here a comparative map of the county of Peterborough. The west riding has a population of 29,318, and the east 13,716, making a total for the two of 43,034. The only argument I have heard against putting these two constituencies together and maintaining the county as one, is that it would give a constituency in excess of the unit of population, 36,300. However we must take into consideration that this riding with the large city of Peterborough, has a population 60 per cent urban, or with well over 24,000 people in the city and villages of the county. Compare this with the unit of population of 50,000 to 60,000 in the cities, or even to the constituency of Russell adjoining this city of Ottawa. This riding although it has a population of 43,413, with an urban population of but 13,000 has not been disturbed; no objection has been taken by the committee on the ground that it is too large. I was pleased to hear the hon. member for Shefford (Mr. Boivin) lay such great stress upon the retention of county boundaries in the province of Quebec even when seeming injustice might be done to the city of Montreal bearing in mind the unit of population. I would draw the attention of that hon. member, and of other hon. members as well, to the fact that in the province of Ontario no finer opportunity is offered for putting into practice the principle of the retention of county boundaries than in the county of Peterborough. I point out that among the adjoining constituencies of Victoria and Haliburton, Durham, Northumberland and Hastings there is not one that required readjustment. Each one has been considered large enough by the committee to pass without any alteration due to lack of population. Lack of population in each of the two Peterboroughs created a problem that was a problem for the county of Peterborough alone. But why was the county of Peterborough rent asunder and a constituency created that can only be regarded as one of the worst gerrymanders that ever took place in a redistribution committee. I should like to say that not only is the retention of county boundaries in line with certain basic principles that have been accepted generally for generations, but it is in harmony I believe, with the wishes of 90 per cent of the people of the county of Peterborough. I have here a resolution passed at a special meeting "all present" called by the warden of the county of Peterborough, Mr. Clark in the chair. The resolution reads as follows:

On motion of Messrs. Coughlin and Breckenridge this council desires to place on record the desirability of keeping the county and city as one electoral constituency.

JOHN CLARK,
Warden.

I hereby certify that the above is a true copy of the resolution passed in open council, April 6, 1923,

ED. M. ELLIOTT,
County Clerk.

I have also a resolution from the Conservative Association of East Peterborough asking for similar action, likewise one from the East Peterborough U.F.O., and resolutions from many of the township councils to this effect. The Liberal Association of East Peterborough

forwarded a communication addressed to the chairman of the redistribution committee which I do not intend to read in its entirety but it certainly is very interesting. It says:

Now we wish to express to you the unanimous feeling of the entire electorate of East Peterborough.

Remember this is from the Liberal Association of East Peterborough:

At a meeting representative of the three political parties of the riding, it was unanimously agreed to endeavour to retain our riding, and in the event of our failure to retain the riding that the county boundary lines be the boundaries of the new electorate, that is, that Peterborough county be made one riding. Also at a special meeting called of the county council of the municipality of the county of Peterborough a resolution was moved and unanimously carried that if any change had to be made in the ridings of the county of Peterborough and that it was necessary to do away with one of the ridings that the two be merged into one, making it one county constituency, keeping county boundaries intact. May I also further say that, if East Peterborough is parcelled up, it will dissatisfy every elector in the riding and in the county as well. Any parcelling of the riding is a distinct violation of an old Liberal principle advocated many a time by Sir Wilfrid Laurier and other prominent Liberal statesmen of Canada.

As a delegation to meet the Redistribution committee is now denied us, we wish this statement of the wishes of East Peterborough electors and of the county electors as a whole to be taken into serious consideration by the Redistribution committee.

Respectfully yours,

W. A. RICHARDSON,
Secretary, East Peterborough Liberal Association.

Not only are the people of Peterborough county practically unanimous on the question of the merging of the two ridings, but I find that their wishes are in harmony with the principles laid down by the right hon. the Prime Minister (Mr. Mackenzie King) when the second reading of this bill was taken on March 25 of this year. I should like to read what the Prime Minister said regarding the retention of county boundaries, as reported at page 660 of Hansard:

I think it is well that we should make clear the lines on which we would expect the committee to proceed. There are guiding principles which have been observed in the past and which, experience would seem to indicate, it is advisable strictly to adhere to. The first of these is the principle of following county municipal organizations as a basis in whatever may be done in arranging the constituencies. There are obvious reasons why this should be a guiding principle. The municipal organization is the basis of our entire judicial system, of our municipal system, and by holding to the county unit, municipal organization, we are following a basis that is familiar to citizens of the country generally.

At this time the Prime Minister referred to the statements of Sir John A. Macdonald in this respect, also to declarations of Sir Wilfrid Laurier. He might also have referred to the utterances of such great and revered statesmen as the Hon. Edward Blake and Sir James Whitney in the province of Ontario to justify his position. The only argument, as I said a moment ago, against this proposition of merging the Peterboroughs is the argument that it might create too large a constituency which I think I have very well disposed of. The hon. member for South Oxford (Mr. Sutherland) shed some light as to what took place in the committee when he said that there had been negotiations and that the parleying in secret had resulted in a barter of constituencies. It seems to me that that explanation is the only one that could be offered for overriding the wishes of the people of the county of Peterborough, and violating the basic principles that have been laid down for generations for the retention of county boundaries, and for bringing about such a gerrymander such as this bill proposes. I assume that the members of the Redistribution committee are too deeply committed to this programme to give me any support in this proposition. Nevertheless I draw the attention of every hon. member to the fact that he individually is at liberty to support, amend, or reject any feature of this bill. I should like here to read the words of the Prime Minister where he makes very clear the position of hon. gentlemen in this respect. He says:

It will not, of course, be possible for the committee to work out a redistribution, following county municipal organizations along the lines which I have indicated, with mathematical exactness.

Then he proceeds to outline his proposal for appointing a committee which is this:

We want to get a few hon. members together around the table, actuated as I say, by principles of fair play and justice to all, and have them work out a schedule of constituencies, and then to present it to the House for endorsation, amendment or rejection.

Now if that means anything to hon. members, it intimates that their hands are not tied, when it comes to supporting an amendment of this kind, and that they are at perfect liberty to amend this bill as it has been presented to us, if in their judgment it is unfair and does not follow the lines that were laid down when the committee was presented with the plan that they were to follow in this redistribution. I read from the speech of the Prime Minister the following statement:

The government has but one object in view—that the committee, following broadly the principles which I have indicated, shall work out on the basis of the new unit of representation the electoral districts for the representation of this House on lines which will commend themselves to the sense of fair play and

justice of hon. members and of the people generally; so that this House of Commons may be, as far as possible, a true mirror of the public opinion of our country.

I have shown I believe that this is practically the wish of the people, not only of the east riding of Peterborough, but that of the people of the whole of the county of Peterborough as well, and when I find that the wishes of the people are in harmony with the principles laid down by no less an authority than the Prime Minister himself, I cannot, in fairness to myself and to the people that I represent, accept such a proposition as is placed before us now. I appeal to the sense of justice and the spirit of British fair play of hon. members to make this change in this bill as it refers to the constituency of Peterborough. The arrangement proposed by this bill is not wanted by the people of Hastings, by the people of Peterborough or to my knowledge by any person, unless it be some one who is directly interested in making for himself a safe seat. I say that this proposal, the only explanation of which evidently is that this riding has been bartered and sold for nothing but political expediency, is something that I will never accept—never! never! never! I appeal to individual members, and to their sense of justice, equity and common decency, to refuse to sanction this indefensible proposition and to vote for my amendment, that will make the two Peterboroughs one.

Mr. STEWART (Leeds): I think the amendment proposed by the hon. member for East Peterborough (Mr. Brethen) requires some statement at my hand. When this particular county came up in the committee for Ontario my colleague, the member for South Oxford (Mr. Sutherland) and myself moved that the two ridings of East Peterborough and West Peterborough be consolidated and created into one riding. We expected to receive on that motion the support of the representatives of the party to which my hon. friend who has just spoken belongs. To our intense surprise we did not receive that support, and our motion to adhere to county boundaries in the two constituencies was defeated, the only members voting in favour of it being the member for South Oxford and myself. When we came to Hastings we also moved that there be no division, and that East and West Hastings remain as at present. Our motion met the same fate. We went along always protesting and in the end the matter was the subject of negotiation, and a compromise was arrived at as a result of which it was adjusted as it appears in the schedule. Although in the beginning we would have welcomed just exactly what the hon. member moved for, matters have arrived at such a stage that we cannot possibly accept it. To me an agreement made with respect to any matters, political or otherwise, verbal or in writing, is binding, and this compromise has been arrived at; and for that reason we are unable to accept the amendment moved at this late date by the hon. member for East Peterborough. I appeal to those hon. members behind me in this group, whom the member for South Oxford and myself have represented in good faith throughout the negotiations, to vote against the amendment and to support the solution that has been arrived at as a compromise between all parties as set forth in the schedule.

Mr. GORDON: I might be permitted to say a word in regard to this matter, as it relates to the riding which I represent, as well as the one represented by the hon. member for East Peterborough. If the hon. member's suggestion were accepted, both ridings so constituted would have a population of 43,034, containing the industrial centre of Peterborough, where the census was taken at a time when there was an industrial depression, particularly in the smaller cities of Ontario. The population has largely increased since that time. It is proposed to take from East Peterborough the townships of Otonabee, containing 3,023, the township of Douro, containing 1,645, and the village of Lakefield, containing a population 1,189, or a total of 5,857. The present constituency of East Peterborough has a population of 13,716, being one of the smallest constituencies of the province, if not the smallest. It was necessary, so I am told, and so I believe, studying the map, on account of the loss of population—in Hastings county, as well as in the rural territory of Peterborough county to change the ridings in Hastings, and to extend, because of the shortage of population, the riding of North Hastings; so that with the rest of the riding of East Peterborough it could be maintained as a unit. If the amendment proposed by the hon. member for East Peterborough should be given effect to, it would mean approximately that West Peterborough would have a population three or four times as much as North Hastings would have under the redistribution; and with the necessity which arose of cutting down the representation for rural Ontario, on account of its population having dwindled, it became necessary in this part of the province that one seat should be taken out, and the effect of it was to cut out East Peterborough. The township of Douro and the township of Otonabee lie imme-

diately east and contiguous to Peterborough city. Many of the residents of those townships work in the city of Peterborough and return daily to their homes. Their dealings are in the city. In fact, I think the city as originally incorporated took in part of the two townships. The rest of the townships have a relationship more to the east, some of the people dealing in Madoc, Marmora, and other towns to the east. It is true that some of them come to the west; but in order that there might be one member less, because it was necessary for one member to be taken from that particular district, this compromise was arrived at, and I submit that it is fair and reasonable giving the remaining Peterborough as it stands a total population of 35,175 persons. The effect of this will be that where there is a community of interest between the people of Hastings which is immediately east of East Peterborough, those persons who have that community of interest will be in the one riding. The persons west of this line which runs down from north to south to Rice lake will be in the one riding. In the former redistribution, I think in 1914, the township of South Monaghan which is cut off by Rice lake from Northumberland remained in the west riding of Peterborough. It is still in the west riding, and I question whether there will be any complaint except it be removed and perhaps added to Northumberland. Then, there would be objection from that township because the people have their community interests and relationships in dealing with the city of Peterborough. This makes a riding that is close to the unit; the lines are rectangular; the interests of those in the west riding are together, and east of that persons in the east riding are very largely associated, more particularly so in the east part of the east riding of Peterborough, with those of Hastings. It makes the Hastings units, North and South Hastings, and East Peterborough and West Peterborough a compromise which gives a representation which, I submit, is not only reasonable, but equitable and fair.

Mr. KENNEDY (Glengarry): In respect to the amendment which is now before the committee, this is one of the constituencies in the schedule with whose description I did not agree. Remarks made by the hon. member for Leeds (Mr. Stewart) have rather drawn me into the discussion. It is true that in the Ontario sub-committee which had a most difficult problem to work out, there were many constituencies regarding which proposals were made which were again changed and votes were made which were again reversed. I well remember making a proposal on several occasions to the hon. member for Leeds that we should maintain the county boundaries from one end of the province to the other; that that could be done quite easily. But apparently, he was not ready to accept the proposal at that time. He was willing to accept it in certain places, but not all through. It is quite true that as regards certain places proposals were made and votes were also cast which were again reversed. Negotiations carried on over months, in fact over two sessions, often involved situations of that kind in an honest intent to work out an acceptable and equitable solution of a most difficult and harassing problem. This situation in this particular part of Ontario was, perhaps, the most difficult that we had to handle. It may have been inevitable, it may have been wise to violate county boundaries in some respects, but the solution offered to the present difficulty by the hon. member for East Peterborough (Mr. Brethen) seems to me to be a very good one. It appears to be what the people of this constituency want as he has indicated very ably to the committee to-night, and I desire to support him in the proposal that he makes.

Mr. MACDONALD (Pictou): When the situation in regard to Peterborough and Hastings, came before me as chairman of the general committee for consideration, the proposition was in this form that a constituency should be formed out of East Peterborough together with a portion of North Hastings. When we came to deal finally with the question before the whole committee, it was strenuously urged by the hon. member for East Peterborough that the townships of Rawdon and Huntingdon which were attached to this constituency as it stood should be taken out. But as they happened to be the townships contiguous to the home of the present member for that district, it was felt that it was hardly fair that that should be done. For a whole day and one night until very late we wrestled in regard to that problem in an endeavour to find out what was the right thing to be done. Ultimately the committee arrived at a solution, and the description which is contained in the present schedule I think is a reasonable one. The hon. member for East Peterborough, I understand, argues in favour of county boundaries which, as a general principle, one should endeavour to recognize and we have endeavoured to recognize that principle wherever possible without creating inequalities. But I understand that he was perfectly satis-

fied with the constituency which meant a violation of county boundaries provided that the townships of Rawdon and Huntingdon were eliminated from it.

Mr. BRETHEN: May I correct the hon. gentleman? I wish to say that I never compromised myself as regards county boundaries. An alternative was suggested as a compromise, but I stood, first, last and all the time for the retention of county boundaries in Peterborough county. I cannot help what was done in the committee. Many things were done in the committee of which I did not approve.

Mr. MACDONALD (Pictou): I am dealing only with the facts as they came before me and I dealt with them in a judicial way. I heard the story of every side of the matter and I regard the report of the committee as being a reasonable and fair solution of this question. I would ask the committee to support the adoption of the schedule.

Amendment (Mr. Brethen) negatived: Yeas, 40; Nays, 86.

Hastings South:

Mr. MACDONALD (Pictou): I wish to move that on page 6 in line 31 after the word "Bellevillle," the words "and town of Trenton" be inserted. There is some question about the town of Trenton in its original association with the county of Northumberland. It is intended to make sure that the town of Trenton shall be included in this constituency.

Mr. STEWART (Leeds): Why not include the town of Deseronto which is in exactly the same position as Trenton?

Mr. MACDONALD (Pictou): I have no objection: I move that after the word "Belleville" the words "and towns of Trenton and Deseronto" be inserted.

Amendment agreed to.

Lambton West:

Mr. CHURCH: I want to refer for a moment to the constituency of Humber-Vale.

The CHAIRMAN: I must point out to the hon. gentleman that the committee has already passed Humber-Vale; indeed, some 6 constituencies after that one have been adopted.

Mr. CHURCH: I was on my feet when you called Humber-Vale, Mr. Chairman, and you did not see me but just called it and passed on. With the permission of the committee I desire to say just a few words in regard to that particular constituency. I do not wish to interfere in any way with the unanimous report of the committee but I must vigorously protest against the unjust and unfair treatment which has been meted out, without any valid reason whatever, to the district of Humber-Vale and the whole city of Toronto. I wrote a letter to the committee protesting against the discrimination which was being practised against the city of Toronto, but notwithstanding all argument to the contrary we find that that city has received the most unfair treatment that could possibly be given it. I have the figures of every census since confederation and the discrimination against the city of Toronto at the present time is even greater than it has been in the past. For example, let us take the constituency represented by my hon. friend from South York (Mr. Maclean). That hon. gentleman represents in this House a population of 100,054 which is more than six present rural federal ridings put together. The following figures speak for themselves:

York (South) Census 1921—100,054.
Equal to the following 6:

	Population 1921 census
North Ontario..	15,420
East Peterborough..	13,716
Wellington North..	19,833
Grenville..	16,664
Dufferin..	15,415
East Elgin..	17,306
Total for the 6 only..	98,354

So that the member for South York in this House represents more than these six federal members combined. Is that fair to Toronto?

And the same invidious discrimination is evident in the case of every other one of the nine constituencies in the city of Toronto. The fact is overwhelmingly obvious that not only have the committee entirely disregarded the principle of representation by population, but that they have apparently been determined to make Toronto the goat of the whole province of Ontario. The city of Toronto, with all the educational advantages it affords, and comprising as it does about one-third of the population of the whole province of Ontario, is given only 9 representatives in this House; while the unit of representation for that city is 57,908 as against a unit of representation in the rural centres of 31,796. And the same thing is true of the other urban constituencies. Hamilton, for instance, has but 2 members, Ottawa 2 and London 1; or, taking these four cities together, they have a total representation of 14 with a population of 771,535. The unit of representation for these 14 average

city seats is 55,109, whereas for the 68 semi-rural constituencies, with a population of 2,162,127, the unit of representation is 31,796. I protest in this House against this unfair and unjust system of representation and I will protest against it in the country. Another point to which I wish to direct the attention of the committee is the absolute inappropriateness of the new name Humber-Vale and the names of the other Toronto seats. How is the member to be identified by the designations east, centre, south and so on? Surely the committee should have adopted more suitable names for these constituencies; certainly Humber-Vale does not describe the district. Why, Humber-Vale is a cemetery.

Mr. ARCHAMBAULT: In that case it will be a silent vote.

Mr. CHURCH: A cemetery vote. A part of the riding is a mile from the district known as Humber-Vale and the name is entirely unsuitable. High Park or Sunnyside would be better. Now, we have tried our best to get our case presented to the committee but without avail. In the carving-up of the country to suit the rural population the city of Toronto has been utterly ignored. It will be interesting to the committee to learn some of the facts in regard to some of these semi-rural constituencies. In North Ontario, for example, there is a population of 15,420; in East Peterborough the population is 13,716. In North Wellington, a rural riding, the population is 19,833 while in Dufferin it is 15,400. And the others are about the same. Yet the constituency of South York comprises a population of over 100,000. Such discrimination cannot be justified for a moment. The explanation lies in the fact that nearly all the members of the Redistribution committee represented rural constituencies and quite evidently they exemplified the principle of self-preservation; self-preservation in their case was certainly the first law of Nature. I repeat, the city of Toronto has been most shamefully discriminated against; nothing comparable with its treatment can be pointed to anywhere in the Empire, and no other city would fall for it but Toronto. Half the population of the city has been disfranchised and the representation given to rural ridings.

Mr. SPENCE: What the hon. member (Mr. Church) has said is perfectly true; Humber-Vale certainly is no name for this constituency. The constituency is bounded on the west by High Park, and why it should be called Humber-Vale I cannot possibly understand. The simple fact is that this is a gerrymander for the sole purpose of winning two or three ridings in Toronto, and it was concocted by the Liberal party in Toronto and not here. I do not wish to condemn the Redistribution committee, but I certainly am of the opinion that it was in Toronto that the whole thing was conceived and put into shape, and it was done, as I say, for the express purpose of winning two or three ridings in that city. The constituency should have run from north to south straight up the city instead of being laid out as it is.

Mr. CAHILL: The hon. member says that it is done for the purpose of winning ridings. Are they not hopeful?

Mr. SPENCE: No, they have not a chance. Hon. gentlemen may gerrymander that city as much as they please but I defy them to win one seat in Toronto. There are too many industries there that cannot forget what the Liberal party has done and there is absolutely no chance of my hon. friends winning a single seat in that city. I would move, Mr. Chairman, that the name be changed from Humber-Vale to High Park.

The CHAIRMAN: I have already pointed out that that item has been passed, and five others as well. The committee is now considering West Lambton.

Mr. SPENCE: Two wrongs do not make a right.

Mr. LeSUEUR: I suggest that in order to carry out the principle enunciated by the minister this paragraph should be amended by adding thereto the words "and the city of Sarnia."

Amendment agreed to.

London:

Mr. MACDONALD (Pictou): On the last line on the page the word "Woolsey" should be spelled Wolseley, and the word "area" should be added after barracks to conform to the following line.

Amendments agreed to.

Mr. WHITE: I represent the constituency of London, and I wish to refer to what I consider an injustice in the way the city has been dealt with. On March 25th last the Prime Minister made a statement in which he enunciated the guiding principles that should govern the committee in the consideration of redistribution. Among other principles he referred to the fact that the unit for urban constituencies should be larger than for the

rural, and he gave several reasons therefor, some of which I think had more merit twenty years ago than they have now. He suggested that so far as possible municipal and county boundaries should be followed, but that seems to have been disregarded in the first draft presented by the government this year. Later, however, the principle was largely observed in the final report of the committee. Other reasons given were that the people in rural districts were scattered over larger areas and that the circulation of the press was not so wide or so influential as in the cities. I contend that there is far less reason in the present state of development, of Ontario particularly, for disparity in numbers as between rural and urban constituencies. We now have a well-established rural mail delivery which takes the daily mail and daily papers to practically all parts of the country. We have had an improvement of roads, and an almost universal adoption by the farmers of motor vehicles for transportation. We have also the use of the rural telephone, and nowadays the radio is coming into use, so that isolation is largely a thing of the past. Another reason given for the disparity was that the rural population is more stable in its occupation of certain areas than the population of cities. I cannot accept that as a very good and sufficient reason. In my city, according to a statement by the city clerk, 80 per cent of the householders own their houses, and that, I think, is a guarantee of stability of residence.

In the proposal first put forward this year the constituencies of East Middlesex, West Middlesex and London were dealt with as a group. The municipality of the city of London has been a city constituency for more than half a century, but the first proposal provided for cutting off parts of the city in two distinct and separate places and putting them in East Middlesex, and, having done that, taking in a rural township from East Middlesex to replace some of the population taken away. The scheme was so preposterous that both city and country people strenuously objected, and the originator of the scheme has not yet had the hardihood to disclose his identity.

The clause dealing with London and the next two clauses dealing with East and West Middlesex make no change in the boundaries or population of the constituencies as shown by the census of 1921. The redistribution of 1911 gave the population of London as 46,300, of East Middlesex as 23,400, and of West Middlesex as 27,300. In other words, the population of the two rural constituencies, combined exceeded that of London by some 4,500. The bill under consideration gives London 53,800, East Middlesex 27,900, and West Middlesex 25,000, or if the two rural constituencies are added together the city population is some 800 more than both combined. What measure of justice or fairness is there in a situation which means that 50,000 people of rural population elect two members to this House while the 53,000 of city population elect only one? This is a situation which the people of London supposed would be corrected by redistribution. I have been wondering whether the Liberal and Progressive members of the committee had a temporary lapse of memory and forgot some of the articles of the common faith, and whether the advocates of the alternative vote and of proportionate representation will come to the rescue of the people of London now that practically half of them have been disfranchised. We have heard some hon. members make long speeches in this House in favour of electoral reform, and often they grow eloquent on the duty of parliament to safeguard the rights of minorities. In this case I am protesting against the disregard of the rights of majorities. During the deliberations of the committee I suggested a division which could be made without serious interference with boundaries, a division which would have given London constituency 42,100, East Middlesex, which is partly urban, 34,800, and West Middlesex 30,700. This division would have been more in keeping with the size of constituencies in which cities of similar population are dealt with. I have made some comparisons, and I find that Halifax and Halifax county return two members, averaging in population 48,600 per member. St. John, New Brunswick, returns two members, averaging a population of 34,500 per member. Quebec, having three seats, each being part of the city, averages 38,000 or less, Ottawa, with two members, averages 46,740; Edmonton, two seats, about 36,000 each; Calgary, two seats, about 38,000 each. So that my proposal of 42,000 for London would have been infinitely fairer than what the bill provides for, and would not have made the rural constituencies too large compared with some of the surrounding constituencies. South Perth, returning one member, has 18,382 people; South Huron, 23,548; North Oxford, 24,500; South Oxford, 22,200. In the present distribution no consideration has been given to the probably larger increase of the city population over that of the rural constituencies. By the end of the next ten-year period it strikes me that instead of the proportion being 2 to 1, it will be more like 3 to 1. Now, Mr. Chairman, knowing the way in which this has come before the House, and

knowing the way in which it has been dealt with, I feel it would be useless for me to move any amendment, and I have to content myself with protesting against this injustice that has been done my city.

Mr. MACDONALD (Pictou): In explanation, I wish as chairman of the committee to say that when I came to deal with Ontario I found the adjustment had been made as it is now contained in the bill. The city of London and the county of Middlesex are left exactly as they were in the Redistribution Bill of 1914.

Mr. WHITE: That is what I have been protesting against, and I made a proposal to the committee which would have corrected it, but they did not see fit to adopt it.

Norfolk:

Mr. STANSELL: I moved an amendment with respect to changing the name of this riding which the minister accepted when we were dealing with the riding of Elgin. I moved that this riding be known as Norfolk-Elgin, and I understood it would be accepted when we came to deal with this riding.

Mr. MACDONALD (Pictou): I move that the word "Norfolk" be changed to "Norfolk-Elgin".

Amendment agreed to.

Ontario:

Mr. STEWART (Leeds): Should the city of Oshawa be added to this, Mr. Chairman?

Mr. MACDONALD (Pictou): There is no objection to it being added. I understand that Oshawa has been made a city only recently. I move that the words "and the city of Oshawa" be added at the end of this paragraph.

Amendment agreed to.

Peterborough West:

Mr. MACDONALD (Pictou): There is a mis-spelling here. I move that "Otanabey" be changed to read "Otonabee".

Amendment agreed to.

Prince Edward-Lennox:

Mr. SEXSMITH: We can hardly allow this change to pass without a protest, because of the fact that the county of Lennox and Addington is being divided. We earnestly submitted a proposal to the Ontario sub-committee which we thought was fair and feasible, but the committee did not see fit to accept it. We can, therefore, do nothing now except to express the displeasure of the people of the county, and protest as far as we reasonably can.

Timiskaming North:

Mr. SIMPSON: I think there is a mistake here.

Mr. MACDONALD (Pictou): I was just going to move that in line 26 the word "Stanley" should be changed to "Shanley". It is simply a misprint.

Amendment agreed to.

Mr. KENNEDY (Glengarry): I think in line 27 the word "east" should be "west".

Mr. MACDONALD (Pictou): That is correct. I move accordingly.

Amendment agreed to.

Timiskaming South:

Mr. MACDONALD (Pictou): I move to substitute the word "east" for the word "west" in line 12 of this paragraph, so that it will read "running thence due east", and so forth.

Amendment agreed to.

On Toronto East Centre:

Mr. SPENCE: If I may revert to the riding of Humber-Vale, on page 6 of the bill, I would move that the word "Humber-Vale" be stricken out and the words "Toronto High Park" be substituted therefor. This riding would then appear on page 13 between "Toronto East Centre" and "Toronto North-east".

Amendment agreed to.

North Wellington:

Mr. PRITCHARD: In connection with the redistribution of the ridings of Wellington the committee evidently have broken the rules laid down both by the Prime Minister and the leader of the opposition. I think if you were to hunt through the bill you could not find a case similar to the division which has been made in Wellington. The two Wellingtons as they stand to-day have approximately 35,000 and 19,000 population. A few weeks ago I was asked if I would be satisfied to have certain municipalities transferred from South Wellington to North Wellington. I had no objection, and I understood that arrangement would be carried out, but suddenly the change was

made which appears in the present bill. Why it was done I cannot understand. Had the original arrangement been carried out the population of the two constituencies would have been more nearly equalized. South Wellington would have had 28,000 and North Wellington 25,000. Such a change would not affect the county boundaries, nor affect the political complexion of the county in any way, and would have made the population of the divisions more nearly even. I should therefore like to move seconded by Mr. Guthrie:

That the schedule for Ontario at pages 14 and 15 of the bill be amended by striking out the clauses pertaining to Wellington North and Wellington South and inserting in lieu thereof the following clause:

North Wellington consisting of that part of the county of Wellington included in the townships of Minto, Arthur, West Luther, Maryboro, Peel, West Garafraxa, Pilkington and Nichol, the towns of Harriston, Mount Forest and Palmerston, and the villages of Clifford, Drayton, Arthur, Fergus and Elora. South Wellington consisting of the city of Guelph, the village of Erin, the townships of Eramosa, Erin, Puslinch and Guelph.

Mr. MACDONALD (Pictou): I desire to ask the mover of the amendment what townships he proposes to add to his riding that are now in South Wellington?

Mr. PRITCHARD: The townships of Pilkington and Nichol.

Mr. GUTHRIE: As the representative of the south end of the county I may say that there is in South Wellington a population of approximately 35,000 and North Wellington a population of 19,000. Both ridings are partly rural and partly urban.

In North Wellington there are three towns, three villages, and six townships; in South Wellington one city, three villages and six townships. The proposal that was brought down last session fairly equalized the county. The proposal brought down this session and, as I understood, accepted by the committee fairly equalized the county. I was only consulted about it on one occasion by the Minister of Trade and Commerce (Mr. Low) who was then on the committee. He asked me if I was satisfied with it and I said I was; that the only object was to equalize the population and he might make a cut in any part of the county he saw fit. I may say that I did suggest that he could get equality, that is 27,000 for the north and 27,000 for the south, if he took another township and left one of those which he proposed to take. However, he thought that his proposition would leave the constituencies geographically correct; the matter dropped there and I heard nothing more about it. I went away, and the hon. member for North Wellington went away, and on our return we were rather surprised to hear that the proposed change had been dropped and the county was to remain as it was. The county of Wellington is rather unique because both ridings are wholly in the county; they do not affect any other county, nor any other boundaries. Both ridings have rural and urban populations. I know the whole county and there is only one way of dividing it; that is practically blocking it off into two equal halves. There was a long fork going into North Wellington, and the proposal of the minister as brought down last year and this year, was to square off that fork by putting two townships into North Wellington and there happened to be two villages in these townships. I must say that if our duty is to approximate an equalization of population and to make the ridings geographically as compact as possible it would be hard to improve on the proposal of the Minister of Trade and Commerce as originally brought down, the old arrangement having been made at a time when there was no very great difference in the population. The ridings were approximately even ten or fifteen years ago. Now a variation has occurred from the growth in the south and a corresponding loss in the north. I am not particular just what cut the committee make; anything that will tend to equalize the population would suit me. I do not think I could improve upon the suggestion made by my hon. friend from North Wellington which is embodied in his motion.

Mr. MACDONALD (Pictou): I am labouring under the misfortune of not being aware of what has gone on in the committee. My colleague the Minister of Trade and Commerce was in special charge of the sub-committee, and when my hon. friend from Ottawa (Mr. McGiverin) and myself dealt with this matter we found the arrangement in regard to Wellington that is contained in the report. The suggestion was made to the committee that some change might be made by the transference of a township from South Wellington to North Wellington. That proposal was not satisfactory and the committee, I think, unanimously agreed upon the proposal as it is here. The whole of the sub-committee agreed that the Wellingtons should remain as they were in the last redistribution, that is the effect of the report of the committee, and I trust hon. members will support the finding of the committee.

Amendment negatived: Yeas 22; Nays 68.

Schedule agreed to.

Wentworth:

Mr. MACDONALD (Pictou): In order to make clear the description of Wentworth county, I asked the electoral officer to prepare a section which would show exactly what the intent of the committee was. I propose to move to strike out the electoral description of Wentworth on page 15 and to substitute the following:

Wentworth consisting of the county of Wentworth, excepting that part of the city of Hamilton lying between Paradise road and Ottawa street and that part lying north and east of Coate's Paradise.

That gives to the county of Wentworth a portion of the city of Hamilton, and the description takes in the whole of Wentworth and excludes part of Hamilton.

Mr. STEWART (Leeds): That will not carry out the intention of the committee. All that is required in connection with this is to change the word "excepting" to the word "and".

Mr. MACDONALD (Pictou): The Electoral Officer informs me that he devoted some time to the preparation of that description, and he is satisfied that it carries out the intent of the committee. There is no question of the intent of the committee. It is only a question whether we have put in exact language the division which is intended to be made.

Mr. STEWART (Leeds): As the description reads it would include part of Hamilton instead of excepting it. We are really including part of Hamilton, but this description excludes part of it.

Mr. STEWART (Hamilton): I think we might leave it where it has been in the past. By striking out the word "excepting" and substituting the word "and", we leave it as it was previously, and there cannot be any mistake about it.

Mr. HANSON: I think the hon. member for Leeds (Mr. Stewart) is absolutely right in the matter of drafting. Changing the word "excepting" to the word "and" makes very clear what is meant. Wentworth consists of the county of Wentworth and a certain portion of the city of Hamilton.

Mr. STEWART (Leeds): I have shown this description to the member for East Hamilton (Mr. Mewburn), and he says I am perfectly correct.

Mr. STEWART (Hamilton): I do not see any necessity for any change. I have been the member for Hamilton for fifteen or sixteen years, and we want to leave it as it is. The amendment suggested by the hon. member for Leeds would accomplish the purpose, and what more do we want?

Mr. MACDONALD (Pictou): I beg to move that on page 15 the description of the electoral district of Wentworth be stricken out and there be substituted therefor the following:

Wentworth consisting of the county of Wentworth and that part of the city of Hamilton not included in the electoral districts of Hamilton East and Hamilton West.

Amendment agreed to.

Brant, Brantford city:

Mr. GOOD: I wish to make a suggestion in connection with the constituencies of Brant and Brantford, which suggestion I am sorry I did not make to the committee, and it is a matter that has probably been overlooked. In the constituency of Brant at the present time according to the 1921 census, the population is 20,085. In the constituency of Brantford the population is 33,292. Included in that population of 33,292 are 3,852 who are rural residents. As hon. members will see, they are practically lost in the large population of the city. My suggestion is that this very small section of the county, which is like a little wedge running southwest from the city of Brantford, should be included in the constituency of Brant, leaving the constituency of Brantford as the city alone. If that is done, we shall have a greater equalization in the population of the two constituencies in the county as follows: Brant will then, according to the census, have 23,937, and Brantford city will have 29,440. This seems to me to be a very sensible suggestion and it will allow us to have a city constituency and a rural constituency in the county. It will also remove the difficulty which is going to be encountered in the descriptions as they are already in the schedule. In that connection I beg to move the following amendments:

That the schedule for Brant should read as follows:
Brant consisting of the county of Brant except the city of Brantford.

And:

That the schedule for Brantford should read as follows:
Brantford city consisting of the city of Brantford.

That would simplify the description very much, leaving us with two constituencies, one of about 24,000 and the other of about 29,000 persons. I am quite sure this would meet the wishes of the few farmers who are now thrown into a very large city.

Mr. RAYMOND: With regard to the change proposed by the hon. member for Brant (Mr. Good), which he says, he thinks is a very sensible one, those who understand the political situation would agree that from his point of view it is a very sensible one. But I should like to point out to the committee that there is perhaps another point of view, namely that these two townships to which he alludes, the township of Oakland and the east half of the township of Brantford have for a long time been joined to the city of Brantford, first in the riding of South Brant and now in the riding of Brantford. The proposal he makes to remove them would break off their political allegiance of many years back. He says they would be lost by being connected with the city of Brantford; that the farmers who live in these townships would rather be in the north riding. I differ with that opinion. I think the hon. member makes it up entirely from his own mind. He has nothing to show that these people who live in these sections wish to be moved into the north riding of Brant. I feel certain that they have no such desire. The plain reason from his standpoint is, I think, that perhaps as there is a rural population in these two townships it might possibly add to the hon. member's prospects of success in a future election; but it is better to put it on the plain ground to which it belongs. These townships have always been associated with the city of Brantford and I see no reason why they should be removed; and already a part has been taken from the riding of the hon. member which he did not wish to have done, that is to say, the district of Parkdale which was in his constituency at the last election. That part of the city of Brantford that was not included at the last election is now taken into it. If the desire therefore is to equalize the population it would be far better to leave out these polling subdivisions in the southern part of Brantford and let them stay in the riding of North Brantford. As regards these sections although the hon. member may have altruistic motives for having them removed from the riding of Brantford into Brant, I would respectfully suggest to the committee that it is much better to leave them where they are.

Mr. GOOD: I think the imputation of certain motives to me rather calls for a reply. I am not concerned about the matter personally; it is only from the standpoint of the farmers in that particular district that I make the suggestion. There is of course a further advantage in having a greater equalization of population. As regards this particular section of Parkdale, I thought I had explained the matter some time ago. I certainly have nothing to do with the inclusion or exclusion of it in relation to the city of Brantford. It would have been included in the city of Brantford in the previous election if it had been added to the city before the voters' list was prepared; but it was added after the list had been prepared and before the election took place, and it was a pure accident that that particular section of Brantford voted in the constituency of Brant. That, however, is a matter with which neither the hon. member (Mr. Raymond) nor I could have anything to do. Under the former redistribution it should have been in the city of Brantford and it certainly will be under the proposal now before the House. I submit that, altogether apart from any political party considerations, it is a wise principle, other things being equal, to separate the rural from the urban populations. I think it works both ways. The city constituency that is, say, one-third rural has perhaps a certain complaint; similarly, the rural constituency that is one-third urban may have something to complain of. But where it is so easy, as it is in this case, to have a purely city constituency and what is practically a purely rural constituency in the same county, without interfering with any other considerations, it seems to me to be quite worth while. I am not going to press the point; personally I do not care. I do think, however, that the judgment of the House should commend a suggestion of that kind.

Mr. MACDONALD (Pictou): Whatever merit the point may have, the hon. member discovered it only at six o'clock this evening and it is hardly fair to the committee to bring forward the proposal at this time.

Some hon. MEMBERS: Lost.

Mr. STEWART (Leeds): Is it intended that Brant and Brantford shall remain as they are at present?

Mr. MACDONALD (Pictou): Yes. in connection with Brant I wish to amend the item by striking out in the fifth line the words "contained therein" and substituting therefor the words "not included in the electoral district of Brantford city."

Amendment agreed to.

Mr. MACDONALD (Pictou): In the case of Brantford city I move that the item be amended by striking out in the fourth line all the words after the words "Grand River" and inserting after the words "consisting of"

in the first line the words "the city of Brantford as it existed in 1914 and." That makes it clear that the constituency remains as it was in 1914.

Mr. GOOD: I think we should be clear as to what the boundaries of the city were at that time. The effect of the amendment might possibly be to throw a very much larger percentage of the city into Brant.

Mr. MACDONALD (Pictou): There is nothing complicated about the matter. We are preserving the city of Brantford as it existed in 1914. If there has grown up any urban population in the vicinity of Brantford, or if there is some part of the country now in Brantford that was not included at that time, the intention is that the constituency shall remain as it was ten years ago.

Mr. GOOD: How does that affect the district which has been mentioned by the hon. member for Leeds—the district of Parkdale? In 1914 that district which is now a part of the city was not included in the city. Is that to be thrown out?

Mr. MACDONALD (Pictou): The language is clear. The intention of the committee was that the city of Brantford as it existed in 1914 should be preserved with the respective boundaries of that date perpetuated.

Mr. STEVENS: In other words, there are no changes?

Mr. MACDONALD (Pictou): No changes.

Ontario schedule agreed to.

Mr. MACDONALD (Pictou): There was a matter affecting the Nova Scotia schedule which I should like to stand over till to-morrow, because there is a special meeting of the committee.

Mr. CLARK: I would like to have the British Columbia schedule reopened for the purpose of changing the name of the constituency known as Burrard to Vancouver-Burrard. There are three constituencies in which the name of Vancouver appears. Two of these are out of the city altogether; Burrard is within the city. The name has been agreed to by the members of the different constituencies interested.

Mr. MACDONALD (Pictou): This will involve a change in the alphabetical arrangement of the constituencies. There is no objection.

Amendment agreed to.

Progress reported.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the House.

Mr. STEVENS: What will be the business to-morrow?

Mr. MACKENZIE KING: I think we have reached the point now where we might say we will take up any of the bills or resolutions that appear on the order paper. The first matter of business in the morning will be the bills dealing with the Montreal bridge and the Toronto viaduct, then other bills and resolutions not necessarily confining ourselves to this order. I may say the government are proceeding with the bills rather than taking up to-morrow with the discussion of reports of committees because we are anxious to get over to the Senate as much of the legislation as possible at the earliest moment. I think it is pretty generally hoped that it will be possible to prorogue parliament this week; at any rate we are working with that end in view. If we get through with these measures we will go on with Railway estimates to-morrow night.

Mr. BLACK (Yukon): I would direct the attention of the Prime Minister to Bill No. 6 standing in my name at the head of public bills and orders, which was referred back to the House by the committee as amended. It would not take very long to dispose of it.

Mr. MACKENZIE KING: A promise was made to one or two other hon. members for further consideration of measures, and in dealing with these we will see whether my hon. friend's bill can be included.

Mr. MACLEAN (York): I was not in the chamber when the information regarding the business to-morrow was given. Are we to take up the Home Bank matter?

Mr. MACKENZIE KING: I have just said we want to get through as much legislation as we can. Probably the Home Bank matter might stand over until the day after to-morrow.

Motion agreed to, and the House adjourned at 12.45 a.m. (Wednesday).

Wednesday, July 16, 1924

The House met at eleven o'clock.

REPORT

Mr. H. B. McGIVERIN (Ottawa) presented the tenth report of the select standing committee on Miscellaneous Private Bills.

INDUSTRIAL RELATIONS

Hon. CHARLES MARCIL (Bonaventure): I have the honour to present the second and final report of the select standing committee on Industrial and International Relations as follows:

The Select Committee on Industrial and International Relations beg leave to submit the following as their Second and Final Report:

A resolution was adopted by the House of Commons on May 3rd declaring it expedient that a certain draft convention which was adopted at the first session of the International Labour Conference of the League of Nations in 1919 limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week should be referred to the Select Standing Committee on Industrial and International Relations for examination and report, having regard to the lobour provisions of the Treaties of Peace and to the Order in Council of November 6th, 1920, dealing with the jurisdiction of the Dominion Parliament and the Provincial Legislatures.

Your Committee has held several sittings and made a careful examination of the draft convention, the labour part of the Treaties of Peace and the Order in Council of November 6th, 1920, dealing with the jurisdiction of the Dominion parliament and of the Provincial legislatures. Evidence was taken with respect to the present position of the eight-hour day in industrial employment in Canada and other countries. Information was presented to your Committee with reference to a conference which was held in Ottawa in September last between representatives of the Dominion and Provincial Governments which indicated that notwithstanding the view expressed in the Order in Council of November 6th, 1920, doubt existed in certain quarters as to the jurisdiction of the federal and provincial authorities, respectively.

It is accordingly recommended that measures be taken to refer the "Draft Convention limiting the hours of work in Industrial Undertakings to eight in the day and forty-eight in the week" to the Supreme Court of Canada for hearing and consideration under section 60 of the Supreme Court Act together with such questions as will serve to secure an advisory judgment from the court on the jurisdiction of the Dominion parliament and of the provincial legislatures, respectively.

Mr. J. S. WOODSWORTH (Centre Winnipeg): Do I understand there is a motion to concur in the report?

Mr. SPEAKER: There is no motion for concurrence.

OLD AGE PENSIONS

On the Orders of the Day:

Mr. A. W. NEILL (Comox-Alberni): Can the government state what their policy is, or is likely to be, in connection with the report of the committee on Old Age Pensions which was submitted on July 1?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The report of the committee to which my hon. friend refers, I think, contemplated that any action by this parliament would be contingent upon co-operative action on the part of the provinces. The government intends during the recess to communicate to the provincial governments the report which the committee has brought down and ascertain for the information of parliament what action, if any, they are prepared to take with reference to those recommendations.

THE ALTERNATIVE VOTE

On the Orders of the Day:

Mr. W. C. GOOD (Brant): May I ask the government whether or not they are now prepared to go ahead with the Alternative Vote bill?

Mr. MACKENZIE KING: I am afraid I cannot give my hon. friend an answer as yet.

INQUIRY FOR RETURNS

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The session is near its close, and I wish to give a list, though very partial, of the orders of this House still uncomplied with. An order was made on March 27, on the motion of the hon. member for Haldimand (Mr. Senn) for a copy of the report of commissioner Thompson respecting the Six Nations Indians, on April 3, motion of the hon. member for Vancouver Centre (Mr. Stevens) for the amount of liquor brought into British Columbia during the years 1922-23; April 7, motion of the hon. member for East Elgin (Mr. Stansell) as to the value of production and amount consumed and exported of wheat, butter, eggs and so forth; April 7, motion of the hon. member for Vancouver Centre for the amount of Canadian customs collected by the officer at New York; April 14, motion of the hon. member for York-Sunbury (Mr. Hanson) respecting the dismissal of Peter Hickey; April 30, motion by the hon. member for Vancouver Centre for the production of certain statements made before the Royal Pulpwood Commission by Mr. Piché and other witnesses; May 1, motion by the hon. member for West York (Sir Henry Drayton) as to cars and locomotives purchased in Canada by American railway companies during the past twenty-five years, and duty paid by them on American rolling stock used in Canada.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I think my right hon. friend will find there was some reply to that.

Mr. MEIGHEN: There was a reference made to it in the House, but the order of the House has not been complied with.

Mr. GRAHAM: I think my right hon. friend will discover there is an answer to it somewhere that was quite definite. If I remember correctly it was that the information required could not be ascertained.

Mr. MEIGHEN: I do not think that could possibly be, because the number of cars purchased could easily be ascertained by inquiring in Canada; in fact I think the Bureau of Statistics would have it. However, it could be ascertained without a doubt even if the Bureau of Statistics did not have it.

Mr. GRAHAM: I think the reply was to the effect that the government did not have the information.

Mr. MEIGHEN: But the order passed the House which made it the duty of the government to get the information.

Mr. GRAHAM: If it does not exist you cannot get it.

Mr. MEIGHEN: It exists undoubtedly and can be got. On May 5, an order was passed on the motion of the hon. member for Lincoln (Mr. Chaplin) respecting the purchase of ties by the Canadian National Railway during 1923, also the cost of all creosoting plants completed or under construction; on May 5, motion by the hon. member for West Toronto (Mr. Hocken) respecting the shipment of whiskey from Walkerville, Ont., to Watson, Ensenada, Mexico, and cancellation of bond given in connection therewith; May 28, motion by the hon. member for Kent, N.B. (Mr. Doucet), respecting the dismissal of Edward Gibbs; June 9, motion by the hon. member for East Toronto (Mr. Ryckman) respecting the non-infliction of lashes on "Red" Ryan; June 9, motion by the hon. member for Macleod (Mr. Coote), for a return which I am rather interested to see, respecting the amalgamation of the Canadian Bank of Commerce and the Bank of Hamilton; June 9, motion by the hon. member for Kent, N.B., respecting the inquiry on Ludovic Germain, chief of city distribution branch, Montreal; May 9, motion of the hon. member for Lincoln respecting the dismissal of Mr. D. D. Campbell, as postmaster at O'Leary, Prince Edward Island; May 9, motion of the hon. member for West York (Sir Henry Drayton) respecting the necessity of being university graduate before appointment as trade commissioner; June 16, motion of the hon. member for West York, respecting instructions given Dr. Hume re oil industry in Ontario and all evidence, reports, and so forth by Dr. Hume thereon; June 16, motion by the hon. member for North Toronto (Mr. Church) respecting improvement, care and betterment of historic sites and battlefields in Niagara district of the War of 1812-14; June 18, motion of the hon. member for South Oxford (Mr. Sutherland) respecting the Wembley exposition—the use of Canadian materials in buildings thereof, and relationship of High Commissioner of Canada thereto.

Mr. MACKENZIE KING: I con supply that return now.

Mr. MEIGHEN: One out of twenty-three would be a very good response for one day. As my right hon. friend will see some of these returns have stood from March until to-day.

I might mention as well that about a week or ten days ago I called attention to glaring incompleteness of certain reports, and specified the exact data which was not complete. I was promised a complete report or explanation the other day, but none has yet been forthcoming.

Mr. MACKENZIE KING: If we were on the order "Motions" I could lay on the Table a copy of the correspondence of which I spoke. I move that we return to "Motions."

Motion agreed to.

Mr. MACKENZIE KING: I beg to lay on the Table copy of all correspondence with respect to the use of Canadian materials in buildings at the Wembley exposition, and the relationship of the High Commissioner for Canada thereto.

Mr. BUREAU: Now that we are on "Motions," I beg to lay on the Table of the House a return asked for by the hon. member for Vancouver Centre (Mr. Stevens) re appointment of Canadian Customs officer at New York; also return asked for by the member for Vancouver Centre, regarding liquor brought into British Columbia during the calendar year 1922-23. My hon. friend has alluded to some delay in returns. The return is incomplete. As the hon. member for Qu'Appelle (Mr. Millar) and the hon. member for Weyburn (Mr. Morrison) will bear witness, the return is incomplete because the correspondence is incomplete, having been taken away by the minister to whom it was addressed before I came to office.

Mr. MEIGHEN: That is not the information I had reference to. The return which I referred to had to do with the Department of Marine and Fisheries.

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): The return referred to by the right hon. leader of the opposition will be completed to-morrow.

On motion of Mr. Mackenzie King, the House returned to "Orders of the Day."

EMPLOYMENT OF MR. CRANFIELD

On the Orders of the Day:

Mr. G. G. COOTE (Macleod): I desire to draw the attention of the government to an article which appeared in the Empire number of the Manchester Guardian which has just reached Canada, written by a Mr. Cranfield, entitled, "Canada, the World's Treasure House," which I think contains many extravagant statements regarding this country. I wish to ask whether Mr. Cranfield is an employee of this government, whether he has written these letters in his capacity as an agent of the government, and whether the government assumes responsibility for the statements contained in the article.

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is the first I have heard of the article to which the hon. member refers. I will make inquiry of the departments of the government likely to be interested, and let my hon. friend have a reply later.

COLONIAL SECRETARY

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): According to the press, there has been a discussion in the British House as to the possibility of a change in the name of the Colonial Secretary so that he will be able more adequately to represent the position which he now fills in the British Commonwealth. Has the government made any representations that some change in the name might be desirable from the standpoint of Canada?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have also noticed in the press that the British government contemplate holding shortly a conference to deal with some matters relating to inter-imperial relations, and that would seem to be the appropriate time to bring up a question of the kind. I will undertake on behalf of the government to see that at any such conference the subject my hon. friend has mentioned is brought before the Imperial authorities.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Did I understand my right hon. friend to say that the British government was calling a conference on inter-Imperial relations?

Mr. MACKENZIE KING: I saw an announcement in the press—I think it was made by the Right Hon. Mr. Thomas, Secretary of State for the Colonies—to the effect that a conference would be arranged between representatives of the Empire to discuss some of these questions relating to inter-Imperial matters. Having seen that intimation in the press I might confirm its accuracy by saying that the government has received a despatch from the Colonial Office, respecting a conference some time in the near future to take up some of these matters. That particular communication is under consideration at the moment.

Mr. MEIGHEN: What reply has been sent, if any? Has any date been indicated for the conference?

Mr. MACKENZIE KING: The reply was that it was impossible to give an answer during the last days of the session; but that after the session was over the communication would be considered and a reply sent. The date suggested is some time towards the end of the present year.

Mr. WILLIAM IRVINE (East Calgary): I should like to ask how it happens that the Prime Minister is obtaining his information in regard to these matters through the press. Is it not customary to consult the Prime Minister before any conference is thought of?

Mr. MACKENZIE KING: I would not like my reply to be misleading. My hon. friend in asking the question referred to a matter in the press, and I replied in reference to what appeared in the press, but I say the government has received an official despatch which bears out the accuracy of the press report.

PRIVATE BILLS

BANQUE CANADIENNE NATIONALE

Mr. PAUL MERCIER (Westmount-St. Henri) moved that Bill No. 218, to change the name of La Banque Nationale to La Banque Canadienne Nationale be now read a third time.

Mr. E. J. GARLAND (Bow River): I understand that yesterday in the course of the discussion a misunderstanding arose in regard to the position I took in this House on this bill. I opposed the bill in committee, and I oppose the bill now. A misunderstanding arose on account of a statement by the chairman, who is supposed to

have said that I had been seen and had agreed to the change. The chairman of the committee assures me that that was not his intention and that he did not make the statement. I simply wish to make the explanation now, so that I shall not be on record in any false light. I have not had an opportunity of seeing Hansard, and I am only in a position to be guided by the statements which I have heard. I wish to state distinctly that I am opposed to the passage of the bill and will so vote.

Mr. COOTE: I was not present—

Mr. SPEAKER: I think the hon. gentleman has already spoken on the motion for third reading.

Mr. COOTE: No, I was not present when the motion for third reading was before the House, and I want to make a public protest against this name being given to this bank. I have no objection to the bank using the name "Canadienne" or "Nationale," but I object to the words being used together because I think that will create a false impression in the minds of the public. The name "Canadienne Nationale" might be misleading. Canada should in the near future establish a national bank in the true sense of the term, that is a government bank, and this name should be reserved for the people of Canada if they should wish to use it. If this bank is managed in the same way La Banque Nationale was, in a few years we shall have some of the people coming to parliament and saying: "We were under a false impression; we thought this was a government bank." The House, I think, is making a mistake in allowing this name to be given to the bank.

Motion agreed to on division, and bill read the third time and passed.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

QUEBEC RACE TRACKS

Mr. PRESTON:

1. How many mounted policemen were engaged as pari mutuel inspectors on the race tracks in Quebec during the racing season of 1923?
2. What amount per diem was paid to each by the racing association under direction of the Department of Agriculture?
3. How many mounted policemen are engaged in this work this year in Quebec?
4. Has the Department of Agriculture arranged for the engagement of any men who are not mounted police for this work in Quebec this year?
5. If so, how many civilians are employed?
6. What amount was paid to each per diem?
7. Have they any special qualifications not possessed by the police?
8. If not, why were they submitted?

Hon. Mr. MOTHERWELL:

1. Four men for the whole season. In the event of a clash in dates additional men were assigned to make up a party of four at each track.
2. The Royal Canadian Mounted Police Department is allowed $12 for each racing day for N.C.O. in charge and $10 for other members of the staff.
3. One.
4. Yes.
5. Three.
6. Fifteen dollars per day.
7. Yes. They are familiar with racing and the civilian viewpoint thereof. Consequently their experience in their present capacity may prove of additional value to the department in working out some further legislation which is in anticipation.
8. Answered by No. 7.

CANADIAN NATIONAL RAILWAYS—LEVIS OFFICES

Mr. BOURASSA:

1. Was there an embezzlement of funds belonging to the Canadian National Railways at their offices in Levis, by padding pay sheets?
2. If so, when was this discovered?
3. On what date did said embezzlement begin?
4. What was the amount?
5. At what date did the employee supposed to be guilty of the above offence cease to occupy his position?
6. Was said employee arrested? If not why, and what were the means taken to have him apprehended?
7. Have the sums embezzled been returned?

Hon. Mr. GRAHAM:

1. Yes.
2. February 8, 1924.
3. June 20, 1920.
4. $3,794.75.
5. February 23, 1924.
6. No; disappeared after having admitted guilt. Officers of Railway Investigation department are making every effort to locate.
7. Yes.

RESEARCH COUNCIL

On the Order:

Third reading of Bill No. 241, to amend the Research Council Act.—Hon. Mr. Low.

Hon. CHARLES STEWART (Argenteuil) (Minister of the Interior): I would ask to amend the title of this bill by striking out the words "An Act to amend," so that it will simply be "The Research Council Act."

Mr. SPEAKER: The amendment can be made after the motion that the bill do now pass and the title be as on the order paper.

Mr. STEWART (Argenteuil) moved the third reading of the bill.

Motion agreed to and bill read the third time.

Mr. STEWART (Argenteuil) moved:

That the said bill do now pass under the amended title "The Research Council Act", instead of "An Act to amend the Research Council Act.

Mr. MEIGHEN: This is the title which, I think, the bill should have, but I think the proper procedure is to refer it back to the committee with instructions to amend the title.

Mr. STEWART (Argenteuil): I understood the other day that it was agreeable to have the amendment made on the third reading and I was agreeing with the committee's request.

Mr. MEIGHEN: Yes, but I was discussing the question of procedure.

Mr. SPEAKER: By unanimous consent.

Motion agreed to and bill read the third time and passed.

FISHERIES ACT, 1914, AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 248, to amend the Fisheries Act, 1914.

Motion agreed to and bill read the third time and passed.

COMPANIES ACT AMENDMENT

SENATE AMENDMENTS

Hon. A. B. COPP (Secretary of State) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 118, to amend the Companies Act.

Motion agreed to; amendments read the second time and concurred in.

DEPARTMENT OF CUSTOMS AND EXCISE ACT AMENDMENT

The House resumed from July 9 consideration in committee of Bill No. 237, to amend the Department of Customs and Excise Act —Hon. Mr. Bureau,—Mr. Gordon in the chair.

On section 2—Advisory Board constituted.

Mr. BUREAU: Last Wednesday when this bill was before the committee, objections were taken and I left it to the House to decide. Upon reading the debate as it took place in the House at that time, I found that the main objection to the bill was on account of the fear that the commission to be appointed for the purpose of investigating and trying to simplify the taxation system would become a permanent commission. The hon. member for Brome (Mr. McMaster) said that he would be willing to see the commission go into existence provided that it was limited for a term of three years. Some hon. members suggested that the officers of the department should do the work. Others said that it would not be advisable for the officers of the department to assume that duty, and the leader of the Progressive party (Mr. Forke) in particular thought that they would not be the proper parties to do the work. Under the circumstances, as it has been suggested by the hon. member for Brome, the hon. member for Brant (Mr. Good) and other hon. members that we should come to some understanding; that it was advisable to have an investigation made into the system of taxation and that it was advisable also to have somebody who would endeavour to devise means to simplify the system and to alleviate the burden on the taxpayers, I will move to withdraw section 2 establishing a board, and I suggest, if it will meet with the approval of the committee that we change in the Supplementary Estimates the amount which is inserted there to provide for the commission, so that instead of being to pay a commission, a chairman at a rate not to exceed $10,000 and two members at salaries not to exceed salaries of $7,500, the amount be passed as required for the investigation and study of the various modes of taxation with a view of simplifying and improving the existing system. This is a suggestion that I make. As I said the other night, persons who thought that I had in mind a job for a friend are entirely and absolutely mistaken. When I brought the project before the House it was not with the intention of creating any job for anyone, it was with the intention and for the purpose of devising means of simplifying the present system of taxation in order to alleviate the burden upon the taxpayers. So far as I am personally concerned it is, as I pointed out before, purely a matter of duty and I can assure hon. gentlemen that I am not wedded to the proposal. With the knowledge I have of the collection of taxes I thought I was only doing the proper thing in introducing this, but if the committee is not willing to accept the suggestion I will not press it. I therefore withdraw the clause.

Sir HENRY DRAYTON: We will all agree on the withdrawal of the clause and we need not discuss the question of estimates.

The CHAIRMAN: The section is withdrawn together with the amendment of the hon. member for Brant (Mr. Good).

Bill, as amended, reported, read the third time and passed.

CIVIL SERVICE SUPERANNUATION

SENATE AMENDMENTS

Hon. GEORGE P. GRAHAM (Acting Minister Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 122, to provide for the superannuation of civil servants.

Sir HENRY DRAYTON: Explain.

Mr. GRAHAM: The amendments made by the Senate have been pretty well explained in the press. There is the matter of charging certain employees with 4 per cent; these are, I think, temporary employees. Then there is another amendment made by the Senate on page 2 of the bill under the heading "Permanent Officer, Clerk or Employee". There is a change in the description which might be regarded as in the nature of interpretation. The following is the amendment:

Page 2, line 25. Strike out from "appointed" to the end of paragraph (h) and insert "as aforesaid, or by or under resolution, order or other authorization of the Senate, House of Commons, or both Houses of Parliament jointly, as the case may be, to perform such duties as aforesaid or duties from year to year during or having relation to the sessions of parliament".

Motion agreed to; amendments read the second time and concurred in.

CIVIL SERVICE ACT, 1918, AMENDMENT

CIVIL SERVICE COMMISSIONERS—RETIRING ALLOWANCE

Hon. A. B. COPP (Secretary of State) moved the second reading of Bill No. 252, to amend the Civil Service Act, 1918.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Annual allowance to Civil Service Commissioners on retirement.

Sir HENRY DRAYTON: The minister might explain the reason for this change. One never knows what truth there is in rumours, but we have heard the statement that a popular member of the House is to be looked after in connection with one of these appointments.

Mr. MACKENZIE KING: Nonsense.

Mr. COPP: When this matter was before the House on a previous occasion in the form of a resolution I made a rather exhaustive statement in explanation of the desirability of passing this legislation. As I stated then, the question first came to the attention of the government in a letter from the Civil Service Commissioners themselves asking that the proposed amendment to the act be submitted to parliament. I placed on Hansard then a statement which it is not necessary for me to repeat to-day. The letter of the commissioners was forwarded to the special committee to which had been referred the Superannuation bill which has passed this House, and after carefully considering the matter that committee unanimously recommended that favourable consideration be given the request of the commissioners. As was pointed out the other day, the present commissioners were appointed for life and their work is semi-judicial in character; and as there was no provision for their retirement we thought it was only fair that this bill should be introduced.

Sir HENRY DRAYTON: I hope the genial minister will go further and assure us that there is no need to apprehend the loss of our good friend the junior member for Ottawa (Mr. Chevrier).

Mr. COPP: I should be sorry to lose the presence of that estimable gentleman.

Sir HENRY DRAYTON: Hear, hear.

Mr. LEWIS: I think that these commissioners should come under the Superannuation Act the same as deputy ministers and other civil servants. A man might easily be appointed to the commission at the age of thirty and after fifteen years' service the government, not being able to get along with him, might make it so uncomfortable for him that he would have to resign at the age of forty-five. I do not think this is a wise step; these gentlemen have as much right to come under the Superannuation Act and retire at the age of seventy or seventy-five, as the case may be, as have deputy ministers or any other civil servants.

Mr. HOCKEN: Having regard to the interests of the taxpayers I think this is the most scandalous piece of legislation that has ever been presented to parliament. The present commissioners were appointed in 1918 and have been in office six years, and under this bill they may retire and draw two-thirds of their salary for the rest of their lives.

An hon. MEMBER: A crime.

Mr. HOCKEN: A crime? Of course it is; it is a crime against the taxpayers of the country and I cannot see any reason for it unless it is that the government wants to

appoint other people to the commission who would be more satisfactory to themselves than the present members. This bill to enable a man after six years' service to retire on a pension representing two-thirds of his salary is an outrageous piece of legislation, and I think the government should withdraw it. As my hon. friend from Swift Current (Mr. Lewis) says, let the Civil Service Commissioners come under the Superannuation Act the same as other civil servants. The pretence that they occupy a judicial position is absurd; anybody can see that. There is a nigger in the fence, I think I can see his shining face, and I should like to have him discovered. To my mind, this measure is designed to create vacancies on the commission for men who will be more acceptable to the government than the present commissioners.

Mr. CALDWELL: The minister says that he explained this measure when the resolution was before the House, but unfortunately a large number of members were serving on committees at the time. Personally I was not in the House when the Superannuation bill passed or I would have said something in regard to certain features of that legislation. I protest against this bill. The Superannuation Act provides for the retirement of civil servants on a pension at a given age, but it is a different proposal altogether to provide a retiring allowance for the members of a commission. I object to government by commission. We are getting loaded up with commissions, and they are hampering the public service more or less. I take the view that any servant of the country who is getting as large a salary as the Civil Service Commissioners is not entitled to a pension, and I very strongly protest against this proposal. I go further, I do not think we should tax the ordinary taxpayers—our labourers, our farmers and our commercial men—to provide pensions for civil servants. I believe the Superannuation Act is sound; I think, however, the pension fund should be financed by those who are to be superannuated. In the post offices all over the country there is displayed the picture of two old men walking along hand in hand and underneath is the title, "Over the hill to the poorhouse." It is a warning to taxpayers that if they want to provide against such an unfortunate contingency they should buy government annuities—but they must pay for them out of their own pockets. I do not see why we should put anyone in the privileged class which the Superannuation Act creates. Undoubtedly this bill goes too far altogether, and I shall oppose it as hard as I can. If it passes I am going to oppose it in the country. I think members will be derelict in their duty if they let the bill pass without protesting against it with all their might. If their voices do not prevail in the House they should in the country, and I for one propose not to stop even in this House if the bill passes.

Mr. GRAHAM: Don't leave the House.

Mr. CALDWELL: I don't propose to until it prorogues; I hope to get out to pasture a little while between this and next session. I am sorry I was prevented by attendance on committees from being present to protest against some provisions of the Superannuation bill. I want to make another protest. Next session, if we are living and here, I shall urge that committees should not sit while the House is in session, and that several committees composed of substantially the same personnel should not sit at the same hour. We had to have a meeting of a committee this morning to correct something that happened when only a bare quorum was present. Members appointed to committees are derelict if they do not attend the meetings, but they are placed in a very difficult position when at the same time weighty matters are going through the House which need their attention—more attention than has been given them this session.

Mr. GRAHAM: Make the committees smaller.

Mr. CALDWELL: Yes, that would help.

Mr. MACKENZIE KING: It may be well to recall to the minds of hon. members how this measure comes before us. As the Secretary of State (Mr. Copp) explained in moving the resolution preceding the bill, a communication was received from the Civil Service Commissioners asking that they should be granted superannuation. That communication was addressed to me personally, and I at once transmitted it to the committee which was dealing with the Superannuation bill with a request that they give it consideration. Precisely what the ex-Minister of Finance (Sir Henry Drayton) says ought to have been done was what the government had in mind in referring the matter to that committee. The committee, however, reported that they had not power to deal with it in connection with the Superannuation bill, but they unanimously made a specific recommendation for legislation along lines which they thought proper. The government embodied the recommendation in the legislation before the

House. If its form does not suit hon. members, that is reason for further consideration of the matter. But I wish the House to clearly understand that all the government is seeking to do is to arrange superannuation for the Civil Service Commissioners at their request, and not on its own initiative.

Mr. CALDWELL: Will the Secretary of State again give the House the letter from the Civil Service Commissioners which he read when introducing the bill? Those of us who were serving on committees were deprived of an opportunity of hearing the letter read. After the minister has complied with my request I shall have something further to say.

Mr. COPP: The first intimation came from the Civil Service Commissioners themselves in a letter addressed to the Prime Minister on May 19, 1924. The letter is as follows:

As the government contemplates the passing of a superannuation measure applicable to certain classes of the Public Service, the undersigned respectfully request your favourable consideration of such an amendment to the Civil Service Act as would provide for the superannuation of the present Civil Service Commissioners.

The reasons for this request may be briefly stated as follows:—

1. The present commissioners have the same tenure of office as members of the judiciary, viz., during good behaviour, and are only removable by the Governor General, on address of the Senate and House of Commons—future appointees holding office but for ten years.

2. The duties of the commissioners are of a semi-judicial character, involving as they do the interpretation of the Civil Service Act and Regulations, of the organic acts of the different departments, and other acts dealing with questions of domicile, of naturalization, retirement of public servants, etc.

3. Since their appointment the responsibilities of the commissioners have been extended to the Outside Service, the reorganization of the departments, the reclassification of the public service, the revision of salary schedules, transfers, leaves of absence, suspensions, etc., their duties having so been increased tenfold.

4. No adequate provision can be conveniently made for the commissioners in the contemplated Superannuation Act without differentiating sharply between the commissioners and those other employees in the service who do not perform comparable duties or possess the same status and tenure of office.

It is respectfully submitted that the provision to be made should be the same as that provided by the Judges' Act for members of the judiciary.

The following is submitted as a draft of the proposed amendment, the wording being substantially that of section 19, chapter 138 R.S. Canada.

Then follows the bill now before hon. members. The Prime Minister transmitted that letter to the special committee to whom was referred the Superannuation bill which has just passed the House, and this is the reply from the committee:

There was also read by me to the committee a letter received from Mr. McGregor—

That is, the Prime Minister's secretary.

—enclosing a letter from the Civil Service Commission, suggesting certain salary revisions and amendments to section 54 of the Civil Service Act to make provision for the superannuation of the commissioners.

Mr. Clarence Jameson, one of the commissioners, was present at our meeting, assisting up with the re-drafting of various amendments to the bill, and he was asked to offer a further explanation to the letter which he did to the entire satisfaction of the committee.

The committee fully discussed the representations made to you by the members of the commission as contained in the letter to you of June 4, but it was held by the majority of the committee that the request of the commissioners, asking for an amendment to the Civil Service Act of 1918 to meet the injustices outlined in that letter, could not be dealt with.

The reference to the committee from the House was for consideration of Superannuation Bill 122 and the committee held it could not under its reference amend the bill to comply with the request of the commissioners for an amendment to the Civil Service Act of Canada, and, further, that as the Civil Service Act of Canada is not within the scope of reference, the committee could suggest no amendments thereto.

The committee, however, was most sympathetic to the views expressed by the commissioners and the following motion was unanimously carried by the members present:

"That in view of the representations from the Civil Service Commissioners, contained in letter to the Prime Minister dated June 4, 1924, and the further representations made by Commissioner Jameson to the committee, this committee thereby refers the matter to the government with the suggestion that favourable consideration be given to the request of the commissioners by the suggested amendments to the Civil Service Act of 1918."

That is the reply of the committee to the letter that I have already read.

Mr. SALES: With how many of the committee present?

Mr. COPP: I do not know; it does not say. This is a letter to the Prime Minister; it is not contained in the report. The application I have already read from the Civil Service Commission was signed by all the commissioners.

Mr. MEIGHEN: Mr. Chairman,—

Mr. FORKE: I move that the committee rise and report progress.

Mr. MEIGHEN: I think I had the floor before the hon. member.

The CHAIRMAN (Mr. Marcil, Bonaventure): Mr. Forke moves that the committee rise and report progress.

Mr. MEIGHEN: I think I had the floor before the member for Brandon rose.

The CHAIRMAN (Mr. Marcil, Bonaventure): I got his eye first.

Mr. MEIGHEN: I am afraid you got the wrong eye.

The CHAIRMAN (Mr. Marcil, Bonaventure): The right hon. gentleman may speak now.

Mr. MEIGHEN: I want to say a word as to the bill itself, but before doing so I want to express very complete accord with the words of the hon. member (Mr. Caldwell) on the subject of the overdoing of committee work in this House. No government can shield itself behind a committee report. The government is established as the custodian of the treasury; the government and the government alone can superintend the relationship between one call for expenditure and another—in a word, can tell what the effect is going to be of a concession here upon a demanded concession somewhere else; can tell just all that is going to be involved in and entailed by the adoption of a certain course which a committee reports. I have tried in one or two sentences to set out what I conceive to be the peculiar position that a government occupies in relation to the public treasury. It is because of this position, because of this truth, that the rule has been in the British House and in ours that motions looking to the expenditure of money can only initiate with the treasury benches. In my judgment, as I have expressed it more than once, we have gone too far in the invasion of this rule. Once we take a step another follows, with the result that to-day we find ourselves confronted with one motion after the other, one committee report after the other, all initiating expenditure, all taking steps which unless checked by the government mean a very large outlay. We have had committees galore this session. Last session was little better. But it is getting worse—so many committees that hon. members can only attend a few of those upon which they are appointed, with this result: That parliament is inundated with a clutter of recommendations. We are faced very frequently, not always, with motions to accept reports, motions that involve us we scarcely know where. In a word, parliament is virtually running amuck under the exaggerated committee idea which has been invoked the last session or two. This is only one of the fruits of this course.

12 noon.

Now, the bill before the committee is a bill to provide a special pension for members of the Civil Service Commission who have served fifteen years or who at any time through illness or, I think, some satisfactory cause are unable further to perform their duties. The reason for the bill, as given by the commission in their request and as given by the Secretary of State, is that because of analogy to the position of judges, because of analogy in relation both to their life tenure of office and to the judicial character of the duties discharged, they should be in the same position as judges as respects pension. I am free to admit that there is a good deal in the analogy; in fact, I would find it very difficult to dispute its accuracy. Judges in this country perform, of course, purely judicial duties. The Civil Service Commission may not perform duties quite so purely judicial, but they are very nearly so. But for the life of me I have never been able to see why the mere fact that a man is performing a judicial duty should give him extra rights in relation to pension. I never was able to see that and I am not able to see it yet. Now, while I am admitting the correctness of the analogy I am of the opinion, and always have been of the opinion,—and I have been consistent in my conduct in this House—that as respects the judges there never should have been this special provision for pension at fifteen years. When the Civil Service Commission make a claim based on this analogy they stand on pretty good ground. As a matter of fact there are very few judges in this country who have duties as onerous, as harassing, as burdensome as those of the Civil Service Commission. I would rather, if I were fit, fill any position on the bench than that of head of the Civil Service Commission. Indeed, it seems to me that if there is any justification on earth for the law that provides a pension for a judge after fifteen years of service there is at least equal justification for a similar provision applicable to the Civil Service Commission. Now I come to the question whether there is justification for such a provision in the case of a judge. Why a man appointed to the bench should have a special right of retirement after fifteen years of service on two-thirds of his salary I am unable to comprehend. It will be remembered that some years ago—I cannot recall the year, but it was during the time that I was Acting Minister of Justice in the late government—I introduced a bill designed to do away with that special privilege, that special pension right. I did not even, in the bill, propose that judges who had been appointed on the faith of the law as it stood should in any way be interfered with, but I did propose to limit the right in respect of any appointments from that time on. I do not like to speak too positively as to just what subsequently happened. My recollection is that the bill passed, but I do know that it met with very considerable opposition from the opposition

of that time and also from some parts of the government side. But my recollection is that the bill became law and that subsequently under the late government—not under this government, if I remember correctly—the law which I then initiated and secured the passage of was repealed. Of that I am not very certain. But the accuracy of my recollection does not matter; I only recite the fact to show that the opinion I expressed to-day I expressed then and endeavoured to give effect to, and I will support this government in any move to do away, as respects future appointments, with the whole right of special pension to a judge after fifteen years.

I think the government in its general policy is open to the charge of extravagance and failure to guard the public treasury. But the main charge against it in this regard is a yielding too easily to the placing on the statutes of laws which point to the view that it is not so much what it involves for the present, in the action which we are taking to-day and in various other steps of a similar character into which we have been precipitated, but it is the burden which this country is going to carry in increasing weight year after year as time goes on, a burden which very few countries labour under. I hope that steps will be taken of a broad character to limit these burdens instead of increasing them, and especially in relation to the particular subject which I have just alluded to.

Mr. COPP: The discussion has taken a very wide range, embracing the pensions paid to judges and civil servants as well as the particular pensions contemplated here. I wish to say that since I have had the opportunity of meeting the members of the Civil Service Commission and discussing with them the important matters which they bring before my department from time to time I have been very much impressed with the very onerous character of their duties. I quite agree that for a few short years of service it may seem somewhat generous to give a retiring officer two-thirds of a somewhat large salary, but I point out that at least one member of the Civil Service Commission has given several years of his life to the public service. To-day, like the rest of us, he is getting along in years, and if anything should happen which would impair his health and render it impossible for him to continue in office he would have to leave the service without any pension or allowance whatever. Let me say to my hon. friend from Victoria and Carleton (Mr. Caldwell), who assumes to act as the proper custodian of the treasury of this country, that there are others who entertain the views which he has expressed.

Mr. CALDWELL: I am glad to hear it.

Mr. COPP: Nevertheless, in view of the fact that pensions have been provided for the judiciary, and that we have only just passed a law granting superannuation to all civil servants in the employ of the government, I think it is not asking too much that some provision should be made for the Civil Service Commissioners who have done such excellent work during the years they have been in office. However, although I hold no brief for the Civil Service Commission, I felt that as representing the department to which they report from time to time I was only doing my duty in bringing their request before parliament. I consider the Civil Service Commissioners are entitled to a superannuation allowance or a pension, but if it is the will of parliament that these gentlemen should be left entirely unprovided for I must accept the verdict. I therefore move that the committee rise and report progress.

The CHAIRMAN (Mr. Marcil, Bonaventure): I have a motion to that effect from the hon. member for Brandon.

Mr. FORKE: I no not think anyone in the House would object to the Civil Service Commission coming under the same conditions as other members of the civil service.

The CHAIRMAN: Does the hon. member withdraw his motion?

Mr. FORKE: No.

Mr. DRUMMOND: I do not want the House to be under the impression that this matter was favourably considered by the committee to whom it was referred.

Mr. BELAND: There is a motion before you, Mr. Chairman, that the committee rise and report progress and ask leave to sit again. This motion is not debatable.

The CHAIRMAN: The first motion before me was the one of the hon. member for Brandon, and it was simply that the committee rise.

Mr. COPP: I understood that also.

The CHAIRMAN: I understood the member for Brandon to withdraw his motion in order to allow the right hon. the leader of the opposition to speak.

Mr. DRUMMOND: I want to place my views on this matter before the House. When it came before the special committee I was

opposed to it. The statement that this recommendation was unanimously passed by the committee is not correct; I for one protested against it. This is the first opportunity I have had of saying anything about the superannuation of civil servants. To a certain extent I am opposed to that; the unfortunate position the country was placed in through the operation of the Calder Act makes it seem doubtful to me whether the last position is not worse than the first. In regard to this particular matter I understood the action taken by the committee was to refer this communication back to the House; I did not gather there was any favourable consideration given to it. I wish to state now that I am opposed to it.

The CHAIRMAN: Mr. Copp moves that the committee rise and report progress and ask leave to sit again.

Mr. MEIGHEN: It will never sit again.

Motion agreed to.

IMMIGRATION ACT AMENDMENT

SENATE AMENDMENT

Hon. CHARLES STEWART (Argenteuil) (Acting Minister of Immigration) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 195, to amend the Immigration Act.

He said: This is a hardy annual. Under section 8 of the bill it was proposed to repeal section 41 of the act as enacted by chapter 26 of the statutes of 1919 and to substitute therefor the following:

> Whenever any alien advocates in Canada the overthrow by force or violence of the government of Great Britain or Canada, or other British dominion, colony, possession or dependency, or the overthrow by force or violence of constituted law and authority, or assassination, or shall by word or act create or attempt to create riot or public disorder in Canada, or shall by common repute belong to or be suspected of belonging to any secret society or organization which extorts money from, or in any way attempts to control any resident of Canada by force or threat or bodily harm, or by blackmail; such person for the purposes of this Act shall be considered and classed as an undesirable immigrant, and it shall be the duty of any officer becoming cognizant thereof, and the duty of the clerk, secretary or other official of any municipality in Canada wherein such person may be, to forthwith send a written complaint thereof to the Minister of Immigration, giving full particulars."

This is the section which has been struck out of the bill by the Senate.

Motion agreed to; amendment read the second time and concurred in.

[Mr. Drummond.]

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

SENATE AMENDMENTS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

> That a message be sent to the Senate respectfully requesting a free conference with their Honours to consider certain amendments made by the Senate to Bill No. 7, an Act to amend the Industrial Disputes Investigation Act, 1907, to which amendments this House has not agreed and upon which the Senate insist, and any amendment which at such conference it may be considered desirable to make to said bill or amendments thereto.
>
> That the Clerk do carry the said message to the Senate.

Mr. T. L. CHURCH (North Toronto): Is it not a fact that the Department of Justice has given an opinion that this whole Industrial Disputes Act is ultra vires of this parliament? If so, what is the necessity for a conference?

Mr. MACKENZIE KING: If the department has given any such opinion I have not heard of it. I would be very much surprised if they had given such an opinion.

Hon. ERNEST LAPOINTE (Minister of Justice): The department is fighting the matter before the Privy Council.

Motion agreed to.

CANADA SHIPPING ACT AMENDMENT

COASTING TRADE

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

> Resolved, That it is expedient to amend the Canada Shipping Act, and to provide that any foreign built vessel captured or seized during the war 1914-19 by British forces or nationals and condemned as prize of war or ceded by enemy states to Great Britain or British nationals by the Reparations Commission under the Peace Treaties following the war, and placed on British registry, shall for the purposes of Part XVI of the Act and of The Customs Tariff be regarded as a British built ship and as entitled to engage in the coasting trade.

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 262 to amend the Canada Shipping Act.

Motion agreed to and bill read the first and second time, and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

On section 2—

Mr. SPENCER: Have these bills been distributed?

Mr. LEWIS: We have not the bills before us, and can hardly hear what the chairman is saying. We would like to know what is being passed.

Mr. BUREAU: This bill is introduced at the request of the Customs department. The law as it now stands does not allow a foreign-built British ship to coast within Canada. There are only two classes of ships which are permitted to do the coasting, namely those which are registered before the 1st of September, 1922, and those which are built in Great Britain and of course are of British register. Since the war certain ships have been captured and have been kept as prizes of war. After the conference these ships were turned over by the Germans and other enemy nations, to replace sunken bottoms during the war. They were considered to all intents and purposes British ships, and they are British ships; but on account of a technicality in the law they are foreign-built ships, being ships which were given to replace ships that were lost, and cannot engage in coasting. At the time the act was passed nobody foresaw that such conditions would ever exist, and we are asking to rectify this matter to provide the ships which are real British ships to be considered as such, although foreign-built.

Mr. CALDWELL: Does this apply to ships which have been built up to the present time, or ships to be built in the future? I think I can understand why the clause was put in the act in the first place, namely to stimulate the building of ships in Canada.

Mr. BUREAU: They must be prizes of war or ships given to replace bottoms sunk during the war.

Mr. SPENCER: How is it the department have taken six years since the war before recommending this resolution to the House?

Mr. BUREAU: Because the matter has never been brought to the notice of the government, the question not having arisen; and foreign-built British ships having been purchased, or having been brought to Canada, at the first opportunity that presented itself we have brought in the legislation.

Section agreed to.

Bill reported, read the third time and passed.

BANK ACT AMENDMENT

SENATE AMENDMENTS

Hon. GEORGE P. GRAHAM (Acting Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 240, to amend the Bank Act.

Some hon. MEMBERS: Explain.

Mr. GRAHAM: These amendments are not serious. On page 2 in subsection (5) the words "and voted by parliament" are stricken out. The same thing occurs in subsection (11). Then on page 3 this clause is inserted before the words "all" in subsection (12):

Provided an appropriation therefore has been made by parliament.

Motion agreed to; amendments read the second time and concurred in.

MONTREAL HARBOUR COMMISSION

The House resumed from July 15 consideration in committee of Bill No. 257, to amend the Montreal Harbour Commissioners Act, 1894 (Hon. Mr. Cardin), Mr. Marcil (Bonaventure) in the chair.

On section 1—Power to build bridge over St. Lawrence.

Mr. LEWIS: I do not wish to say anything derogatory of the Harbour Commissioners of Montreal, but I have been reading the newspapers since this bill was before the House yesterday and I notice that people in Montreal seem to be in high glee. Some newspapers ask certain representatives to speak on the matter, and I notice that the real estate agents seem to be particularly pleased with the situation and that they claim that real estate will go up one hundred per cent at least. The business men say that this will relieve the slump in Montreal. I saw where the chairman, Mr. McDougald, had been spending a very busy day with telephone messages, inquiries and telegrams, and the great majority of people seemed to be anxious to get some sort of a contract. If this is a great family pie for Montreal and everybody seems to want to get a finger in it, the government would be wise to see that in the future this work comes under the Public Works department.

Mr. MEIGHEN: The government indicated yesterday that there was in the bill provision for securing the co-operation of at least the municipalities and, I understood, of the province. What does the government really expect in this regard?

Mr. CARDIN: This comes under paragraph (h) of section 1:

The corporation may make agreements for receiving and may receive, take and hold grants and donations of property movable or immovable, or money or any other form of aid from any government, municipality, corporation or person.

Nothing definite has yet been reached, but it is the intention of the harbour commission, as I have been told, to try to make some arrangements with the provincial government, the city of Montreal and the municipalities in order to have them guarantee a certain part of the bonds which will be issued.

Mr. MEIGHEN: The government's idea, then, is that the province will guarantee a portion of the bonds, the municipalities, by some division, a portion, and the federal government the balance.

Mr. CARDIN: Yes.

Mr. MEIGHEN: That is the government's policy in respect of this. Therefore, those portions of the bonds which the provincial governments and the municipalities guarantee will not be guaranteed by the federal government.

Mr. CARDIN: As I have just informed my right hon. friend it is the intention of the harbour commission and the government to try to make some arrangements with the provincial government and the city of Montreal, but as yet we are not in a position to state definitely what those arrangements are and what will be the agreements which we shall endeavour to come to. After the harbour commission, which is authorized by this legislation, to enter into communication with the provincal government and the municipalities, have made some progress in that regard, the matter will be submitted to the Governor in Council, and then we may decide what portion will be allotted to each of the parties. I confess that nothing definite has been reached until now.

Mr. MEIGHEN: I am, of course, aware that nothing definite has been reached and that, consequently, the government cannot say definitely what will be done. I asked what the expectations were and what plan the government had in mind as to the division of the guarantee. The government, I understand, has in mind the plan that I have stated. What is the idea of having the commission empowered to receive donations? I do not wonder that the minister smiles. Does the minister really expect that after the government ratifies this project, anybody is going to make donations?

Mr. JACOBS: I should like to suggest—

[Mr. Meighen.]

Mr. MEIGHEN: I see that one is offered already by the hon. member for George Etienne Cartier (Mr. Jacobs).

Mr. JACOBS: I was going to suggest that the charity of Montrealers is proverbial. It is just for the purpose of receiving it that we have made a reference to it.

Mr. MEIGHEN: They have been very charitable to this government in the past, but I understand that their charity has been somewhat curtailed lately and the prospects are poorer towards this government. Really, I do not see any use in inserting this section.

Mr. GRAHAM: Municipalities often give sites for public buildings.

Mr. MEIGHEN: I just wanted to get the plan which the government had in mind upon which they ask parliament to accept this scheme.

Referring to what the hon. member for Swift Current (Mr. Lewis) said, I think there will be more hon. members than myself, and more at a later period than to-day, in favour of just the suggestion that he has made. Because I have made the suggestion that we go about this matter in a frank, open, manly way ourselves, in such form that we ourselves shall have control of every dollar expended, in such form that every dollar can come before this parliament for review, not in a great, wide account, an all-embracing item, but in the detail which we ought to provide shall always be accessible by this House, I notice that an attempt has been made to make out that I am opposed to this project. Nothing more dishonest could be undertaken by any person than to circulate such an idea. This project I have favoured for years and I am glad the government has undertaken it. I favour, however, going about it directly and not through a harbour board which will have its accounts in such a form that they cannot be supervised by us and which, as a matter of fact, exist for another purpose not akin to the building of a bridge.

Mr. MILLAR: I should like to ask a question which I asked yesterday to which I did not get a reply, or rather to which I got a reply which did not answer the question. What guarantee shall we have that after the bridge is built there will be no unjust discrimination in rates? Much of the traffic going through Montreal will be grain, as it is now. Some of the revenue is to come from this bridge for which we are providing, and there might be an inclination to charge merely a

nominal rate for traffic other than grain going over the bridge and then make up the deficit by a higher rate than justifiable on grain. With the great amount of money that has been and will be spent on the great waterways, we may assume that it is possible that there will be an advantage in that route over the New York route of say 2 cents; we will say that for the purposes of illustration. Unless there is some controlling authority it might be easy for the harbour of Montreal to consume a large part of that advantage—one half, two-thirds of it— in unjust rates against grain going over the bridge. If that were done those who produce the traffic would have no redress. What steps are being taken by the department to see that there shall be no discrimination in rates?

Mr. CARDIN: The rates in Montreal are fixed with the approval of the Governor in Council and I can assure the hon. gentleman that every means will be taken to ensure that there shall be no discrimination in the operation of the bridge.

Mr. KENNEDY (Glengarry): Is the government offering to guarantee all the bonds that will be necessary?

Mr. CARDIN: That is contemplated, yes. It is not an absolute provision; the bill provides that the Governor in Council "may" do so.

Mr. KENNEDY (Glengarry): Does the minister think that the provincial government or the city of Montreal will ever offer to guarantee any bonds or any portion of bonds so long as this government is willing to guarantee them?

Mr. CARDIN: I shall not commit myself to any definite statement so far as that is concerned. Both the provincial government and the city of Montreal are of course very much interested in the matter and we might intimate to them that if they do not endorse our commitments we will not go on.

Mr. CALDWELL: With reference to the suggestion of the "Man from Glengarry", (Mr. Kennedy) why not provide in the bill that unless the municipality of Montreal or the provincial government of Quebec guarantee a reasonable proportion of the bonds the Dominion government will not do any guaranteeing? If we gave them a blank cheque they might take it that the Dominion government was over-generous and they might never offer to guarantee any bonds. The fact that the Dominion government offers to guarantee all the bonds would, as the "Man from Glengarry" says, act as a deterrent to the city of Montreal or the province of Quebec ever undertaking any share of the responsibility. I should think we could provide that the city of Montreal and the province should each guarantee one-third of the bonds and the Dominion the other third; or, if it were preferable, the city and the province might each contribute 25 per cent and the Dominion 50 per cent. In any event there should be some definite provision that the city and the province shall assume their share of the responsibility. I do not think it is at all wise to give them a blank cheque, for they would not be straining the truth in calling the minister a good fellow and allowing him to do the whole thing.

Sir HENRY DRAYTON: I do not think there is very much merit in the suggestion of the hon. member (Mr. Caldwell). It does not make any difference whether the province guarantees any of the bonds or does not. What is the use of misleading ourselves? The guaranteeing of bonds by the province could not affect the obligation of this parliament one iota, because in guaranteeing the bonds they are guaranteeing our commission and our property. The commission is merely a trustee and the position of the guarantor is such that he always has his claim against the person whose bonds he has guaranteed. So that it is perfectly idle to talk about splitting bonds here at all; that is not the point. I fancy the reason we have this clause in as to agreements for receiving and to receive is that the draftsman of the bill recognized that it would not make the slightest difference who endorsed the bonds inasmuch as the liability has got to come home to us by reason of our holdings in the Montreal harbour. Every hon. gentleman must see that. There is therefore a real reason and a definite object to be served in connection with this section relating to the receiving of moneys and the making of agreements. To meet the objections that have been put forward by hon. gentlemen to my left in regard to possible increases in harbour dues, an adjustment could be very easily made: Instead of asking the province and the municipality to guarantee bonds, under this clause agreements can be made and ought to be made. I know that the people down there believe in this bridge and want it; they know it will pay. There should be agreements with them under which any deficits that may be incurred—and I do not anticipate any—will be met in certain proportions by the province and the municipality. I think that hon. gentlemen who are supporting the legislation will agree that this is the proper thing do to.

Section agreed to.

On section 2—Approval by Governor in Council.

Mr. GARDINER: I agree with the hon. member (Sir Henry Drayton). I had an opportunity some time ago of seeing the accounts of the Montreal Harbour Commission and any member of the House who knows the extent of the harbour works of Montreal will realize that the grain facilities there are only a small portion of the works. Yet the revenue from the grain passing through the harbour of Montreal is more than half the total revenue of that board. I therefore support very strongly the suggestion made by the hon. member.

Section agreed to.

Mr. LOGAN: I move that the bill be amended by adding as section 3 the following:

All material used in the construction and maintenance of the said bridge shall be of Canadian production when the same can be secured at reasonable prices.

It is too late in the session to make a speech but this I think will commend itself to the House. I also suggest that in building the bridge care should be taken to see that the plans are prepared by Canadian engineers, who are quite competent.

Mr. LEWIS: Is it to be a steel or a cement structure, or what?

Mr. SUTHERLAND: I presume this amendment indicates a lack of confidence on the part of government supporters in the Harbour Commission of Montreal.

Mr. LOGAN: Not at all.

Mr. GRAHAM: I think a good point has been raised by the hon. member for Cumberland (Mr. Logan). We have in Canada one of the most successful bridge engineers on the continent in the person of Colonel Monsarrat.

Sir HENRY DRAYTON: And Mr. Duggan.

Mr. GRAHAM: Yes—men who on behalf of the government and the company designed and erected the Quebec bridge can build a bridge of this kind. I strongly urge on the Minister of Marine and Fisheries (Mr. Cardin) that he impress on the chairman of the Montreal harbour board the wisdom of engaging our own engineers for this work.

Mr. GOOD: I take exception to the term "reasonable prices," it would open the way for all kinds of extortion. What has the mover of the amendment in mind?

[Sir Henry Drayton.]

Mr. JACOBS: I endorse the suggestion made by the Minister of Railways (Mr. Graham) that we should see to it that Canadian engineers are engaged on this work. The tendency is to look far afield for professional talent when large undertakings of this kind are embarked on. It is said that distant hills look green. Sometimes they turn out to be greener in another sense, than expected. I think it ought to be impressed on the Harbour Commissioners of Montreal to encourage Canadian talent in every possible way. If we do not do these things, our engineers and other professional men will gravitate to the larger centres in the United States, and we will have Canadian engineers doing American work, while American engineers will be doing Canadian work. This being a federal undertaking, we ought to show some little patriotism and in a material way. I do not say that we should secure the services of a man simply because he has grown up on our own potato patch, but I submit that other things being equal we ought to encourage Canadian talent.

Mr. MARTELL: If we have confidence in the harbour board of Montreal, as I have no doubt we have, this matter should be left entirely in their hands. I have not had the honour of a personal acquaintance with Dr. McDougald, the chairman of the board, but from the names that were given to him at his christening—Wilfrid Laurier—I am confident that he is well qualified to do the work in a manner that will add to Canadian prestige.

Some hon. MEMBERS: Carried.

Mr. FORKE: I am a little surprised at the readiness of hon. members to incorporate such an amendment in a statute. While I am perfectly in accord with the idea of employing Canadian architects and using Canadian materials I question the wisdom of accepting the proposal.

Mr. JACOBS: It is merely a suggestion.

Mr. FORKE: But if accepted it will be embodied in the bill. I am rather surprised that it should be thought necessary to make such a suggestion to the city of Montreal where all the apostles of everything Canadian live!

Sir HENRY DRAYTON: Let us cheer them in well-doing.

Mr. FORKE: Had such a suggestion been made in regard to a similar undertaking in the West I could understand its necessity, but in this case the amendment seems to me to

be almost an absurdity! I am not going to vote against the amendment, although I do not like the idea expresed in it.

Sir HENRY DRAYTON: I do not like the invidious distinction which my hon. friend is drawing against his compatriots in the West. If it is a good principle we should adopt it.

Mr. GOOD: I am surprised at the hon. member for Brandon (Mr. Forke) stating that although he is opposed to this amendment yet he is not going to vote against it. I am opposed to it and I shall vote against it, unless some change is made. I think the phrase, "reasonable prices" opens the door to—well, I do not know what.

Mr. LEWIS: We have no supervision over the harbour commissioners as to what constitutes "reasonable prices," so there is no good reason for accepting the amendment.

Mr. CARMICHAEL: In my opinion this is a very unwise amendment, for it simply amounts to telling our Canadian factories, "There will be no competition for materials, and you may set any price you like." Leave the field open to American manufacturers to quote prices, and if Canadian manufacturers can equal or underbid those prices by all means give them the contract.

Mr. LAPOINTE: I am largely in agreement with hon. gentlemen who do not like this amendment. I, also, think that as far as possible Canadians should be encouraged and Canadian materials should be used, and I think the remarks made will certainly serve as a warning to those who will be in charge of the undertaking to give every encouragement to Canadian engineers and to Canadian manufacturers; but for parliament to pledge itself to use only Canadian materials I do not think is wise. I would ask my hon. friend (Mr. Logan) that as his amendment has served its purpose he should not insist on its being contained in the four corners of the bill.

Sir HENRY DRAYTON: My hon. friend is entirely wrong when he says that the amendment stipulates for the use of Canadian material. The amendment as I hear it read, is simply an attempt to give honest expression to a general statement often made in this House, that Canada and Canadians ought to have a little consideration. The amendment does not direct the commissioners to use Canadian material in any case, but only if the prices be reasonable.

Mr. LAPOINTE: Why embody it in a statute?

Sir HENRY DRAYTON: Why not?

Mr. JACOBS: It is not contained in any other statute.

Sir HENRY DRAYTON: Why does my hon. friend object to the amendment being inserted in the bill if he is sincere? As I understand the amendment—and if it is not so drawn it is wrong—American material may be purchased and American plans used unless Canadian materials and Canadian plans can be obtained at reasonable prices. Is there anything wrong in that?

Mr. LOGAN: Mr. Chairman, my purpose is not served, I have moved this amendment because I believe it is right. It is similar to the amendment inserted in the legislation for the building of the National Transcontinental railway, the biggest undertaking ever attempted by this country. It was embodied in that statute by the late lamented Sir Wilfrid Laurier.

Mr. FORKE: It cost a lot of money.

Mr. LOGAN: My hon. friend from Kindersley (Mr. Carmichael) is mistaken in thinking that this amendment would allow of any monopoly. It says distinctly that Canadian materials are to be used only if prices are reasonable.

Mr. HOEY: Who is to determine the reasonableness of the prices?

Mr. LOGAN: The harbour board of Montreal. I am simply expressing the principle that was established by this parliament over twenty years ago.

Mr. GOOD: Supposing that some good friend of the harbour commissioners, the representatives of a Montreal corporation, should tender for a certain part of the work, and some other corporation in Canada or the United States or Great Britain should put in a tender at a distinctly lower price, the harbour board could accept the Montreal tender and simply justify themselves by saying, "We thought this tender was at a reasonable price."

Mr. MACLEAN (York): Is not this the way out?—to hold the government responsible for what they do in this matter, whether they give it to places outside of Canada or to places inside Canada. If they do anything wrong in that respect they ought to be held responsible and punished accordingly when the time comes.

Mr. EVANS: I am opposed to the amendment and I am opposed to the whole scheme from beginning to end. The whole project is unbusinesslike. But, since we are placing

the matter in the hands of the Montreal Harbour Commission, why restrict them as to where they shall get the material or what they shall pay for it? "A reasonable price" can be interpreted to mean anything. The hon. gentleman quotes as a precedent the insertion of a provision of that kind in the Railway Act some twenty years ago. Well, that very clause in the act has cost this country millions of dollars more than we should have had to pay in connection with the Transcontinental Railway scheme. I am against this whole scheme and shall vote against the amendment.

Mr. CALDWELL: It is a well known fact that we do not produce steel of as high carrying power as is produced in the United States. We do not produce Bessemer steel in this country.

Mr. MACLEAN (York): What about nickel steel?

Mr. CALDWELL: I do not think nickel steel is used in bridge construction. We might seriously impair the efficiency of the bridge if we adopt this restriction. I would certainly like to see Canadian material used, but I do not think we should tie the hands of the harbour commission as to where they should get the material either on account of quality or on account of price. They should be free to get the very best material they can obtain and at the best possible price. One of the principles of the party opposite—I know it is one of the principles of this party—is to let trade be free and untrammelled, to permit of purchases being made in the best market at the best price. I would regret to see that put in the statute, but I would like to urge upon the harbour commission—

Mr. LOGAN: While Canadian workmen walk the streets looking for work.

Mr. CALDWELL: There is no necessity for Canadian workmen walking the streets. They can certainly compete with workmen in the United States where wages are higher than they are here. If our steel manufacturers cannot produce steel as cheaply in Canada as they do in the United States I would like to know the reason. It has been stated from all parts of this House that our workmen are going to the United States because they can get higher wages there and because times are better. If that is the case I do not think there should be any hesitation in urging that Canadian material should be used, but I think more conditions should be stated than appear in the present amendment. The only requisite is that the material be sufficiently good and that the price be competitive in its character.

[Mr. Evans.]

Mr. CARDIN: (rising):

The CHAIRMAN (Mr. Marcil, Bonaventure): All those in favour of the amendment will please say "Aye."

Some hon. MEMBERS: Aye.

Som hon. MEMBERS: Nay.

The CHAIRMAN: In my opinion the nays have it. Did the hon. minister wish to speak?

Mr. CARDIN: I may point out that all the plans and specifications and practically everything connected with this bridge are to be submitted to the Department of Marine and Fisheries and to the Governor in Council. So far as I am concerned, during the time that I am at the head of the department I assure my hon. friend that I will take the necessary steps to protect all Canadian interests in this connection.

Mr. MARTELL: Why have it in the statute, then?

Some hon. MEMBERS: It is out.

Mr. CARDIN: With this declaration I suggest to my hon. friend (Mr. Logan) that he withdraw his amendment.

Some hon. MEMBERS: It has been lost.

Mr. LOGAN: With that assurance from the minister, rather than have the motion declared lost I will withdraw the amendment.

The CHAIRMAN: Is it the pleasure of the committee that the hon. gentleman shall have leave to withdraw his amendment?

Amendment withdrawn.

Bill reported, read the third time and passed.

At one o'clock the House took recess.

After Recess

The House resumed at three o'clock.

TORONTO VIADUCT

TORONTO TERMINALS RAILWAY COMPANY

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of Bill No. 258, respecting the Toronto Terminals Railway Company.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 8—Agreement and date of coming into force.

Mr. GRAHAM: I move:

That clause 8 be struck out and that the following be substituted therefor:

This act shall come into force upon such day as the Governor in Council may by proclamation appoint,

and such proclamation may be made only if an agreement providing for the construction and completion of the said works, on terms approved by the Governor in Council but not inconsistent with this act, shall have been entered into within four months of the passing of this act.

Mr. MACLEAN (York): I have always opposed the esplanade viaduct in the interest of the public, and especially in the interest of my constituents, because I represent a great portion of the city of Toronto in this House and have done so for a great many years. Ever since this proposal was first made I objected to it in the public interest. I am not going to take up much time to-day but I wish to place a few facts before the House. My objection to the proposal now before us is that it will never be built for the amount which has been stated. It is proposed to spend $28,000,000, but from my knowledge of the city and my knowledge of what is involved the cost of this project will run to $100,000,000.

Mr. CHURCH: Oh, no. Never.

Mr. MACLEAN (York): I make the statement that it will not be finished before an expenditure of $100,000,000 has been entered upon and then the problem will not have been solved.

Mr. CHURCH: No, $28,000,000. Your plan would make Toronto an inland city.

Mr. MACLEAN (York): I still differ from my hon. friend on my right, and I am going to occupy a few minutes in telling the House what, to my mind, the real solution of this problem is. Toronto is going to be a great city; it is going to be the greatest railway centre in Canada.

Mr. SHEARD: It is.

Mr. MACLEAN (York): It is but it is going to be a much greater one. There will not be any railway centre in Canada such as Toronto is destined to be. It is the gateway from the east and the west to the great mining country in the north, and I am going to state what will be the real solution of the problem which is now before Toronto. In connection with that I want to refer to what has occurred in the past. How many people in this House know that for some reason or other the proposal to move the station in Toronto up to North Toronto has been blocked by somebody? Some years ago the Canadian Northern when it was taken hold of by the late Sir William Mackenzie—

Mr. CHURCH: I rise to a point of order. This discussion is not relevant to the question under consideration namely the Toronto Terminal Company agreement.

The CHAIRMAN: We are considering a section of the bill which is fairly general in its terms—

Mr. MACLEAN (York): I should say so.

The CHAIRMAN: —which provides that the act shall come into force by proclamation.

Mr. MACLEAN (York): I think it is rather significant that the hon. member to my right is afraid of a public discussion in regard to this matter.

Mr. HOCKEN: He represents North Toronto.

Mr. MACLEAN (York): So do I, and to a greater extent than he does. I have studied the question for a good many years, and in a very few words I am going to point out what the situation is. This House does not know, neither does the city of Toronto, that Sir William Mackenzie and the Canadian Northern people studied Toronto's problem, and in any discussion of the matter the fact has been suppressed that the Canadian National Railway, which acquired the Canadian Northern bought half of everything the Canadian Pacific Railway Company own in the line which crosses Toronto to the north from almost the Humber, certainly from Dufferin street, clean across to Leaside, and they have had it for years. When the brass work at the North Toronto station was moulded the initials "C.N.R" were branded on it; and that brass work is to be seen there to-day. This half interest in this line was the greatest asset that Sir William Mackenzie ever got hold of. Fifteen or twenty years ago his engineers found out that the great obstacle in approaching Toronto to-day is the presence of the Scarboro grade on the old Grand Trunk railway at the front of the city. North of it is the Wexford grade on the Canadian Pacific line. His engineers found that the Wexford grade to the north and the Scarboro grade to the south are one per cent plus grades. They are the two worst grades in all Canada to-day and yet most of the traffic entering Toronto either way passes over them. Midway between them is a grade of one-half per cent. Let anybody estimate what the saving will be if all the traffic can be carried across the city on a grade of one-half per cent. It means saving many thousands of dollars a year in coal. It means rapid running of all the freight and passenger trains, and it gives the city of Toronto, which has now developed from a small city at the waterfront, a real site for a station at North Toronto, where the Canadian Pacific Railway has located to-day.

Mr. CHURCH: You would do away with the viaduct agreement.

Mr. MACLEAN (York): No it does not. My hon. friend is very uneasy.

Mr. CHURCH: No, I am not uneasy. We want no favours only our contract carried out.

Mr. MACLEAN (York): The hon. member has not consulted the people of Toronto as to their views, and I am going to put the views of those people before the House.

Mr. CHURCH: Yes, I have. The people voted on the harbour plans which included a viaduct.

Mr. MACLEAN (York): I think my hon. friend from North Toronto (Mr. Church) is acting after the manner of the hon. member for Quebec South (Mr. Power) when other questions were being discussed. What I am stating here to-day was absolutely admitted by Mr. Beatty and all the officials of the Canadian Pacific Railway, and also admitted by the Mackenzie interests. Later on it was admitted by Sir Henry Thornton, and from that arose a combination between the two roads to go to North Toronto. Somebody has stopped that. Because of this delay and this counter-proposition there never will be a solution of the railway problem in Toronto until the station is located uptown. This great saving means hundreds of thousands of dollars a year, as I have heard railwaymen state. When you are down at the front you do not deal with the two problems.

The first point to ascertain is, where is the railway centre of Toronto? It is up north. Where is the passenger centre? It is up north. The passenger centre is a matter of concern to all the population of Toronto, over half a million people. The station should be located where it will be most convenient to the people who travel by railway, and ninety per cent of the people who travel by railways in and out of Toronto are people who live in the city. It is not the petty number who come in and go out of Toronto every day, but the travel is made up of the people of the city. The passenger centre is certainly uptown and not at the water front, where it was when the railway was located sixty or seventy years ago. The population of Toronto who use the railways live uptown, and those people would find it ten times as convenient to have a station at North Toronto rather than a downtown station. Not only is it convenient for these people to go to North Toronto—and the proof of this is that the Canadian Pacific Railway use it for freight—but you have a grade of one-half per cent, you cut off four miles of the distance, and you take the people to and from where they reside. It will not cost $30,000,000 to provide this real station for the people of Toronto uptown. Toronto will never be satisfied until a station which accommodates her people is provided. It is all very fine to speak of "Toronto of Old," down at the water front, where they had the old Great Western railway, the Grand Trunk railway and the old Northern railway of which Frederick Cumberland was the head. At that time the people all came to the front, but now the downtown front is the furthest place from the centre of the population. The proposition would mean a change in the city but it will not damage the property at the front, which will still remain as it is. The front will be the distribution point for local freight, but it will not be suitable for passenger traffic.

When I speak of $25,000,000 as the cost, I would spend $15,000,000 in erecting the best station in Canada to-day in the city of Toronto, which is the great railway centre. I would spend another $15,000,000 for quadruple tracks, and would have all new viaducts between Leaside and the Don. It would make a great saving in the mileage and everybody coming out of Toronto would save miles of travel. Passengers would arrive at a convenient point in the city, the point of distribution, and there would be a distribution of travel by way of the tram-cars or street cars travelling either to the east or west end of the city.

This proposition has been before the people of Toronto but for some reason has been deferred. The Minister of Railways has taken up this matter. There was a conference in Toronto, and when a celebrated engineer was sent up by the Minister of Railways in order to solve the question, he looked over the ground for two or three weeks, and when he came to the conference between the city representatives and the members at Ottawa he was asked if he had ever looked at the North Toronto substitute for the other proposal, and he said it had never been presented to him. My project will mean that Toronto will be re-formed somewhat by taking the station uptown.

Some hon. MEMBERS: Hear, hear.

Mr. CHURCH: —and make Toronto an inland city.

Mr. MACLEAN (York): But it will not hurt business. Toronto will be twice the city it is to-day when the station is located at North Toronto.

Mr. CANNON: Under my hon. friend's scheme will it be possible to go through without stopping?

Mr. MACLEAN (York): I hope it will, if my hon. friend is on the train. The real estate interests and the business interests of Toronto are located downtown, but if we are to consult the interests of the people of Toronto who have to travel to and fro on the trains, we will find that they will approve of this proposition. So far they have not had an opportunity to discuss it and to get the facts. It will cost a hundred millions to complete Dubuc's project. I have talked with engineers who know about it, so that I know whereof I speak. I would like to see the Minister of Railways (Mr. Graham) come down here with that pontifical attitude he assumes and tell us what he thinks of the proposition. He is always pontifical when he comes to address the House. He pretends he does not know much about it, but that he just hears this and he hears that. After the experience and the conferences he has had with so many people, he knows thoroughly, or ought to know thoroughly, that the greatest blunder that could ever be committed in railroading in Canada would be to spend a hundred million dollars to the water front in the erection of that hideous viaduct which is proposed. Do not interfere with the railways at the front, and put in a few bridges, but do as the Canadian Pacific Railway has done, take all the traffic to the North, where the Canadian National wanted to take it. Get away from the water front; save mileage. If you do that you will perform a great service.

We have now six million dollars invested in a new union station at the front which we have never used. If this change which I suggest takes place this new union station, which has not yet been used, will make the greatest custom house that can be found in any place in Canada. The uptown station may interfere somewhat with the front of the city and the business in that district, but the change will be gradual, the city will spread out, the public will be accommodated, and there will be a great economy. I want hon. members to get it into their minds that I am not speaking through my hat; I have studied the question for years and know all about it. I will hold a meeting in Toronto and will invite my hon. friend from North Toronto (Mr. Church) to attend the meeting, and to justify what he has stated to-day. I will get all the members from Toronto to attend and discuss the question before the people of that city.

An hon. MEMBER: And invite the hon. member for Dorchester (Mr. Cannon).

Mr. MACLEAN (York): Yes, he can come too. He is another very wise-looking man. Next to my hon. pontifical friend he looks very wise indeed. I am going to leave my statement here to-day for the people, for posterity. I make the prediction that twenty years from to-day, if this enormity is perpetrated, a station will still have to be built at North Toronto in order to effect the economies which they must obtain by substituting a grade of one-half of one per cent for two grades of over one per cent that exist to-day. The two worst grades in Canada are those of the Grand Trunk at Scarborough and of the Canadian Pacific at Wexford. I should like to have this question referred to a committee and to put in the box Sir Henry Thornton, the Minister of Railways and Canals (Mr. Graham) and his assistants, and Mr. Beatty, to see whether they will deny a single statement that I have made here to-day. This is not the first time that I have brought up this suggestion. I took it up long ago. I have fought this question of a viaduct along the front every time it has come up.

As regards my foresight in connection with this matter, hon. gentlemen may not know that at one time there was in Toronto a proposition called the Bloor street viaduct. That was built and it gave Toronto its first start and made it a great city. My proposition to the House and to Toronto is this—and I hope the Minister of Railways and Canals will go and look at that viaduct development and consider this matter: What the viaduct, built at an elevation of 100 feet above the lake front did in allowing the city to expand, the application of the same principle in connection with the Canadian National Railways, the Grand Trunk and the Canadian Pacific will do ten times over for that city in the future. It was my misfortune that I had to suggest that all myself and to work it out. After I worked it out, my hon. friend near me proposed to call it the Prince of Wales viaduct. He has it on the records to-day, but if you ask the people of Toronto, they will tell you that it is "Billy Maclean's viaduct." I have every member of the city of Toronto against me. I will appeal to my co-mate the hon. member for West York (Sir Henry Drayton) who was at one time Chairman of the Railway Commission of Canada. I will challenge him to go into the box with these other gentlemen and say whether he does not admit that my solution is the real solution of the problem. If the station is built at North Toronto, a great retail business will go uptown. It is going uptown now, and it cannot be stopped the

way the people are leaving downtown and going north. They are going north for both business and residential purposes.

The real solution also turns on this, that Toronto is to have a great harbour, and I believe in seven years or less Toronto will be a seaport on the St. Lawrence waterways. I hope to see that.

Some hon. MEMBERS: Oh, oh.

Mr. MACLEAN (York): Montreal gets a little jealous, perhaps, when that is mentioned.

Mr. FINN: Will Toronto be an Atlantic seaport?

Mr. MACLEAN (York): It will be a St. Lawrence waterways seaport. My hon. friend thinks that the seaports of Canada are reserved exclusively for Montreal.

Mr. FINN: I never said that.

Mr. MACLEAN (York): No, but my hon. friend insinuates that here now.

Mr. FINN: There are several great Atlantic seaports: Halifax, St. John, Montreal and Quebec.

Mr. MACLEAN (York): These hon. gentlemen are getting worried. As the Minister of Railways and Canals knows, the United States are entering into an alliance with us for the development of the St. Lawrence waterways. There are to be seaports at Toronto, Detroit, Fort William, Port Arthur and other points on lake Superior. As regards Winnipeg, I will quote John Haggart, who once was Minister of Railways and Canals in this House. John Haggart said that he always believed in the canalization of the country from lake Superior to the foot of the Rocky mountains. That is a broad statement, but that is a statement that has been made. In any case I predict that the St. Lawrence waterways will have seaports all the way up to Port Arthur, Fort William and Duluth. There will be a thirty foot waterway from Montreal right up to lake Superior. We have heard a good deal about harbour commissioners lately, and I want to tell the hon. member for North Toronto (Mr. Church), who is one of the members of the harbour board, that they should keep that port of Toronto and make a great seaport of it. It will not be open in the winter, but the coal of Alberta which may have to come to Toronto, will come by rail to Port Arthur and then by water right down to Toronto. In the same way the coal of the Maritime provinces will come up through this waterway to points in Ontario and perhaps to the West.

I should like some vision to be shown in regard to this proposition. I do not want to see it delayed and conferences called where the Minister of Railways will not disclose to the people the actual situation and the cure. It will cost $100,000,000 to endeavour to cure the situation as it is proposed to cure it, and even then it will not be cured. But with an expenditure of $25,000,000 or $30,000,000 Toronto can secure the greatest station in Canada, and the half million people who live around there will have a station right at their doors as compared with having to go down to the water front. A grade of one-half of one per cent will be substituted for grades of over one per cent. The Canadian Pacific has gone to North Toronto with all its business except what it does at the water-front, and all its freight goes to the north on this low grade. I could give the details, but this is not the time to do that. I thought we would have had an opportunity of discussing this matter when this conference was held; I thought after the conference was held, that they were coming back with the real proposition; but something has happened; the thing has been stalled; the question is not going to be solved. I am going to rest my case and what may be said of me hereafter on this one thing: That I had something to do with the Bloor street viaduct and the building up of Toronto; that it proved a success; and that I have at least told this House in the year 1924 that the solution of this problem is not the one that the Minister of Railways and Canals is submitting to the House to-day. It is not the proposal that either Mr. Beatty or Sir Henry Thornton believes in. It is not a proposal which any railway engineer would endorse. There is not a single man who knows anything about railways, there is not an employee on the roads, whether he be a brakeman, an engine driver, a district superintendent, or one in any other capacity, there is not a citizen of Toronto who has used the trains going into and out of that city, who would not vote in favour of keeping the esplanade for what it is, a distributing road for the local traffic, and carrying the passenger and through traffic by the north where a great saving in money could be effected and where the greatest railway station in Canada will be located. I want to say a word for the city of Toronto in this connection; if there is a railway centre in Canada it is in Toronto.

An hon. MEMBER: No, Quebec.

Mr. MACLEAN (York): If there is a railway centre in Quebec it leads to the bush. Now, I am sure that the leader of the opposition (Mr. Meighen) and his colleague beside him (Sir Henry Drayton) must realize that what I am saying is true; and while I shall encounter the opposition of hon. members representing the city of Toronto—although I am the senior member of the city, having represented my constituency longer than they have been in parliament—I will consistently stick to the view I have advanced. I should have thought that the Prime Minister (Mr. Mackenzie King) would have hearkened to what I have said in this matter; but if he does not he can go away and meditate upon his failure to seize the point on this occasion. He is being committed now to a considerable financial responsibility, and while the Minister of Railways (Mr. Graham) would have us believe that this department is going to assume a liability of only seven million or nine million dollars, in my opinion it will be more like seventy millions before he is through,—and even then the problem will not have been solved. Toronto, I emphasize, is the great railway centre of Canada. There are more contributions to the revenue of the country from Toronto than are derived from any other place in the Dominion. Toronto is a great consuming city, and its population embraces the ablest business men as well as first-class workmen. It may have suffered a setback, it is true, but so has Winnipeg, and so will Montreal and every other city. But in this period of reconstruction the place in which our greatest efforts should begin is Toronto; we should start right here and now and build up that railway centre. If the government are determined to go through with this measure, as apparently they are, I shall have at least one consolation: I am sure that I shall live to see the whole scheme fall to the ground and the traffic diverted to the north. You cannot settle this question in any any other way. Let the government consult Sir Henry Thornton, or the late chairman of the railway commission, or let them go to the experts of the Canadian National Railways and the Canadian Pacific, and if they get a candid expression of opinion all these gentlemen will tell them, I have not the slightest doubt, that of all the wild and crazy schemes which have ever been brought forward as a means of solving a difficult problem that is possibly the most striking. Mine happens to be the one weak voice against the whole House, but I shall live to see my view justified. Now, I have not given the government many warnings of late.

Mr. LAPOINTE: There is no need to.

Mr. MACLEAN (York): Oh, yes, there is; and nobody needs warnings so much as the Minister of Justice (Mr. Lapointe). I will warn the government, however, that if this proposal is carried out it will not be two years before they will see the whole scheme repudiated as a solution of the transportation problem in Toronto. How many hon. gentlemen, I wonder, have ever gone up to Scarborough and seen the trains slowing up there? Thousands upon thousands of trains go through that neighbourhood in the course of a year and they literally have to crawl up the grade, wasting coal and entailing a greater service than necessary. It was stated the other day that the present system from the Humber to Scarborough will be greatly improved. Hon. gentlemen, however, evidently do not realize that the signalling which is necessary for the improvement of the line on the front will cost some two or three million dollars, which is not being disclosed in this committee. The present proposal will not effect any real saving to the public, and altogether it will in my opinion prove a sad mistake. And here I rest my case. I may not be here but no doubt there will be in this House at some future time some who have heard me, and the judgment will be that W. F. Maclean added one thing more to his credit—that at any rate he saw at the time and pointed out clearly what was the right thing to do.

Mr. SPENCE: I shall not speak for more than a minute because I do not think that the subject calls for any discussion. The hon. member for South York (Mr. Maclean) has been trying for as many years as I can remember to revolutionize our whole railway system in Toronto for the purpose of diverting everything to the north end, in which he is interested.

Mr. MACLEAN (York): Not at all.

Mr. SPENCE: There are thousands of people moving in and out of Toronto every day who will be only too glad to use this viaduct, and I cannot see how there can be any question as to the wisdom of going ahead with the proposal. The plan which the hon. member suggests is absolutely impracticable; it is impossible; and I hope that no hon. gentleman will pay any attention to the member for South York so far as this particular matter is concerned. The men associated with

both railways companies in Toronto have some ability and brains, and they have recommended this thing after years of study. The proposed location of the viaduct is the only reasonable one and it is only a waste of time discussing any other suggestion.

Mr. HOCKEN: For fear the hon. member for South York has confused some hon. gentlemen on the question—

Some hon. MEMBERS: No, no.

Mr. HOCKEN: Why, has he left no impression? If that is the case I will sit down.

Bill, as amended, reported, read the third time and passed.

VANCOUVER HARBOUR

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 256, to provide for further advances to the Vancouver Harbour Commissioners.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 2—Advance of $5,000,000 to harbour commissioners for terminal facilities.

Mr. HANSON: How much money has the parliament of Canada advanced to the Vancouver Harbour Board since its inception; and also to the harbour boards of Montreal, Toronto and Quebec since their inception? If the minister has not the information at hand I would ask him to send it to me.

Mr. MEIGHEN: The minister certainly can give the information for Vancouver.

Mr. CARDIN: By statute, assented to July 7, 1919, $5,000,000 was advanced to the Vancouver Harbour Board, and by statute, assented to April 13, 1923, another $5,000,000 was advanced.

Mr. HANSON: And this advance will bring the total to $15,000,000.

Mr. CARDIN: Yes.

Mr. STEVENS: The minister might add, to complete the statement:—upon which the harbour board pay interest regularly to the government, and for which they have provided a sinking fund.

Mr. CARDIN: Yes.

Section agreed to.

On section 3—Interest during construction to be charged to capital account.

Mr. CALDWELL: Is this the method by which the board pay interest?

[Mr. Spence.]

Mr. CARDIN: During the construction of the work.

Section agreed to.

Mr. GARDINER: Has the minister come to any decision as to whether the elevators are to be placed under the control of the grain commissioners?

Mr. CARDIN: The harbour commissioners have made certain suggestions to the government; these we will take into consideration and try to reach a conclusion which will be in the best interests of the country, of the port of Vancouver and of the farmers also.

Bill reported.

On the motion for third reading:

Mr. COOTE: Mr. Chairman—

Some hon. MEMBERS: Sit down.

Mr. COOTE: Let me assure hon. members that I do not intend to sit down until I have had a chance to express myself on this bill. We have been told too often by certain members to sit down; we have a perfect right to give expression to our views so long as we keep within the rules. Western Canada will object to further advances being made to the Vancouver Harbour Board unless the minister insists that the Woodward elevator, or any other which is built with public funds, shall not be used for mixing purposes. This is one of the most important questions affecting grain growers in western Canada, and it is only right that we should be given a statement by the minister in regard to this matter.

Mr. CARDIN: It is very difficult for me to make any definite statement because this is a question which should be dealt with by the Minister of Trade and Commerce; it comes under the Grain Act.

Mr. GARDINER: I think the minister's answer is very unsatisfactory. The Woodward elevator is being built with public funds, and therefore it should be retained in the public service instead of being turned over to private companies for exploitation. I trust the minister will see to it that before very long the elevator in question is placed under the control of the harbour board, to be used as a public terminal and not as a mixing house.

Motion agreed to, bill read the third time and passed.

ROYAL CANADIAN MOUNTED POLICE ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 254 to amend the Royal Canadian Mounted Police Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Governor in Council to determine rates of pay.

Mr. STEVENS: Mr. Chairman, I would again direct the attention of hon. members to the very low and inadequate pensions now being received by the Royal Canadian Mounted Police. The argument is advanced—and with some force, I will admit—that if the pensions of the veterans of the force were to be revised now after having been in force for so many years it would result in a general demand for revision of all pensions on a certain scale granted to civil servants years ago. I have replied to this objection on previous occasions, and I submit my reply again to the minister—that the pensions of the Royal Canadian Mounted Police are so far below the normal lower rates of pension of the Civil Service that he could very properly fix a minimum, say around what the lowest civil service pension now is, and then bring the police veterans' pensions up to that level, which would be a very substantial advance over what they are now getting. There are many old men who gave the best part of their lives to this service; they are now retired and are receiving a mere pittance which can scarcely be considered as a pension at all. The country could well afford to give this very small advance. It would not amount to very much; it would take very little to bring what these underpaid pensioners are receiving up to a minimum level.

My other point relates to the question of scrip, in respect to which there is an outstanding grievance that the veterans have been resting under for many years. The answer to their demand for scrip because of service in the Northwest Rebellion which other forces received and they did not is that they were acting in their normal capacity as police officers and therefore were not entitled to scrip as were those who volunteered, left their homes and went to the scene of activities. But one important point has been overlooked by every government up to the present, namely, that when the Northwest Rebellion broke out the Northwest Police were certainly on duty in their ordinary capacity as western police officers, and when the military forces entered the western territory the mounted police were drafted into military operations, acted under the command of the military authorities and really took the same status as the volunteers on active service. They performed the same duties; they suffered the same as the others did; many of them sacrificed their lives. When the volunteer forces were disbanded after the rebellion they were given scrip, but the military authorities, under General Middleton, I think, recommended to the government that the volunteers who went into the forces should receive the scrip. It has always been claimed on behalf of the mounted police that failure to grant the scrip to them was an injustice, a discrimination reflecting upon their service and their co-operation. No one will question that the services of this splendid force were of inestimable value to the country at that time. No one will question that they rendered all the service they were called upon to render as military men under military authority. I contend, therefore, that the grievance should be wiped out by the granting of this scrip, so long delayed, to the remnant of the force now living. I want to say in justice to the minister that he does not stand alone in this matter; I am not at all blaming him in particular. I do not want to appear to be taking a partisan attitude, because his immediate predecessor, as well as the Minister of Justice in the government which I supported previously, resisted this demand. Perhaps they resisted it because I did not present the case strongly enough or clearly enough. I still think that the grievance of these men is well founded. I do not know of a more deserving case and I make a further plea to my hon. friend for its adjustment.

4 p.m.

Mr. EVANS: I would like to support what the hon. member (Mr. Stevens) has said regarding these old veterans of the Northwest Mounted Police. I am personally acquainted with these men and I know that if it were not for the kindness of their relatives, really taking the form of charity, they could not live at all. These men braved the dangers of the early days, and it is owing to their service and their faithfulness that the Canadian Northwest is as it is to-day, a place where law and order prevails, as it has prevailed during all the years of settlement. Some of us who went there thirty-five or forty years ago know very well the work of these men, and I think it would be unfair to put this amendment through to-day without making

provision for these old veterans of the Northwest Mounted Police. I make an appeal on their behalf and I hope the Minister of Justice will not longer ignore it.

Mr. BROWN: So far as pensions for these old men are concerned, I heartily support the proposal that has been made. The Northwest owes a debt to these men who went there in the early days and established law and order. But what I am opposed to, the issuing of scrip, it is a principle which in the past has led to evil results. Scrip has been issued for titles to land; these have been traded upon and have in the end, except in isolated cases, been of little benefit to the man to whom they were issued. If it is felt that these men did not receive equal consideration with the members of the other forces who served in the Northwest Rebellion, then by all means make it good to them in the form of a cash grant, but let us not issue any more scrip for land .

Mr. COOTE: I think this is a matter that has been passed over too lightly by former ministers who have had charge of the mounted police. This morning it was proposed to pension civil service commissioners who were paid as high as $10,000 a year and to permit their retirement after fifteen years on a liberal basis. If it is thought that these men could not save enough out of that salary to take care of themselves after they left the service, then I cannot understand why ministers for years have refused justice to a few old veterans. Some of them put in thirty or more years in the service of the mounted police, a service harder than most members here can realize. At that time there was very little settlement in western Canada. These men travelled the plains without any covering except a blanket which they packed on the back of the saddle, and their greatcoat, and they did good work in preserving that country for Canada. The pensions they are receiving to-day are in some cases as low as $70 a year. These men are now so old that they cannot be expected to make a living for themselves, and for this country to grant to them a pension of $70 to $100 a year is, in my opinion, perfectly absurd. The number of men affected is very small; if the government puts off dealing with the matter for another ten years they may all be dead, and it will be a national disgrace to Canada if something is not done for them. Superannuation has been admitted as a necessity for these men, but what they are now receiving is so miserably small that it might almost be discontinued for all the support it gives them. In many cases they are dependent on charity. I hope we shall have a promise from the minister that action will be taken in this matter before another year.

Mr. KNOX: Two days ago when this matter came up in the shape of a resolution I spoke at some little length and went into details of the situation, as I saw it, and as to the assistance which might be rendered to the old veterans of the Northwest Mounted Police. Again I want to voice my protest against the treatment these men have been receiving. Again I want to impress on the minister that this matter be given very serious consideration and, if a pension cannot be granted these men, that some other action be adopted whereby they may be recompensed and receive some assistance to help them through their declining years. As I stated on the former occasion there were only, at the beginning of the year, some seventy-five non-commissioned officers and men who had withdrawn before January 1, 1919, and who received a pension on the old basis of 75 cents per day. That number, as has been pointed out, is decreasing; I question whether there are that many to-day. However, figuring on seventy-five, the sum required to bring the pensions of those men up to the rate paid to those who have retired since January 1, 1919, would be $27,610.25. That is not a very large amount. We know the difficulties the minister is up against. He said two days ago, and the fact has been stated on numerous previous occasions, that to grant the request would interfere with the Pension Act. If that is so I am sure this House would be very glad to back up the government in making a grant of some kind instead of increasing the rate of pension. I heartily endorse anything which has been said here to-day along that line. I shall be very pleased indeed to see some consideration given to those men who took part in the Northwest Rebellion, and I support what has been suggested by the hon. member for Vancouver Centre (Mr. Stevens) in that regard.

Mr. TOLMIE: I endorse heartily what has been said with regard to the splendid service rendered by the Northwest Mounted Police of this country, and particularly to western Canada. The men of this force carried on their work under the greatest possible difficulties. They administered and maintained justice upon the western plains under very trying conditions in the past. Many of these men who have rendered such service, who devoted the whole of their lives to it in fact, are now retired and living on the Pacific coast.

Unfortunately they are in receipt of what is a mere pittance and are experiencing great difficulty in making ends meet. I do not propose to take up any further time now, but I hope the government will give the matter serious consideration.

Mr. MORRISON: I wish also to endorse the statements that have been made by the hon. members for Prince Albert (Mr. Knox) and Macleod (Mr. Coote). Having lived in the west for twenty-five years I have come into contact with a large number of these men, and I do not know of any body of public servants who have been truer to their trust than the mounted police. When we consider the pensions we are paying to other civil servants it is a disgrace to the country to be treating these old veterans in such a manner. It will be no credit to any one of us if we permit this condition of affairs to exist any longer. I think the government should find the necessary money. They can recommend large grants when their sympathy is enlisted, and there is no use in side-stepping with respect to this matter and saying it interferes with the Pension Act. If that be a real obstacle I would advise making a cash grant to these men so that they may be able to live more comfortably and not be dependent on charity.

Mr. CLARK: I endorse what has been said by the hon. member for Vancouver Centre (Mr. Stevens). This matter has been debated during the last three sessions and the situation has been fully represented to the government. The time has now arrived when the government should state that a solution has been arrived at. If difficulties exist in the way of granting the necessary relief they are not insuperable. I hope, therefore, that the government will take the question under its consideration and that adequate provision will be made when the House meets again.

Mr. LAPOINTE: With every word and sentiment which has been uttered in approval of the services rendered by the old members of the mounted police force in former days I am in hearty agreement. A strong appeal on behalf of these men was presented the other day by my hon. friend from Prince Albert (Mr. Knox) and other gentlemen, and the appeal has been renewed to-day. The question has been before me this year for the first time, and I am going to try and do my best to find a solution. But the problem is not easy of solution. If it were possible to do something for these old pensioners, whose case is certainly a deserving one, without opening the doors to the demands of pensioners in other branches of the service whose pension is lower than the present rate pertaining to the same position to-day the question would not be so difficult. But other pensioners are asking that the amount granted to them should be raised to the present level. However, I make the pledge that my officers and myself will try and find a way to come to the help of these old pensioners. The question of scrips, as my hon. friend from Vancouver Centre said, is an old one. The matter was placed in the position in which it now is by former governments, indeed by the government of Sir John A. Macdonald, the position being taken that the discrimination was fair as between the men of the mounted police, whose duty it was to maintain peace and order in the Northwest Territories at the time, and the men who left their homes in eastern Canada to go out and help suppress the Rebellion. The stand taken by the government of that day has been followed by all the subsequent governments. I am quite willing to consider the question again but I must say that I think the case as to pensions is a more deserving one than this. I am sure that if I do not take any action my hon. friend from Vancouver Centre, and other hon. gentlemen will remind me next year that something must be done.

Mr. CAMPBELL: I hope the Minister of Justice will not be very easily discouraged by the difficulties in the way of providing better remuneration for the men who have served the country in the Northwest Mounted Police. Only those of us who have lived in the newer districts in the West in the early days really appreciate what that body of men have done. I have seen the police patrolling throgh the wilds where there were very few settlers for hundreds of miles looking after scattered settlers here and there and seeing that they did not suffer from want of food or other necessities. They performed that duty in spite of the most inclement weather and in the face of every conceivable difficulty. Most of these men were doing that work for the magnificent sum of fifty cents a day. Yet the majority of them were men of a high standard of education, men who could have made a success in many other walks of life. They gave the best years of their lives to serving the country in those remote districts, and it seems to me nothing less than a national disgrace, a blot on our national reputation, that they should be left in their old age with the small pension which they receive to-day. I sincerely trust that the minister will be able, by the next session at least, to bring down some measure that will yield these deserving men some better remuneration.

Mr. LEWIS: I should like the minister to explain the section that is underlined? Is it a new proposal that the Governor in Council shall fix the rates; is any change in the present procedure contemplated?

Mr. LAPOINTE: As I explained the other day when the resolution which preceded the bill was under discussion the rate of pay to members of the force was fixed by statute, but those rates have been changed frequently. The last change was made in 1919 when the following words were added:

> The Governor in Council may authorize an extra rate to be paid to members of the force employed as detectives, to those serving in the Northwest Territories and the Yukon Territory and for a period of five years from the 1st day of June, 1919, to any other members of the force.

So that the extra statutory pay has been given to all the members of the force under order in council by the statute of 1919. But it ended on the 31st of May last, and another order in council has to be passed for the purpose of giving the members of the force the salary they are now receiving. It is thought better to place them on the same basis as other civil servants for instance, and especially members of the militia force whose salaries and rates of pay are all fixed by orders in council.

Mr. HUMPHREY: Under section 2 or section 3, in case an ex-member of the Northwest Mounted Police has put in many years of service with the mounted police, and is now in the employ of the Civil Service Commission, would the time he has given in the Northwest Mounted Police be included with the time employed in the Civil Service Commission?

Mr. LAPOINTE: I really cannot answer my hon. friend. This would be under the Civil Service Act and not under the Mounted Police Act.

Mr. HUMPHREY: I was just wondering if any provision had been made with respect to applying the time employed in the Northwest Mounted Police.

Mr. LAPOINTE: I really do not know, but I will get the information from my colleague the Secretary of State and let my hon. friend know.

Section agreed to.

Bill reported, read the third time and passed.

[Mr. Campbell.]

INDUSTRIAL DISPUTES INVESTIGATION ACT AMENDMENT

FREE CONFERENCE WITH THE SENATE IN VIEW OF AMENDMENTS

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate that the Senate accede to their request for a free conference to consider the Bill No. 7, intituled an Act to amend the Industrial Disputes Investigation Act, and any amendments which at such conference it may be desirable to make thereto, and have appointed the Honourable Messieurs Ross (Middleton), White (Inkerman) and Black, as managers on their part at said free conference, and that the managers of the said free conference on the part of the Senate will meet in the Senate committee room No. 262 at 6.15 o'clock p.m. to-day. And this is signed by Mr. A. E. Blount, Clerk of the Senate.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move that Messieurs Lapointe, Murdock, Jacobs, Raymond and Mackenzie King be appointed as managers on behalf of this House of the free conference with the Senate with respect to amendments made to Bill No. 7, an act to amend the Industrial Disputes Investigation Act, 1907, and that a message be sent to the Senate to acquaint their honours therewith, and that the clerk do carry the said message to the Senate.

Motion agreed to.

EXPROPRIATION ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 117 to amend the Expropriation Act.

Motion agreed to and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Governor in Council may order material to be excavated or removed on any public work by blasting or use of explosives.

Mr. STEVENS: We might have a brief explanation of this.

Mr. LAPOINTE: The purpose of the amendment is to enable the government or its contractors to carry on any blasting operations which may be necessary in connection with the execution of any public work, on payment of an indemnity for all damages which third parties may suffer. Under the present law this could not be done, and the

government would be compelled to expropriate the property, and it is believed that this would be an enormous expense in many cases, which is not justified, because after all only slight damages may be occasioned to property. Those damages under the Expropriation Act will be assessed by the Exchequer Court of Canada when there is no agreement between the government and the parties.

Mr. STEVENS: Has there been any opposition on the part of the public?

Mr. LAPOINTE: I must admit that this will especially cover cases in connection with the construction of the Welland canal. Cases have arisen in connection with the execution of these works, and of course the Welland canal construction has to be carried on, and one company took an injunction last year to prevent the work being carried on by a contractor on a certain section of the canal. There has been no agreement so far, and it is believed by officials of the Railway department, as well as by officials of the Department of Justice that the only way to meet the difficulty is to have this provision enacted.

Mr. STEVENS: Under the common law citizens may have certain rights and privileges. Does the government interfere with these rights and privileges in any way?

Mr. LAPOINTE: Not any more than under the other sections of the Expropriation Act. Public works must be carried on, and this is the only way to do it.

Section agreed to.

Bill reported, read the third time and passed.

WINDING-UP ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 197, to amend the Winding Up Act.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Powers of liquidators.

Mr. STEVENS: Is this just a technical amendment?

Mr. LAPOINTE: It is to remove a doubt. Under the law as it exists, the liquidator, with the approval of the company, may sell all real, personal or movable property of the estate. It is suggested that this might apply only to sales for cash. This amendment has been suggested by the Home Bank liquidators and creditors. There are cases which arise especially in the case of the Home Bank where this was necessary in order to realise in a better way some of the assets of the estate.

Mr. STEVENS: Subject to the approval of the court?

Mr. LAPOINTE: Yes, in every instance, and the inspector.

Section agreed to.

Bill reported, read the third time and passed.

REVISION OF THE STATUTES

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 119, respecting the Revised Statutes of Canada.

Motion agreed to, bill read the second time, and the House went into committee theron, Mr. Gordon in the chair.

On section 1—Certified roll to be deposited with Clerk of the Parliaments.

Mr. LAPOINTE: This bill is word for word a reproduction of bills that have preceded revisions of the statutes of Canada in every instance. Only the dates are changed.

Mr. JACOBS: How is this revision being proceeded with? Is it going on?

Mr. LAPOINTE: Yes, it is, and very well. The commissioners have done more work in the last six months since they have started to work than was the custom formerly.

Mr. CLARK: When does the minister expect that the statutes will be published?

Mr. LAPOINTE: In three years from now—1926.

Mr. CLARK: How many years late will that be? They are supposed to be revised every ten years.

Mr. LAPOINTE: Not necessarily.

Mr. JACOBS: Owing to the death of Mr. Hartley Dewart, there has been a vacancy on that commission. Is it the intention of the government to fill that vacancy shortly in order that the work may proceed more expeditiously?

Mr. LAPOINTE: I am indebted to my hon. friend for reminding me that there is a vacancy. I am sure some gentlemen will be quite anxious to serve their country on the revision of the statutes.

Mr. MARCIL (Bonaventure): When the revision took place some ten years ago, there was a long debate in this House over the fact that the French version was not ready at the same time as the English version, and a special act was passed in that regard. I hope in this instance the government will take proper measures to see that both versions are ready simultaneously. It also came out at that time that the French version was not merely a translation of the English version, but that it was as much official as the English version itself. Many courts in Quebec were handicapped by the fact that the French version was not ready, and I hope this will not occur again in the present instance.

Mr. LAPOINTE: Every effort will be made to have the two versions given to the public at the same time. I think I may assure my hon. friend that the French version of the statutes is being well attended to, and I hope there will not be the same complaint as was made in the past against what was considered to be a rather poor translation.

Mr. STEVENS: I hope the minister will see that the translators profit by the early experience of this session where two or three bills had to be introduced in order to correct poor translations.

Mr. JACOBS: It has been the custom from time to time when revisions of the statutes are being made, particularly of the Revised Statutes, that reports are made in the interim to the department or to parliament. I know that was the rule when our Code of Procedure was revised in 1897. Is that being followed in the revision of these statutes?

Mr. LAPOINTE: It has not been followed in previous instances. If it is deemed better to do that, I will consider the matter.

Section agreed to.

Bill reported, read the third time and passed.

PENSIONS COMMITTEE

DISTRIBUTION OF CANTEEN FUNDS

The House resumed from July 14 consideration in committee of Bill No. 253, respecting the disposal of the Canteen Funds (Hon. Mr. Beland); Mr. Gordon in the chair.

On section 1—Short title.

Mr. JACOBS: I noticed in the press this week a vigorous criticism of the bill by Sir Arthur Currie, former commander of the Canadian forces. Is the minister in a position to give any explanation regarding that criticism?

[Mr. Lapointe.]

Mr. BELAND: When the resolution was before the House a similar question was asked by an hon. gentleman opposite and I then stated that I did not consider Sir Arthur Currie's criticism either vigorous or severe. He did express certain views but, as I stated on the previous occasion, I am satisfied that when he knows that this legislation is being passed at the request of the Ralston commission he will feel that the whole thing is equitable.

Mr. JACOBS: I did not wish to criticise the minister; I simply wanted an explanation so that the minister might show that as usual, like Caesar's wife, he is beyond reproach.

Section agreed to.

On section 2—Canteen funds.

Mr. BELAND: I have an amendment to move to section 2, which may be considered as the interpretation clause. It has been brought to my attention that a certain amount of canteen funds was transferred from the Admiralty to this country for the members of the Royal Canadian Navy who served overseas during the war and who would not come under this bill in its present form. The amount so transferred is not very large, being only between two and three thousand dollars, nor is the number of members of the Royal Canadian Navy who served overseas very considerable. In order to do justice to these men I beg to move that section 2 be amended by adding thereto the following words:

Or a member of the Royal Canadian Navy who served overseas.

Amendment agreed to.

Section as amended agreed to.

On section 3—Central Board of Trustees.

Mr. STEVENS: Would it not be well to confine the Central Board of Trustees altogether to ex-service men? The whole thing belongs to the men of the forces and ought to be administered by them.

Mr. CLARK: I was about to make the same suggestion; I made it a couple of years ago and I think the minister should consider it. The minister has told us that the majority of the board will be ex-service men but I do not see why any civilian should be a member of the board at all. Surely it would not be suggested that a competent board could not be secured from among the ranks of those who served overseas. Had the minister not intimated that the majority would be ex-service men it would never have occurred to me for a moment that there could be any question

of any one being on the board who had not seen service overseas.

Mr. BELAND: Section 5 provides that the majority of the members of the central board and of each provincial board shall be ex-members of the forces. In other words, two out of three will be returned men. No particular reason animates the minister in making this proposal, but the recommendation of the royal commission was so couched. It is not compulsory of course that there shall be any civilian on the boards but it is felt that it is desirable that it should be possible to appoint a civilian in any particular case where such an appointment might appear wise. I have no objection at all to having the board composed entirely of ex-service men but there is this consideration. In some cases it might be desirable to secure an outstanding university professor who did not happen to serve overseas and I am sure it would be a pity if we were precluded from availing ourselves of his services by reason of a rigid provision in the bill. I have no one in particular in mind but it strikes me that such an occasion might arise where, either in Vancouver, in Winnipeg, in Halifax, in Montreal or in Ottawa, an outstanding civilian whose reputation would commend itself to every one would be available without remuneration. In those circumstances it would be regrettable if we could not take advantage of his services.

Mr. CLARK: No doubt the minister has in mind eminent educationalists. But surely men of that type can be secured among the returned men. I can think of outstanding men in every university who have had a record overseas and who would be ideal in a position of this kind.

Mr. MANION: I mentioned the same point the other day when the resolution was under discussion; I suggested that the board should be composed entirely of returned men, among whom men of the highest qualifications can be found. The minister made then the same statement that he has made to-day, that the majority of the members of the boards will be ex-service men. While there is a great deal of force in what my hon. friend from Burrard (Mr. Clark) says, at the same time I rather agree with the minister that so long as two of the board are returned men the third man might well be one who has a record of notable service for the soldiers during the war. I have a statement from one of the large soldier organizations not objecting to the distribution, but offering a suggestion in regard to it. It is too lengthy for me to read at this stage of the session, and I suppose it is too late for the minister to deal with now. The gentleman who handed me the memorandum told me he thought the three organizations—the Great War Veterans, the Army and Navy Veterans and the Imperial Veterans—should all be considered. He suggested that, for example, an allotment of $100,000 would allow each of these organizations to continue their excellent work for returned men; but I explained to him that the government had apparently adopted the plan of the Ralston commission and probably would not wish to change it now. He suggested, and I thought rather fairly, that the names of the three trustees to be appointed to the adjustment committee should be submitted to the three organizations for them to pass on. I commend the suggestion to the attention of the minister, for I think its adoption would save him a lot of trouble in the future.

Mr. BELAND: It was my intention in the first place to do that. I think the suggestion is excellent.

Section agreed to.

On section 4—Provincial boards of trustees.

Mr. CLARK: Does this mean that we are simply passing on a share of the funds to each provincial board appointed by the Lieutenant-Governor in Council, with no instructions whatever as to its disposal?

Mr. BELAND: Later on my hon. friend will see that certain suggestions are being made to each of the provinces.

Mr. STEVENS: What is the duty of the central board if there are to be nine separate provincial boards?

Mr. BELAND: Probably my hon. friend was not present when we discussed the resolution. The central board is to administer the $100,000 to be set aside for the adjustment committee here.

Mr. CLARK: They do nothing else?

Mr. BELAND: Nothing else.

Section agreed to.

On section 6—Allotment of funds.

Mr. CLARK: I think each subsection should be explained.

Mr. BELAND: I gave the explanation when introducing the resolution, but I have no objection to repeating it. The sum of $20,000 is held here for claims that may be made by trustees of regiments; the sum of $100,000 is to be allotted to the adjustment bureau; the sum of $50,000 is to be paid over to the United Services Fund of Great Britain to relieve Canadian soldiers there; and $50,000 is to be allotted to the American Red Cross to perform the same service for our soldiers in the United States. Any unexpended balance is to be distributed at a certain pro rata which is set out under subsection (e).

Mr. CLARK: What remains of the fund placed in the hands of the High Commissioner in London?

Mr. BELAND: I think in 1920 £10,000 was turned over to the High Commissioner in London, Sir George Perley, to use among Canadian soldiers. I am told there is only $2,000 or $3,000 left.

Mr. CLARK: Nothing more will be paid to him?

Mr. BELAND: No, to the United Services Fund.

Mr. SHAW: On the resolution stage of the bill the minister suggested that I should ask him as to the percentages of enlistments, of pensioners and of discharges in the various provinces so that we may see whether the distribution provided for in the bill is fair and equitable under the circumstances.

Mr. BELAND: The distribution is made according to a percentage which is arrived at by striking an average from three figures—the number of enlistments, the number of discharges and the number of pensioners in each province.

Mr. STEVENS: Was this worked out by the Chief Statistician?

Mr. BELAND: It is contained in the report of the royal commission. I have all the details here; I might hand the statement over to Hansard. It gives for each province the number of enlistments, the number of discharges and the number of pensioners, and in regard to each figure the percentage, and the final average, of course, is in the bill. The statement is as follows:

Re CANTEEN FUNDS

STATISTICS ON WHICH PROVINCIAL ALLOTMENTS ARE BASED

Province	Total C.E.F. Enlistments	%	Discharges from 11-11-18 to 31-10-19	%	Total of Disability and Death Pension as of 31-3-24	%
Ontario—						
M. D. No. 1	.....	.....	15,422	.....	.....	.....
M. D. No. 2	.....	.....	73,817	.....	.....	.....
M. D. No. 3	245,677	41,600	22,423	42,849	20,305	40,474
Quebec—						
M. D. No. 4	.....	.....	33,420	.....	.....	.....
M. D. No. 5	82,793	14,019	5,075	14,773	4,697	9,362
New Brunswick—						
M. D. No. 7	25,864	4,379	11,802	4,530	1,856	3,700
Nova Scotia and P.E.I.—						
M. D. No. 6	33,342	5,646	25,787	9,899	3,182	6,343
Manitoba—						
M. D. No. 10	66,319	11,230	26,314	10,097	5,408	10,780
Alberta—						
M. D. No. 13	45,146	7,644	14,585	5,597	4,413	8,796
Saskatchewan—						
M. D. No. 12	37,666	6,378	11,253	4,311	3,379	6,735
British Columbia and Yukon—						
M. D. No. 11	53,756	9,104	20,702	7,944	6,928	13,810
	$590,572	100,000	260,600	100,000	50,168	100,000

Mr. SHAW: I am particularly concerned with this situation. A great many western soldiers took their discharges in Ontario and in British Columbia, and many of the latter subsequently returned east, transportation in every case being provided either by the Dominion government or by the provincial government of British Columbia. This situation would not exist in regard to some of the other provinces, and I want to be sure that

the distribution is fair, because it will be readily seen that if the discharges were very heavy in Ontario they would bring up the percentage to which that province is entitled under the basis adopted, although there would be no justification for the increase.

Mr. POWER: Many of those who enlisted in the western provinces came originally from the eastern provinces.

Mr. SHAW: They enlisted in the provinces where they had made their homes, and therefore the province would be entitled to whatever benefit might accrue to it from those enlistments. But you cannot regard the discharge basis as an equitable basis under the circumstances.

Mr. BELAND: In most cases the percentages run close to each other—enlistments, discharges, and pensioners. If there is a province that will benefit more than another, or at the expense of the others, it is British Columbia, where quite a number of pensioners have settled on account of the climatic conditions.

Mr. CLARK: Suppose we have 100,000 enlistments from one province and the men for some reason do not return to that province but go to another; then their share of the canteen fund will follow them wherever they go.

Mr. SHAW: A great many of these soldiers took their discharges in Ontario and the eastern provinces, not with the intention of remaining there but simply to pay a visit, and were subsequently provided with transportation to go to their western homes.

Mr. CLARK: I really think the hon. member is mistaken in that. I had considerable experience in arranging the transportation of the men and I found they were inclined to take their transportation to the furthest point and their discharge at that point and come back afterwards. That is one thing which may account for the great increase in British Columbia. Many men who did not enlist in British Columbia went there to take the trip, and also, perhaps, because they felt they might like to stay there owing to the milder climate. Will the minister give the committee some information with regard to (b) of section 6, which provides for a central board of trustees? What will be the duties of the board?

Mr. BELAND: I gave this information when the resolution was introduced. However, I cannot do better than to read again what the commission has said in this respect:

> Representations have been made that before there is any distribution of this fund, care should be taken to see that machinery is maintained for the active presentation and prosecution of claims which may arise from time to time on behalf of ex-service men and their dependents, concerning the various forms of assistance which the state provides in respect of pensions, re-establishment, etcetera.
>
> There are a variety of instances in connection with such questions as government employment, land settlement, training, housing, and re-habilitation activities generally, the considerations affecting which depend on the presentation of the individual case rather than on the terms of a general regulation. There are also parliamentary matters not only affecting pensions but amendments to existing statutes, which may indirectly affect the rights and privileges of ex-service men, and in addition there is the desirability of having some agency completely detached from government organization to supply the necessary personal contact between ex-service men and dependents and those who deal with matters affecting their interests.

I have always been of the view, and Sir Arthur Currie has shared in the opinion, that there should be an agency of some kind, made up of soldiers and responsible only to them, situated in Ottawa, to act as their representative. I hope to be able to get three returned men to take charge of the work, because this is the soldiers' money and its distribution should be supervised by the soldiers themselves.

Mr. CLARK: What staff will be required to operate the bureau?

Mr. BELAND: Possibly one chief, one assistant, probably a head clerk and two stenographers or typists. I should think a staff of five or six would be sufficient, but it would depend on the work they would have to do. The board of trustees will have full supervision of the expenditure.

Mr. CLARK: It is not thought that the interest on the $100,000 will pay for the service?

Mr. BELAND: It may not. They are at liberty to use the capital if they wish.

Mr. CLARK: I agree with the principle of having such a bureau, but why should the soldiers pay for it? Why should
5 p.m. they contribute $100,000 for a work which is surely the work of the people as a whole?

Mr. BELAND: I am sorry to have to differ from my hon. friend. I do not think it is a public duty; it is rather the duty of the soldiers themselves. They have contributed to the fund, and I have not yet received any intimation from any soldiers' organization or from any individual soldier that it would not be desirable to use the canteen funds for that purpose. Sir Arthur Currie

was rather reluctant to admit that view, though he was ready to consider an appropriation from the disabled fund. But the Ralston commission, having heard evidence all over the country, recommended that it should be done in this way, and I agree with them. If as minister I had control of this money and was defraying the expenses connected with the adjustment bureau, I would be accused of using public money to exert undue influence perhaps, on soldier bodies. I think the government should remain out of this question; it might develop into a political question if the matter was in the hands of the minister.

Mr. BLACK (Yukon): Is there any more danger of this developing into a political question than that the Department of Soldiers' Civil Re-establishment as a whole would develop into a political machine? I think it is a public duty, surely, to look after the returned soldiers who are in need. Those who have come home without impairment are looking after themselves and not demanding anything from the government. I take it this fund is for the benefit of the soldiers whose health has been impaired and who need help, or their dependents, and not for every able-bodied man who may want to take advantage of it.

Mr. POWER: It is for every soldier who wants to ask a question about gratuities, land settlement or anything else.

Mr. BLACK (Yukon): For every soldier who wants to ask a question?

Mr. POWER: Yes, that is what he does.

Mr. BLACK (Yukon): Surely you do not need to place $100,000 at their disposal for that purpose.

Mr. POWER: That appears to be what they are doing now. For the life of me I do not see why we have to provide funds in order to establish a kind of information bureau as to government activities in so far as the re-establishment and rehabilitation of returned men are concerned. That should be primarily the duty of the soldiers—injured men or their friends—who wish to subscribe money for this purpose. After all, the re-adjustment bureau is only a kind of liaison between the government department and the soldier with reference to whatever claim he may have against the government. I do not see why the government should be asked to provide funds for this purpose. Neither do I think it would be proper or desirable for the government to provide the funds unless they have some manner of control over men whose duty it will be, in many instances, to be in conflict with the heads of the various departments which have to do with rehabilitation activities.

Mr. MANION: I think there is a good deal in what my hon. friend says. It should not be forgotten that in the past the returned soldiers have been paying for this very work themselves. In the past it has been done, I understand, by the contributions from the Great War Veterans' Association to the several veteran associations here in Ottawa including the Imperial Army and Navy Veterans. Of course if the government chooses to give another $100,000 to carry on this work the soldiers should be pleased. At the same time no matter what the method of handling this money may be, no matter what government is in power—whether the present government or another government—I take it from what the minister has said that once this $100,000 is handed over to the trustees there will be no considerations attached to it—it will be absolutely independent of the government.

Mr. BELAND: No considerations at all.

Mr. MANION: That is the way it should be.

Mr. BLACK (Yukon): Would it not be possible for the board to dispose of the $100,000 the first year?

Mr. BELAND: Clause 10 provides:

> Any plans formulated should be based on the assumption that there will be prospective beneficiaries for several years to come.

That is the general tenor of the bill. Of course the trustees will have the power to distribute the money in one day if they want to. But if my hon. friend was in my position and endeavoured to select three outstanding citizens who are ex-service men, and if he placed $100,000 in their hands for the purpose of maintaining an adjustment bureau in Ottawa, would he expect that those men would call the soldiers together the next day and divide the money in one hour? Would he expect them to say to each man, "Take your share and go, and we will have done with you." The order in council appointing the board will set out what its functions will be, always bearing in mind the recommendation of the royal commission which I read a moment ago. Surely, then, we have all possible assurance that this money is not going to be lightly disposed of by such a board.

Mr. BLACK (Yukon): How are the percentages arrived at? I asked the minister that question the other day but I could not tell from his answer how it was done, British Columbia and Yukon joined together will receive 10.286 per cent. The amount coming to Yukon will have to be separated from that allotted to British Columbia. When that money arrives in Yukon it will be handled by a committee of Yukon people and the first question asked will be "How are you going to arrive at your amounts?" The proper way would be to adopt the system by which the separate amounts for the various provinces were arrived at. If I can get the formula by which those percentages were arrived at I can work it out. I do not think for a moment that the returned soldiers in Yukon will want to allow any money due to them to remain in the hands of British Columbia. They will want it to be taken to their own country and administered by a committee there. I should therefore like to get this information in order to arrive at the amount due to Yukon.

Mr. BELAND: It was not considered advisable to have a committee appointed for Yukon especially, for the particular reason that there are very few returned men in that district. Of course I am not charged with the preservation and maintenance of the interests of my hon. friend, although I like to do him a good service any time. Let me point out that the returned men in Yukon are bound to profit more by this arrangement than by any other plan. I will tell my hon. friend the reason why. It is because the average is reached by striking a figure from the enlistments, discharges and pensions. The number of enlistments in the Yukon may have been normal.

Mr. BLACK (Yukon): More than normal.

Mr. BELAND: Well, the same thing has happened in other provinces; but the number of discharges in Yukon must be considerably below the number of enlistments, and the number of pensioners still lower, because very few pensioners would select that district to reside in. So that the percentage in the case of Yukon if taken alone would be a good deal smaller than my hon. friend would desire it to be. On the other hand Yukon combined with British Columbia, stands in a most favoured position. Yukon's share, on account of the large number of pensioners who sought their residence in British Columbia, will be proportionately more than it would otherwise be. My hon. friend must bear in mind that in British Columbia there are a good many more pensioners than you would think should be there, taking into consideration the number of enlistments and discharges. I have the figures here but I do not care to go into them. However, it will be decidedly unfavourable to Yukon if we said "We are going to strike an average for Yukon only and you may have your share."

There is another consideration. Let us suppose that it is desirable to evolve a scheme of education for returned men. With the very small amount that will come to Yukon it could not evolve such a scheme of education alone; but Yukon, if merged with British Columbia, will share in any scheme of that description which that province evolves and develops. So, in this connection also it is to the advantage of Yukon ex-service men to be included with British Columbia. I do not want to insist too much, but I prefer to adhere to what is proposed here. Of course, the hon. member is at liberty to suggest anything else if he wishes.

Mr. BLACK (Yukon): I am quite satisfied if the opinion of the minister is that Yukon would get more advantage by the present arrangement, but in order to decide the question for myself, it will be necessary to know how the percentage is allotted. It is either a case of Yukon having a very small interest in a large sum, or a very big interest in a small sum. Which would be the most advantageous? Until it is disclosed how the percentage is arrived at, it is impossible to tell which is the most advantageous arrangement. I am convinced that the minister believes that Yukon is getting the most advantage by this arrangement, but I should like to be able to convince myself of the same thing. I think taking the percentage of enlistments and discharges and pensions is much too general, and you cannot sit down and figure out percentages on that.

Mr. BELAND: Down to the very remotest scale of figures the number of enlistments in British Columbia is so many, the number of discharges in British Columbia is so many, and the number of pensioners in British Columbia is so many. You add the three figures and divide by three, and this average in British Columbia compares very favourably with the average in the other sections of Canada. That is the way it is arrived at. British Columbia is the only province in Canada that stands out as profit-

ing by this arrangement. There are more pensioners, in comparison with the enlistments, and discharges than in any other province in Canada.

Section agreed to.

On section 7—Regulations. Duties of provincial board of trustees.

Mr. LADNER: That is a peculiarly worded section. There may be a meaning in it, but I have not been able to find it. In part it says:

—and the Lieutenant-Governor in Council of any province may make such regulations as may be deemed necessary for the guidance and direction of the provincial Board of Trustees of his province, provided that the duties of the provincial Board of Trustees shall be to receive and hold the provincial allotment and to ascertain by such method as may appear to them most feasible, the wishes of those most interested and residing in the province, or, in the case of British Columbia, in the province and the Yukon, concerning the disposition of such allotment,—

Why is the question of the disposition not referred to in the former part of the paragraph? After we have ascertained the wishes of those most interested, residing in the province, where is the authority to dispose of the funds?

Mr. BELAND: If the hon. member will read the remainder of the clause he will see. It determines the object to which the allotment shall be devoted.

Mr. LADNER: These words concerning the disposition of the allotment would appear to refer to an allotment of the funds in British Columbia and Yukon.

Mr. BELAND: It must be stated in that way, because Yukon is not a province. The percentages are set out in the previous clause. British Columbia is coupled with Yukon, so that we had to repeat the words there.

Section agreed to.

On the preamble.

Mr. BELAND: Hon. gentlemen will remember that I mentioned a member of the Royal Canadian Navy in this discussion, and I moved an amendment to the interpretation section, section 2, in order to cover the point. It is also necessary that a similar amendment be introduced into the preamble in order to cover the same point. For the purpose of completing the bill I beg to move that the preamble be amended by adding after the word "operations" in the thirteenth line, the following:

(IV) The share allotted to the Royal Canadian Navy by the Admiralty.

[Mr. Béland.]

Mr. CLARK: I have not made a very careful study of this bill, but it occurs to me in reference to the central board of trustees and the provincial boards of trustees, that there should be a time limit for their service, and let them be reappointed after the expiration of that time. As the bill now reads it is an indefinite appointment. It might be well to amend the bill so that they could be appointed for three years, subject to reappointment.

Mr. BELAND: I understand that the members of this board will be appointed and will hold the position as long as they wish to do so.

Mr. CLARK: That may be for life.

Mr. BELAND: Yes, they may remain for life if they want to.

Mr. CLARK: I think that is an objectionable feature. Here you have a board of trustees appointed. That board of trustees may not be in sympathy or harmony with the desires of the returned men. They may be in sympathy for a couple of years, then they may fall out and perhaps would not be able to rightly interpret the wishes of returned men with regard to the fund. I think it would be a safeguard if their appointment were made for three years, and the same men could be reappointed if desired. There would be no objection to their reappointment if their policy was in harmony with the wishes of the returned men. If the appointments were made for three years, subject to reappointment, I think it would be better than to have the appointment for life.

Mr. MANION: I endorse very strongly the attitude taken by my hon. friend from Burrard (Mr. Clark). I think it is a very wise precaution. Suppose you have one member on one of those boards who is distasteful to returned soldiers, or in some way disagreeable to them—

Mr. POWER: I guarantee that in six months they will all be disagreeable.

Mr. MANION: Possibly, but we should not permit them to remain longer than the returned soldiers wish. I doubt if any man would place himself in that position, but somebody might do it. If the appointment were for three years, whatever government was in power would be glad to reappoint them, if they were carrying on satisfactorily to the soldiers. I believe an amendment might be made in sections 3 and 4 to provide that the appointment should be for three years.

Mr. LADNER: I would like to add my word of approval to the suggestion.

Mr. BELAND: Will the hon. member propose an amendment?

Mr. LADNER: The hon. member for Burrard perhaps would like to frame the amendment.

Mr. CLARK: I had not thought of proposing an amendment, but I think we might say that the board of trustees shall consist of three members, to serve without remuneration, appointed for a period of two years, or whatever period the minister thinks is a reasonable time, or we might add a clause at the end of the bill providing that both the central board of trustees and the provincial board of trustees shall be appointed respectively for a period of two years or three years, whichever period is considered reasonable, and that they may be reappointed at the expiration of their term.

Mr. LADNER: Clause 9 provides that any vacancy in the membership of the central board of trustees due to death or resignation may be filled by the Governor in Council, and any vacancy similarly caused in the membership of a provincial board of trustees may be filled by the Lieutenant Governor in Council. Under that clause, the only way they could be removed would be by death or resignation; there is no power to discharge them for misconduct. It is unlikely that trustees will be guilty of misconduct, but it is always possible, and in framing legislation I would urge that this fund should be protected as far as possible.

Mr. POWER: Should any misconduct occur, does the hon. member not think the trustees might be proceeded against before the civil courts?

Mr. LADNER: But they would be proceeded against only for the offence with which they were charged. Even if they were convicted of the offence, this bill does not provide that that conviction shall disqualify them. A man who may be a trustee may get into some other trouble and leave the country. In that event, he has neither died nor resigned. He is still a trustee and the Lieutenant Governor in Council under this bill would have no authority to remove that trustee or to fill his place. The whole three of them might get into that situation.

Mr. BELAND: That is all very well. When time is so precious, I have been waiting now for five minutes in order to move an amendment. I move to amend section 3 by adding after the word "remuneration" the words "for a period of three years, at the expiration of which, if not disqualified, shall be eligible for re-appointment."

Mr. CLARK: Would it not be better just to say: "and shall be eligible for re-appointment?" There is no section which disqualifies them.

Mr. BELAND: Very well. The clause as amended will read:

There shall be appointed by the Governor in Council a central board of trustees consisting of three members who shall serve without remuneration for a period of three years, and shall be eligible for re-appointment.

Amendment agreed to.

Preamble as amended agreed to.

Mr. BELAND: I move to amend section 4 by adding after the word "remuneration" the words "for a period of three years, and shall be eligible for re-appointment."

Mr. BLACK (Yukon): That might mean that they would serve without remuneration for three years, and after that they would hope to be remunerated.

Mr. BELAND: We will attend to that.

Mr. BLACK (Yukon): The wording is ambiguous.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

PENSION ACT AMENDMENT

Hon. H. S. BELAND (Minister of Soldiers Civil Re-establishment) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Pension Act amendments, and to provide,—

1. For pension not being awarded when the death or disability of the member of the forces was due to improper conduct, but that the commission may, when the applicant is in a dependent condition, award such pension as it deems fit in the circumstances; except when the death has occurred on service prior to the coming into force of the Pension Act; and an ex-member of the forces suffering from venereal disease who saw service in a theatre of actual war may be awarded a pension for total disability at the time of discharge.

2. For the period of delay during which applications for pensions may be made, and for cases which appear to be specially meritorious.

3. For the conditions under which dependent parents and the widow of a pensioner may be awarded a pension.

4. For the awarding or refusal of a pension to a widow of a pensioner, taking into consideration his condition at the time of marriage, and under what conditions pensions may be to prospective widowed mothers.

5. For the payment of certain sums of money pending consideration of a claim for pension.

6. For the restoration in certain cases of pensions previously awarded to a woman who has been married or remarried, and for increased pensions to mothers whose husbands are physically helpless or in a dependent condition.

7. For what the final payment will be in cases of disability between five and fourteen per cent, and what conditions may affect such final payments.

8. For the amendment of the schedules to the act in such a manner as to make pension equal to the actual rate plus bonus.

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure), in the chair.

Mr. BELAND: I would suggest humbly to hon. members that we pass the resolution as it is. The bill is now distributed. The resolution itself is in very general terms and it is almost impossible to give a proper explanation of it.

Mr. MANION: I entirely agree with that, with the exception that it is on the condition that we do not absolutely adopt the principle until the bill comes before us.

Mr. BELAND: Yes.

Resolution reported, read the second time and concurred in. Mr. Beland thereupon moved for leave to introduce Bill No. 255, to amend the Pension Act.

Motion agreed to, bill read the first and second times and the House went into committee thereon, Mr. Marcil (Bonaventure), in the chair.

On section 1—Action evidenced by form with signature of commissioner.

Mr. BELAND: This is merely to provide that in either awarding or refusing a pension the Board of Pension Commissioners shall state the names of the commissioners who dealt with the case, together with the grounds upon which the pension is either awarded or refused. In the event of the commission not being unanimous the grounds must be given upon which a dissenting commissioner disagrees with the decision reached.

Section agreed to.

On section 2—Improper conduct.

Mr. BELAND: This section is practically the same as the provisions which at present are in force, with the exception of sub-section (c) which reads:

[Mr. Béland.]

(c) that in the case of venereal desease contracted prior to enlistment, pension shall be awarded for the total disability at the time of discharge in all cases where the member of the forces saw service in a theatre of actual war, but no increase in disability after discharge shall be pensionable.

The section I think is self-explanatory.

Section agreed to.

On section 3—Time within which application must be made.

Mr. BELAND: There is only a slight addition in this section. The amendment provides that where there is an entry in the service or medical documents of any member of the forces who applies for pension such entry on file shall be considered as an application, and the three-year limitation will not be operative in such a case.

Section agreed to.

On section 4—Pension suspended on imprisonment or paid to dependent.

Mr. BELAND: This section adds to section 17 of the act the following:

Or if in the opinion of the commission it would be of exceptional benefit or advantage to the pensioner, the commission may in its discretion pay the pension or a part thereof to or for the pensioner himself.

It was found that in some cases where the pensioner had been arrested it was desirable that the pension should be discontinued. This amendment is to enable the commission to continue the pension whenever that is deemed advisable.

Mr. MANION: At present if a pensioner is in prison and his family are receiving the pension it may be continued.

Mr. BELAND: Yes.

Section agreed to.

On section 5—Compassionate pension or allowance in specially meritorious cases.

Mr. BELAND: Last year we considered a provision which we termed a "meritorious" clause and at that time the hon. member for Burrard (Mr. Clark), with his keen legal mind, foresaw that it would not be applicable. As a matter of fact his prediction proved well-founded; the clause could not be acted upon. Both the Board of Pension Commissioners and the Federal Appeal Board found that it was unworkable and therefore this year the committee was asked to draft a new clause, which they have done. It is provided that in specially meritorious cases in which otherwise a pension could not be awarded the claim may

be made the subject of an investigation upon the decision of a majority of both boards united, and the pension may be awarded if advisable.

Mr. CLARK: I have a slight doubt even in regard to this section. The section refers to "any member of the forces or any dependent of a member of the forces". I want to mention a specific class of cases that actually exist and to ascertain from the minister whether they would be covered by this section. Section 33, subsection 3 of the act provides for a pension to be paid to any woman who although not married to a member of the forces lived with him as his wife prior to the war. I have in mind the case of a woman who during the war went through a form of marriage with a soldier who was already married. He assigned his pay to her and then went overseas and was killed. It was subsequently ascertained that the man's legal wife was alive and she was given the pension, while the woman who in good faith went through a form of marriage with him and bore him children is not provided for under the act. I am aware of a case where the first wife re-marries and is no longer in receipt of the pension, yet the other woman gets nothing; in fact, no one is eligible for the pension. I do not want to press any amendment to meet this class of cases provided I am assured that this particular amendment relating to meritorious cases will meet the situation.

Mr. BELAND: On the face of it, it would seem doubtful.

Mr. CLARK: Last year I asked the minister a similar question, and, as I understood him, he expressly stated that he considered this a meritorious type of case.

Mr. POWER: Does not section 33, subsection 3, cover the case?

Mr. CLARK: But unfortunately in the case I refer to the woman was married to the soldier after the outbreak of war. She complied with the law in every respect.

Mr. POWER: Did she go through the form of marriage in England or in Canada?

Mr. CLARK: In some cases the marriage was performed in Canada, in other cases in England.

Mr. POWER: If the marriage took place in Canada I should think the woman would be entitled to a pension.

Mr. DENIS (Joliette): In my opinion this type of case would not come within the description of "meritorious," and if parliament wants to pay a pension to the second wife it is a matter for legislation. The question was dealt with by the special committee, and, unfortunately for my hon. friend, was rejected.

Mr. CLARK: My hon. friend is entirely wrong. I brought the suggestion before the committee at a quarter past twelve the other night, and I did not press it because the members expressly stated that they were not prepared to express an opinion. Therefore I dropped it, I was never given an opportunity to bring it before the committee afterwards.

Mr. DENIS (Joliette): It was brought before the committee in an informal way, as were many other questions, and the committee did not lend an attentive ear to my hon. friend.

Mr. CLARK: I do not admit that at all. The committee said they were not prepared to give a decision.

Mr. DENIS (Joliette): I do not wish to argue the point with my hon. friend. If he was of opinion that the second wife should get a pension, it was up to him to propose before the committee an amendment to the law. He did not see fit to do so. He may move an amendment now if he chooses, but so far as I am concerned I do not think that two pensions should be paid in such a case.

Mr. CLARK: I took the position from the outset that it was our duty first to consider the recommendations of the Ralston commission, and I followed the course throughout. Yesterday the chairman insisted upon a report and there was no time for the consideration of amendments; therefore it would have been foolish for me to have pressed any. If it is not possible for the Board of Pension Commissioners and the Federal Appeal Board to consider just such a case as I have outlined, then what on earth can they consider under this section?

Mr. BELAND: They could consider the case of a man who had enlisted in the Canadian Expeditionary Force, served in Canada, say, for one year, then decided to join the Imperial army, for that purpose took his discharge in Canada and boarded a ship for England, but she was torpedoed and he perished.

Mr. CLARK: I put that case before the minister a year ago.

Mr. BELAND: That is a really meritorious case where the widow is entitled to a pension; she is not entitled under the act.

Mr. POWER: That man had been discharged from the Canadian army and had not as yet joined the Imperial army.

Mr. BELAND: But on his discharge papers it was specifically stated that he was discharged for the purpose of enlisting in the Imperial army.

Mr. CLARK: I know; but the member for Quebec South (Mr. Power) is absolutely right; that man at the time of his death was not a member of the Canadian force.

Mr. BELAND: I know it. If he had been there would be no question about his widow being entitled to a pension.

Mr. CLARK: Therefore his dependents could not be pensioned under the section.

Mr. BELAND: If that is not a meritorious case, I cannot think of any.

Mr. CLARK: I am not disputing that. Has the minister changed his mind as to the meritorious nature of the case I have just cited to him?

Mr. BELAND: I am inclined to think it should be considered under this section It could be made the subject of investigation by both boards.

Mr. CLARK: In years gone by the minister emphatically stated that he considered this a meritorious case, and it was for that reason principally that I did not press for a further amendment to the Pension Act. Anyway, I think it is inadvisable to have too many amendments to the act. I think this class of woman is just as much entitled to a pension under the act as any other class, but I would be quite prepared to leave it to the discretion of these two boards and the Governor in Council to award such a pension where the applicant is meritorious. If the minister will give us the assurance that this type of case will be considered as in the meritorious class under this act, I will not press for an amendment; otherwise I cannot see what class of people you are going to consider under this act as meritorious.

Mr. POWER: From a reading of the act it will be found that the case cited by the hon. member for Burrard (Mr. Clark) falls within those to be considered under this amendment, whereas the case mentioned by the minister does not. That of the hon. member for Burrard refers to a dependent. There is no definition in the act of a dependent. We have not said that the dependent should be in any way related to the deceased member of the forces, so that if the person referred to by my hon. friend was in any way supported by the member of the forces who has died she would be one of his dependents and therefore entitled to consideration under the meritorious clause. The case cited by the minister is that of a man who had taken his discharge from the Canadian army and was proceeding overseas to join the British army, so that he was no longer a member of the forces. This amendment distinctly states that in order to have his case considered the subject must be a member of the forces or a dependent of a member of the forces. Here is a definition of "member of the forces":

> "Member of the forces" means any person who was enlisted, enrolled or drafted during the war (i) for service in the military forces of Canada on active service, (ii) for service on the high seas in the naval forces of Canada, or (iii) for service in the air forces of Canada; Provided, however, that after the Declaration of Peace, the words "member of the forces" shall not extend to or include any person who, notwithstanding that he was so enlisted, enrolled or drafted is not at the time serving by virtue only of The Military Service Act, 1917.

Mr. BLACK (Yukon): It does not matter how meritorious the case may be or how sympathetic the Board of Pension Commissioners or the Appeal Board may be, unless it is held that the applicant comes within the legal meaning of the word "dependent" as used in the act he cannot get the pension. It is just a question whether the applicant is a dependent or not. If it can be held that the unmarried wife is a legal dependent, then that is a meritorious case and will come within this class; otherwise it is not within the class. I think an interpretation of the word "dependent" is needed in the act.

Mr. CLARK: I do not think it is unfair to ask the minister to give us an interpretation of this section. I know of cases where I am sure it would be agreed by everybody that the dependents in question are entitled to recognition under the act. All I am asking is whether this section will cover that particular class of dependent, and whether it will be so interpreted by the Governor in Council, who must pass on all applications made under it. Personally I could support payment of pension to such classes on the legal interpretation of this section, but in view of the difficulties which arose last year I really do not want to see this class of case left in dire need for another year. If the government will have each case considered on its merits, then we shall not require any further amendments to

the act and we will control the character of the people who are getting pensions under that particular section; it will exclude possible bad characters who do not come within the class of meritorious cases.

Mr. BELAND: I am not versed in the law, but as I interpret the clause the Governor in Council acts only after a majority of the two boards have passed upon the application. How then can the minister give a definite assurance that this case would be made a subject of investigation by the two boards? They are the people who will determine in the first instance whether or not this woman who was married to a member of the forces already married may be considered a dependent. If the two boards decide she is a dependent of a member of the forces, she comes within the meritorious clause, but I cannot determine that; the statute does not authorize me to do it. So far as I am concerned I shall be disposed, where the Board of Pension Commissioners and the Federal Appeal Board jointly decide that a pension should be given in such a case as my hon. friend has cited, to recommend to the Governor in Council that the pension be paid. Can I go any further?

Mr. CLARK: I suggest that we call it six o'clock. We may have an opportunity of considering the matter between now and eight o'clock and of getting some further light on it.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. CLARK: May I ask the minister whether he is now prepared to state to what class of cases this section will apply?

Mr. BELAND: I have looked at the interpretation clause of the Pension Act, but I do not find a clear definition of the word "dependent." It is true that the dependent condition is described, but the word "dependent," is not clearly defined. However, pursuant to the wish expressed by my hon. friend from Burrard, I have examined very carefully the clause as drafted and the interpretation of it, in such a case as that referred to by my hon. friend, would rest on the word "dependent." I think we may share the view that a bigamous wife may be considered as a dependent, or rather, we will say,—

Mr. CLARK: The bigamous husband you mean.

Mr. BELAND: —the second wife living. I think she may fairly be considered a dependent of a member of the forces. If that estimation is just, then the case would form the subject of an investigation by both boards. If I were asked whether I was in a position to recommend that a case of that kind should be made the subject matter of study and consideration by the Board of Pension Commissioners and the Federal Appeal Board I would certainly say that it should. I do not think that I am in a position, however desirous I may be to do so, to give any further undertaking. The matter of adjudication, I think, rests entirely with these two boards acting jointly. But as I said before six o'clock, if the tribunal constituted by these boards decided that this second living wife, in view of the conditions under which she is living, is entitled to a pension subject to the assent of the Governor in Council, I would be prepared to recommend to council that the pension awarded be paid. I do not believe that I can be expected to say any more in this connection.

Mr. MACLEAN (York): Meritorious cases must be governed by statute. I do not interpret the case in that way at all. If the case is a meritorious one, and the jurisdiction is given to the minister, as I think it is, the action taken should be in accordance with the true legal position.

Mr. MANION: I understood that the law is to this effect: That if the Pension Board turn down a case on legal grounds the minister can still investigate the case and recommend to council that a pension be paid. Am I right or wrong?

Mr. BELAND: With all due deference to my hon. friend I do not think that I shall have any such power under this legislation.

Mr. CLARK: I appreciate very much the spirit shown by the minister. I think he is taking the right attitude and that we should be able to settle this matter. It seems to me we are in complete agreement that this type of case is a meritorious one and, if effectively and properly established, should be awarded a pension. I should like to put on record the definition given in Webster's International Dictionary of the word "dependent";

> One who is sustained by another or who relies on another for support.

Now, certainly this woman must have relied on the man for support because she drew a separation allowance. Therefore under this

definition of the word she is a dependent, just as much a dependent for instance as the mother of a son who has been killed in France and on whose account she is drawing a pension. The mother would not be a legal dependent in the sense that she would have a right of action for support.

Mr. POWER: She would in some of the provinces.

Mr. CLARK: Yes, but that would be under statute law; I am dealing with the common law. My difficulty in this case is that I have not had time to look into the matter and investigate whether a woman of the class referred to would have a right of action for support against a man with whom she has contracted marriage. She certainly would have a right of action against him for damages for breach of contract; there is no doubt about that. But I rather think that her civil right would end there. There would be a right to commence criminal proceedings, but I do not think there would be any right to proceed further civilly. If I am correct in my opinion, we must rely upon the definition given in the dictionary of the word "dependent." In my humble opinion as a lawyer, I think that the definition given in the English dictionary would be the definition which should govern the Pension Board and the Federal Appeal Board in their interpretation, because no definition of the word "dependent" has been given in the interpretation clause. The word "dependency" is defined, but the word "dependent" is not. Therefore, I think I am right in my contention that the ordinary definition of "dependent" as given in the dictionary must govern, but I am going to propose an amendment, in case there should be any doubt, and I think my amendment will make it perfectly certain that the Board of Pension Commissioners and the Federal Appeal Board would readily understand that they were at liberty to deal with this class of case, provided the marriage had been bona fide. I would suggest that section 5—22 of the bill—be amended by inserting after the word "forces" the following:

Or who has in good faith gone through the form of marriage with such member of the forces in accordance with the laws of Canada or Great Britain.

That simply means that the board will have a discretion to deal with such cases, and naturally the only cases they are going to deal with are cases of women who can prove their good faith, and who are living in Canada and who are dependent.

[Mr. Clark.]

Mr. POWER: Would the hon. gentleman not add to "Canada or Great Britain," or "France"?

Such alliances have been contracted in France. We might include Turkey because some of our soldiers may have gone there, or Greece, because some of our soldiers went to Salonika. If it is designed to cover the case my hon. friend refers to, perhaps we need not bother with it, but if it is to cover all cases, the motion should include other countries.

Mr. CLARK: I think this would cover the class of cases the House has in mind.

Mr. DENIS (Joliette): In my opinion, this amendment is absolutely wrong. When the meritorious clause was drafted and this matter was before the committee, several members of the committee pointed out particular cases and tried to have this clause so drafted that it would meet particular cases, just as my hon. friend wishes now to have the clause to cover a particular class of people.

Mr. CLARK: The statute is designed to deal with particular cases.

Mr. DENIS (Joliette): This meritorious clause, in opposition to the general statute, has been left open by the will of the committee. This matter has been discussed over and over again; and after the committee decided the cases which should be governed by the meritorious clause, the ruling of the committee was that no special class of people should be included in the meritorious clause, but that it should be left wide open. My first objection is: That if the class mentioned by my hon. friend is to be included in this meritorious clause there would be many classes of people indeed who might also be included, and if this meritorious clause is to be amended to meet the case of a woman who marries a man who is already married, someone would immediately ask that another class be also included in the meritorious clause, and this clause, which is a general clause, would become a clause drafted to meet these particular cases, which was not the object of the committee. But I have another objection on the merits of the case. I think my hon. friend should have brought this matter to the attention of the special committee, rather than to bring it before this committee. The report of that special committee has been tabled. It was the unanimous report of the committee. It will be said that it deals with the recommendations of the Ralston commis-

sion, and that we had not time to deal with recommendations from the members of the committee. There is a good deal of truth in that, but I do not agree that my hon. friend had not an opportunity to move an amendment to the act if he had chosen to do so. However, I am willing, for the sake of discussion, to waive this particular point and face the situation on the merits.

On the merits of the proposed amendment, where a woman has been married to a member of the forces by fraud, where she was the victim of circumstances, under this amendment the state would have to pay her a pension, but the state would still have to pay a pension to the legitimate wife. Would it be argued where a member of the forces has married the second time that the first wife should lose her pension? Certainly not. Therefore if we start with the proposition that the legitimate wife is entitled to a pension, and if we grant a pension to the woman who should not have been married to the soldier, then we are granting pensions to the two wives of the same husband, and if we grant pensions to two wives, why not to three? If we grant pensions in one case, why would we not grant pensions in ten, fifteen or a hundred such cases, if they can be found? This is a matter of principle and should be embodied into the law by special enactment if such is the desire of this House, or if such was the desire of the special committee. But this is no time to bring this particular case into the meritorious clause, which was not drafted to meet this or that case, but which was drafted to meet all cases which appeared to be especially meritorious. Now what was the thought behind this clause? It was that no case should be included in this clause, unless that case was an especially meritorious one. This meritorious clause was not embodied in the act with a view to bringing relief to people who could not otherwise obtain relief, or to people who could not perhaps prove their right to relief. Now, it is desired to amend the clause to meet the class my hon. friend refers to. That is not the object of the clause. The object is to meet classes of cases which appear to be meritorious, and not particular cases. Therefore, on the procedure, as well as on the merits, I will vote against the amendment.

Mr. CLARK: I absolutely dispute the statement that I had an opportunity to move an amendment, except at half past twelve in the morning, when the members of the committee were tired and asked me not to press the matter at that hour of the morning. I never had an opportunity to bring this matter before the special committee. Assuming, however, that I had an opportunity every day, is my hon. friend going to deny any member of this House the right to bring cases of merit to the attention of the government and to amend the law at this stage, providing the minister and the House are satisfied?

Mr. DENIS (Joliette): Did I say that?

Mr. CLARK: That is the only inference that I could draw—I should have done it then; I should not do it now. That is what my hon. friend says. My hon. friend says that this section is designed to meet specially meritorious cases. The minister says that this is a meritorious case. The only thing that is causing any delay in the proceedings is the lack of a legal interpretation of the word "dependent." My hon. friend has not touched that at all. I am satisfied that I have given the correct interpretation, but I do not think it is my duty to give the committee the legal interpretation nor would it be binding on the boards. It is the duty of the minister or of the government to give us the legal meaning of this section and to state whether it will cover any specific case that any member wishes to place before the government. The question is not whether the particular case is meritorious, but whether the law is sufficiently broad to cover the case. I am pretty well satisfied that the law is broad enough to cover it, and if I were a member of the board I would say that it is broad enough to cover that case. I am only suggesting this amendment to include, not only every man who served overseas and every bona fide widow of a man who served overseas and who was killed, but those women who, in good faith, thought they were wives and who complied in so far as they were able with the laws of the particular country where they contracted the marriage.

Mr. POWER: Do I understand that the hon. gentleman has moved an amendment to this section?

Mr. CLARK: I hoped that the minister might accept this suggested amendment. I have not moved it yet.

Mr. ARTHURS: We have spent many hours over this so-called meritorious section. It was passed by this House last year. Unfortunately in another place they changed it so that, according to the legal interpretation, it had no value at all. While I have every respect for the opinion of the hon. member

for Burrard (Mr. Clark), I think it would be very unwise to introduce into this section any particular class of cases. It is far better to accept the report of the committee as it stands, which report I can assure this committee has received very careful study.

Mr. MANION: We have spent quite a long time over this section, and I should like to offer a suggestion in order to see if we cannot get it settled and pass on to other business. I have heard this section discussed thoroughly for an hour and the hon. member for Burrard has been kind enough to explain the case to me personally.

Mr. DENIS (Joliette): I rise to a point of order. A resolution has been passed covering this bill, but it does not cover cases which are not provided for in the bill.

Mr. MANION: I am not going to move an amendment. I am discussing only the suggestion of the hon. member for Burrard.

Mr. DENIS (Joliette): But it comes to this that we want to create a new class of pensions in this country for which no provision was made in the resolution. This cannot be done because it would mean incurring more expense.

The CHAIRMAN: It is a well known and established rule that a member of the House cannot move an amendment which will create or increase an impost upon the public treasury. But no amendment has been moved so far. The suggestion is made to the minister, as I understand it, that he should embody this proposal in an amendment which, it is desired, he should submit or which should be submitted with his consent to create this additional charge. As no amendment has been moved, it seems to me that the discussion is in order if it is to lay before the committee the views of the hon. member.

Mr. MANION: Reference has been made to the case of a woman who in England goes through the ordinary form of marriage with a man whom she believes to be single. After that she has a child or children by this man. She comes to this country where she finds that he has already been married. The man in the meantime is killed at the front. The real wife marries again so that she does not get a pension and no pension is being paid in this case. This woman married this man in good faith; she has a child by him, and she is in circumstances where she requires assistance. It is a case for compassionate allowance, and the meritorious section would appear to me to cover cases entitled to compassionate allowances. In view of these facts—I do not know whether this suggestion will be acceptable to the hon. member for Burrard (Mr. Clark) or not—I would suggest that the minister see that the boards that deal with this case deal with it thoroughly in a sympathetic way. If they do that, they will come to the conclusion that this woman and her child should be pensioned. If the minister will give a promise in good faith that he will see that that is done, that should bring about a result which should be satisfactory to the woman and to the hon. member for Burrard.

Mr. POWER: The trouble we have found —and I think the committee endeavoured to deal with this trouble—is that the Board of Pension Commissioners would not deal sympathetically with a number of cases, and that the minister has not power to force them to do so. Therefore, as regards that portion of the argument of my hon. friend, his suggestion is not of great value.

Mr. MANION: I admit there is probably some truth in the contention my hon. friend puts forward; but at the same time, after the discussion which has taken place before the committee, the discussion which has taken place in the press of this country and the discussion in this House, it is certainly very likely that the Board of Pension Commissioners will take a sympathetic attitude where sympathy is needed.

Mr. POWER: The Board of Pension Commissioners know that they are there for ten years and they do not care what parliament says. That is the attitude which they have taken for the last two or three years. I did not rise so much for the purpose of discussing what my hon. friend has said as to point out some difficulties should the suggestion made by the hon. member for Burrard be carried out and an amendment made to this act. Should an amendment be made to cover any particular case? If we begin making such amendments, we could fill this act and this section with case after case. The case which particularly interests the hon. member for Burrard may be one which should be looked into on compassionate grounds, but there is another case mentioned by the Minister of Soldiers' Civil Re-establishment. Would the hon. member for Burrard have us include the case of dependents of a man who, after having been discharged from the Canadian army and while on his way to enlistment to the British army, was drowned? Would he have us include every

other case which every hon. member has had knowledge of in the past two years?

Dealing with this case on its merits alone, I have no doubt the person whom it is sought to protect by this suggested amendment, was cruelly deceived. She was induced to marry a member of the forces and in perfectly good faith she went through a form of marriage. Is her case any worse than that of a young girl who was seduced by a member of the forces? I do not think it is. In a number of cases, the young girl, innocent and possibly under age, possibly of an age that, if the seduction took place in Canada, would render the seducer guilty of a criminal offence and liable to imprisonment, would not be entitled to anything, nor would any children born of the union be entitled to anything. Yet a woman who may have more knowledge of the world, who may have been better fitted to meet all conditions which she may have had to meet, who may have been better able to look after herself under temptation, should be granted a pension, whereas another woman who, in the mind of every member of this House would have possibly more merit, would not be entitled to a pension. I am sorry I cannot concur in the suggested amendment of my hon. friend.

Mr. BOYS: I understand that the minister is of the opinion that the clause as it stands meets the case suggested by the hon. member (Mr. Clark), but I see that the chairman of the committee (Mr. Denis, Joliette) takes the view that it should not be so construed. We should first ascertain I think what the intention is. If it is the intention that the clause should cover such a case I should think that the language might easily be made plainer. If the minister thinks that the clause should cover cases of this kind, without mentioning any particular class of cases the bill could very well give the board discretion and jurisdiction in the matter. I suggest this amendment that the section be made to read:

> Any member of the forces or any dependent, legal or otherwise, of a member or deceased member—

And so forth. As the section stands, there is an unnecessary repetition of words, but the suggested amendment would meet these particular cases without referring to them specifically. It would also give the board discretion and jurisdiction to deal with any case they might consider meritorious.

Mr. DENIS (Joliette): Does not the word "dependent" mean "legal dependent"?

Mr. BOYS: Not of necessity.

Mr. DENIS (Joliette): I cannot see the necessity for the qualification which my hon. friend suggests; the words "legal or otherwise" appear to me quite unnecessary.

Mr. BOYS: Surely the addition of those words does not affect the meaning of the word "dependent". It simply broadens it.

Mr. POWER: It makes it too broad.

Mr. BELAND: This discussion is illuminating but it is not very practical. Now, the chairman reports that the committee considered the clause very carefully and that it was adopted unanimously. That being the case, I am reluctant to amend it in any way, especially with a view to meeting one individual case.

Mr. CLARK: The minister is not quite correct; it is not one particular case but a considerable class of cases. What has been brought forward is only an example.

Mr. BELAND: I do not know that we should amend the clause to meet even a class of cases. The decision will ultimately rest with the two boards as to whether a particular case cited is meritorious or not.

Mr. BOYS: But this is the point: If they have no jurisdiction to entertain the class of cases referred to or any other for that matter, and if it is the desire of the committee that these particular cases should be taken care of, why not put the section beyond the possibility of doubt I admit that once the boards are given jurisdiction they can do what they consider proper; but there is a distinct question as to whether the language as it stands does confer that jurisdiction. Indeed, the chairman of the committee himself declares that in his opinion the boards should not have jurisdiction in these cases.

Mr. BELAND: He does not say that these cases should not be considered.

Mr. BOYS: I think he went as far as that; he said there should be only one pension and that was to the lawful wife. But there are cases of separation from the lawful wife; I know of one or two cases of this kind myself. Surely it would be proper that the so-called second wife who has children should receive some consideration at the hands of the board. If the committee is of opinion that such a woman deserves some consideration, the language, I submit, does not confer the jurisdiction on the board to consider any such case. That is the point I am urging.

Mr. DENIS (Joliette): I stated that as I read the clause I did not think it would cover the case cited by my hon. friend; and in the second place, on its merits, I am against the amendment.

Mr. BOYS: Certainly the language of the chairman in this House could be urged against the consideration of these cases in the future. If this debate had concluded without the criticism which we have had in this direction, and if no suggestion had been made along this line, it might be felt that the clause as it stands could be regarded as leaving a discretionary power in the hands of the boards. But when the chairman of the committee himself takes the view that the clause does not empower the boards to deal with these cases, it seems to me that the boards themselves would most probably come to the same conclusion.

Mr. DENIS (Joliette): The hon. gentlemen must understand that the boards are both perfectly independent and free to act as they see fit, and neither my opinion nor that of the minister or anybody else can influence them to the slightest extent. The boards will be acting as judges, and as such they will have to construe the law as they find it.

Mr. BOYS: Does the hon. member think that the language is wide enough to cover the case referred to by the hon. member for Burrard?

Mr. DENIS (Joliette): I repeat, the boards will not be influenced by the opinions either of myself or of anybody else; our views have nothing to do with their interpretation of the law.

Mr. BOYS: Does the hon. member object to expressing his opinion on the point?

Mr. DENIS (Joliette): I have already expressed my opinion in that regard. But how could my opinion weigh in any degree with the decision of the two boards in any particular case?

Mr. BOYS: Under the circumstances I am going to take the responsibility of moving this amendment that the words "legal or otherwise" be inserted after the word "dependent" in the first line and that the words "of the forces or any dependent or a deceased member of the forces" in the second and third lines be struck out—

Mr. BELAND: The hon. member had better be careful what he is striking out, because a few words may involve a very important provision.

[Mr. Boys.

Mr. BOYS: It seems to me that there is an unnecessary repetition in the language as it stands.

Mr. BELAND: There is repetition but not useless repetition.

Mr. BOYS: I do not see why we should use fifteen words to express a thought which can be conveyed in two or three. However, that is not the essence of the suggestion I am offering, and if there is any objection to the elimination of the redundancy I shall waive that part of my amendment and confine the motion to the insertion of the words "legal or otherwise" after the word "dependent" in the first line.

Mr. POWER: Now that the amendment is moved the point of order taken some time ago may I think be raised again, namely, that a private member cannot without authority from the Crown propose a motion involving the expenditure of public money. There may be some discussion on this point, and I anticipate the rejoiner which my hon. friend will make, that this does not involve the expenditure of public money but merely enlarges the scope of the phrase as it now reads.

Mr. BOYS: It is not the intention to enlarge the section in any way; the object is merely to make it plain just what the language means, and what I understand the minister to think that it should mean.

Mr. POWER: If the word "dependent" is sufficient there is no necessity for adding any further words; if it is not sufficient, then a certain class are brought in who would be excluded under the original clause, and this would involve a further expenditure of public money. Therefore the amendment is out of order.

The CHAIRMAN: Does any other hon. member desire to speak on the point of order? I should like to have a further expression of opinion in regard to it.

Mr. GUTHRIE: Mr. Chairman, I do not think the point of order is well taken. The resolution upon which the bill is founded is in the following language:

> Resolved, that it is expedient to amend the Pension Act and amendments, and to provide—
>
> 2. For the period of delay during which applications for pensions may be made, and for cases which appear to be specially meritorious.

There is no definite language in that resolution, and it was assented to by His Excellency. The bill has not been drawn in the identical language of the resolution. Now,

there is no proposal under the amendment to spend public money at all; the purpose of the amendment is simply to explain the meaning of a single word—"dependent". Strictly defined, this word may be held to cover only legal dependents. If the opinion of the committee is that dependents, legal or otherwise, should be entitled to pension benefits, surely it is not a proposal to expend public money. The sole purpose of the amendment is to show what a dependent is, whether a lawfully married or an unlawfully married woman. In my opinion the amendment is quite within the scope of the resolution upon which the bill is founded.

The CHAIRMAN: There is no limitation in the resolution at all, but there is in the bill.

Mr. GUTHRIE: If the amendment proposed to spend more money than is authorized by the resolution, the point of order would be well taken; but its only purpose is to give a definite meaning to a word employed in the bill.

Mr. BOYS: I beg to endorse what has been said by my hon. friend from South Wellington (Mr. Guthrie). If it is wrong to do this, do not do it; but if it is right, do not let us stop on the ground of any such technicality.

Mr. PUTNAM: Mr. Chairman, the amendment might easily enlarge the expenditure of money contemplated by the resolution. Therefore I am inclined to think that the point of order is well taken.

The CHAIRMAN: I feel considerable hesitation on the point raised. May—and Bourinot follows him—at page 457 dealing with recommendation of the Crown signified, states:

> In like manner, after the question has been proposed on an amendment, and it has appeared that the amendment would vary the incidence of taxation or increase the charge upon the consolidated fund, the Speaker has declined to put the question.

Upon the ground that the effect of it would be to increase the charge upon the people. The point as to whether dependents should be described as "legal or otherwise" seems to me to be a very narrow one. It would strike me that under the section legal dependents would cover those who have a right to make a claim for subsistence upon some member of the family, that is, a wife and children, or a dependent mother, or any others who come within the interpretation clause as dependents. To add the words "or otherwise" would enlarge that class and thus increase the charge on the consolidated fund. Therefore in my opinion—although I give this ruling with considerable hesitation—the amendment is out of order. I would welcome the views of the committee on an appeal from my ruling, because I confess that I am very much in doubt on the point.

Mr. CLARK: What would be the difference between inserting these words, "or otherwise" or the words, "male or female"?

The CHAIRMAN: I think there is a very wide difference. It seems to me that the expression "or otherwise" increases the number of dependents who would be entitled to benefit from this fund, and this in turn would mean an increased charge on the public funds. But, as I said before, I entertain considerable doubts on the point.

Mr. CALDWELL: If this point of order is not definitely decided, Mr. Chairman, I should like to add a word or two. If the amendment is adopted it seems to me it will upset the whole meaning of the term "soldiers' dependents"—

The CHAIRMAN: That is not the point of order.

Mr. CALDWELL:—because if they are not legal dependents they do not come within the statute, and we are enlarging the class of dependents.

The CHAIRMAN: The whole point is whether the amendment would result in an increased charge on the public funds.

Mr. CALDWELL: I think it would. More than that, Mr. Chairman, if I am allowed to speak on the amendment—

The CHAIRMAN: No, I have ruled it out of order.

Mr. CALDWELL: I hope—

Some hon. MEMBERS: Question.

Mr. CALDWELL: I hope there will be—

Some hon. MEMBERS: Question.

The CHAIRMAN: Order. The hon. member is entitled to speak on the section.

Mr. CALDWELL: I can stand here as long as my hon. friends opposite care to call "question." I do not often bother the House at very great length, and as a member of the Pensions committee I think I have some right to express an opinion on this subject. We drafted a clause somewhat similar to this last year, and we all know the fate it met; it was amended out of court until the Pensions Board and the Appeal

Board decided it could not be applied to any case. Therefore I think we should be very careful how we tamper with this section. The committee gave it very careful consideration, and we had the Justice department put in legal phraseology what we wanted to accomplish. Consequently I do not like to take chances of spoiling the application of this meritorious clause by amending it without further consideration. Personally I would very much regret to see the clause amended at this time. I realize the force of the case the member for Burrard (Mr. Clark) mentions, but if he wishes to move an amendment to cover it I think it should be dealt with as a separate section.

The CHAIRMAN: The only way in which that may be done is by the committee making a recommendation for the purpose.

Mr. CALDWELL: If it is thought necessary and important enough to do this the bill could be referred back to the committee on the third reading, with instructions to make the proposed amendment; or the minister could move it. However, I am glad, Mr. Chairman, that you have ruled the amendment out of order on this section, not that I am opposed to the principle, for I think it has a great deal of merit, but I fear we may spoil the bill if we are not careful.

Mr. MANION: Let me repeat the suggestion which I made to the minister a few minutes ago, that he put this case up to the joint boards on its merits.

Mr. BELAND: I have no objection to submitting the case to the joint board at the earliest opportunity. The conditions as they prevail to-day concerning the relations of the minister to both boards are as follows: In hundreds of cases the minister refers to these boards, and particularly to the Board of Pension Commissioners, cases for their consideration or adjudication. I would not go contrary to the practice that we have been following for two years and a half in that respect. I am very strongly impressed with the merits of this case; the conditions have been related to the committee this afternoon and this evening and I need not dwell any longer upon them. But when the minister submits to the Board of Pension Commissioners a request to investigate a particular case under the meritorious clause and recommends their sympathetic consideration of such case, it rests with the board to decide whether or not the case appears to be meritorious. The clause reads:

[Mr. Caldwell.]

> Any member of the forces or any dependent of a member of the forces or any dependent of a deceased member of the forces whose case in the opinion of a majority of the members of the Board of Pension Commissioners for Canada, and a majority of the members of the Federal Appeal Board acting jointly, appears to be specially meritorious may be made the subject of an investigation.

The moment a case appears to these two boards, acting jointly, to be meritorious—as the case cited appears meritorious to the hon. member for Burrard; as it appears meritorious to the hon. member for Victoria and Carleton, and as it appears meritorious to me, I have no objection to saying—then they have all the jurisdiction, all the power under the statute, to deal with the case and to adjudicate. I may add that should they decide that a pension should be awarded I will recommend to the Governor in Council that such pension be granted. Further than that I cannot go.

Mr. NEILL: I wish to draw attention to what appears to be an error in the drafting of the bill. I do not think it is found in the recommendation of the committee, and it is not found in the wording of a similar clause passed last year. Last year it read this way:

> Any individual case which, in the opinion of the majority of the members of the Pension Board and the Appeal Board acting jointly.

That meant a majority of the two bodies taken together. This year the clause provides that you must get a majority of the Pension Board and a majority of the Appeal Board, separately, which would mean two out of three in the one case and
9 p.m. three out of five in the other. Surely that is a clerical error. I suggest that it be amended by the minister.

Mr. DENIS (Joliette): That matter was examined into by the committee and it was drafted this way intentionally. The committee were of the opinion that a majority of each board taken separately should carry.

Mr. CALDWELL: I think the point raised by the hon. member (Mr. Neill) is well taken. If two members of the Pension Board objected and all the Appeal Board were in favour, only two men out of eight being opposed to favourable action, the case would be out of court. I think I attended every meeting of the committee but one, and I do not recall that this question was ever considered by the committee. Is the chairman of the committee sure that this was decided as necessary?

Mr. HUMPHREY: I am of the same opinion as the hon. member (Mr. Caldwell). In the discussions that took place in the

committee it was very clearly brought out that we should follow the wording of the act of 1923. I think the point raised by my hon. friend (Mr. Neill) is well taken. I am quite clear in regard to what took place in the committee; I followed its proceedings closely and I fail to remember any discussion of the change now proposed to be made. The chairman of the committee has said that the change was made intentionally, but I cannot subscribe to that opinion.

Mr. POWER: I cannot understand how these two boards could act separately and still act jointly. Here we have a majority of the members of the Board of Pension Commissioners and a majority of members of the Federal Appeal Board, acting jointly. How in the world they can do that I do not know. If it was the intention of the committee to bring about such an anomaly I would like to know why.

Mr. ROBINSON: The first appeal would be made to the Pension Board, and the case would not go to the Appeal Board unless the Pension Board threw it out.

Mr. POWER: But how can they act jointly?

Mr. CALDWELL: This meritorious clause is only to be considered by the two boards jointly.

Mr. BELAND: May I suggest an interpretation? The clause as drafted means that the boards acting jointly must be composed of at least two men from the Board of Pension Commissioners and three men from the Federal Appeal Board. These five, comprising a majority of the first board and a majority of the second, will be the tribunal to which will be submitted the question whether or not these cases are meritorious. I am not a lawyer, but as I read it the clause is perfectly clear.

Mr. NEILL: That may be the intention but the present wording would be the same as if we required a majority of the Liberals of the House to be in favour of any measure before it could pass, a majority of the Conservatives of the House in favour of it, a majority of the Progressives of the House in favour of it, and so on in the case of every party represented here. A more ridiculous position it would be difficult to conceive.

Mr. ARTHURS: I would suggest that the wording in the third line be changed to read in this way: "a board composed of a majority."

Mr. BELAND: That is all right. I have no objection to that.

Mr. ARTHURS: That would cover the whole thing.

Amendment agreed to.

Section as amended agreed to.

On section 10—When pensioned prior to disability.

Mr. POWER: There is something I wish to point out in connection with this clause. I do not offer any objection this year to section 9 which provides for the payment of a pension to a widow who was married after the appearance of the disability, limited to cases in which the marriage took place within one year after the man's discharge from the army. But I have repeatedly pointed out that in this section one year would be extended to two, afterwards to three or five years, and finally we would have elderly men on their death beds marrying young girls and that we would be saddled with pensions repeating the experience they have had in this regard in the United States. That is the tendency here. We have a clause here which reads:

> Subject to paragraph 1 of this section, the widow of a pensioner who, previous to his death, was pensioned for disability in any of the classes 1 to 5 mentioned in schedule A shall be entitled to a pension as if he had died on service whether his death was attributable to his service or not, provided that the death occurs within ten years after the date of retirement or discharge or the date of commencement of pension.

Up to the present the requirement has been that the death shall occur within five years. Now we are extending the period to ten years, and next year it will be twenty years. And the same thing is more than likely to occur in the case of marriage after the appearance of disability. However, I am not objecting to it.

Section agreed to.

On section 11—Pension to widowed mother.

Mr. BELAND: In connection with this clause let me point out that the Pensions committee has secured some information in connection with the probable financial liability that will be incurred if the clause passes. I do not want the House to proceed blindly. This is a bill which has been recommended to me by the Soldiers committee and clause 11, we are informed by the Pension Board, will involve an additional expenditure of $616,000 this year. The object of this clause, if I understand it aright, and I think I do, is to provide that mothers of dead soldiers,

who were not widowed mothers at the time of their son's death, will, if they become widowed, after such death automatically fall into the class of the widowed mother. Let me illustrate my thought by an example.

Mr. ARTHURS: May I ask the minister if this carries the recommendation of the Ralston commission.

Mr. BELAND: I had thought it carried the recommendation of the commission but I am not absolutely sure about that. However, the chairman of the committee is now sitting beside me. Some other members of the committee are also present and they may inform us on the point. But I was proceeding to state what the consequences will be if this clause is enacted. I am of the opinion that we should make the Pension Act as generous as possible compatible with the resources of the country. But here are the father and mother of a dead soldier, who are, we will say, in receipt of a pension, at the discretion of the board, sufficient to provide for their maintenance if they are in a dependent condition. They may require for their maintenance $40, or $50 or $60 a month. They are awarded such a pension at the present time. If the father dies and the mother is in a dependent condition—and she will be since she was in that condition before her husband's death—she automatically falls into the class of the widowed mother. That means that she will get a pension of $600 a year. In addition she will be entitled to an income of $240 a year without any reduction being made in the pension. She is also entitled to free lodging and if she earns $500 a year, or $1,000 a year, or $2,000 a year that will not be counted against her pension.

Mr. CALDWELL: I think the minister s hardly stating the case correctly. He unntentionally gave the impression that the widowed mother would be entitled to free lodging at the expense of the country. What he meant was no reduction would be made for rental from her pension if she owned the house she lived in.

Mr. BELAND: No, the rent would not be counted.

Mr. CALDWELL: I think the minister unintentionally conveyed the idea that the country would have to pay for her rent. What he meant to say was that if she owned the house the rental of that house would not be deducted from her pension. A wrong inference might be drawn from the minister's statement.

Mr. BELAND: Such will be the consequences of the clause as it is drawn. The change will involve the transfer of about 2,700 mothers, who to-day are drawing a pension commensurate with their needs, automatically into the widowed mother's column. In that case they will receive not what they are in need of but $60 a month, or $720 a year. Whatever they earn, even if they receive $240 without working for it, that amount will not be deducted, nor will there be any deduction on account of lodging. Under the circumstances it is for the committee to say whether they will agree to this clause or not.

Mr. DENIS (Joliette): The question has been asked as to whether or not this clause carried the recommendation of the Ralston commission. It does carry the recommendation of the Ralston commission. The recommendation of that commission is to be found on page 35 of the second report and reads:

> That provision be made so that widowed mothers who fall into a dependent condition after the soldier's death and who, in the opinion of the Pensions Board, would have been wholly or to a substantial extent maintained by the soldier had he lived, will be in the same position regarding pension as the widowed mother under sections 34 (1) and 34 (7), so that personal earnings will not be deducted from pension.

As I understand it it is a privilege.

Mr. ARTHURS: I have a distinct recollection of the discussion on this matter, and I think I had the honour of proposing that these very sections mentioned in the Ralston report be eliminated from our report, and that it should apply to personal earnings only. I think this will be substantiated by most of the members of the committee and the discussion was very general.

Mr. DENIS (Joliette): Does the hon. member say the recommendation of the Ralston commission was not taken and dealt with separately?

Mr. ARTHURS: The various cases mentioned in this section—that is the reference to the general Pension Act—were stricken out of our report.

Mr. DENIS (Joliette): The report speaks for itself and so does the bill.

Mr. CALDWELL: I think possibly it should be made clear to the House why this amendment was proposed to the act at this time. Previous to this the widowed mother who was in a dependent condition at the time of the son's death, was entitled to a pension of $60 a month by right. From the widowed mother who later became in a dependent condition—and, in the case of the

widowed mother, who was automatically in a dependent condition at the time of the soldier's death—although she might have an independent income of $240 a year, although she might have owned her own home and earned something, nothing was deducted. In case of the widow who was not dependent at the time of the death, but later became dependent, if she went out and earned a few dollars scrubbing, the amount was deducted from her pension. If she owned a little place, a sort of shelter from the storm, her income was deducted from the pension. If she received anything from any source her pension was cut down very materially. I want to show the committee who these different mothers might be, or why they might be in this condition. Take the case of the mother in a dependent condition immediately on the son's death—and I want to put a hypothetical case—it is pretty natural to suppose that this family never had done very much for themselves on their own account. They had been dependent on the soldier's separation allowance or the assigned pay. They had not been very energetic and had not provided anything for themselves. Of course, I will admit that these instances do not comprise all the cases, but I want to cite these cases. The other case is that of a widowed mother, whose husband was living probably at the time of the son's death, who had a little property. The husband died. Through the stress of these circumstances, the death of the son and the death of the father, this widowed mother's health failed and she became dependent. This woman was energetic and did provide for herself. I never could see why this woman should be discriminated against, in favour of the one who became dependent immediately on the son's death. I have presented this view in other committees of which I have been a member, but it did not carry with the committees on former occasions. I think these cases coming before members of the House have made it increasingly apparent to them that they involve exceedingly great hardships. Therefore, the commmittee recommended this amendment, and the Ralston commission recommended it, after investigating cases all over the country. I never could see the justice of discriminating against this energetic woman in favour of the other one whose husband had not provided much for her, and had left her dependent when he died.

Section agreed to.

On section 16—Time allowed for appeals.

Mr. GUTHRIE: I want to see if I have this section clearly in my mind, and to direct the minister's attention to cases which I have no doubt represent a large class of cases that have arisen from the war. There are cases of patients afflicted with tuberculosis, whose illness has only developed subsequent to the war, and whose medical report through the war showed no such ailment. Is it the effect of this clause to allow such men to make application now, or does it only apply to appeals?

Mr. BELAND: It relates to appeals.

Mr. GUTHRIE: Subsection (b) of section 13 as amended in the present bill provides that a pension shall not be awarded, unless application therefor has been made within three years after the date upon which the applicant has fallen into a dependent condition. Two cases have occurred to my knowledge within the last three months where the applicants got into the condition that they had to lay off work. Both of them have families who are dependent upon them, and, strange to say, in both cases there is something which the Department of Soldiers' Civil Re-establishment looks upon as an important factor, namely that the medical practitioner who treated these two men in the first instance is now dead, and it is impossible, save by referring to his books, to prove anything in regard to their original condition. These men, so I understand, were not so afflicted on service as to be laid off, or to show anything in their medical report; but soon after their return they found themselves in trouble and have been constantly under medical advice since. Both are now in a very serious condition. I have seen them and heard a good deal about them. They are respectable and reputable men, and both have families and dependents. I have applied to the department and have been told their cases would be looked into. One of them is actually in Byron sanitarium. He has been taken from his work, and there is nothing for his wife and children to live on. The doctor laid him off. The other man will be laid off this week and placed in the same sanitarium. Is there any provision in this bill whereby any allowance can be made in the meantime to the wife and family of these men? The resolution provides in section 5 for the payment of certain sums of money, pending consideration of the claim for pension.

Mr. CALDWELL: That is only in the case of death.

Mr. GUTHRIE: It does not say so in the bill. I have looked through the bill and I see no such provision. It has been pointed out by Dr. Arnold that it is doubtful now whether anything can be done in the way of payment to dependents pending investigation of the cases; but if the act as it now stands will permit application for pension for these people, and if they will be allowed to go to the Appeal Board in these cases, I do not know that I can take any exception to the present law, except to say that some provision should be made for the cases of these dependents pending the award of pensions. I do not know what these people are to do in the meantime. Both the men are undoubtedly entitled to relief. Medical certificates have been furnished showing that both are suffering from tuberculosis as a result of services overseas, but the difficulty is that the physician who treated them is dead. They have set out the facts, but the department seeks corroboration and the only man who could give corroboration is dead. These cases we want dealt with by the Federal Appeal Board. If this legislation provides that their appeals can now be considered, I suppose I shall have to be satisfied.

Mr. BELAND: Treatment is a matter entirely for the department, and we have a regulation under which, if we admit into a sanitarium a case of the kind referred to by my hon. friend, and if after fifteen days of observation without pay and allowances, the medical officers are not in a position to diagnose the case thoroughly as to cause and origin, then the department pays to this man's dependents the allocation. Whether it is the case quoted by my hon. friend or not I could not say. My hon. friend refers to two men. If they have been admitted to sanitariums for observation, they are not entitled to pay and allowances until they are recognized as eligible for treatment. But if after fifteen days they are not yet recognized on account of the fact that it requires a certain number of weeks or even months to determine cases of long standing such as tubercular cases, then pay and allowances are paid to their dependents, if they have dependents.

The hon. member refers to pensions. These men may apply for pensions and the claim naturally comes before the Board of Pension Commissioners and is dealt with by them. If the Board of Pension Commissioners, regardless of whatever influence I or anybody else may exercise upon them, decide that the men are not entitled to a pension, there is only one course open to them. It is to bring their case to appeal before the Federal Appeal Board, and this legislation, as well as the act passed last session says that such cases could fairly be considered cases for appeal. If a pension is not awarded, I would suggest that my hon. friend refer the cases to the secretary of the Federal Appeal Board at Ottawa, and the whole record will be examined, the case investigated here and a decision rendered in due course.

Mr. GUTHRIE: The minister's explanation is most satisfactory. The only other point that I should like to elucidate is subsection (b) of section 13 on page 2 of the bill, which reads:

> A pension shall not be awarded unless an application therefor has been made within three years after the date upon which the applicant has fallen into a dependent condition.

These applicants have not been dependent upon any one until recently, but they have sunk very rapidly into that condition. I have seen both of them.

Mr. BELAND: They are still eligible for application three years after the declaration of peace.

Section agreed to.

On section 17—Signatures to judgments of Federal Appeal Board, and information to be contained therein.

Mr. POWER: Certain objections, I think, might be raised to this section, the purport of which is that a judgment rendered by the Federal Appeal Board, which is the court of last resort, must first of all be signed by all the members and the medical classification must be given. I presume that means that each of the members of the board must give the medical classification. A large number of the members of this Federal Appeal Board are not doctors and they would have some difficulty in giving any medical classification. Subsection (b) reads—and this is what I have most objection to:

> In the event of a judgment not being unanimous the dissenting member or members of the board shall submit a minority judgment setting forth in detail the reasons for non-concurrence in the majority judgment.

Let us understand that this is a court of last resort; that there is no real reason why the non-concurring members should give their report. I quite understand why, in the case of the Board of Pension Commissioners, they

should give reasons for their dissent because those reasons might be of some value in helping the applicant to appeal. But this is a court from which there is no more appeal. The only result would be that this judgment would be sent out to the applicant for a pension. He would see that, say one or two members gave certain very strong reasons for dissenting from the opinion of the majority. He would read those opinions. He would become more than ever convinced that he was right in taking his appeal. He would bring these opinions to his clergyman, to the mayor of his town, to his member of parliament and parade them from one end of the country to the other. In this way we would have just what we are endeavouring to avoid by creating a federal appeal board—more dissatisfaction and discontent amongst the returned soldiers. The requirements of the legislation are better carried out when the judgment of the board is given setting forth their reason for rejection of the appeal than if we force the members of the board to give the dissenting opinion and the reasons therefor.

Mr. VIEN: I will take the liberty of placing before the committee the reasons which have prompted the special committee to pass this section. This section must be interpreted together with the amendment that is contained in section 15 of this bill. The Federal Appeal Board has been reconstituted and its powers have been immensely enlarged. Prior to the present time the powers of the Federal Appeal Board were very limited. We have made these powers absolute in a sense that they now have jurisdiction to hear all cases that are decided upon by the Board of Pension Commissioners. Strong objection was brought forward as to cases of assessments, and it was stated that such cases should not come before the Federal Appeal Board for reasons which I shall not now repeat. But we granted an appeal even in cases of assessment under certain limitations which are set out in section 17. Giving the Federal Appeal Board an unlimited authority to hear appeals, our committee decided that the Federal Appeal Board, just because it is a tribunal of appeal, just because it deals with very important cases, should render its judgments in the form in which our tribunals all through the country render their judgments. The fact must not be lost sight of that, in many instances, a pension represents $10,000, $15,000, $20,000, $25,000 or more. Therefore, the judgments that are rendered by the Federal Appeal Board are just as important as judgments of the Supreme Court of Canada in cases of, say $20,000. The amount involved is enormous; and because it is, and because it was considered desirable that the Federal Appeal Board should not only give these cases their mature consideration but should also substantiate by reasons the judgments they deliver, we have declared that those judgments should be stated in practical form as are those of our courts of appeal. In other words the name or names of the member or members of the board who hear the appeal shall appear in the judgment, together with a medical classification of injury or disease causing disability, in respect of which the appeal has been made. It may be objected that it is difficult to indicate precisely what the medical classification is, but we must not forget that 90 per cent of those cases will be taken, as they are taken now, by the Federal Appeal Board on the medical classification of injury or disease. In order to find out whether a man is suffering from a disease which is attributable to service it must first of all be ascertained just what the disease is. One fact which must not be lost sight of is this, that in order to recover a pension the applicant must demonstrate that his incapacity is attributable to or was incurred during military service, and for the purposes of proving that, the medical classification is necessary. The Federal Appeal Board is not in any way limited by the judgment of the Board of Pension Commissioners; they are absolutely independent of that body. All cases which are heard before the Board of Pension Commissioners may be brought in appeal before the Federal Appeal Board, and we have deemed it wise to impose upon the Federal Appeal Board the obligation, when they give judgment, of justifying that judgment in detail. It is to ensure that this shall be done that we have provided these regulations.

Mr. SHAW: In answer to the hon. member for Quebec South (Mr. Power) I would point out that each of these qualifications in section 17 has been given very serious consideration and is amply justified. That hon. member wants to know how the members of the Federal Appeal Board can make a medical classification, but I need not remind him that the members of that board are in the same position as a court and can determine the classification on evidence. He complains because the members of the Federal Appeal Board are called upon to give their judgments in writing. There is no final court, however, which is not called upon to render reasons for judgment.

Mr. POWER: What court has the hon. gentleman in mind? Does he suggest that the dissenting judges are obliged to give their reasons? I have never heard of such a thing.

Mr. SHAW: I do not say that they are obliged to, but certainly in the Supreme court they do as a matter of practice.

Mr. POWER: When they like to.

Mr. SHAW: It is the practice in all the courts for reasons for judgment to be given. The importance of the provision here lies in the fact that if you do not insist upon reasons for judgment you will never secure uniformity in decision, whereas if you make it imperative that those reasons shall be given you will have some assurance at least that the judgments over a given period will be consistent with one another and that the decisions will be fairly uniform.

Mr. POWER: Do minority decisions constitute precedents?

Mr. SHAW: Sometimes they do, especially if subsequently the majority opinions are over-ruled. My hon. friend objected to one other point, and that was that the Federal Appeal Board were being called upon to give a medical classification. But there is a reason for that; it may be a case in which the Federal Appeal Board are called upon only to determine the attributability, and unless the Pension Board has information as to the nature of the disease they are not able to assess the pension. Under these circumstances my hon. friend will admit that the provisions here are all justified.

Mr. MARLER: Does the hon. member think that subsection (b) is essential, with relation to the minority report? It seems to me that it is only an encumbrance.

Mr. SHAW: It is important for the sake of the Federal Appeal Board itself and in order to ensure uniformity. But it is also important to the Pension Board. The Pension Board has in a number of casese called upon the Appeal Board to give the nature of the disease and the Appeal Board has said, "No; we simply find that the applicant is entitled to the pension." In some cases there has been a dissenting opinion and the Pension Board has been called upon to determine whether or not the Appeal Board has been acting within its jurisdiction; because the Pension Board is the body that pays the money. For that reason it is important that the reasons for minority judgments should be given.

[Mr. Shaw.]

Mr. CALDWELL: I cannot help thinking that there is something lacking in subsection (b). We had before the committee a case wherein the Pension Board decided that the applicant was not entitled to the pension and the matter was taken to the Appeal Board a majority of whom found in favour of the applicant. There was a minority of one against him. In that case I asked whether the judgment of the Pension Board was unanimous and if not whether we might have the minority report. Personally I am not in favour of minority reports because these decisions must be made by a majority.

Mr. POWER: Even if you had the minority reports, what difference would that make?

Mr. CALDWELL: It would not make any difference, certainly.

Mr. POWER: Would it do the pensioner any good?

Mr. CALDWELL: Certainly not. As a matter of fact this record is not sent out to the pensioner; it is put on his file for reference in case of a dispute between the Pension Board and the Appeal Board.

Mr. POWER: But what good would it do the pensioner?

Mr. CALDWELL: I am simply stating how the matter came about. I am not in favour of minority reports, but my point is this, that if you are to have a minority report from the Appeal Board there should also be one from the Pension Board. Take the Pension Board: two commissioners decide that the man is not entitled to a pension and one holds that he is. It goes to the Federal Appeal Board. The majority of the Federal Appeal Board decides that he should have a pension, but a minority thinks otherwise. If the case is to be adjudicated by anybody else—

Mr. POWER: Is it to be adjudicated?

Mr. CALDWELL: No; but if there is a minority report rendered by one board and not by the other there will be trouble. I am not in favour of a minority report being rendered, but this provides that the Appeal Board must render a minority report. Personally I should like to see subsection (b) cut out of section 17, because the decision must be made by the majority of the board, and the publication of a minority report will only cause contention. Therefore I move that subsection (b) of section 17 be stricken out.

Mr. ROSS (Kingston): In the opinion of the special committee the information which might be contained in the minority report would be very useful. The Pension Board may use the minority report in refusing to grant compensation, and a number of cases were submitted to us in which the minority report had been dug out from some place and used to the disadvantage of the applicant. We thought it would be advisable that such minority reports should be rendered and be incorporated as part of the record.

Mr. CALDWELL: In view of the fact that the Appeal Board must give the medical classification of the injuries causing disability as set out in these other subsections, do you not think that the reasons for their decision wi l be fully set out in the judgment? On the other hand, the minority report would be merely a bald verdict. I think subsection (b) would cause dissatisfaction.

Amendment (Mr. Caldwell) agreed to.

Section as amended agreed to.

On schedule B.

Mr. ROSS (Kingston): I have referred on two occasions, once in the House and again before the special committee, to a regulation which concerns ex-service men during treatment in hospital. If disability arises from a surgical operation during treatment the man is not entitled to compensation. I gave one case in particular which I think the House was in sympathy with and agreed that the regulation should be withdrawn. Has the minister given any consideration to its withdrawal?

Mr. BELAND: I will give consideration to that aspect of the regulation. I may point out to the committee that the performance of such an operation is only with the full consent of the man undergoing treatment. He may profit by it; he may suffer by it; but he is never forced to undergo the operation when it is for a disability which has nothing to do with war service.

Mr. ROSS (Kingston): It is very difficult for the service man to prove that he did not give his consent. I should like to see him placed under the meritorious clause.

Schedule B agreed to.

Bill reported, read the third time and passed.

PRIVATE BILLS

FIRST AND SECOND READINGS

Mr. W. M. GERMAN (Welland): I beg to move that the following bills from the Senate be read a first and second time and referred to the select standing committee on Miscellaneous Private Bills, and that rule 103 be suspended in reference thereto:

Bill No. 260 (W6 of the Senate), intituled: "An Act for the relief of Elgin Caughey".

Bill No. 261 (X6 of the Senate), intituled: "An Act for the relief of Alma Ducharme Mullins."

Motion agreed to.

REDISTRIBUTION

The House resumed from July 15 consideration in committee of Bill No. 2 to readjust the representation in the House of Commons —Right Hon. Mr. Mackenzie King—Mr. Gordon in the chair.

Mr. MACDONALD (Pictou): Mr. Chairman, there is a typographical error in the description of High Park constituency, which was formerly described as Humber-Vale. I would like the consent of the committee to return to that constituency, page 6, to enable me to move to strike out the words—

—"and Bloor street to the intersection of the line of the Canadian National Railway leading northwest from the said city, thence following the said line."

—in the sixth, seventh and eighth lines of the description and to substitute therefor the words "Bloor street and Lansdowne avenue."

Amendment agreed to.

Mr. MOTHERWELL: If I may have the consent of the committee to return to the Saskatchewan schedule, I have discussed with the members concerned the question of amending a clerical error and they agree that the change should be made. I move that in the last line of the description of Melville constituency, page 41, the following words be struck out: "together with the whole of the Pasqua Indian Reserve."

Mr. STEWART (Leeds): I suggest to the committee and particularly to the chairman of the special committee that the Chief Electoral Officer be requested to plot these constituencies on a map in order that all the areas included may be shown. The amendment just proposed seems to be all right, but some other descriptions may not be exactly correct and difficulty might be caused if they were not adjusted. By adopting this suggestion the different areas may be checked up and there would perhaps be time to make any necessary changes before the next election, at the next session of parliament.

Mr. MACDONALD (Pictou): I shall be very glad indeed to take up with the Chief Electoral Officer the matter referred to by my hon. friend. He advises me, however, that a great deal of care has been taken with the whole matter and that he does not think any substantial error will be found.

Amendment agreed to.

Mr. MOTHERWELL: Following upon that last amendment, I would move that No. 14, on page 42, Qu'Appelle, be amended by adding at the end thereof, after the figures 80 in the last line, the words "together with the whole of the Pasqua Indian Reserve".

Amendment agreed to.

Mr. MACDONALD (Pictou): Page 27, Nova Scotia.

Antigonish-Guysborough:

Mr. DUFF: I would like to move, seconded by Mr. Robichaud, that the following section be added to this schedule:

Provided that if the British North America Act 1867 should be amended by the parliament of the United Kingdom, before the taking effect of this act so as to provide that there should be no reduction in the representation of the provinces of Nova Scotia and New Brunswick, respectively, there shall be immediately upon the act of the parliament of the United Kingdom amending the said British North America Act 1867 to that effect coming into force in the province of Nova Scotia sixteen electoral districts, and the electoral districts of the province of Nova Scotia shall continue to be constitued and represented in the House of Commons as at present, except in the following particulars:—

1. The electoral district of Cape Breton South shall consist of that part of the county of Cape Breton not included in the electoral districts of Cape Breton North-Victoria and lying north of a line described as commencing in Mirabay and following the Mira river and Mira lake to Marion bridge, the Mira road to its intersection with the Morley road, the said Morley road to its intersection, immediately south of Portage East bay, with the main road between St. Peters and Sydney, the said main road to the intersection of the road leading to East bay and Gillisville and the said road to the waters of East bay.

2. The electoral district of Richmond-West Cape Breton shall consist of the county of Richmond and that part of the county of Cape Breton lying east of East bay and south of the electoral district of Cape Breton South as above described.

This provision, of course, would not come nto effect until agreed to by the parliament of the United Kingdom. It is desirable that Nova Scotia shall, if possible, retain its present representation. This is not a political matter. All parties in Nova Scotia have always contended that our representation should be what it is to-day, and I trust

10 p.m.

that all sections of the House will vote to have this section added to the Nova Scotia schedule.

[Mr. H. A. Stewart.]

Mr. MACDONALD (Pictou): Perhaps I should explain to the committee certain facts in connection with the matter which has been brought up by the hon. member. The matter which was referred to the Redistribution committee for consideration was the filling in of the schedules to the act. While we were deliberating as a committee we were approached by the Premier and the Attorney General of Nova Scotia and by some representatives of New Brunswick, who requested that we should recommend to the House of Commons that an address be presented to the British parliament to provide that the representation of these provinces should not be further reduced. It was a matter of doubt whether that question had been a part of the reference to the committee. My feeling as chairman of the committee was this: Our time having been so completely taken up with the task of considering and completing the schedules, it would hardly be right at this stage of the session to make any recommendation to the House on that question. But representations having come from these respective provinces, backed up by resolutions passed by the legislatures of both Nova Scotia and New Brunswick, it seemed to me that the matter was one which could not be ignored. Now, the amendment which my hon. friend from Lunenburg (Mr. Duff) has moved does not provide that there shall be any such granting of the request of these provinces by an act of this parliament because we have no power to do so even if we wished, but the situation in regard to the matter stands thus: The Redistribution bill which we are now passing is one of the most unique classes of legislation with which this parliament has to do. We pass it by virtue of the provisions which are contained in the British North America Act which says, that after every decennial census the parliament of Canada shall pass an act providing for the redistribution of the constituencies of the country. In my judgment once this bill is passed and receives the assent of His Excellency we become functus—so far as legislation is concerned we cease to have power to deal with redistribution. Our duties in this regard have been performed; they can only be performed every ten years. Whether our rights might not be invoked to the extent of correcting a technical error or not is to me a matter of doubt but there is no question whatever in my mind that under the power vested by the British North America Act, we can only legislate by way of redistribution every ten years. Therefore the matter

is in this position: These gentlemen can come to parliament next year and ask for consideration of the request which they submitted to this committee. The present bill does not come into effect until the next general election. If they come to parliament next winter and are able to convince us that their case is a good one and that we should ask the Imperial parliament by resolution to amend the British North America Act in accordance with their desires that course would be ineffective—supposing the Imperial parliament did that and supposing this parliament joined in asking that it should be done —unless we made provision in this bill, in my judgment, along the lines proposed by my hon. friend for Lunenburg. The effect of the amendment which is submitted to the reasonable judgment of the House is simply this: That if before the next general election the British parliament passes an act that there shall be no decrease of representation in these Maritime provinces, then we say that here is an alternative arrangement which goes into effect in that event. If next year this parliament does not pass a resolution then this will have no effect whatever. That is the situation created by the proposal. This parliament would not commit itself in any way to the principle of the suggestion by passing this amendment. And parliament cannot be held in any way to be committing itself to the granting of the request by adopting this provision. It simply creates a situation under which—seeing that we are approaching the end of the session and the matter can come up next year—if this parliament should decide to ask the Imperial parliament to grant the request then the bill would have the alternative machinery by which this would go into effect. That is the situation.

Mr. SHAW: What is the argument on which the minister bases his contention that we are not in any way bound if we now pass on the principle? If we pass on the principle contained in the amendment are we not bound by our action?

Mr. MACDONALD (Pictou): My hon. friend has not followed my argument closely or else I did not make myself clear. What I say is that if the British North America Act should be amended by the parliament of the United Kingdom before the coming into effect of the Redistribution Act, so as to provide that there should be no reduction in the representation of the provinces of Nova Scotia and New Brunswick then the schedule under this amendment would apply. But if the British parliament does not act, and if we do not call upon them by way of resolution to act, then this schedule is of no value, it does not come into effect and the schedule as it is contained in the bill will be operative without the amendment. Exactly the same course was taken in 1914 at the time of the last redistribution. At that time a proposition was submitted to the committee from the province of Prince Edward Island. The committee in that particular case recommended that the Imperial parliament should be asked to adopt the principle that there should not be a lesser number of members in the House of Commons from any province than there were representatives from that province in the Senate; and parliament in the Redistribution Bill of 1914 provided by resolution, exactly in conformity with the present amendment, the conditions under which, if the Imperial parliament adopted such an act, the schedule fixed should come into force. In this particular case we are not adopting the principle, and cannot adopt it because the matter has not come before the House in any form.

Mr. HOEY: Then what is the merit of the amendment? What is the object of pronouncing upon the question at this time?

Mr. MACDONALD (Pictou): I am afraid I have not made myself clear. Nobody is asked to pronounce upon anything.

Mr. HOEY: Then what value does the addition possess?

Mr. MACDONALD (Pictou): We are passing the Redistribution bill and in my judgment once we pass it it cannot be amended for another ten years. That is my point. As I said before we initiate legislation in this House by virtue of our inherent powers as a parliament so long as we keep within the lines of the subjects laid down in the British North America Act, section 91. Our power to pass a Redistribution Act is conferred by a special section of the act which says that only after each decennial census can we exercise that power. When we pass this act we cannot redistribute the seats for another ten years. That is why it is proposed.

The CHAIRMAN: Would the hon. gentleman deal with the point of order in respect of the amendment which is disturbing me somewhat. Section 2 of the bill, which has been passed by the committee, provides:

> The House of Commons shall consist of two hundred and forty-five members, of whom eighty-two shall be elected for the province of Ontario, sixty-five for the province of Quebec, fourteen for the province of Nova Scotia, eleven for the province of New Brunswick—

and so on. The bill has been passed with the exception of certain schedules. Now in Beauchesne's Parliamentary Rules and Forms it is provided:

An amendment on a question must not be inconsistent with the previous decision on the same question given at the same stage of any bill or matter. Thus words which the House or committee has decided to insert or retain cannot be altered, but additions may be made to them.

The doubt in my mind is this—

Mr. MACDONALD (Pictou): I did not hear any point of order raised.

The CHAIRMAN: Yes, it has been suggested to me by the hon. member for Leeds (Mr. Stewart). I am asking for some information on the matter if the hon. member can give it to me. May, at page 261 says:

An amendment is also out of order if it is inconsistent with the words of the motion which has already been agreed upon.

The bill has been passed to the point that it is declared and enacted that there shall be fourteen members for the province of Nova Scotia. That has been agreed to and the bill has passed beyond that point. Now an amendment is submitted which strikes me as being inconsistent with clause 2 which provides for sixteen members for Nova Scotia in the event of a certain contingency happening. Section 2 then cannot stand with this proviso and this enactment which will provide for 16 members. There will be an absolute conflict between the two. If hon. gentlemen could give me some light on the matter I might be better able to decide the point of order.

Mr. CALDWELL: Would it be in order to move to reconsider section 2?

The CHAIRMAN: No. I refer to May, page 267, where he states

It is a rule in both Houses—

The English rule is the same—

—which is essential to the due performance of their duties, that no question or bill shall be offered that shall be substantially the same as one on which their judgment has already been expressed in the current session.

A resolution may however be rescinded and an order of the House discharged notwithstanding a rule urged (2nd April 1604), "That a question being once made and carried in the affirmative or negative, cannot be questioned again, but must stand as a judgment of the House.

There will require to be notice given of a motion to rescind brought before the House in a proper way and carried in the House.

Mr. MACDONALD (Pictou): I may say that I think the motion of my hon. friend is

[The Chairman.]

in order. It is exactly in the same situation as the bill of 1914 in regard to the province of Prince Edward Island. The bill before the House in 1914 provided that the province of Prince Edward Island should have three members, but in the schedule an amendment was proposed, of which this one is almost in terms the same, practically the same in all respects, and it went through the House in that way and was embalmed in the legislation in that way.

The CHAIRMAN: I would like to have some information on that point if it is possible to get it. It strikes me as being absolutely in conflict with section 2.

Mr. HANSON: Will the chairman read the rule again?

The CHAIRMAN: There is a synopsis of the English rule at page 94 of Beauchesne, which reads

An amendment on a question must not be inconsistent with the previous decision on the same question given at the same stage of any bill or matter. Thus words which the House or committee has decided to insert or retain cannot be altered, but additions may be made to them.

The suggestion that came to my mind is this: Section 2 as passed declares that Nova Scotia shall have fourteen members. That quota of membership compares to and is based upon the membership of sixty-five for the province of Quebec. This provision enacts that upon the happening of a certain event the membership of the province of Nova Scotia shall be sixteen while section 2, the enacting section says it shall be fourteen, and it seems to raise a point that is a very serious one, and a difficult one perhaps to get over.

Mr. GARDINER: I think the point of order is well taken and I would suggest that if this House next year passes a resolution asking the British government to amend the British North America Act to permit Nova Scotia and New Brunswick to retain their present quota, then legislation might be passed by the Imperial parliament giving power to this House to amend the act, in order to allow those provinces to have their present quota of members. I think perhaps that would be the best way to get around this difficulty.

Mr. MARCIL (Bonaventure): It should never be forgotten that we are living under a confederation arrived at in an agreement between the various provinces. Confederation was made possible on the understanding that Quebec would be the basis of representation. I question very much whether an address

adopted by this House would be entertained for a single moment by the Imperial parliament unless all the provinces concurred. Confederation is a contract, and we have no power to legislate beyond the powers which we have been given under the Act of Confederation. These powers are that we may base the representation of this House on the representation of Quebec as it is at the time of the last census. There is another rule which is paramount, and that is that we cannot ask to obtain indirectly what we have no power to ask for directly. We have no power to ask for sixteen members for Nova Scotia, and we cannot by a roundabout method achieve the same result by the insertion of an amendment in this bill. I should think the position would be, Mr. Chairman, that the basis of representation cannot be changed, except with the consent of the province of Quebec, the legislature of Quebec and the representatives of Quebec in this House.

Mr. DUFF: Was that consent asked for and received when Prince Edward Island was given a representation of four members by a change in the constitution?

Mr. MARCIL (Bonaventure): I am speaking from memory, but my recollection is that the argument was brought forward by Sir Robert Borden at that time that Prince Edward Island had four representatives in the Upper House, and they were given the same number of representatives in this House. A special plea was made at that time.

Mr. DUFF: That is not an answer to my question.

Mr. MARCIL (Bonaventure): I do not know whether the other provinces consented. If you have the power to give Nova Scotia sixteen members, why is it not stated in the bill?

Mr. DUFF: Will the hon. gentleman answer my question as to whether the province of Quebec gave consent when the representation of Prince Edward Island was fixed at four?

Mr. MARCIL (Bonaventure): Not only has the province of Quebec to consent to this change, but the provinces which originally entered confederation have to consent. Before the basis of representation is changed we must have the consent of the provinces. The Imperial House would never consent and would never entertain for a moment the application without the approval of the contracting parties.

Mr. MACDONALD (Pictou): May I say to my hon. friend the ex-Speaker (Mr. Marcil) that he is entirely mistaken as to the fact that Quebec or any provincial legislature was consulted in 1914. There had been various amendments to the Representation Act since 1867 and this change in the representation was not made as a result of consulting any particular province at all. I was a member of the committee in 1914, and I remember the circumstances very well. When the matter came before the House of Commons, then practically in the same way as it has come before us now, the representitives of the province of Prince Edward Island came before the committee on redistribution, stated their case and made their argument, and the legislation which was recommended to the Imperial parliament was this:

> That in no province of the Dominion—

It is entirely general in its character—

> —are the number of members in the House of Commons to be ever less than the number of senators.

That is the way in which the resolution was proposed and the resolution being proposed, pending its passage by the Imperial parliament, this House was asked in the Redistribution bill in 1914—and I have before me the act which dealt with the subject—was asked first, as we see it in the schedule here, to provide for the number of members which the province of Prince Edward Island was entitled to receive as the law stood at that time. This is what was said:

> There shall be in the province of Prince Edward Island three electoral districts defined as follows: the county of Kings shall form and constitute the electoral district of Kings and shall return one member. The county of Prince shall form and constitute the electoral district of Prince and shall return one member. The county of Queens shall form and constitute the electoral district of Queens and shall return one member.
>
> Provided that if the British North America Act, 1867, should be amended by the parliament of the United Kingdom in accordance with the address of both Houses of the parliament of Canada in that behalf, passed at the present session, immediately upon the act of the parliament of the United Kingdom, amending the said British North America Act, 1867, in accordance with such address, coming into force, there shall be in the province of Prince Edward Island three electoral districts defined as follows:—
>
> 1. The county of Kings shall form and constitute the electoral district of Kings and shall return one member.
>
> 2. The county of Prince shall form and constitute the electoral district of Prince, and shall return one member.
>
> 3. The county of Queens shall form and constitute the electoral district of Queens and shall return two members.

That is the way in which the matter occurred in 1914, and in reference to the point

of order, let me say that I find here in the statute the following:

The House of Commons shall consist of two hundred and thirty four members, of whom eighty-two shall be elected for the province of Ontario, sixty-five for the province of Quebec,

And so on, and when it came to the province of Prince Edward Island it said:

Three for the province of Prince Edward Island.

This provision which is exactly similar to the one which we are discussing at present and which is proposed by my hon. friend, was made and passed this House.

Mr. VIEN: Will my hon. friend read the provision which concerns the representation as compared with that in the Senate? Does it apply only to Prince Edward Island or does it apply to all the provinces of Canada?

Mr. MACDONALD (Pictou): To all of them.

Mr. SHAW: The address to which my hon. friend refers, to the Imperial parliament had been passed already in 1914 at the time the Redistribution Act was passed.

Mr. MACDONALD (Pictou): Yes. That does not make any difference.

Mr. SHAW: It makes some difference.

Mr. MACDONALD (Pictou): What difference?

Mr. SHAW: This legislation must be taken to contemplate the possibility of effect being given to an address which had already passed the Canadian parliament.

Mr. MACDONALD (Pictou): Yes.

Mr. SHAW: Speaking directly to the point of order, I think it is well taken. The provision in section 2 deals finally and conclusively with the representation. Then by a subsequent amendment it is proposed to increase that representation subject to a certain contingency.

Mr. MACDONALD (Pictou): What does my hon. friend say to the clear precedent embodied in the statutes of this country in the last Redistribution Act which I have just read, where section 2 provided that Prince Edward Island should have only three members and where the schedule set out those three, but where it contained a clause exactly word for word with what my hon. friend proposes now? That evidence is the best precedent we can get in this particular case.

Mr. SHAW: I can answer my hon. friend's question by asking another. Can he assure the House that the point of order was raised in 1914 which is raised to-day? If it were not raised then, it could not be any conclusive judgment whether or not this particular legislation is in order. This particular point of order must be determined on its merits now because there is no precedent by which we can govern ourselves. Because it was not raised then is no reason why it should not be raised now.

Mr. VIEN: What is exactly the point of order?

The CHAIRMAN: The doubt I have in mind is this. Section 2 of the bill provides that the province of Nova Scotia shall have fourteen members. That has been passed and it is an enacting section of the bill. The schedule, which is not an enacting part, but which is descriptive, it is sought to amend now by providing that, if the British North America Act shall be amended, then there shall be sixteen seats for the province of Nova Scotia. The doubt has arisen in my mind whether or not this is inconsistent with section 2, an enacting section which has been passed by this committee. In Beauchesne's Parliamentary Rules and Forms, section 337, which is a summary of the English rule which has been adopted in Canada, reads:

An amendment on a question must not be inconsistent with a previous decision on the same question given at the same stage of any bill or matter.

May and Bourinot apparently follow that. Section 2 provides that there shall be fourteen members. The proposal is that in the happening of a certain contingency or event there shall be sixteen members.

Mr. MACDONALD (Pictou): May I point this out to you, Mr. Chairman—

The CHAIRMAN: Might I ask the Minister of National Defence (Mr. Macdonald, Pictou), to enlighten me upon one point that I am in doubt about also? The Prince Edward Island schedule in the statutes of 1914, chapter 51, reads:

There shall be in the province of Prince Edward Island three electoral districts defined as follows:

1. The county of Kings shall form and constitute the electoral district of Kings, and shall return one member.

2. The county of Prince shall form and constitute the electoral district of Prince, and shall return one member.

3. The county of Queens shall form and constitute the electoral district of Queens, and shall return one member.

Provided that if the British North America Act, 1867, should be amended by the parliament of the United Kingdom, in accordance with the address of both houses of the parliament of Canada in that behalf, passed at the present session, immediately upon the act of the parliament of the United Kingdom amending the said British North America Act, 1867,

in accordance with such address, coming into force, there shall be in the province of Prince Edward Island three electoral districts defined as follows:

1. The county of Kings shall form and constitute the electoral district of Kings and shall return one member;

2. The county of Prince shall form and constitute the electoral district of Prince, and shall return one member;

3. The county of Queens shall form and constitute the electorate district of Queens and shall return two members.

Mr. MACDONALD (Pictou): What does the Chairman want to know about that?

The CHAIRMAN: This indicates that it is not altogether in the same form. I do not know that there is much complaint about the form, but this indicates an inconsistency even in this act with the enacting section 2 providing for the quota of membership.

Mr. MACDONALD (Pictou): If my hon. friend's argument was brought to a logical conclusion, the hon. member for the county of Queens, P.E.I., has no business to be in this House. There should be only three members from Prince Edward Island if my hon. friend's contention is correct.

Mr. STEVENS: It might be worth while looking into.

The CHAIRMAN: I am asking for some assistance in the matter.

Mr. MACDONALD (Pictou): I am pointing out exactly what is the correct thing. If the enacting section in the act of 1914 is the controlling section, as is suggested now, then Prince Edward Island has a right to only three members. If my hon. friend says that it is not affected by the schedule, then Prince Edward Island has a right to only three members and one man has been sitting in this House for ten years without any right to be here. The situation at the present time is that, under the proper interpretation of the British North America Act, we can assign to the province of Nova Scotia only fourteen members. That is done as it was done in 1914 by section 2 of the bill. As was done in 1914, in contemplation of a possible application to the Imperial parliament to-day, whereas at that time an actual application had been made, we provide that if the additional number of members is given, this is the schedule for them. There is nothing inconsistent in that and we are pursuing a course which has a precedent behind it and which is justified entirely by the statute.

Mr. CASGRAIN: Was this point that has been raised to-night discussed by the special committee?

Mr. MACDONALD (Pictou): Yes.

Mr. CASGRAIN: What was the attitude of that committee on the point?

Mr. MACDONALD (Pictou): The situation, as I explained before, is that last year and this year the premiers, attorneys general and other gentlemen representing the provinces of Nova Scotia and New Brunswick appeared before the committee to make representations. The point was raised that the matter had not been referred to the committee and that we could make no deliverance upon it. The matter was not referred to us specifically, but the course was adopted that was adopted in 1914 when there was no reference to the committee in regard to Prince Edward Island and when they heard representatives from that province.

Mr. VIEN: I do not think it would be in order to discuss what took place in the committee. The schedule as annexed to the bill which is now under discussion is, so far as we are concerned, the report of the committee. Therefore, if we are asked to speak on the point of order now, I think it would be out of order to discuss what took place in committee. As regards the question of consistency, I am fully in accord with the hon. member for West Calgary (Mr. Shaw), that no matter what took place in 1914, it cannot bind this House in respect of the application of the rules to the study of the amendment which is now before us. I fully agree with the Chairman that there is here a question of order that cannot be overcome. It seems to me that the amendment to be consistent should first tend to amend a section in the bill and not only that, but the schedule giving the details of the various constituencies. It would be totally inconsistent to try to amend the schedule to provide 16 seats in Nova Scotia when the section of the bill referring to the representation of that province declares that there shall be 14 seats. No matter what was done in 1914, this could not be done. To my mind the position now is different from that of 1914. At that time an address had been presented and voted by both houses of parliament, and the parliament of Canada recommended to the Imperial parliament that the British North America Act should be amended so as to provide that the representation in the House of Commons should in no province be less than that of the same province in the Senate. That address, I say, had been presented and voted. There was some consistency on the part of the House in referring to that address in the schedule to the bill. But in this case

the situation is altogether different; this parliament has not presented an address to His Majesty praying for a change in representation. Speaking, therefore, only on the point of order for the time being, and leaving aside the merit of the question, on which it would be necessary for me to dwell at some length, I think that the point is well taken and that the amendment should be ruled out of order.

Mr. PUTNAM: We all recognize that the point of order is a rather difficult one to decide, and I shall attempt to speak to it only in two or three sentences. While, in the words of the hon. member for West Calgary (Mr. Shaw), the case of Prince Edward Island is not a controlling judgment, it is nevertheless a precedent to which very grave importance must be attached at this time. There was in the bill on that occasion the distinct statement that the total representation in the House of Commons should be 233 members, that of the province of Prince Edward Island to comprise 3 members. That, on the face of it, was contradicted in the event of the success of the prayer to the Imperial parliament. The bill at that time was read alternatively; it provided that the total membership should be 233 members, in the event of the petition to the Imperial parliament failing, and in the event of its being successful, 234, the province of Prince Edward Island to be given one more member. The bill was read in that alternative way, and so could this bill. In that alternative we should provide for 245 members, of whom 14 should be from Nova Scotia, if the prayer should not succeed, and, if it should succeed, 247, of whom Nova Scotia would continue to have 16.

Mr. VIEN: There is no prayer.

Mr. PUTNAM: There is one contemplated. My hon. friend does not advance his point one iota in saying that the prayer was in preparation in the other case.

Mr. VIEN: In the other case the prayer had already been sanctioned by both houses of parliament.

Mr. MACDONALD (Pictou): Not by both houses.

Mr. VIEN: Was not the address of 1914 voted by both houses?

Mr. PUTNAM: This is asking no more than that Nova Scotia and New Brunswick should have an opportunity to place their case before this parliament, and the address to the Imperial parliament is both technically and practically as imminent in this instance as it was in the other case.

Referring now to the merits of the question—and this may not be strictly in order—Prince Edward Island was saved its representation of 4 members for the reason that it was approaching the stark absurdity that its members of the House of Commons would be less in number than those of the Senate from that province, a clear violation of the spirit of confederation. If the members of parliament from any province are diminishing to a disproportion compared with its senators which the Act of Confederation never intended, even though their number is not down to the level of the number of senators from that province, they are in the same meritorious position to have that diminution stayed as they would be if the members of the House of Commons and those of the Senate, representing that province, were equal in numbers. The unintended disproportion could be validly checked even before the equality of numbers was actually reached as in the corrected case of Prince Edward Island.

Mr. LAPOINTE: I do not desire to speak to the point of order except to say a word or two on the proposal itself. I am sorry that owing to the fact that I had not anticipated this amendment I have not had an opportunity of considering the question as fully as I should have liked to. I speak with a great deal of diffidence on this question, for there is no man who would like more than myself to see the representation of the Maritime provinces remain at least as it is. We from the province of Quebec have always regarded our friends of the Maritime provinces as natural allies, and we still so regard them. So that from a sympathetic point of view alone, if for no other reason, we should certainly like to side with them in this matter. But there are considerations of the gravest importance which must influence our decision. Population was accepted at the time of confederation as the basis of representation; it was one of the resolutions adopted at the Quebec Conference which gave birth to confederation. And Nova Scotia and New Brunswick agreed to that resolution at the time, although Prince Edward Island protested.

Mr. MARTELL: If the minister will review the history of Confederation he will find that the electors of Nova Scotia never had an

opportunity to pass upon the question, nor had the legislature of the province. We were taken in by people who were not properly delegated to represent us.

Mr. DUFF: Before the Minister of Justice proceeds I would point out that at the present moment the merits of my resolution are not under consideration; the point of order is being discussed.

Mr. LAPOINTE: I thought it was more courteous for me to give my view of the merits of the question before the point of order was decided. Possibly I might not have a chance to say what I am now saying, and I should not like the matter to be discarded merely on a point of order. However, if my hon. friend persists—

Mr. DUFF: Oh no, I am not doing that.

Mr. LAPOINTE: Regarding the interruption of my hon. friend (Mr. Martell), I was dealing with the conference and the resolutions which were then adopted, and I was pointing out that Prince Edward Island at the time protested. Indeed, as far as I can recollect, they even declined to join confederation just on account of that resolution which adopted population as the basis of representation. Things, however, went on after confederation on that basis and after a census—not the first one nor even perhaps the second, but a later census—these provinces saw that their representation was decreasing and they appealed to the courts. An important case was submitted to the Supreme Court of Canada and afterwards taken to the Privy Council, and both the Supreme Court of Canada and the Privy Council decided that the letter of the constitution should be adhered to and the principle of population maintained as the basis of representation. I can recall a debate which occurred in this House in 1906 the report of which, as it appears in Hansard, I have by me. The question was discussed in the House on a motion of my hon. friend from King's, P.E.I. (Mr. Hughes) and I shall quote presently from the debate that took place on that occasion. I must dissent from the view of the Minister of National Defence (Mr. Macdonald) as to the necessity of having the consent of the parties to the pact of confederation before any change can be made in what was the basis upon which confederation was agreed to. I have here the words of Sir Wilfrid Laurier, reported in Hansard of 1906-07, at page 2199:

He said:

In parliament here we can do as we please; we are in the majority; but are the members of this House prepared to say that if any province finds itself aggrieved by the terms of confederation, which have been accepted by all the provinces, they will ask the British parliament to alter the constitution in the way desired by that particular province? Such a course might be followed by very serious consequences. Confederation is a compact, made originally by four provinces, but adhered to by all the nine provinces who have entered it, and I submit to the judgment of this House and to the best consideration of its members, that this compact should not be lightly altered. It should be altered only for adequate cause, and after the provinces themselves have had an opportunity to pass judgment on the same.

And Sir Robert Borden, then leader of the opposition, following Sir Wilfrid, spoke as follows:

I agree with what has been said by the right hon. gentleman regarding the undesirability of lightly amending the terms of our constitution and am inclined to agree with him on the necessity of some consultation with the provinces, although of course all the provinces are represented here. But inasmuch as this is a federal compact which we are asked to vary, it is only right that each province should be consulted and its decision given, in the right of its separate entity.

Mr. HANSON: Would the minister kindly say what was the immediate subject under review in that debate?

Mr. LAPOINTE: A motion by my hon. friend from Kings, P.E.I., (Mr. Hughes), for the purpose of parliament voting an address to the Imperial parliament for an amendment to the British North America Act to give better representation to Prince Edward Island, Nova Scotia and New Brunswick.

Mr. MARTELL: Did they go to the various provinces?

Mr. LAPOINTE: I do not know.

Mr. HANSON: Was the province of Quebec consulted in 1914 when the address was passed?

Mr. LAPOINTE: I cannot speak definitely on the matter; if I had known it was coming up I would have had all the information at hand. But I am under the impression that the provinces were consulted even in regard to the change that was made in 1914. I do not think that in such an important matter an address should be voted to the Imperial parliament for the purpose of altering one of the most important and essential bases of the agreement which was entered into by all the parties to confederation. I repeat, although I should like Nova Scotia to retain her sixteen members—I do not think it would hurt any other part of Canada even if Nova Scotia had the representation which she enjoyed at the time of confederation—this cannot be done in the way now proposed. I believe that there should be a conference with the provinces before any such decision is reached.

Mr. MACLEAN (York): It is proposing to shoot holes in the constitution.

Mr. LAPOINTE: I do not think my friends from Nova Scotia want to shoot holes there; but I believe the procedure proposed should not be adopted.

Mr. DUFF: I may be allowed to interject just there?—If this amendment which I have moved is agreed to by the House, it will do exactly what the Minister of Justice says it will not do; in other words, it will give this parliament—the House of Commons and the Senate—an opportunity next session to move an address to the British parliament. In the meantime all the provinces can be consulted and can either give or withhold their consent. So my amendment should certainly be agreed to by the Minister of Justice and by every other member, for it does not hurt any one.

Mr. LAPOINTE: Does my hon. friend think it is the logical method of proceeding?

Mr. DUFF: How else can it be proceeded with?

Mr. LAPOINTE: His amendment affirms that under the constitution as it now is there should be only fourteen members.

Mr. DUFF: No.

Mr. LAPOINTE: Yes. But if the provinces agree—it is not said that they are to agree, but my hon. friend now is in accord with my argument—that there should be an amendment to the constitution, and if parliament subsequently votes an address to the Imperial parliament, and if the Imperial parliament enacts legislation amending the British North America Act, then the amendment of my hon. friend will have its full force and effect.

Mr. DUFF: Absolutely.

Mr. LAPOINTE: Well, I think those three things should be done first, and the amendment come afterwards.

Mr. MACDONALD (Pictou): I am afraid that my hon. colleague, the Minister of Justice has altogether misapprehended the question that is really before the House. The point made by my hon. friend from Lunenburg (Mr. Duff) is that unless some provision is now made to provide for a condition that would follow from the action of the Imperial parliament, the whole matter is tied up for a period of ten years from the passing of this bill. And, as he very well points out, if it is desirable that the provinces should be consulted in regard to this matter, by passing the amendment full opportunity for this purpose is given in the interval before parliament can act in another session.

However, I do not assent to the proposition, as a matter of constitutional law or right, that the provinces ought to be consulted, because I know that in 1914 the consent of the provinces was not asked in regard to the action of parliament. I was fully in touch with the situation, being a member of the committee and aware of what was being done, and I followed the debate with very keen interest indeed. On that occasion parliament, on its own initiative, chose to pass an address which dealt with the question of our representation being affected. Let me make clear the case of the Maritime provinces. It has been said that the decision of the court in 1903 militated against the rights of those provinces. I had the honour of being engaged on that case and of presenting argument before the Supreme Court of Canada, representing my province. Section 51, subsection 4 of the British North America Act reads as follows:

> On any such readjustment the number of members for a province shall not be reduced unless the proportion which the number of the population of the province bore to the number of the aggregate population of Canada at the then last preceding readjustment of the number of members for the province is ascertained at the then last census to be diminished by one-twentieth part or upwards.

That language is very involved. It is what is known as the saving clause in regard to representation. The only question involved in the argument before the Supreme Court of Canada and the Privy Council was as to the meaning of the word "Canada" in that section. It was contended by Ontario, New Brunswick and Nova Scotia that "Canada" meant the four original provinces of confederation and that the comparison provided for under the saving clause was to be made between the population of the province interested and that of the four provinces forming the original confederation. The contention of the province of Quebec, which was shared in by the Dominion, was that Canada did not mean those four provinces but included all the provinces of confederation. British Columbia had come in and Prince Edward Island had come in. When British Columbia came in the principle of representation by population was violated because in her case a minimum number of members was provided for. With regard to the entry of the Maritime provinces into the

confederation, the Hon. George Brown, the father of "rep. by pop." said, as quoted in Pope's Confederation Documents:

The practical result—

Referring to the provisions in regard to redistribution,

—will be that while Lower Canada certainly will not be less and the Lower Provinces may increase in population, they cannot decrease the number of representatives. It keeps the House within a reasonable limit.

That was the statement made by the Hon. George Brown prior to confederation as to the effect of this saving clause. Now what has occurred?

Mr. SUTHERLAND: May I ask whether the point of order has been disposed of?

The CHAIRMAN: No.

Mr. MACDONALD (Pictou): I am simply making some reference to the case of the province, dealing with the remarks of my hon. colleague, in order that there may be no misunderstanding. What has occurred? When you come to apply the saving clause to-day you find that the great province of Ontario has extended her boundaries to Hudson bay. Manitoba, formerly referred to as a postage stamp on the map, has also extended her boundaries to Hudson bay, and Alberta and Saskatchewan, originally territories and under the decision of 1903 not to be included as a part of Canada, have become provinces. So that under these conditions the benefit of the saving clause has been lost. Moreover, the Maritime provinces are so situated that there is no possibility, either now or at any time in the future, of their adding one foot to their territory.

Mr. STEWART (Leeds): The minister is discussing the effect of the saving clause. Nova Scotia's loss of representation does not arise under that saving clause or because of the working of it, therefore the resolution has nothing to do with what the hon. gentleman is now discussing.

Mr. MACDONALD (Pictou): My point is this: So far as the Maritime provinces are concerned, section 51, subsection 4
11 p.m. of the British North America Act, known as the saving clause, is not operative, as George Brown said it would be, because you have to take into consideration the population of all these other provinces that have come in, with their extended territory, I must apologize for speaking at such great length, but I wanted to make clear at least one aspect of the case presented, as I have said, by the Prime Minister of Nova Scotia, by the Attorney General of the province and representatives of New Brunwick and counsel engaged on their behalf. It does seem to me that arguments presented so strongly by representative public men are at least worthy of reasonable consideration. We are straying somewhat from the point of order, and I do not want to go back over the discussion except to say this: That provision might well be made in this bill so that the question may be dealt with if it comes up next year; or it may be desirable in the meantime to consult the other provinces on the subject and get their opinion. In that case we are providing for something to be done if the House chooses to do it; if the House does not choose to do it the matter remains as it is and nobody can be injured by this resolution.

Mr. HANSON: Upon the point of order being raised I had not intended to make any observations in this connection, but the Minister of Justice (Mr. Lapointe) and the Minister of National Defence (Mr. Macdonald) have discussed more or less the merits of the case and I shall crave the indulgence of the committee while I make a few remarks in that regard. As the representative of a constituency in New Brunswick I am in sympathy with the principle underlying the amendment proposed by the hon. member (Mr. Duff). Were it not for the fact that there would be a discrepancy between the representation of Nova Scotia and that of New Brunswick I would have been happy to move the amendment myself. That, however, is a matter of detail which need not be dwelt upon at this stage. The people of the two Maritime provinces of New Brunswick and Nova Scotia feel very strongly on this question of loss of representation. We have every right to believe, judging from the statements made during the confederation debates, that had it been anticipated that the original provinces of confederation might lose their original number of representatives, ample provision would have been made to prevent such a contingency. But there was no thought of that kind. The contingency has now occurred, and the fact that it has been in the mind of other provinces is shown in the case of British Columbia, where a minimum was fixed upon the province entering confederation. As a representative of the province of New Brunswick I desire to give my adherence to the principle underlying the amendment moved by the hon. member for Lunenburg. I hope that no mere technicality, however well founded, will prevent a proper discussion of the question now

at issue and the sense of the committee being taken. I should like to add that the people of the Maritime provinces are a unit in connection with this matter. They feel very strongly the loss of their representation, and they will not willingly allow this thing to go on census after census, our representation dwindling, as it is dwindling from twenty-one to fourteen in the case of Nova Scotia and from sixteen to eleven in the case of New Brunswick. We desire to protest against that. We think that in the interests of justice this process should be stopped and stopped now.

Mr. ROBINSON: As to the point of order it seems to me we have wandered quite a distance from it. At the same time I wish to express the same sentiments as the hon member from New Brunswick who has just taken his seat. I regret the loss of representation in the province of Nova Scotia which is anticipated by the present bill. I point out to the House that this decreased representation is not due to a decrease in population, but simply because our population has not increased in proportion to that of the province of Quebec. I do not think there is any sectionalism involved in this question at all. The Maritime provinces for geographical reasons are placed by themselves, and as the preceding speaker said the people of those provinces are a unit on this question. I would point out that there is a certain amount of dissatisfaction in the Maritime provinces to-day—dissatisfaction with present conditions. We entered confederation under peculiar circumstances, and the people of Nova Scotia are trying to-day to find out, if possible, what the causes of our present lack of prosperity are. There are those in the province of Nova Scotia to-day who attribute all our evils to confederation and they point to the fact that we are losing our representation. I do not believe it will tend to create a better feeling in the minds of the people of Nova Scotia if no attempt is made by this House to cure in any way what we believe was never intended when confederation was brought about—that any one province should have its representation diminished in the Canadian parliament. Where is this going to end? Suppose the province of Quebec increases in population it may mean a further loss of representation to the Maritime provinces, a continual loss until we lose any influence or power we may possess in this House. I merely rose to express my regret that in passing a Redistribution bill the province from which I come should lose two of its members.

[Mr. Hanson.]

Mr. MARTELL: I should like to crave the indulgence of the committee for a few minutes, and in doing so I intend to be very brief. In the first place as the representative of the county of Hants—a county which is now being amalgamated with its next door neighbour—a county which fought the last Anti-confederation fight and in the breasts of many of whose citizenship still rankles the old spirit of anti-confederation, a county whose sons have learned from their forebears that confederation was a bane and was the thing that brought about all our evils in the province of Nova Scotia, I feel impelled to speak frankly upon this question.

When confederation was entered into in 1867 Nova Scotia at first refused to send delegates to the conferences which took place. But there were one or two self-constituted negotiators who entered into the confederation pact on behalf of Nova Scotia. When that pact was submitted to the people at the polls only one confederate was elected in the whole province of Nova Scotia. Subsequently there were other elections in which confederation was the dominant issue, and on all these occasions the people pronounced against that principle. After confederation was brought about the county that I have the honour of representing—which I believe is to pass beyond being a single constituency as a county—fought what was termed the last anti-confederation fight. The Hon. Joseph Howe, who had been the leader of the anti-confederates, came to Ottawa—I need not refer to his journeys to England where he was met by Sir Charles Tupper in an endeavour to offset what he was doing to get Nova Scotia out of confederation—and there some malign influence got control of him. He was upbraided to some extent by his electors but assured them that they need have no fear as he would never consent to the confederation. However, a few weeks afterwards he accepted a position in the cabinet at Ottawa, came down to the county of Hants, and told the electors that he was labouring to make the best of a bad bargain. A writ was issued for the election in 1869, and Mr. Howe appeared before the electors of the county of Hants for the purpose of getting an endorsement from them for his action in accepting what he termed better terms for the province of Nova Scotia and giving as a quid pro quo his consent to the previous arrangement. The feeling was so bitter in that county it was found at that time that the chances of Mr. Howe being elected were exceedingly weak, with the result that the party in power at Ottawa cancelled the writ for the election,

a thing which was never before known in the history of British parliamentary government. Subsequently the government brought on an election in the dead of winter, and the anti-confederates being poor farmers were unable to cope with the great amount of organization that was put against them in the county of Hants. However Mr. Howe was elected but still from time to time we have pronounced at the polls in the province of Nova Scotia against confederation. Not that we would be against a confederation which would give us justice; but we are against the system which obtains in this country at the present time which makes the people of Nova Scotia the servient tenants in all cases.

As my colleague who spoke a few minutes ago said, the province of Nova Scotia has a peculiar geographical situation. Our natural markets are in the New England states, and if we are going steadily to lose our representation so that our voice will not be strong enough to assert the claims of that province in this parliament then I fear that the day will come when the natural result must be that we will have to apply to the British parliament not for an amendment to the British North America Act giving us a minimum of representation but—and I say it without fear of contradiction—there will be a desire in the breasts of the people of the province of Nova Scotia, or a great majority of them, that we come to this parliament and endeavour to get a resolution passed praying that the British government will enable us to get out of the confederation pact.

Things are not improving in the province of Nova Scotia to-day. Our young men are going to the United States. I do not want to enter into a political discussion but we attribute this condition partly to confederation and a great deal of it to the fiscal policy which prevents us from dealing with our neighbours to the south. Our natural markets are in the United States. As Joe Howe once said "If you threw a grindstone into the bay of Fundy and it could float it would float to Boston." At the time of confederation we were very optimistic with regard to the future of our province. It was not thought at that time that we would ever be reduced to the status that we find ourselves in to-day as regards representation or population. If I remember right that great statesman, Howe, said that he knew the day would come when Nova Scotia would draw from every creek and cove and harbour of her inexhaustible fisheries; that her children would share the treasure, and that the day would also come, when Nova Scotia, small as she is, would maintain half a million of men upon the sea. As a result of confederation the Maritime trade has gone down. Our people to-day are not to the extent of twenty-five thousand upon the sea. We should not take the British North America Act, as my hon. friend from Bonaventure (Mr. Marcil) has said, and hold it up as a pact, which must remain for ever inviolate. Are we not to be a progressive people in this country? Are conditions not somewhat different from what they were sixty years ago? If new conditions arise, do they not involve some change from the past and should we not view and consider them in the light of the conditions obtaining to-day?

Mr. MARCIL (Bonaventure): If the other provinces are going to keep up their representation why should Quebec consent to remain at sixty-five? If Quebec were to receive an increase in proportion to the increase asked in other provinces we might have seventy-five members.

Mr. MARTELL: I have every respect for my hon. friend from Quebec, and by the way they elect members, I would like to see them have two hundred.

Mr. VIEN: Would my hon. friend accept the suggestion that the province of Nova Scotia should have twenty-three members, as they had at the time of confederation, and that they should then become the pivotal province in the matter of representation.

Mr. MARTELL: I think I would be quite content with that so long as we hold what we have. But coming down, Mr. Chairman, to this question of the confederation pact, four provinces originally entered into that covenant, namely Nova Scotia, New Brunswisk, Quebec and Ontario. Prince Edward Island did not come into confederation at that time. At the time of confederation, when this agreement was made between the four original provinces, all of the provinces had well defined geographical confines. The province of Quebec had a certain defined area. The province of Nova Scotia, the province of Prince Edward Island and the province of New Brunswick also had certain geographical confines. But since 1867 the boundaries of the province of Quebec have been enlarged as have also the boundaries of Ontario. We have no means by which we can enlarge our territory, for, as Mr. Howe said, we have all ocean practically wrapping us around.

Since confederation came about in 1867 British Columbia came into the pact, and was given an irreducible minimum. The

boundaries of other provinces have been enlarged and other provinces have been created out of the Northwest prairies. These matters were not contemplated at the time of confederation, they were not taken into consideration; therefore there should be a new agreement for the conditions of to-day.

Mr. HALBERT: The Maritime provinces are not the only ones that have lost representation since confederation. The representation of Ontario has been reduced by ten in a few years.

Mr. MARTELL: But your percentage of reduction has not been so great. Our representation was up to twenty-one, and we are now down to fourteen. Moreover when there is little over half of a fraction, not sufficient to give an extra member, we do not get the extra member as swiftly as you for when you have a larger population it is easier for you to compute that fraction than if you have a smaller population.

I am not going to labour the matter any further. I want to congratulate the members of the Redistribution committee on the manner in which they have performed their work. As far as I can see they have done their work fairly, equitably and well. So far as redistribution in the province of Nova Scotia is concerned, I do not see with the law as it is, how they could have done anything more than they have done. It is hard for me, representing the historic county of Hants, to have to go back to my people and say: While you of Hants vote for provincial rights, for the stern old province of Nova Scotia, I am sorry that at the time when I was your representative in the House of Commons Hants as an independent constituency was taken away by an unbending law in whose enactment you had no say, and I have only this hope to express, that our friends in the House of Commons will see the iniquity of the matter, that they will accept the amendment of my hon. friend from Lunenburg, in order that equity shall prevail, in order that the letter of the law in this country shall not be maintained against that which is fair, just and right in spirit in the interests of the good province of Nova Scotia.

Mr. McBRIDE: I am opposed to this amendment. Indeed it seems to me that Canada is top heavy with government. We have our municipalities, our city councils, our provincial governments and our Dominion government, and old Grandfather has got to have the final say. As I see it, in the interests of the taxpayer we ought to reduce our representation, and reduce the cost of government to the country, instead of trying to increase it, and I can say if this resolution is carried, it is letting in the thin end of the wedge. If they give Nova Scotia a representation of a certain number, even if the population disappears they will still have that number of members here. Why should not that principle apply to other provinces besides Nova Scotia? Why should they make fish of one and flesh of another? I see no just reason why this amendment should carry, or that they should get special consideration more than any other part of Canada, and I hope to see the day when representation in this parliament will be reduced fifty per cent. I say that in all seriousness.

Some hon. MEMBERS: Oh, oh.

Mr. McBRIDE: Fifty per cent at least, I should say.

An hon. MEMBER: How about the Senate?

Mr. McBRIDE: And the Senate should be reduced to the same extent. We are sent down here to do the business of the country.

Mr. LAPOINTE: Will my hon. friend confine his statement of a fifty per cent reduction to the Senate and leave us out of it?

Mr. McBRIDE: No; I can see no reason why British Columbia should have thirteen members in this House. I can see no reason why the half of that number should not represent us in this House when we have a provincial government, and if we are going to set the example to the Civil Service and other people carrying on the business of this country I think we should begin at the top. I do not think the members of parliament are overpaid, but parliament is overmanned. I do not think the Civil Service is overpaid, but it is overmanned. If we keep on increasing our numbers, when will we get through? We will be sitting here ten months in the year. We have at present too many in this House whose main object is to get themselves reported in Hansard.

Mr. PUTNAM: Speaking very closely to the point of order and possibly on the point of order, the Minister of Justice (Mr. Lapointe) laboured the desirability of consulting the provinces. We should remember that in spirit and practically the provinces would necessarily be consulted. When this comes up in the anticipated debate whether or not

a petition should be sent to the Imperial parliament, it is inconceivable, on that expected discussion, that if there were any real objection from any province, that objection would not be well voiced by the representatives of that province in this chamber. One thing is substantially certain that from three of the nine provinces there will be no objecat all. There would be none from New Brunswick, none from Nova Scotia, and none from Prince Edward Island, because it is still grateful for the treatment it received and it is no doubt willing to obey the golden rule. The last hon. gentleman who spoke (Mr. McBride), dealt with this as though we were now on the merits. We must not lose sight of the fact that that is not so. We are asking for an opportunity to make our case and this would take some time undoubtedly, as it could not be done in one evening. If you, Mr. Chairman, have any fair doubt in your mind, as this is merely a request that those provinces directly affected have a chance later on to make their case, and as no harm has resulted from a practically parallel case in Prince Edward Island, I would respectfully ask that you bend your doubt as much as you conscientiously can to allow the case to stand.

Mr. GARDINER: I would suggest that the point of order that has been raised should be first decided before we proceed any further in this debate.

The CHAIRMAN: Hon. members have a right to speak on the point of order. Does any other hon. member wish to address himself to that question?

Some hon. MEMBERS: Question.

The CHAIRMAN: An amendment has been moved by the hon. member for Lunenburg (Mr. Duff), and the Minister of National Defence (Mr. Macdonald) has argued in support of it that it is in order. Section 2 of the bill has been passed—in fact all the enacting sections of the bill have been passed —and it provides that for the province of Nova Scotia there shall be fourteen members. Section 3 provides for electoral districts to be established as provided in the schedule, so the schedule becomes a part of the bill as an exhibit to an instrument. The schedule is not an enacting section of the bill; it is a descriptive part of the bill. The bill has been passed to the point of the schedules by this committee and this amendment is moved by the hon. member for Lunenburg. It is an unpleasant and a difficult task for me to give my opinion against that of such a well known lawyer and counsel as the Minister of National Defence. Under the rules and practice which are laid down very neatly at page 97 of Beauchesne, section 337 reads:

> An amendment on a question must not be inconsistent with a previous decision on the same question given at the same stage of any bill or matter.

That follows May which expresses the same idea but uses a good deal more verbiage in doing so. May at page 261 says:

> An amendment is also out of order which is inconsistent with the words of the motion which have already been agreed upon.

Section 2 provides that the number must be fourteen and that there can be no more nor less. This amendment provides that, in the happening of a certain contingency or event, there may be sixteen. I feel that this amendment cannot be in order and I so rule.

Mr. MACDONALD (Pictou): I move that the schedule for Nova Scotia be passed in whole as it stands. It has been agreed to and there is no question that it is correct.

Schedule agreed to.

Bill reported, read the third time and passed.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

SENATE AMENDMENTS

Right Hon. W. L. MACKENZIE KING (Prime Minister): The managers beg to report that they have duly held a conference with the managers appointed by the Senate with respect to the amendments made by the Senate to Bill No. 7, to amend the Industrial Disputes Investigation Act, 1907, and that the managers for the Senate have insisted on the amendments made by the Senate with respect to the appointment of a member of the board by the Chief Justice of a court of last resort of the province or the Chief Justice of the Supreme Court of Canada, and that your managers have refused to agree to the same amendments. It is found impossible to come to an understanding.

MILITIA ACT AMENDMENT

Hon. E. M. MACDONALD (Minister of National Defence) moved the second reading of Bill No. 169, to amend the Militia Act.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Militia may be called out to suppress riot.

Mr. STEVENS: Will the minister give us a brief statement of the purport of this bill?

Mr. MACDONALD (Pictou): This bill is presented following the passage of a resolution on the 6th day of June and it is intended to carry out in some respects the recommendations which were made by what is known as the Robertson commission who sat last fall to take evidence concerning the calling out of the militia in connection with a difficulty that occurred in Cape Breton. Under the law hitherto the militia could be called out upon a requisition made either by the mayor of the community in which the difficulty arose or by a judge, who was empowered to issue to the officer in command of the military district a requisition for the supply of certain troops. The officer in command thereupon proceeded to call out the troops and they remained until the trouble was over. The commission recommended that there should be another intervening party in addition to the judge, namely, the attorney general of the province. The theory on which the legislation is put forward is that the duty of preserving order in any particular province in the administration of the criminal laws rests in the hands of the attorney general. In some provinces there are provincial police but in others there are not. Another situation has arisen which has to be taken into consideration. During a considerable number of years the cost of maintaining the troops who were called out has fallen upon the municipality in which the disturbance takes place. But in practice that provision has been nugatory and the cost of the troops has not been collected. Under the law now proposed the province in which the difficulty arises will be liable for the expense. These in a general way are the provisions.

Section agreed to.

On section 2—Attorney general may requisition active militia upon judge's notification.

Mr. HANSON: I wish to reiterate the opposition I advanced against the underlying principle of this legislation when the resolution was introduced. I do not think that the calling out of the militia in such important cases as are contemplated by this act should be left in the hands of a political official of any government. I know that in the province of Nova Scotia where certain grievances have occurred within recent months which perhaps have occasioned this bill, there is the strongest opposition to the principle underlying it. I had in my desk a clipping from the Halifax Chronicle, a newspaper supporting this government, a newspaper which might be said to be the mouthpiece of the minister (Mr. Macdonald), protesting in the strongest terms against the underlying principle of the measure, and for the very reason to which I have alluded. The calling out of the militia is in itself an enormously important event in connection with any industrial dispute; and while I am not going to offer any criticism of what has been done in the past, because I really am not in a position to form what might be considered a well founded judgment, yet I do assert that it is a step which should be taken only as the last possible resort. I do further submit that the decision to call out the militia should never rest in the hands of one who after all is purely a political officer of the provincial government. It is all very well to say that the provinces or the local municipalities should bear the cost, but history proves that they have never done so except in the most extraordinary cases. I can call to mind instances where the cost of supporting the militia would practically break an ordinary municipality; it would not be possible for them to meet the expenses. And as a matter of fact no government in Canada has ever taken strong ground on this particular point. Theoretically, what the minister has said is true, but practically it can be given no effect to at all. I want to voice the protest of those who feel as I do, and as many of the minister's friends in Nova Scotia do, that the placing of the onus on the attorney general of the province is not a wise departure; it should be left in the hands of either the local municipality or some judicial functionary.

Mr. EVANS: The calling out of the militia to preserve peace is in itself a very important matter; it is a very serious matter. This bill seems to have been made necessary by the dealings of that celebrated concern known as the British Empire Steel Corporation with their men. I believe that we have had more trouble with that company in their dealings with employees than has been occasioned by any other company in Canada. After all the benefits which the Dominion government has bestowed on them they have caused more trouble in labour disputes than any other concern in the Dominion. We have given that company in the way of concessions as free gifts of money during the last few years some $14,000,000.

The CHAIRMAN: The hon. member is not in order. This section relates to the question of calling out the militia on a judge's notification and the hon. member's remarks are not strictly relevant.

Mr. EVANS: I was saying that the calling out of the militia is sometimes made a good

deal too easy and when the municipalities have to pay the cost it becomes a very serious question. I think that a little investigation into the dealings of some of the companies with their men would perhaps be a good thing at this stage of the game; and if it is found, as I believe it has been found in Nova Scotia, that these men were treated unfairly and were simply goaded into rebellion, it is up to the company to pay a part at least of the cost. I protest against the calling out of the militia except in the most extreme circumstances. I have been trying to imagine what it feels like to be under military control. I should think it must give any body of men a feeling that they are outlaws, and altogether it is not wise that the militia should be called out except where the conditions overwhelmingly demand this course.

Mr. CLARK: Under what circumstances will the judge act? My point is that the judge should not be put in the position of coming to a conclusion as to whether or not the circumstances warrant the calling out of the militia.

Mr. MACDONALD (Pictou): In that respect we are making no change in the law. The county court judge will continue to act as in the past, but there will come in an intervenant in the person of the attorney general of the province, whose attention the judge will direct to the circumstances. Everything is brought before him in the ordinary way as it always has been.

Mr. CLARK: But the old act stipulated that "the mayor or warden or other acting head of the municipality, together with two justices of the peace," should act.

Mr. MACDONALD (Pictou): If the hon. member will read a little further he will see where the county court judge comes in.

Sir HENRY DRAYON: The county court judge is only called upon in the second place, that is all.

Mr. CLARK: Yes. Here the responsibility is put upon him to take initial action. I do not think the law ever contemplated that the judge should be put in that position.

Mr. CHURCH: This legislation may be all right in Nova Scotia, but in my opinion to upset a course of procedure that has worked well ever since confederation is a very dangerous departure. The chief of police will now fold his arms and say, "I will let the attorney general keep law and order." As chairman of the Board of Police Commissioners of a big city for seven years, I can testify that the present law works admirably. The chief of police is the proper person to maintain law and order. In the city I come from our police administration costs two and a half million dollars a year owing to the heavy duties imposed on the force by legislation respecting traffic and other matters. In my opinion it is very bad judgment to call out the militia except in very rare cases. I venture to say that if a survey were made of the country you would find there is no demand for this legislation from the police commissioners of the municipalities chiefly affected. The machinery now proposed is too cumbersome, and the maintenance of law and order in the event of a riot is far more important than ensuring payment of a few hundred dollars.

Section agreed to.

On section 82—Officers to call out militia.

Sir HENRY DRAYTON: I certainly think the minister's first statement was made hastily and in error. Under the present law the requisition does not have to be made by the judge; he is the secondary person to whom application could be made. We all know that the duty of maintaining law and order is thrown upon the police commission and the mayor. He is making the whole machinery hinge on the attorney general. Why not follow the old language, "the mayor, warden or other acting head of the municipality or a judge," and so allow the notification to go to the attorney general from the gentlemen who primarily have to do with the enforcement of law and order?

Mr. MACDONALD (Pictou): I am instructed that for the last ten years the practice has been to appeal to the judge, and consequently this change will throw no particularly onerous duty on our judges.

Sir HENRY DRAYTON: What is the occasion for this amendment, is it because we have not been able to get payment in the past and hope to do so in the future?

Mr. MACDONALD (Pictou): The municipal authorities did not invoke the law, it was invoked by the county court judge. As provincial police forces are in existence in most of the provinces, it was felt that the attorney general was the proper official to intervene in these matters, and therefore the bill is submitted in the belief that it will work out much more advantageously than the existing statute. When the resolution on which this bill is founded was before us the

right hon. leader of the opposition (Mr. Meighen) desired me to get him the opinion of the Justice department in regard to the effect of sections 82 and 83.

Mr. MEIGHEN: What is the effect of the opinion?

Mr. MACDONALD (Pictou): The question involved was the extent of the powers of the district officer commanding, under section 81 of the old act, to summon men from military districts outside his own. The practice in the past was for the district officer commanding, proceeding under section 81, to call out the permanent militia not merely in his own province but outside, through the intervention of the Adjutant General. In order to meet the objection raised by my right hon. friend I wish to move two amendments, as follows: That section 82, line 7, after the word "militia," be amended by inserting the words "in the district of which he is in command," and that section 83 be struck out and the following be substituted therefor:

83. The power to call out the active militia, or such portion thereof as he considers necessary, vested by the preceding section in a district officer commanding, or the officer appointed to administer the district, or, for the time being, performing the duty of district officer commanding, as the case may be, shall extend only to the calling out of the active militia in the district of which he is in command: provided that if the said district officer commanding, or other officer aforesaid considers that the services of the active militia in districts other than the one of which he is in command are necessary for the purpose of suppressing or preventing any such actual or anticipated riot or disturbance, the said district officer commanding or other officer aforesaid may notify the Adjutant General of the number of officers and other ranks, together with their horses and equipment which he so considers necessary, of which number the said district officer commanding or other officer aforesaid shall be the sole judge, and upon receiving such notification the Adjutant General shall call out such of the active militia as are necessary to meet the requirements of the said district officer commanding, or other officer aforesaid, as set forth in such notification, and shall cause them to be despatched to the said district officer commanding, or other officer aforesaid.

I recall that on the discussion of the resolution the right hon. gentleman urged that this matter be cleared up, and these amendments would meet the objections that he raised.

Mr. MEIGHEN: I thought at first that this had met the objection I raised to the resolution, but I am not quite certain that I understand it. I gather that according to these amendments the district officer commanding has power only to requisition troops within his district, but that he has power to compel the Adjutant General to bring in from outside such troops as he might think necessary. Am I right in that?

Mr. MACDONALD (Pictou): The power is vested in the Adjutant General to say where they are to come from and generally to deal with the disposition of them in that respect.

Mr. MEIGHEN: That is the way I think it ought to be.

Mr. MACDONALD (Pictou): That is the way we want it to be.

Mr. MEIGHEN: When the resolution was before the House I took exception to it because it placed in the hands of the district officer commanding the right to requisition from one end of Canada to the other practically to scour the country for troops, all because he felt they were necessary in his district. The contingency might arise where at least some might be necessary somewhere else, possibly more so even than in his district, in which case there would be hopeless chaos. The attempt to meet the objection is along proper lines, but from the latter part of the resolution I gather that the district officer commanding is still in full command of the situation. Suppose, for example, in Nova Scotia the district officer commanding says he requires so many troops, so many horse; he can get them, and it does not matter what may be the eventuality in any other part of Canada, his word is law. Of course, the province pays for them, I admit that; and if he does not ask for all the troops of the Dominion the Adjutant General has power to say which part of Canada he shall draw from. But if he wants to ask for the horse, foot and artillery of the whole of Canada he can do it and the Adjutant General has no discretion whatever. My suggestion was that once the district officer commanding went out of his own district and demanded troops beyond those stationed in his district within the discretion of the Adjutant General—or the government, as I put it; the proper officer—the discretion of the federal authority should come in and should determine the extent to which any requisition should be filled, the reason being that conditions in other parts of the Dominion would have to be considered. It is no fanciful conjuncture of circumstances that I have in mind. It is not at all fanciful to picture that when there is a disturbance in the Maritime provinces that very fact

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may be seized upon by those of similar mind in another part of Canada to make a disturbance there feeling that it would be far safer, feeling that the authorities of the law were going to be pretty well occupied down in the Maritime provinces, and consequently they could take chances much more readily. That is a conjuncture that is by no means fanciful, in fact it would appear to be very likely in the course of time. Now, does the minister think it is better that the first one to requisition should have the whole gamut at his disposal, the whole bank account so that he could if he wanted to write a cheque on the whole? Does he not think that the prerogative of the federal government should intervene and that the Adjutant General should have the right to say how far in the general public interest the requisition of the district officer commanding should be complied with.

Mr. MACDONALD (Pictou): I think the committee will agree with me that if, unfortunately, there is trouble in any particular quarter and the attorney general and a judge have requisitioned the district officer commanding it must be assumed that he, being in charge of the situation, would be the best judge of the number of men he needed to cope with this difficulty, and that is what is provided for in this amendment. When it comes to moving beyond his military district for the purpose of getting men he must go to the Adjutant General. If a situation exists in two places such as is suggested by my right hon. friend of trouble naturally the thing must be worked out sensibly and practically. We cannot send all the men to one place. The Adjutant General is there for the purpose of deciding as to how many men should be sent to one place and how many men to another, simply because the number of men he has is limited.

Mr. MEIGHEN: I agree with my hon. friend.

Mr. MACDONALD (Pictou): And his capacity to furnish men to any district officer commanding would depend upon the number of men there are in the country.

Mr. MEIGHEN: I am in full agreement with what the minister says now, but the trouble is that is not the effect of the amendment. The Adjutant General who knows the conditions everywhere must be the judge as to how far it is possible to comply with the requisition of the district officer commanding. The district officer commanding, it is true, is the best judge of how many he needs and the number that he requisitions should be sent unless there are other reasons why they cannot be sent of which reasons the Adjutant General should be the judge. I suggest to the minister that he make his amendment comply, by a proviso, with what he has stated here, because I think what he has stated in the House is perfectly true.

Mr. CLARK: The effect of this section is to give a junior officer the power to order his senior officer to supply him with whatever the former thinks he may need. Furthermore the officer in command of the situation when he thinks he needs reinforcements may requisition far more than is necessary. I think it is essential to have the final say or discretion rest with the senior authorities here in Ottawa, and not enable a junior at one end of Canada to order the headquarters to furnish him with all the troops available whatever their number may be.

Mr. MACDONALD (Pictou): My hon. friend is hardly putting the situation rightly; it is not a case of "ordering." Here is trouble and difficulty and a military officer is in charge of the situation. Manifestly the man who is on the job ought to know what his needs are better than anyone else. He intimates them to the Adjutant General. The Adjutant General will supply the troops if he has them; if he has not got them he cannot supply them. If we had a large army in this country it is possible to believe that a situation would arise in which all these men might be requisitioned for at once; or rather if we had ample men to supply half a dozen situations then there might be some difficulty about it; but of very necessity the Adjutant General must exercise his discretion as to what number shall be sent, and there is no reason why he should not intimate to the district officer commanding "I have not got these troops at my disposal."

Mr. MEIGHEN: The minister will note the effect of the words I am about to quote. I thought at first when I noticed the amended provision of the minister it met the case exactly, but if he notes these words he will see that the Adjutant General's discretion is taken away no matter what the contingency:

> And upon receiving such notification the Adjutant General shall call out such of the active militia as are necessary to meet the requirements of the said district officer commanding.

No matter what the requirements are. I will just picture a case: Suppose there is a riot in British Columbia, or an apprehended

riot. The district officer commanding is, it is true, the best judge of how many troops he needs. If he needs any he requisitions what he feels he needs. If he makes a mistake at all it is that he requisitions too many; you can always depend upon him to do that, it is human nature. He requisitions troops that are taken from western Ontario. This is no fanciful picture because it has been done. Now, we will suppose that while these troops are there taking care of that situation, another riot or apprehended riot transpires in Nova Scotia. The district officer commanding in Nova Scotia has the power to call upon the Adjutant General to take all these troops from British Columbia and send the whole of them down to Nova Scotia.

Mr. MACDONALD (Pictou): I think I can meet my right hon. friend's views by adding one or two words "as in his opinion are available."

Mr. MEIGHEN: Yes, that will be all right.

Mr. MACDONALD (Pictou): After consideration I propose to make the amendment read as follows:

Upon receiving—

Speaking of the Adjutant General—

Such notification the Adjutant General shall call out such of the active militia as, in his judgment, are available to meet the requirements of the said district officer commanding.

Mr. MEIGHEN: That is satisfactory.

Amendment agreed to.

Section as amended agreed to.

On section 84—Statements of fact to be binding and not open to dispute.

Mr. MACDONALD (Pictou): That is the old law.

Section agreed to.

On section 187—Officers and men shall have powers and duties of special constables.

Mr. MACDONALD (Pictou): I move to strike out subsection 2 of this section.

Mr. MEIGHEN: Will the minister explain why he makes that motion? Is this not about the only security we will ever have?

Mr. MACDONALD (Pictou): Protests have come from the provinces against that provision, claiming it is rather arbitrary. I have not had much experience in regard to the question of dealing with the provinces. I thought that probably their liability would be sufficient.

Mr. STEVENS: It is not obligatory, it is simply "may." It is discretionary.

Mr. MEIGHEN: I do not think we will succeed much better collecting from the provinces than collecting from the municipalities. I would rather think that the Dominion might retain it without any special clause.

Mr. MACDONALD (Pictou): I had that in view too, but I do not know enough about finances to be sure about it.

Mr. MEIGHEN: It occurred to me the Dominion might act under the ordinary rule, that if you do not owe it you do not have to pay it. But personally I would rather see it in, because I know what experience we have had, especially lately, in the way of collecting these debts.

Mr. LOGAN: I desire to protest against this section in the strongest way possible.

Mr. MEIGHEN: The whole section?

Mr. LOGAN: Yes. I want to point out just what might happen under this section. In my own province of Nova Scotia, we had last year some disturbance. It only lasted a very short time, but the cost of the militia was $100,000. It was confined to a small portion of the county of Cape Breton, but suppose a general strike were declared in Nova Scotia—and it is a possibility—what would be the result? Suppose there was trouble, not only in a part of Cape Breton county, but over the rest of the county of Cape Breton and in the city of Sydney, as well as in the counties of Inverness, Pictou, Cumberland and Halifax, where there is a subsidiary company of the British Empire Steel and the militia were called out; and suppose that instead of the strike lasting only a week or two it continued as strikes have in Nova Scotia, four months, the result would be disastrous. Some strikes have lasted longer than four months and there has been a tremendous struggle. In that event the province of Nova Scotia would be compelled to pay not merely a $100,000 but they might be mulcted in $1,000,000, and the province would be financially paralyzed.

In my humble opinion the old law was wrong. The municipality was supposed to pay all the cost but they did not pay and they could not. It was beyond their means to pay

such large amounts for the calling in of the militia. I believe there should be an amendment to the law, but I do not believe the municipality which after all is the place that is protected by the militia, whose property is protected by the militia, whose taxpayers are protected by the militia, and incidentally whose basic company is protected by the militia, should be relieved. Take for instance the British Empire Steel Company in Cape Breton; surely it should pay more proportionately towards the calling out of the millitia for the protection of their property than those who live in Annapolis county or in Digby, or in some remote part of the province. Therefore I say the municipality should not be relieved. Secondly the province should pay its share. This applies particularly to disturbances where coal mines are concerned, because the province owns the coal mines and it is to the interest of the province that these coal mines should be protected. One of the great cries raised during the last disturbance in Cape Breton was that the property of the province was being destroyed. If the property of the province is to be protected by the militia, the province should pay its share of that protection. But the Dominion after all, which guarantees the peace and good order of this country, which is connected in many ways with these great corporations, that sometimes brings in to the country the foreigners who often cause these troubles, surely is not to be relieved entirely from paying its share of the cost of the militia when it is called out. I believe myself that the militia should only be called out as a very last resort but when it is called out not only for the protection of the property of the province and the municipalities but also for the preservation of the peace and good order of Canada, surely there should be a distribution of the cost, and therefore I desire to suggest to the minister a scheme of distribution. I would move an amendment were it within my power as a private member. I suggest to the minister and the government that they should strike out from section 89 the word "all" in the first line and substitute the words "two fifths of the". That section will then read:

> Two-fifths of the expenses and costs incurred by His Majesty by reason of any of the militia being so called out in aid of the civil power, shall be paid to His Majesty by the province of which the attorney general made the requisition requiring them to be so called out.

And add at the end of the section the following words:

> Two-fifths out of the consolidated revenue fund of Canada and one-fifth by the municipality where the militia is required.

The municipalities could very well afford to pay one-fifth for the protection to themselves, for the protection of their property and the cities or towns as a whole. They would only pay one fifth, the province having its property protected would pay two fifths, and the Dominion would pay two fifths. The distribution, I humbly submit to the minister, is a fair one, will be equitable and will be levied according to the protection given.

Mr. MACDONALD (Pictou): In regard to the suggestion made by my hon. friend from Cumberland (Mr. Logan) I think that on reflection he will see that the effect of the legislation will be that the responsibility is placed upon the provincial governments in each case; he will see that the cost of maintaining order and peace within its bounds is imposed upon them, and that the natural consequence will be that if there are continued troubles in any particular province of the Dominion, legislation will be enacted to provide for the distribution of that cost. Here is the situation as a matter of law. Under section 92 of the British North America Act, the duty of the enforcement of the criminal laws of the country is placed upon the province. The province creates municipalities and gives them power to organize and maintain a police force. These are maintained at the cost of the municipalities. There is another reason why the provincial government should not provide for the distribution of the cost of maintaining any troops that are called out in time of trouble in the particular municipality where the difficulty arose. I do not agree with my hon. friend that the cost should be borne by the Dominion. The Dominion's share is borne by the cost to which the federal authorities are put in maintaining these men in times of peace so that they will be available in case of trouble.

Mr. LOGAN: Allow me to submit that the federal authorities are really being relieved under this section because, as a matter of fact, the regular force has to be paid by the Dominion of Canada when no strike is on. If a strike is declared and the militia is called into a province, the Dominion is relieved of paying the men while they are in that province. In the second place, if the minister is right, why does he not ask the province to pay the expenses of the Royal Canadian Mounted Police who go through all this country from coast to coast protecting property, much in the same way as the militia is called out to protect property? There is no question of provincial contributions to their maintenance. I submit again that this is legislation which may land the province of Nova Scotia in absolute bankruptcy.

I protest, of course, against subsection 2 of this section in reference to retaining provincial subsidies as if we were a bankrupt, indigent debtor not able to pay his way in this country. That is going some, and it is only another addition to the harassing matters in the Maritime provinces due to conditions over which we have no control. We have had one of them here to-night when we find we have to lose two of our representatives in parliament. Is this also to be forced upon us that we are to pay for calling out the militia for the maintenance of peace and good order in Canada? I believe the people of Nova Scotia are not by any means in a position to undertake this obligation. I quite realize I cannot move this amendment as it would make a charge upon the public treasury, and therefore it is not within my competence as a private member of this House, but I regret very much that the minister and the government will not accept the suggestion I have made which, I believe, is in the interest of Nova Scotia.

Mr. HOEY: Is it not only fair to point out that this applies to all the provinces?

Mr. LOGAN: Yes, and particularly to Alberta and British Columbia.

Mr. MACDONALD (Pictou): I would call the attention of the hon. member to section 89 which reads:

All expenses and costs incurred by His Majesty by reason of any of the militia being so called out in aid of the civil power.

I would take it that the cost and expenses were only those which were directly due to the calling out. I am not as pessimistic as my hon. friend is about the labour situation in our province, and although we have had difficulties there in the past, I hope they will be less in the future. This law is not intended solely for application to our province. I pointed out in the discussion before the committee that in the last ten years almost every province had had conditions where the militia had been called out, and we want a law which will apply generally to the whole country. I think the provisions in this bill should be satisfactory.

Section agreed to.

On the title.

Mr. MEIGHEN: How much did the troubles in Nova Scotia last year cost? What is our bill against the municipalities and what steps are we taking to collect it?

[Mr. Logan.]

Mr. MACDONALD (Pictou): The approximate figures for 1922 are $63,295.27 and for 1923, $99,621.47. In both of these cases the amounts do not include pay and allowances of the officers and men on duty.

Mr. MEIGHEN: Has there been any payment on account?

Mr. MACDONALD (Pictou): No.

Title agreed to.

Bill reported, read the third time and passed.

SUPPLY—HUDSON BAY RAILWAY

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am asking that the order be called "House again in committee of Supply". I should like to explain that the purpose is not to go on with the estimates at any length, but to call an item in the Post Office Department which has not yet been taken up.

Mr. MEIGHEN: If it will save time, I will state right now that I will take no objection to going into supply on any item, so far as I am concerned.

Mr. MACKENZIE KING: Will the rest of the House do the same thing?

Mr. MEIGHEN: I am sure that we on this side will guarantee that.

Mr. MACKENZIE KING moved that the House go into committee of Supply.

Mr. ANDREW KNOX (Prince Albert): Mr. Speaker, there is a matter which I wish to bring before the House, and while I am sorry that the hour is so late, I see no other way of doing so. This is a matter which has been discussed in former years and which we had intended should be discussed this year again. If the government can give us any statement that will satisfy conditions in the West in regard to the Hudson Bay railway, I would be pleased, indeed, to have this motion carried. If we cannot get such a statement, I feel that it is my duty to move an amendment, much as I regret to do so. We have a number of speakers who want to be heard on this subject, and I suppose there is nothing for us to do but to go on in this way. I presume the government has no statement to make. If that is the case, I will move my amendment.

Mr. GRAHAM: I have only this statement to make; there would be ample opportunity when the railway estimates are under consideration in committee to discuss this

matter to the fullest extent. My own opinion is that it would be far better for the project if no vote of want of confidence were moved and if the discussion were brought up in committee. If I were a friend of the project —the hon. member is—I would take the latter course.

Mr. KNOX: I hope the minister is a friend of the project, but if we can get no greater assurance than that then there is no other course open to us. Under the circumstances I move that all the words after the word "that" be struck out and the following be substituted therefor:

In the opinion of this House, failure to complete the Hudson Bay railway means a serious loss to the people of western Canada.

That motion is seconded by the hon. member for Nelson (Mr. Bird). I regret very much that we are forced to take this action but it is inevitable. A resolution appeared in my name in the early part of the session with reference to the Hudson Bay railway but the motion was never reached on any convenient day. Private members' day was deprived us earlier this session than usual, with the exception of Wednesday afternoons, and it was generally recognized that on that day it was not convenient to take up the discussion of so important a question. As to the question coming up on the estimates, I think it will readily be seen how very difficult it would be to discuss it in committee; every imaginable subject connected with railways might be introduced.

Last year an estimate for $350,000 was passed by the House for the purpose of bringing that portion of the line, on which the steel had been laid, up to a condition in which it might be operated. Unfortunately, however, as revealed in the evidence submitted to the special railway committee, only between $60,000 and $70,000 of that amount was spent. The evidence also elicited the fact that there would be some $300,000 in the vote this year, and that is practically a re-vote of what was in the estimates last year. This is most unsatisfactory to the West. The agitation there concerning this matter is today very much keener than it has ever been before, and yet the apathy in the East regarding the whole situation seems to be more pronounced than ever. I should rather say the antagonism; because the East would appear to be antagonistic to the project. I do not intend to speak at the length I would have spoken had we got at this matter earlier in the day, but there are some things which I feel impelled to bring to the attention of the House.

A resolution was passed last year calling upon parliament to recognize the priority of this scheme over any other transportation scheme started subsequently, and that resolution was carried by the House. Yet, in spite of that fact, we find vast sums of money set aside within the past few days to meet obligations which the government has undertaken in connection with some of the projects more intimately connected with the East. I have in mind the port of Montreal, the Toronto viaduct and the Welland canal; and I am not unmindful of Vancouver harbour. These matters have gone through without very much discussion.

Mr. GRAHAM: The Welland canal has not yet been up.

Mr. KNOX: But it is in the estimates. We feel that some consideration should be given to the western provinces in connection with this one transportation scheme in which the people there are so vitally interested, as we have seen a number of our branch lines disposed of in such a way that we shall secure nothing in that part of the Dominion in the shape of relief. Now, there is one thing I want parliament to consider, and to consider most seriously. A good many years ago a bill was put through the House relating to the project, granting 12,800 acres of land per mile to any company which would agree to complete a line to Hudson bay. That act remained on the statute books for a considerable number of years but the concession was not taken advantage of. In 1908 the Hon. Frank Oliver, at that time Minister of the Interior, brought in a bill to relieve the western lands of this blanket, and his bill set aside certain lands in the West for the purpose of raising revenue for the building of the Hudson Bay railway. This matter has been mentioned in the House previously, and although there is nothing in the act to show that the land was set aside especially for that purpose, nevertheless the facts clearly show what the intention was. The Minister of Railways (Mr. Graham) referred to the matter last year and I will quote briefly from his remarks:

It has been said that lands were appropriated for the Hudson Bay railway. I always hesitate to deal with a statute, not being of the legal brotherhood myself, but I want to present this to the House as I see it, so that we shall be clear as to what took place. In the statute of 1906 the following appears as subsection C of section 6:

"Make a free grant of land, not exceeding in extent six thousand four hundred acres for each mile of railway within Manitoba, and not exceeding in extent

twelve thousand eight hundred acres for each mile beyond the limits of Manitoba, in aid of the construction of a railway from some point on the Canadian Pacific railway to Hudson bay:"

It is not necessary to read further; the quotation shows what the minister had in his mind at the time and I have no doubt he is of the same view to-day. In the province of Saskatchewan over 5,000,000 acres of land have been sold and in Alberta almost 3,000,000 acres and it is understood that a substantial sum of the money obtained is still on hand. I think therefore that it would be only fair for the government to give this matter a little further consideration. I do not know what my colleagues may think, but I would be inclined to say that if the government would guarantee to set aside for this purpose the money raised from the sale of these lands, we would be justified in withdrawing the amendment.

We have had a good deal of criticism in some of the eastern papers as to the feasibility of this scheme, and although investigations have proven its feasibility, still the eastern press seize on every pretext in an attempt to prove the contrary.

A western paper of recent date contains the following:

A memorandum on the Hudson Bay railway belt and the Hudson bay issued by the Natural Resources Intelligence branch of the Department of the Interior cites the opinion of twenty-seven "experts" of the navigable period of the Hudson strait, an abstract of which shows that one puts the period at eleven weeks, two at twelve weeks, ten at thirteen weeks, two at fifteen weeks, five at seventeen weeks, three at eighteen weeks and three at twenty-two weeks. Expert opinion therefore varies between eleven and twenty-two weeks.

I find this would give an average of almost sixteen weeks, or practically the same conclusion as that arrived at by the Senate committee in 1920. Somewhat along the same lines is a paper by Mr. Frederick William Cowie, Chief Engineer of the Montreal Harbour Board, read before the Montreal branch of the Engineering Institute of Canada on April 19, 1923. I think my hon. friends from Montreal and others who know Mr. Cowie will admit that he is probably the greatest authority on transportation projects we have in the Dominion if not on the North American continent. The paper is entitled "Transportation Routes in Canada and Their Relation to Enduring Protection". After quoting the Montreal Gazette, which had stated that the Hudson Bay route had only a gambler's chance of success, Mr. Cowie proceeds:

After no superficial study, however, the writer dares the statement that the Hudson Bay route offers much more than "a gambler's chance of success". He has personally experienced every phase in connection with St. Lawrence river navigation, its failures and its successes.

The late Sir John Kennedy, past president of this institute, in no casual school taught the writer that while one cannot force the mighty St. Lawrence one may make terms with it. And where in the world such prodigious difficulties, where such successes, as in the making of the artificial harbour at Montreal?

There is only one St. Lawrence, and Canada may thank God for it. It can have no enduring rival, but is it wise and sufficient that it be relied upon alone? Those who know will accept that no one may be more, or even equally loyal to the St. Lawrence route, than the writer, who has given his best towards its success in the last thirty-seven continuous years, and based on mature experience he is of the opinion that the Hudson Bay route, under accepted limitations, offers a prize in favour of production worthy of fuller investigation and a better attempt to demonstrate it.

Mr. Cowie also deals with the production of wheat in Canada and points out that we must use every means to place it on the world's market at the lowest possible transportation cost. He shows that the great wheat-growing countries of the world are much more conveniently situated to seaboard than we are; northern Russia and Poland, southern Russia, the Argentine and Australia are all 400 miles from seaboard, India 500 miles. Then he shows what it costs each of these countries to lay down their grain in the Liverpool market from the point of production. The wheat of northern Russia and Poland can be laid down there for 13 cents per bushel; southern Russia, for 19 cents; the Argentine, for 24 cents; Australia, for 32¼ cents; Canada via the Hudson bay, 24 cents. He figures this transportation cost on the prevailing routes with a 25 per cent addition for ocean rates and an extra allowance for port costs.

Mr. HUGHES: Who is Mr. Cowie?

Mr. KNOX: Mr. Cowie, as I pointed out, is the Chief Engineer of the Montreal Harbour Board—a man well qualified to deal with transportation routes. He has been with the Montreal work for thirty-seven years.

Mr. MARLER: He used to be; he is not now.

Mr. KNOX: He points out that the Canadian cost is as follows: By the all-water route from Fort William to Montreal, 30¼ cents; by the Buffalo-New York route, 32 cents; by rail to Fort William and lake to Georgian bay, then rail to Montreal, 32½ cents; via Vancouver-Panama canal, 36½ cents; winter, all rail, via St. John, N.B., 36½ cents. So it will be seen that the Hudson bay route, even after allowing 25 per cent additional to overcome any possible extra cost, is far below the cost by these other routes from the Canadian wheat fields.

Mr. DUFF: What difficulty do you allow that 25 per cent for? Why should you allow anything?

Mr. KNOX: For any possibility of difficulty. I think my hon. friend will remember that last year he tried to show we had a great deal of difficulty on the Hudson bay route. I do not think that he succeeded in establishing any such difficulty, but assuming something of that kind Mr. Cowie allows 25 per cent additional.

Mr. HUGHES: Is it 25 per cent over the rate from Montreal to Liverpool, or over the rate from Fort William to Liverpool?

Mr. KNOX: Over the rate from Port Nelson to Liverpool. I stated that the cost was calculated on the mileage and at the same rate as other routes, and then he adds 25 per cent to that. Is that plain?

Mr. HUGHES: Some people make the calculation that the distance from Port Nelson to Liverpool is about the same as from Montreal to Liverpool.

Mr. KNOX: That is a fact.

Mr. HUGHES: Then would this 25 per cent additional be over and above the rate from Montreal to Liverpool?

Mr. KNOX: I should think so.

Mr. HUGHES: Are you sure?

Mr. KNOX: There is no other way of taking it, is there?

Mr. HUGHES: Or is it over the rate from Fort William to Liverpool?

Mr. KNOX: No, it is according to the mileage that the grain is carried on the ocean, and he adds 25 per cent to that. Here is a point Mr. Cowie also makes. Speaking of Captain Anderson's observations he says:

> After thirty years he almost confirms Commander Gordon's conclusions. We may, for argument, accept Captain Anderson's season, July 15th to November 15th, without counting on the extra week, earlier or later.

Then he goes on to say:

> An elevator of only two million bushels capacity, filled with "last year's" crop, would provide cargo for the unbroken first month. The new crop, August 20th to November 15th, would, at 500,000 bushels per day, and a steady procession, result in a port handling output of two million bushels of old, and forty-three of new crop. Allowing one-third for limitations, there would be 30,000,000 bushels, marketed early, at a saving of 6 cents per bushel, a fair prize in itself, as well as an assurance of enduring production.
>
> What about the argument that "the relatively short period of safe navigation does not coincide with the period of crop movement"? The writer has seen, time and again, new crop from the Canadian West, at Montreal elevators, from August 20th to 25th. This grain could be at Nelson a full week earlier. Neither the Hudson's Bay route nor the St. Lawrence route, provides an ideal season of navigation, but there is a great similarity, the critical period of each being September, October, and part of November. For live cattle, for cold storage products, and for fish, a port on Hudson's bay offers local advantages.

Summing up, Mr. Cowie says:

> The best hopes, however, are inevitably linked up with the possibilities of the Hudson's Bay route, as an additional and cheap outlet, for a portion of the western wheat.

He goes on with some other conclusions, but he puts the foregoing first. Then he says:

> Who are the interested parties?
>
> (1) The producers of the west in particular, and industrial producers, generally.
>
> (2) The Canadian people, to whom the success of agriculture in the Canadian West, and industrial production in the East are vital.

Mr. PUTNAM: About what time in the year would those sixteen weeks of an average occur that my hon. friend mentioned?

Mr. KNOX: I gave the dates, but I can look them up again if my hon. friend wishes. Just a word in regard to the territory that would be opened up. Since this matter was last discussed in the House the hon. member for Nelson (Mr. Bird) and the hon. member for Dauphin (Mr. Ward) made a personal trip right to the bay and they will be able to speak of what they found and what the condition of the railway is. No doubt they will also speak of the possibilities of the resources lying along the railway. The territory opened up by this railway would be almost an empire by itself. The Hudson bay has a coast-

1 a. m.

line, not including that portion of it which is in the arctic regions, of thousands of miles. The south end of the bay is in the same latitude as Calgary—and that is a point that is worth remembering. It is not in the frozen north, as many people imagine it to be and as many people seem to wish it to be. The opening up would mean a great deal to what I might call the maritime province of Manitoba, because the resources discovered there of late years are such that they would well justify the completion of the railway even if we have no outlet through the bay, and the two combined have got themselves so fastened on the imagination of the people of the West that I can assure the government and assure this House that the matter must be carried further. It is further to be noted that the western provinces do not control their natural resources; I believe if they did this railway would have been completed long ere this.

Besides the carrying of grain I believe the strongest argument of all is in connection

with the shipment of cattle. I dealt with this at considerable length in introducing the resolution last year and I do not wish to repeat myself. But at that time I pointed out that the feeder steers, which are the ones freely admitted into Britain under present regulations, are ready for shipment during the period when even opponents of the scheme are willing to admit that the bay and straits are navigable. I also pointed out last year that taking the same railway rate per mile of the Hudson bay line from a point like Saskatoon there would be a saving of some $12 per head besides some great saving in the heavy shrinkage which always follows any long railway haul. That $12 per head would mean the salvation of the western stock growing industry. Besides grain and cattle there would be dairy products and just a possibility of British Columbia fruit, all having the advantage of shipment through a zone between the fiftieth and sixtieth parallels of latitude.

Just another point in regard to the resources in that northern country. It has been discovered that there are vast deposits of a very fine quality of iron ore in the Belcher islands. In a speech made by the Hon. Senator Gideon Robertson a short time ago before a business men's club in Toronto, he said:

> The first use to which the Hudson Bay railway will probably be put may well be the bringing of the rich ores from Belcher islands to the smelters located on the coal fields of Alberta, around which will grow up all other industries, of which coal and steel form the base.

We must find some other means of assisting agriculture in the West than that of trying to economize in the cost of production; relief must come from some other source. We are convinced that along with co-operative marketing cheaper transportation is the only avenue through which that relief can come, and that cheaper transportation can be secured through the completion of the Hudson Bay railway.

Mr. PUTNAM: How long a haul would that be for the iron ore?

Mr. KNOX: It is only a matter of crossing the bay to Port Nelson. I could not give you the exact distance. I do not think you would find it charted or anything more shown than that there are islands on the east side of the bay.

Mr. PUTNAM: Hauling the ore to the coal fields of Alberta.

Mr. KNOX: It might very easily be arranged. I do not think the distance would be as far as in the case of the iron ore hauled from the Mesaba range to Pittsburg. That has been carried on very successfully, and I understand this iron ore is much of the same quality as that in the Mesaba range.

I do not wish to take up the time of the House any longer because there are other hon. members who wish to express themselves on this question. In conclusion I simply urge the government to seriously consider this matter and to give us some assurance with respect to it if they can possibly see their way to do so.

Mr. T. W. BIRD (Nelson): I regret very much, at this late hour of the night, to put further strain upon the patience of the House, and I will try under the circumstances to be as condensed as I possibly can.

I should like to refer at the outset to a remark passed by the Minister of Railways in which he seemed to look upon this amendment as a vote of want of confidence. I do not think it is at all necessary for him to put that interpretation upon it. I have Bourinot before me here and he is very clear in regard to an amendment of this kind:

> An amendment moved to the motion to go into committee of supply (or ways and means) does not necessarily involve want of confidence in the administration. When such an amendment simply affirms a general principle or sets forth a public grievance, and does not directly or impliedly challenge the conduct or policy of the government, it is not in a parliamentary sense a motion of want of confidence.

It does not become a motion of want of confidence until the government by its own declaration has taken a step that would justify us in carrying the matter further than we really intend. I should also like to explain to the House the reason why we are bringing the matter up at this hour. It is not through any fault of our own, I am sure, that my hon. friend from Prince Albert (Mr. Knox), myself, and others, have done the best we could to air this matter this session before the House. No one is to blame, perhaps, for our being in the position we are to-night. I understand that the session is coming to a close this week, and we are precluded under rule 17c from bringing this matter up on a motion to go into supply on Thursday or Friday. I think, perhaps, that fact is worthy of a little comment because the estimates of the Minister of Railways have not yet been before the House and this is the last opportunity which members may have of bringing up their grievances in regard to those estimates. I do not think that members ought to be forced into a position similar to the one we are in to-night, because it is infringing a very valuable feature in British constitutional practice when hon. members are

precluded from free and full opportunity of airing their grievances before supply is entered upon. I for one would be very willing to relieve the House from listening to this lengthy debate to-night if by general consent it would give us the opportunity of discussing this question to-morrow when the Minister of Railways goes into supply on his estimates.

Mr. BELAND: I am sorry to have to interrupt my hon. friend but of course he is aware that it was open to him, on any day except Thursday or Friday to move any amendment at all upon the motion to go into supply. It need not necessarily have been the railway estimates; any motion to go into committee of Supply would have afforded my hon. friend the opportunity he was seeking.

Mr. BIRD: The hon. minister will see that it was very natural for us to wait upon the convenience of the Minister of Railways.

Mr. FORKE: And we were allowed to do so.

Mr. BIRD: We would have been very glad to do as the minister suggests if we had thought that we were going to be driven into this position.

Well, I do not intend to go in detail into the many arguments that have been advanced against the physical feasibility of this project, although one might very well be justified in so doing because of the propaganda that is insistently being carried on. I want, however, in as brief a manner as is possible, to go over some of the arguments that are insistently brought against this project. As regards the railway it is not necessary for me to go into that because the railway is there, an accomplished fact, suffering a little from neglect but still there, a demonstrated fact. And in every essential detail it is a railway of the best kind; in curvature, in grade, in all respects, it is an accomplished fact that cannot be gainsaid. It used to be customary to base the attack upon the Hudson Bay project just on that point. Ridicule was poured upon the railway itself; but now the ground of attack has been shifted and it is the port that is made the target for the usual reckless criticism. And it is very interesting to find that the port is being attacked from a new angle.

The hon. member for Vancouver Centre (Mr. Stevens) a few weeks ago disinterred from the files of the Railway department—a kind of limbo of official gossip—a bundle of letters which passed between the engineer and his chief in which there were a few statements that have been laid hold upon by the press and have been made the basis for reams of unscrupulous misrepresentation. We have been accustomed to associate opposition to this venture with the East, but now the far West seems to have unmasked its batteries and we find ourselves between two fires. Like the noble six hundred, we have cannon to the right of us and cannon to the left of us. The letter out of which apparently damaging statements have been taken is before me, and it reads to me very much like the effort of an engineer who was passing through a moment of temporary depression. I look in vain for any objection to Port Nelson on engineering grounds. There apparently is not a single engineering objection that can be taken. If so, it is not to be found here. Mr. MacLachlan, in order to find food for his pessimism, has to go out of his own element into the sphere of the navigator and the grain exporter, and the statements he makes—well they are statements and that is all. Take all the comfort you like out of the word. With respect to the ice conditions—and that is the statement out of which the press has built up its argument—I have before me a letter in which Mr. MacLachlan states—and it seems on the face of it a very serious statement—that on August 29, 1917 Port Nelson was blocked with ice. That statement was taken as a text by all the press in this country that for one reason or another is opposed to the Hudson Bay project, and wonderful articles were built up from that slender statement. What does the statement mean? What does Mr. MacLachlan mean by Port Nelson being blocked with ice on August 30? Well, here is a letter which I fished out of the pile of letters brought down, and this letter is dated August 30, 1917, the day after Port Nelson was blocked, and this is what Mr. MacLachlan writes to his chief on August 30, 1917—

> Yesterday as it was a very fine day, I seized the opportunity and went out in a gasoline boat to a point about five miles beyond the Cearense, and luckily I found the whole estuary studded with grounded ice and there was no difficulty in locating those seventeen foot patches which appear on the chart.

And Cearense was twelve miles below Port Nelson. Mr. MacLachlan went five miles below Cearense on the very day he said it was blocked with ice. That seems as incredible to me as the cruise of the Ancient Mariner, or Dr. Cook's discovery of the north pole. It seems to me that Mr. MacLachlan must have been passing through a spell of very serious depression when he said that

on August 29 Port Nelson was blocked with ice, because very evidently in that light gasoline launch he beat through seventeen miles of it there and back, and he only had to go another five miles to be out in the open on Hudson bay. That is the kind of thing on which the press of the country opposed to the Hudson Bay railway will build up their tissue of misrepresentation.

The main attack on Port Nelson is usually centred upon the channel which leads to it from the sea, and there is no object in nature that has ever suffered from more misrepresentation than the channel which leads from the open sea to Port Nelson. It is variously described by some of our responsible newspapers as long and winding and shallow and narrow, and subject to silting and shifting, and other statements are made about it, but not one of them is correct. Each one is diametrically opposed to the truth. This channel which leads from deep water to Port Nelson is one of the straightest channels of its kind. There is one nine-mile stretch of it that is dead straight. You can put the ruler on the chart along the channel, and at no place will it touch the edge of the channel. As to this channel being narrow, why it is one of the widest, most spacious channels of its kind that can be named.

Mr. DUFF: How wide is it?

Mr. BIRD: Its narrowest point is twelve hundred feet, and the average width of the Montreal channel for ninety miles is only a thousand feet; and that narrowest point of twelve hundred feet is practically just at one place and does not extend very far. Then they say that this channel is shallow.

Mr. ROBICHAUD: At what latitude is that channel?

Mr. BIRD: I cannot see the relevancy of my hon. friend's question.

Mr. DUFF: What is on both sides of that channel outside of the twelve hundred feet? Does it show water or land or what?

Mr. BIRD: It is hard pan, clay and boulders, covered with a light layer of mud at low water.

Mr. DUFF: How much water is on that at low water?

Mr. BIRD: None at all.

Mr. DUFF: Is it in the open bay?

Mr. BIRD: No, it is in the estuary of the river, twenty-two miles from the port to the deep water.

[Mr. Bird.]

Mr. DUFF: It cannot be in the estuary of the river, if it is twenty-two miles outside of the mouth of it.

Mr. BIRD: Twenty-two miles from the port.

Mr. DUFF: Where is that port?

Mr. BIRD: Up the estuary.

Mr. DUFF: Not in the river?

Mr. BIRD: Is not an estuary a continuation of the river?

Mr. DUFF: Yes, so is a bay.

Mr. BIRD: Not in the way I learned elementary geography.

Mr. DUFF: Well I have learned practical geography, which is more to the point.

Mr. BIRD: I will admit the hon. gentleman's knowledge in these respects is somewhat superior to my own, and perhaps the hon. gentleman knows as much about salt water as I do about churches.

Mr. DUFF: I know as much about churches as the hon. member does about salt water.

Mr. SALES: Better call it equal and go on.

Mr. BIRD: When the hon. member is on the sea he is on pretty solid ground. When he is on dry land he is pretty much at sea.

Mr. DUFF: My hon. friend was at sea most of the time when last we met.

Mr. BIRD: The channel from deep water to Nelson is anything but shallow, as has been alleged. It is a channel throughout almost its entire length 20 feet deep at low water and 33½ feet deep at high water. I could almost challenge anybody in this House to find a channel of a similar character that started out with a reputation of that kind.

Mr. McTAGGART: Is the most dangerous part of the channel not the bar which is at the lower end if it?

Mr. BIRD: No. The bar at high water is amply protected. There is no danger at the bar at all.

Mr. McTAGGART: Is it not a fact that ships have to remain beyond the bar for days because of being unable to pass the bar while the water is rough?

Mr. BIRD: No, that is not true. In the case of a snow storm, ships would have to remain outside as they would have to remain outside any harbour. But in rough water they

can enter Port Nelson almost as well as they can in smooth water. It is true not only that the channel is of ample depth, but that the channel is self dredging; that it does not silt or shift. On the evidence of Mr. MacLachlan himself given before the Senate committee, this channel gives no sign that it has shifted for a hundred years or that it will shift in another hundred years. In one of those letters there was a reference made to silt, and the newspapers took hold of that and made out of it columns of the grossest kind of misrepresentation, giving the public to understand that Mr. MacLachlan was dealing with the channel. Mr. MacLachlan, in his letter, said nothing about the channel. He was dealing with the breakwater and that is the thing he mourned over. The papers made a great deal out of Mr. MacLachlan's mourning. What he mourned about was not a defect of nature, but the foolishness of someone who had preceded him and whose actions he fain would have shielded. That person, whoever he was, had built that breakwater against the first principles of harbour engineering. He had built a breakwater which was really not a breakwater, but a mud trap, just a dump of refuse that ought never to have been put there. That was what Mr. MacLachlan was referring to and not the channel. The channel keeps itself clear, year in and year out. It never will need to be dredged, and that is more than can be said of the harbour of Lunenburg.

Mr. DUFF: Never mind about the harbour of Lunenburg. That is a little too deep for my hon. friend.

Mr. BIRD: Not according to the estimate.

Mr. DUFF: Where does my hon. friend get the information that the channel is 1,200 feet wide?

Mr. BIRD: I get it out of the evidence of Mr. MacLachlan given before the Senate committee.

Mr. DUFF: Let me refer to Mr. MacLachlan's evidence where he says that the channel is 300 feet wide and is just dredged to 20 feet.

Mr. BIRD: The hon. member is reading without the book there.

Mr. DUFF: I have the book in my hand. This is MacLachlan's evidence.

Mr. BIRD: The hon. member is not reading the part with regard to the channel

Mr. DUFF: I beg the hon. member's pardon. I will read it again. This is Mr. MacLachlan's evidence:

> We will come up to the end of the island with a 300 foot channel just dredged to 20 feet.

Mr. BIRD: That is the artificial dredging just in front of the island. I am talking of the 22-mile channel from deep water to the port. I know there is dredging done there. It is all in the estimates.

Mr. DUFF: Is this island not outside the port?

Mr. BIRD: It is at the port.

Mr. DUFF: Is it a 1,200 foot channel or a 300 foot channel?

Mr. BIRD: The hon. gentleman is dealing with the excavation made in front of the island for ships to be manoeuvred in, not the channel. I am talking about the natural channel that extends from near the port to the open sea, the river channel.

Mr. BOBICHAUD: My hon. friend must know that all harbours have a natural channel leading from them with any amount of water. What he wants is a harbour with sufficient accommodation for vessels. The other can be got on any sea coast.

Mr. BIRD: I know that, but I am speaking about the channel which has been the target of abuse. This is Mr. MacLachlan's evidence:

> The width of the channel at the narrowest point is 1,200 feet. The first shoal near the channel is eight miles from the north shore. At that point where I said it was 1,200 feet wide, it is 30,000 feet or six miles from shore.

Mr. PUTNAM: What was the immediate purpose of this breakwater?

Mr. BIRD: I am not prepared to say. I think probably it was a preliminary to the construction of the island and bridge. When the hon. member for Dauphin (Mr. Ward) and I were there last summer, we saw the breakwater. It is just an unsightly dump of refuse of all kinds, stones, barrels of cement, wire and everything else.

Mr. PUTNAM: Does the hon. member profess to know whether or not a breakwater is necessary there?

Mr. BIRD: I should not imagine it would be. The engineering principles upon which the island and bridge have been constructed are supposed to obviate the necessity for a protection of that kind. So much for the misrepresentations that have been made about the channel. Not in a single instance are their allegations true; they are diametrically

opposed to the truth. There is not a harbour proposition in the world that would not be proud to look on such an initial proposition as we have at Port Nelson. Mention what harbour you like of a similar character.

The opponents of this route, when driven from this position, as they easily can be by anybody who knows the facts, although it is very easy to put these things over to people who are not acquainted with the details, fall back upon the straits. That may be described as the Hindenburg line of their defence, and I believe, like its prototype, some day it will give way to just a little bit of British spirit and pluck because that is all that it needs to make it a highway of our Canadian commerce. The opponents of this project delight to becloud this thing with mystery. They try to persuade the public that little is known about the Hudson strait. There is not a similar spot on this globe that has been more investigated than the Hudson strait. I will not take up the time of the House by quoting from the innumerable traders, whaling captains and so on, who have gone through those straits for generations on errands of business and trade. Their evidence is no doubt valuable. It is corroborative, but it is fragmentary and inconclusive. Fortunately, however, we are not tied down to evidence of that kind. Right in the records of this House, in the Library of parliament, we have the accounts of three expeditions made respectively in the years 1884, 1897, and 1910-14, well-equipped, scientific and in every respect to be followed and relied upon. These three expeditions were cumulative in their findings; what Gordon discovered Wakeham confirmed and Anderson clinched. They supported each other. The conservative findings of Gordon in 1884 were extended by the more thorough investigations of Wakeham in 1897, and Wakeham's findings were still further expanded by the persistent and dogged investigations of Anderson in the years from 1910 to 1914. So that we do not need any more evidence than is contained in the hydrographic reports during the period from 1910 to 1914; they contain nothing which any reasonable mind can reject. Mr. Cowie of Montreal has been quoted on this subject and he is a man whose opinion can be taken on a matter of this kind; a short while ago he said that the evidence could be accepted as trustworthy. And if it is not accepted, no investigation which one could ever make could be regarded as worthy of belief; some credence must be given to evidence gathered in an investigation extending over that period.

Mr. ROSS (Kingston): Gordon was there from 1884 to 1886. What was his report in 1886?

Mr. BIRD: His report in that year was a favourable one. But I am not tied down to Gordon's report of 1886; there have been more efficient investigations since that time all of which have confirmed his report and extended it.

Mr. ROSS (Kingston): May I quote this for the information of the hon. gentleman? In 1886 he stated: "I can now—"

Mr. BIRD: I am afraid I must confine the hon. gentleman to a simple question; the reading of excerpts is scarcely fair to the argument. If I wanted him to read I would ask him to quote the whole report.

Mr. ROSS (Kingston): I was going to read the report for you.

Mr. BIRD: I do not wish to be discourteous to the hon. gentleman but he knows how things go in debate. I have absolutely nothing to hide. It is true that little passages here and there can be quoted from the reports, apparently against the project; but we must take the evidence as a whole. Now, there was one very interesting feature in Anderson's report for the year 1913. It is shown that in 1912 the straits were open as early as the first week in June and that they remained open so late as January 8, which is a period as long as the open season of the port of Montreal. And that is what scares these people at Montreal.

I want to say just a few words on the economic phase of the question, because it has become the fashion of late to stress the economic side of every problem. Some time ago I came across a statement made by a so-called expert in the pay of the interests who are opposed to the project, contending that the Hudson Bay railway would never compete with the transcontinental lines because it would never carry the high class freight which the transcontinental lines carry, and that high class freight is always necessary to eke out the deficiencies of wheat. He used certain figures to carry his point. He said that wheat earned .516 per ton mile while high class freight, or all class freight, earned 1.037 per ton mile—twice as much. The fallacy lurks in that word "earned". Of course, all class freight earns twice as much as wheat, but the fact is that it does not bring in twice as much profit; indeed, it does not bring in as much. I quote this statement, not because of any importance

I attach to it but merely to show the kind of propaganda which is carried on against the Hudson Bay railway by men who are so-called experts on economic questions. It has become the policy of the interests opposed to the Hudson Bay railway to engage these so-called economic experts; every week or so you will find either an article or the report of some address by one or other of these experts, who have academic letters after their names sometimes resembling the tail of a comet. These men usually follow one procedure: They say that the Hudson Bay railway was conceived in political corruption, born in economic ignorance and nurtured in sectional fanaticism. That is the sum and substance of their entire argument. These men are employed by the interests who day and night are working subterraneously against this project, and they will go so far as to deride the motives of the hon. members of this House. Only a day or two ago I saw in a leading article in a self-respecting newspaper the statement that the advocates of the Hudson Bay railway in this House were purely self-seekers; it was their own ambition that compelled them to bring the matter up in the House. That is the line of argument they pursue, totally disregarding the facts of the situation; it is a constant dishing-up of abuse against this parliament and against statesmen who have been here before us and whose repute is worthy of better things at the hands of these people. Let me now refer to a statement I came across in Canada's best newspaper, the Montreal Gazette.

Mr. EVANS: Question.

Mr. BIRD: Such sacreligious interruptions are improper. This newspaper some time ago carried a leading article entitled "The Hudson Bay Folly," and that title is quite indicative of the judicial spirit with which that paper usually discusses the subject. In that article it was stated that the Hudson bay route would never amount to anything because the open period of navigation did not coincide with the period of the wheat movement. The perversity of a statement of that kind is palpable to anyone who knows the facts. We know that Hudson bay and the straits and port are open for at least four months of the year, with possible conditions at either end running it up to seven months. That four months is from July 15 to November 15. Put that fact up against the fact that the period of the wheat movement in the West begins approximately on September 1, and there you have a period of two and a half months in which the open period in Hudson bay and straits coincides with the period of the wheat movement. Now, two and a half months is a very small proportion of the year, but it is a big slice out of the period of the grain movement. From September 1 to December 24 last year there was moved from the head of the lakes not less than 181,000,000 bushels of wheat, not to speak of the coarser grain which would run up to some 50,000,000 bushels more. That average is a million and a half bushels a day. On that basis there is the possibility of moving to Port Nelson in the course of one season no less than 114,000,000 bushels of wheat. That is what begets all this newspaper misrepresentation, all this lobbying against the proposition. And when the wheat gets to Port Nelson it is on the last stage of its journey. This argument of mine holds in reserve the earlier portion of the period during which no doubt a large quantity of old wheat will find its way over this route.

Mr. McTAGGART: How do you arrive at the conclusion that the route would be open for four months of the year?

Mr. BIRD: I think I have dealt with that. I say that the evidence is in existence to any man who will read and understand it in the records of this House of expensive expeditions which have gone out there year after year for three or four years under the guidance of scientific men. I have never yet made anything like an extravagant statement in regard to the feasibility of this project. I do not say that the route is open for seven or eight months every year, but I take my stand upon what I think is the truth of the matter, that all the evidence we have, whether of the more scientific kind or of the practical kind we get from master mariners, converges upon this basic point, that the average period of navigation is four months.

I refer again to the correspondence of Mr. MacLachlan. After he had disposed of the navigability of the route, he rushed into the sphere of the grain exporter and tried to show that, whether the route was navigable or not, it was of no use for the exportation of wheat anyway. After he himself had been working for years on the feasibility of this route we find him sitting up nights trying to make out that it is no good, although he had been instrumental in spending six million dollars on it. In order to establish his point he assumes —it is all assumption—that in the first place the railway will cost 40 per cent more than any other railway line, and that labour at Port Nelson will cost twice as much as anywhere

else in Canada. Upon those airy foundations he proceeds to demolish the route. Without entering into his figures, which have no basis in reality at all, allow me to assume something. Swift Current, for instance, is, as near as you can get it, the centre of the wheat belt in western Canada and is approximately equidistant from Vancouver, Fort William and Port Nelson. We will assume that a car of Swift Current wheat will cost us about the same to each of these ports, although if there is any favour it will be coming to Port Nelson, because there is no height of land to cross, it is all down hill. So, if anything, it will cost slightly less to transport that wheat to Port Nelson than to either of the other two ports. Now we will assume that we have a carload of wheat transported from Swift Current to each of these ports. At Fort William the wheat has to travel 4,000 miles to get to its market, and one-third of that distance is lake and rail; at Vancouver it has to travel 8,647 miles via the Panama canal to reach its market; at Port Nelson it has to travel 2,960 miles, all ocean, to reach its market. Assuming, that the land carriage is equal—and I think we have a perfect right to so assume—and taking the most recent figures on ocean and lake rates, we find that a bushel of wheat from Swift Current to Liverpool through Vancouver will cost approximately 37 cents; through Montreal approximately 35½ cents; through Port Nelson approximately 24 cents.

Mr. DUFF: How does my hon. friend figure that it will cost 24 cents?

Mr. BIRD: Surely the hon. gentleman has been following me?

Mr. DUFF: Yes.

Mr. BIRD: I am assuming the land carriage to each port is the same because the distance is practically the same, and then I am taking the most recent figures as to ocean and lake freight.

Mr. DUFF: Have you any figures from Port Nelson to Liverpool?

Mr. BIRD: No.

Mr. DUFF: How do you figure that?

Mr. BIRD: I have not finished my argument yet. Of course, Vancouver gradually gets the advantage the farther you go west; but from Swift Current, the centre of the wheat belt, Port Nelson has an advantage of 11½ cents over Montreal and 15 cents over Vancouver. That is the margin you have to help overcome the supposed difficulties that lie in the way of transporting wheat through Hudson bay. It is a fairly good margin.

Mr. DUFF: My hon. friend has not yet answered my question.

Mr. BIRD: It is not necessary—

Mr. DUFF: Because you cannot.

Mr. BIRD: —because it is perfectly legitimate to argue on an assumption.

Mr. DUFF: It is not; you must argue on actual conditions.

Mr. BIRD: The conclusion of my argument is this: That all things being equal—

Mr. DUFF: Oh, yes.

Mr. BIRD: Well, it is perfectly legitimate. I say you have 11½ cents to overcome the things that may not be equal.

Mr. DUFF: It might take 111 cents to overcome those difficulties.

Mr. BIRD: If the hon. gentleman makes that assertion, it is in perfect keeping with all the other assertions that are made against the Hudson bay route.

Mr. GOULD: There is no evidence upon which to base that assertion, either.

Mr. DUFF: There is all the evidence in the world. There is the blockade—that is the evidence.

Mr. BIRD: So I think we may assume that there will be a very attractive premium upon shipping in respect to grain that goes out through Port Nelson and the obstacles would have to be very great to prevent shipping going in to get that premium.

Suppose you can get the wheat to Port Nelson profitably and on time, the question is asked, will the ships go further? I do not pose as knowing much about shipping, but the general facts about sea carriage are pretty well known to everybody. I think the principle is pretty well accepted that shipping will go where it can get freight and will prefer freight at the point nearest to where it is produced. One thing that is extremely favourable to Port Nelson is the fact that it is tributary to the greatest seaway in the world, that is, the north Atlantic shipping route; it is a branch line of it. Take two ships leaving Liverpool at the same time, one bound for Port Nelson and the other for Montreal. At a certain point they will part company; one will proceed directly west to

Port Nelson and the other will proceed southwest to Montreal, and they will arrive at their destinations at the same time. Port Nelson is as much tributary to the north Atlantic shipping route as Montreal itself. Some one will say, "But the ships going to Port Nelson will be in ballast and it takes a return cargo to make shipping profitable." But you will find that all ships that go into Montreal are not laden, some of the best shipping routes in the world have necessarily been built up on one-way trade. Bigger obstacles than that have been overcome in the world of shipping. Some of the best markets in the world are only one-way markets. The shipping companies have to overcome these things and they will overcome them if the freight is to be had.

Mr. McTAGGART: Does my hon. friend know what the prevailing carrying charges on grain from Fort William to Liverpool were in pre-war days?

Mr. BIRD: No, I am sorry I cannot give the figures. I have made no special study of the costs in pre-war days.

Now, I will leave that phase of the subject and deal with something that I am a little more familiar with, that is, the economic side of the question as it affects the railway itself, altogether apart from the ocean project. I chanced to hear an explorer a year or two ago say that if a wall were built across Hudson bay straits it would still be justifiable to complete the Hudson Bay railway because of the immense natural resources that would be opened up. Subsequently I heard a prominent railroad man say that altogether apart from ocean traffic the opening up of the Hudson Bay railroad would be of national benefit. Now this Hudson Bay railway has two strings to its bow and two very substantial ones at that, each one of which would serve the purpose. Let me as briefly as I can take
2 a.m. you over the case as regards natural resources, dealing with the railroad section by section. The first eighty miles of that road are already taken care of by the phenomenal development of the gold mines at Herb lake, mile 82. Let me read a recent news item with regard to that development:

The following report on the progress of the work at the Bingo Mine, Herb lake, has been cabled to the London office by the manager at the mine, and was published in the Financial Times, London, England:

"Underground development at property rapidly being pushed ahead. Altogether 767 ft. of drifting and 121 ft. of crosscutting. Shaft down 415 ft. in ore pockets. Sumps, bulkheads, timbering and stations completed on all levels, also necessary trackage laid. Free gold visible on all drifts and crosscuts. Ore body so far approximately 70 ft. wide. Machines still working in good grade ore. Local enrichments heavy with free gold. Last 33 assays on 300 ft. and 400 ft. levels averaged $36.25. The cable adds that many new claims are being staked on new strikes in the immediate vicinity of the Bingo gold mine. The Hudson Bay railway is crowed beyond capacity. Many of the claims are being taken up by western capital. When the snow melts great activity is expected in this district, and it is probable that motor truck services on land and a steamer service on Herb lake will be instituted to handle the traffic."

The first 82 miles of the railroad are already taken care of. From that point on for the next 200 miles you have one of the choicest agricultural sections in Canada—10,000 square miles of rich clay farming land. That stretch of country beyond mile 82 where the gold mines are situated was described in the most glowing terms by the surveyors who went through there. The following is taken from a government report which is to be found in the library:

In summing up his impressions of what he designates "the gently rolling clay covered country", Mr. Wm. McInnes, of the Geological Survey, wrote:

"Of the whole of this extensive plateauland, extending from the valley of the Nelson river westward to near Burntwood and Wekusko lakes (west long. 99 degrees, 46 min.), northerly at least to beyond latitude 56 d., and southerly to the limestone escarpment, an area of about 10,000 sq. miles, it may be said it is characterized by a heavy clay soil entirely free from boulders. Lacustrine clays, composed of the rock flour once held in suspension by glacial streams and deposited by them as they reached the quiet waters of a great lake, are essentially the soils of this region; there is no distinct surface soil clearly separable from the clay subsoil, the one merges gradually into the other, the clayey character of the soil being strongly apparent at the very surface where merely the shallow cover of decaying leaves and other vegetation is scraped away. Generally for from five inches to over a foot down the clay is deep brown in colour from the admixture of vegetable matter, and quite friable, and the rootlets of even the smaller surface vegetation reach down far below this level, though on the tops of many of the ridges the light buff-coloured clay, without any appreciable colouration from vegetable matter, comes to the surface. The rolling character of the plateau generally provides fair drainage, but over considerable areas in its central portion, far from the valleys of the larger streams, there are large tracts that have not sufficient gradients for the proper flow of the surface water but could be made available for agricultural uses by being artificially drained."

And further:

Mr. McInnes gave particular attention to the question of climate, which he rightly considered of "vital importance in connection with this region". He kept a careful record of temperatures, and from the time it was "begun on the 19th of June until the night of the 29th September, when the thermometer fell to 26 d., there was no frost that affected even tender vegetation. On the night of the 10th of August the temperature fell to the freezing point, but did not get low enough to do damage at least in the valley of Grassy river, though some of the potato vines on the summit of the

high ridge north of the Pas were slightly touched". He was convinced that the "district is not at all too cold for general agricultural operations. The longer daily duration of sunlight in these high latitudes must be taken into consideration and for purposes of comparison with more southerly localities yearly averages of temperature are of no value."

And then the Rev. John McDougall, a pioneer missionary of the West, thus describes the country to the south of Split lake:

There are but two seasons there—summer and winter—each fitting into the other with little or no spring or fall. This to a large extent does away with the broken weather, which is so often experienced in the east at the changing of the seasons, and makes the conditions more favourable for settlement. The winter is steady and pleasent, and although cold, is not nearly so severe as is generally supposed. In fact, the climate is far more moderate than in southern Manitoba, the home of "No 1 hard" wheat. The summer begins early and the growth and vegetation are almost of a tropical character. This is attributable to the longer hours of sunshine that prevail and to the proximity of streams of living waters everywhere in the district, each of which is conducive to plant nourishment.

The soil is of clay sub-strata, with sandy loam on the surface, and, although wooded to a considerable extent, is a far more enticing agricultural proposition than that which faced the early settlers in the bush farms of Ontario and other eastern provinces fifty years ago.

This is from a report by J. R. Dickson who investigated the natural resources of this district in 1911:

On well drained spots as far north as Split Lake the flora is almost identical with that of similar sites in the Riding Mountains of Manitoba, proving that during the growing season these localities lie under one and the same isotherm, or nearly so. Two other factors which help vegetation in this northern clay belt are the low absolute elevation—only 500 to 700 feet—and the large proportion of sunlight during the growing season because of the long day. No doubt also the large proportion of the country covered by water has a tendency to prevent late spring and early fall frosts. At Cross Lake no damaging frosts occurred between June 8 and September 11, an interval of 93 days. But as a "sixty-day" oat or barley in Ontario will mature in that region in forty-five or fifty days—a general rule which applies as well to fruits, roots and vegetables—there would appear to be no difficulty from a climatic standpoint in growing all the hardier products of the temperature zone. During the last week of July we enjoyed ripe raspberries, gooseberries, black and red currants, blackberries, saskatoons and strawberries (late ones). Certainly, vegetables will grow to perfection anywhere between Cross lake and Nelson House. At the former we ate potatoes weighing a pound and a half each, dug on the last day of August, and when we left on September 10 the corn and tomatoes were still untouched by frost. The soil is exactly similar to that around Cochrane in New Ontario, which yields such large returns under right treatment.

This is from the government's own investigator into the natural resources of this very territory I am speaking about to-night. The member for Dauphin (Mr. Ward) and myself passed through this clay belt last summer, and I am sure we can confirm everything said in these extracts that I have read to you. That country stretching away up for about two hundred miles cannot be described as a land flowing with milk and honey, but I can assure you it has all the essentials for making it such, because a more attractive looking country one has rarely seen at any time. This clay belt reaches up to the point where the railway strikes the Nelson river. From that point onward it parallels the Nelson river very closely, and my hon. friend and myself had the experience of canoeing along that stretch of river for about one hundred miles to Port Nelson, and I am sure we will be impressed for the rest of our lives with the titanic character of the water powers of the Nelson river in that stretch. So the Hudson Bay railroad, throughout its entire length, is in close touch with realizable, tangible sources of wealth. I am not including all the rivers and lakes which stretch out on every side like a vast network, and which abound in all kinds of fish. We may say from the delectable white fish to the epicurean sturgeon they are there in great abundance. As for fur why the Hudson Bay railroad itself will have opened up one of the richest fields in the whole of Canada.

So I think the consideration of these things ought to allay forever that foolish contention that this railway runs through a country of frozen tundras and treacherous swamps, statements that we often see made right up to the present moment in responsible newspapers in this country. This railway not only passes through one of the most attractive and alluring sections of Canada, but it opens up upon that big inland sea which I believe the average Canadian has not yet begun to appreciate, the Hudson bay, whose waters not only hide an immense wealth of a marine character, but which forms a method of access to all the main points in that vast northland of which we sometimes speak so proudly but I am afraid so ignorantly. To the north of Port Nelson we have the mighty Churchill, another big river which connects up with the hinterland which is as rich in possibilities as it is vast. And away again beyond that we have other immense waterways which connect the bay with that big continent sometimes called the Barren Lands, especially the mighty Thelong river, a name which very few Canadians even know of, a river which continues into the waters of Chesterfield inlet, providing a waterway for more than five hundred miles that can be traversed by ocean going ships, leading through a country whose enticing mystery and reputed wealth ought to stir the soul of every normal Canadian.

[Mr. Bird.]

And it is all in black and white, in publications issued by this parliament.

It is not a very difficult thing to imagine when Port Nelson is opened out that every spring will see flotillas of trading craft penetrating up into these semi-arctic estuaries and coming back in the fall laden with the wealth with which they most assuredly abound. It is no dream. Further it can be foreseen that Port Nelson, when it is opened up, when it is made a highway for traffic, for trade, for commerce, will form an outpost, will form an avenue by which Canada and by which this parliament can get better acquainted with our northern possessions, with these mighty islands—almost resembling continents —which are ours, which we are proud to own, and upon which we have such a shadowy but such a formal hold at the present time. The only way we can get contact with those islands at the present time is through channels that are common property to the whole world and which afford no economic advantage, or advantage of any kind, to Canada itself. I believe the time is coming when, from the point of view of national policy, we will have to open out this interior passage to our northern possessions. It is the logical route by which Canada can proceed to lay a firmer hold upon that vast northland which we are proud to call our own at the present time.

In conclusion, Mr. Speaker, I want to say a word with respect to the financial side of this question, and I would like to draw the attention of the House to it. I think probably the member for Prince Albert (Mr. Knox) has already alluded to it, and others who follow me will allude to it much more capably than I can. I can assure the House that it is only a stern sense of duty that compels me to proceed at this late hour. If the House suffers, I suffer more intensely.

I want to allude to a provision in the Land Act which was on our statute books for pretty nearly a quarter of a century. It was placed on our statute books away back within sight of confederation, and was no doubt the fruits of the spirit that marked that epoch-making event. That was an age in which fortunately sectional feelings in this country, strong as they were were overridden by broad, statesmanlike vision. The little petty sectional feelings that contended against each other were sunk deep out of sight when that provision was put on our statute book, and it was on our statute book for over twenty years undisturbed, and was regarded as a sacred pledge not only by the western people but by this parliament representing every section in Canada. Indeed it was not only so regarded but was acted upon, and over two million acres of that land was given to a private company to build the Hudson Bay railway, and that land was being earned right up to the moment in which the Liberal government of 1908 thought fit to delete that provision. Now it is an old story to explain why the then Minister of the Interior under the Liberal government deleted that provision.

Mr. MARTELL: Who put it there?

Mr. BIRD: It was not placed there, I will admit, by the then administration, but its motives and objects were abundantly approved of by them. The motive that led Mr. Oliver to delete that provision was twofold. He was anxious to introduce the policy of his party at that time with relation to land settlement, and he was also anxious to make that policy agree with the other policy of the government of that time of no grants to railways, a policy which they adopted away back in 1896. It was a very difficult thing for Mr. Oliver to try and reconcile those two things, and possibly it might be charged against him that he sacrificed this provision which safeguarded the interests of the West on the altar of party politics, and it is very hard to explain his action, apart from the political controversies of the time. They are old controversies, dead and gone, and not worth resurrecting. But there is this to be said in his favour: No matter what the underlying motives were, he certainly did his best to recognize the sacredness of the pledge which was couched in that provision and he went out of his way in his strenuous attempt to put something in its place that would abundantly honour that pledge. He justified himself I think to that extent. I could read to the House Mr. Oliver's speech, or part of it on that question—and there is no equivocation about it at all, there it is—in which he recognizes the sacredness of that provision, and in which he categorically affirms that it was a right in possession of the West, a mortgage if you like, in order to lift which there must be some adequate provision made, and he set himself immediately when he had lifted the mortgage, or at the same time, to make a provision which he thought adequate. I will not trouble the House with reading his exact words, but they are on Hansard. There is no possible way of escaping them, and if further proof were necessary one only has to refer to the attitude of the opposition at that time. Their attitude at that time was this: They criticised the government, they criticised Mr. Oliver for tampering with that

provision, without, as they thought, making it sufficiently safe. They pointed out to him that it was his duty, not only to make the provision that he did, but to put the money derived from the sale of pre-emptions into a special fund. Sir George Foster in particular pointed out that it was necessary, in order to safeguard the rights of the West, that that should be done, but it was a matter of opinion as to the adequacy of the safeguard. Everybody at that time agreed that it was a pledge, that it was a right, only they differed as to the method in which it should be made secure. Now Mr. Oliver did not follow that suggestion and why? I think, in the first place, he was afraid of being inconsistent. It was the policy of his government not to grant lands to railways, and no doubt he was afraid of the inconsistency of standing by that policy, and at the same time apportioning money from lands to the building of the Hudson Bay railway. But more than that, I think Mr. Oliver was motived chiefly by the thought that the Hudson Bay railway was going ahead immediately. That is the reason that he did not think it worth while safeguarding that provision more than he did, and as a matter of fact the Hudson Bay railway did go ahead that very year, as the present Minister of Railways (Mr. Graham) knows very well indeed. From the moment that was deleted from the statutes, and a substitute put in its place, the Hudson Bay railway went ahead with the full consent of this House, no party dissenting. The spirit of that provision was lived up to for ten years, till the year 1918. The lands were sold, the money was received, the railway was built, and the money was spent up to the year 1918, and then the work on the railway was stopped. Why? Under the pretext of patriotic necessity. This sacred provision, this right, was set aside, not because of any difficulty in it, but because of national interests, in the year 1918.

I wish to state in a few words what my view is concerning the attitude of the West upon this question at the present time. I do not think, Mr. Speaker, that the people of the West want to be unreasonable. I think they are fully apprised of the difficulty of granting large sums of money at the present time. But the western people have a certain amount of consideration coming to them in this respect. They have waited a good many years. It is now seven years since this project came to a standstill under the understanding that it was to be temporary; that it was just to await the time when the country would be better able to meet its financial obligations. I think that the West can legitimately look to this government for a stated promise, not that this line will be built this year or next year, but that it will be built according to a specific policy. The government has all the data at its command. Just as easily as anything can be done, it could say to the West: Our policy is to build this railway. I think they have said that. I think that is on record. But we have the right to ask that the government be more definite; that this thing be proceeded with in definite and progressive stages, so that we can see ahead of us and have some faith that the project is going to be carried out. The doubt and suspicion engendered by delay are almost intolerable. It ought not to be expected of a large body of people such as those who are demanding this that they shall beg. I urge upon the government that they will pay some respect to the earnest wish of a large section of this country that a definite pronouncement be made upon this question. In doing that, they would in my judgment be fulfilling a three-fold purpose. I believe—and I am supported by probably 90 per cent of the people in, at least, two of the western provinces—that they would be conferring a real economic benefit upon the West at a most critical period in its experience. Moreover, they would be fulfilling a contract that was entered into almost a generation ago by this House and a more recent compact when suspension was accepted by the West in good faith that it was for national, patriotic purposes. More than that, I believe that in making a decision of this kind in which, I think, the whole House could acquiesce without putting a very great strain upon their personal predilection, and by coming out and saying: We intend to do this thing in a given, definite way, they would be showing an amount of good will which would go a long way towards healing the breach which has been growing between East and West for the last number of years.

Thus, there is that three-fold obligation upon this parliament—economic, moral and national. I would put the last first, because I believe the people who demand this railway, who ask for it, are patriotic Canadians. The people in my constituency, a typical Manitoba constituency, are mostly of old Ontario stock and, to a certain degree, of Quebec French-Canadian stock. These people are not hostile to Canadian unity. They are not untrue to Canadian ideals. It is because they are good Canadians that they are asking for

this railway. These men whose fathers helped to make Ontario what it is and to make Quebec what it is, surely are no less Canadian because they refuse to be relegated to the condition of a peasant on a Russian steppe, cut off, isolated and made tributary to interests that have established themselves a thousand miles away, interests which sometimes show themselves superior in power even to this popular assembly in which we are met to-night.

It may be difficult sometimes for our friends in the East to understand why we show so much passion upon a question of this kind out West. Why is it that we should pin our faith to a proposition like this which, on the face of it, seems to have so many difficulties? This Hudson bay route may have many formidable obstacles, but there is one obstacle that it will never have, and that is, to be controlled by interests over which the West never had much influence and over which, as the years go by, they have less and less influence. The most formidable iceberg that ever floats into the Hudson strait is not so formidable as those interests that sometimes, without shame, unabashed set themselves up in superiority to this representative House and exact toll from the hard-earned product of western soil. That is one defect from which the Hudson bay route will never suffer. When we talk about eastern opposition in the embittered way that we sometimes do, we do not mean the East as such. We have no quarrel with the rank and file that make up eastern Canada. When we meet them in the street and tell them of our grievances, they instinctively sympathize with us, because they know that our fight in its essence is their fight. I should like to have it well understood that when we speak as we do about the East, about its opposition, about its clumsy selfishness as one of our living statesmen once said, we are not talking of the man in the street because we believe and know that the man in the street is with us. It is to the man in the street that we appeal against those interests that work against us subterraneously and with all the power which their privileged position gives them.

On the one hand the government are faced, as I know they are faced, with an insidious propaganda that gets its vantage point in the editorials of our leading journals. They are faced with that flood of propaganda which, through unscrupulous misrepresentation of facts, is damning this product in the eyes of the people of eastern Canada. On the other hand, they are faced with this appeal which is not of yesterday, but which stretches away back for a generation or more, an appeal which has never abated, which comes from the heart and soul of every man, woman and child in the provinces of Manitoba, Saskatchewan and Alberta. That is what I ask the government to listen to to-night.

Sir HENRY DRAYTON (West York): Mr. Speaker, I rise for the purpose not of answering the hon. member, but of making a suggestion. In the first instance, I have learned something to-night. I have learned that a big lobby is on against the Hudson bay project. I have been here now some years and I have to admit that I have been singularly shortsighted; no one has ever come to me in connection with the Hudson Bay railway who has been against it although I have come across many gentlemen who have been for it. I have also learned that some sinister influence is casting its baneful shadow on this project. Well, again I have not seen that shadow and I can freely say that I have been quite free from that influence. But I can tell hon. gentlemen that there are a great number of people in Canada, some in the West and an awful lot in the East, who are of the opinion that if we put any more money into the Hudson Bay railway we are simply throwing it away. They may be all wrong and they may be all right; I do not propose to discuss the matter at this late hour on its direct merits. But I want to make a suggestion. We had a very similar situation to this at one time in Ontario. I remember that at one time when I was a boy a great deal of interest was taken in the proposal to put Ontario on the salt seas; we were to have an ocean port and a railway to James bay, and we were going to do everything up there except grow bananas. It was taken very seriously and considerable pressure was brought to bear from time to time to secure grants and subsidies and everything else that could possibly get the line built. At that time we had not much hope of having the rest of the country build it for us. At any rate, it could not be built under any scheme which the country as a whole would have anything to do with and finally, the agitation being so strong, Ontario was compelled to build the line itself. It has not gone up to the bay but it has gone past mile 82 where my hon. friend (Mr. Bird) tells us the railway is already provided for. It has got past that although it stops short of the bay. But it has met with success along the lines the hon. member suggests that this would be successful. Now the position here is different. The Dominion

as a whole has an investment of $25,000,000 in the Hudson bay property and my firm conviction is that there is no reasonable hope that this government or any other government which has the interests of the entire Dominion in its control can at the present time contemplate the completing of that railway, the establishment of services and the finishing of the terminals. When I say that I am not suggesting that there is nothing in the project, I do not want to take that position. I am simply saying that as a matter of practical business I do not believe that it either can or will be done. I dislike to see a matter which comes so near the hearts of a large number of our citizens left dangling in the air, made use of in this and that election, and doing nothing except, as I honestly believe, inspiring false hope. I want to make a suggestion in the best of faith and only because I believe that hon. gentlemen are sincere in what they say.

Mr. WARD: The hon. gentleman says that neither this nor any other government will ever build the road. What makes him say that?

Sir HENRY DRAYTON: I am giving it as my opinion that it will not be done, but I did not say "ever," because that is a very long time. In my opinion it will not be built in the comparatively near future or in a period of time in which my hon. friend will see useful results flowing from the enterprise. In the belief that the people of the West really want the line and believe in it, and as the greater part of the mileage is built and the government has spent $25,000,000 upon it, I would suggest that what ought to be done would be to give the project and every cent put into it to the western provinces that want it. I would do more than that; I would give them rights in the Winnipeg terminals where they would need them to get the grain through. And I would do more than that even. The line is not in good condition; the provinces are not in any too prosperous a position at the present time, any more than the Dominion, and I would be in favour of giving a grant say of a couple of millions to the provinces and getting finished with the thing.

Mr. HOEY: Does the hon. member advocate the return of the natural resources, on a fairly equitable basis, at the same time?

Sir HENRY DRAYTON: That question has nothing to do with the building of the line. I am perfectly content to let Manitoba control her resources on anything like a basis which will not only deal fairly with Manitoba but with Canada. I am perfectly content that what the Prime Minister said in the opening of the session should be implemented by action. But I do not see why a railway which is going to do all the things which it is said this railway will be able to do, running into the most fertile belt of land in Canada for a distance of 200 miles should be looked at askance; I do not see why that gift horse should be looked in the mouth because there is something else that is not done at the same time. That is unreasonable. If the proposition is, as I believe its promoters think it is, one that is feasible and in their own best interests, I cannot see for the life of me why it should not go ahead and why those who are interested in it should not want to own it and own it free from all encumbrances and get all the profits that will be derived from it. That is only a suggestion, but I think it is better in the interests of the West that something should be done; the matter should not be left dangling in this way. Personally I would do anything in my power to see that the three provinces interested should get that property in such a way as to be able to operate it; having the railway they would have valuable connections in Winnipeg and with ready cash to go on with I would suggest that it be given over to them.

Mr. J. J. HUGHES (Kings, P.E.I.): There is no man or woman in Canada who would not be overjoyed if it were shown that this project was feasible and practicable. The imagination can hardly realize what an advantage it would be to this country if we could ship grain and cattle through Port Nelson to Europe and bring back the products of that continent; it would be a tremendous advantage to Canada if Nelson could be brought as near to Liverpool as Montreal is. I approach this question with an open mind. I think I represent the "man on the street" to whom my hon. friend alluded. I read everything I could get on the subject. I attended the meeting to which members of parliament were invited when a delegation came from Winnipeg two or three months ago, and I was disappointed with the speeches because I thought I would hear some argument in favour of the proposition. Premier Bracken was the only man who thought those assembled there were entitled to something like an argument in favour of the project. I put this question to him: "If it can be shown that the navigation of Hudson bay and Hudson strait is commercially impracticable, would you still advise the building of the railway?" He hesitated, but finally he said: "If it can be shown

that the navigation is commercially impracticable, it would be a very strong argument against going on with the railway."

My knowledge of this subject has been acquired from reading the statements of men who are conversant with it. I will therefore quote from the Cruise of the Neptune. The Neptune went to Hudson bay in 1903, wintered there, and came out again in 1904; she was two summers and a winter in the bay and the strait. First and foremost let me give the description of the ship:

The Neptune, the largest and most powerful ship of the Newfoundland sealing fleet, was chartered as the most suitable vessel for the cruiser work. The Neptune is a stout wooden ship, built entirely of British oak, sheathed with "iron-bark" and greenheart. Although built in 1873 she is quite sound throughout and of amazing strength. Her sides are formed of an outer sheathing of four inches of greenheart on top of four inches of oak, covering heavy oak timbers, with an inside lining of three inches; the space between the inner and outer skins and the timbers is solidly filled with rock-salt, so that the sides of the ship are practically eighteen inches thick in all parts where a contact with the ice is expected. The bow is further reinforced by a heavy sheathing of iron plates, and inside it is backed with deadwood, giving it a thickness of eight feet. The Neptune is of 465 tons net register, and has engines of 110 nominal horsepower. This means that the ship will carry about 800 tons of coal and cargo, and that her engines will develop about 550 indicated horsepower.

That was the kind of ship sent to the bay in 1903. To show the conditions that the ship met with I will read the description contained in the log. All navigators who have been in the bay and the strait agree that September is the month under which the most favourable conditions are found in those waters. This is what occurred on September 13 when the ship was going in the first year:

Squalls of snow delayed us until the afternoon of September 13 when we steamed westward along the north side of Digges islands.

That is at the western end of the strait and on the eastern side of the bay.

A bear was seen climbing over the cliffs, and a boat was lowered in chase, but the animal escaped. In the evening the course was changed to northward, up Fox channel. At daylight the next morning ice was met with some ten miles from Leyson point. Steaming slowly through it, Seahorse point, on Southampton island was reached at noon, and a landing was made with the launch. During the absence of the launch the ship was sent out into the ice to the northeast, in order to examine its condition. It was found to be in large cakes of heavy rafted ice, too solid to penetrate at such a late date.

Mr. KNOX: Does my hon. friend know that Southampton island is not in Hudson bay?

Mr. HUGHES: The map shows it is on the east side of the bay.

Mr. KNOX: It is nowhere near the course of navigation from Nelson to Liverpool.

Mr. HUGHES: How could a ship pass into the strait without passing near Southampton island when the island is almost in the mouth of the strait? But to proceed:

On October 10 a heavy gale blew from the westward accompanied by frequent, thick snow squalls. The anchor was raised at daylight on the morning following, when, keeping well to the southward of the shoals beyond the mouth of the inlet, we arrived safely at Fullerton at dusk that evening.

They wintered in Fullerton, a harbour on the west side of the bay. The ship left Fullerton harbour in 1904, and here is the account:

The anchor was hoisted and the moorings to the ice cast off at two o'clock on the morning of July 18 when the Neptune proceeded to break her way out of Fullerton harbour, after having been nine months there fast frozen in the ice. Little difficulty was experienced in breaking the harbour ice, when, following a pilot boat, the narrow eastern entrance was soon passed and the ship was once more free. Loose stringers of small ice extended a few miles from the shore, after which only occasional lumps were seen during the day, as the ship steamed across to Cape Kendall, and then followed the west coast of Southampton southward. The southwest point of the island was passed before midmight. This point lies well to the northward of its position on the chart, or in about 63 degrees north latitude.

The low southern shore of Southampton was followed during the night and only a few stringers of ice were met with. At four o'clock in the morning the island was lost to sight, and by noon we were steaming along the equally low shores of Coats island, with the small but prominent Walrus island in sight to the northward. Ice to the northward gradually forced the ship closer to the shores of Coats, where, after passing a wide bay partly filled with large, low islands, we coasted within two miles of a prominent headland about four hundred feet high which forms the northeast cape of Coats and which was named cape Prefontaine;—Beyond cape Prefontaine—

That is on Southampton island.

—the ice became more plentiful, and many large pans were met with. The ice had the appearance of being lately broken up, and owing to its smooth, unrafted condition we judged it came from Fisher strait rather than from Fox channel to the northward. During the night this ice forced the ship southward into the channel between Coats and Mansfield, so that the western shore of the latter was reached some twenty-five miles to the south of its northern end.

Open leads in the ice were found from three to five miles from that island, and no difficulty was experienced in gaining its north end. This island of limestone is somewhat higher than Coats and Southampton, rising inland in low broad terraces to an elevation of upwards of a hundred feet. Small patches of snow were seen under banks and along the faces of the terraces, but elsewhere the green colour showed that considerable vegetation covered the greater part of its surface.

Similar lanes of water, between large cakes of ice, afforded an easy passage from Mansfield to Digges islands. A great amount of ice was seen to the southward apparently completely filling the channel between

Mansfield and the mainland. To the northward some open water occurred, but the patches became smaller and smaller as Digges was approached, and finally ceased to the eastward of these islands, the southern part of the western end of Hudson strait being completely filled with ice.

Mr. DUFF: What date was that?

Mr. HUGHES: Between July 18 and 21.

A strong southerly wind had been blowing all day, and it was hoped that it had loosened the ice along the southern shore of the strait.

Mr. BIRD: Does not the captain state that an ordinary unprotected steamer could have easily passed through that ice?

Mr. HUGHES: No, he does not.

Mr. BIRD: He does in my version of the report.

Mr. HUGHES: He says:

The ship was taken under the land, but without success, so that after butting through the slowly closing ice all night, we were finally tightly beset in the early morning, about three miles from the eastern Digges island. The 21st—

That was July.

—was foggy, with snow flurries in the morning and showers in the afternoon; the ice remained tight about the ship all day, and she drifted eastward with the ice, passing cape Wolstenholme, and in the evening being about five miles to the east of Erik cove. At that time considerable open water could be seen about five miles from the ship to the eastward, with a few narrow lanes in the rear, and other small openings to the northward, where the dark sky showed considerable open water beyond our view.

Persistent ramming forced the ship through about five miles of ice on the morning of the 22nd, when she was again tightly beset until the evening; at that time being about twenty-five miles to the eastward of cape Wolstenholme, this distance having been made by the drift of the ice.

The ship was drifting in the ice. Now, here is the record for certain days in September of the same year:

September 8. The weather throughout the morning had been bad, a strong northwest breeze bringing down frequent heavy, blinding showers of snow. These showers became almost continuous, and towards noon only momentary glimpses of the land were to be obtained at long intervals. The tides here are very swift, and when the sky cleared a strong ice-glint was to be seen ahead. It was considered dangerous to attempt to enter the ice in such weather, with the unknown Mill islands directly in the course; we therefore turned back to pass south of Nottingham island. This decision proved wise, for next day the whole mouth of Fox channel was found completely filled with heavy ice drifted south from the northern parts of the channel. The condition of the Neptune's stem did not warrant any contact with the ice that could possibly be avoided.

That was in September, the very best month of the year in those waters. Then, on the 13th of September:

Having rounded Salisbury and Nottingham during the night, ice was met with at nine in the morning, twenty-five miles to the westward of the last-mentioned island. The course was changed to south of west to skirt the edge of this great pack, and as it continued unbroken to the westward, the idea of passing through Fischer strait was abandoned, and the course was laid to the southward of Coats island. The passage was encumbered by ice until dark, when the ship lay-to awaiting daylight.

There are one or two other extracts I should like to read:

The homeward voyage from Fullerton to Port Burwell was made in fine weather, and the only incident requiring mention was that the ice from Fox channel had advanced southward and westward nearly twenty miles since we last saw it. This necessitated our keeping close to Mansefield island.

I shall not take the time to read any further extracts from that report but I would commend a reading of it to any one who wants to get a fair knowledge of the conditions in the Hudson bay and straits. Surely it cannot be contended that that report is biased.

Mr. DUFF: By whom is the report made?

Mr. HUGHES: A. P. Low, commander and geologist, under Captain Bartlett. I heard my hon. friend say when he was speaking that Captain Anderson had given a favourable report on this project. I have read Captain Anderson's evidence before the Senate committee and it is just the reverse; Captain Anderson has made a report against the project as a commercial proposition. I want to read a few extracts from the comments of a man whom I consider to be one of the most experienced master mariners, one of the most experienced men in ice navigation in Canada or perhaps in the civilized world. I refer

3 a.m.

to Captain Read of the steamer Prince Edward. He was three seasons in Hudson bay and Hudson straits. He has been two or three seasons in the Baltic and in the White Sea. He took three ice-breaking ships out to Archangel, and he has had twelve or fifteen years' experience in the navigation of Northumberland straits. He has no interest in this matter; he would be only too delighted, I am sure, if he could report that this project was feasible; that by this means we could give depth as well as breadth to our country. There is nothing, as I have already stated, that the imagination can very well conceive as being more beneficial to Canada than such a project as this if it could be proved to be practicable. I have a long report here written by Captain Read, and I may say I compared it with the captain's diary and the log of the ship. He goes into the matter very fully, and of course I cannot read it all; I must hurry along. He says:

It will be asked why a specially constructed ship for ice navigation could not be used to carry wheat from Port Nelson to Liverpool. The answer is she must be very strong and compact, closely framed and heavily plated, with a well curved side to withstand the tremendous side pressure exerted by rafting ice. This means that she cannot be very long, for if she was it would be impossible to manœuvre her in field ice; then she must be powerful enough to force her way through heavy ice when in danger of being pushed ashore or crushed between two different floes coming together. This means she will have to be equipped with powerful engines. They in turn require lots of steam, which must be furnished by many large boilers and lots of fuel. It follows that when we have large engine rooms, large stoke holds and large bunkers, there is very little room left for cargo. This is no supposition on my part, but an actual fact as we know from personal experience; for when we went to the Hudson bay with the Earl Grey to meet His Excellency the Governor General in 1910 we filled all our bunkers the last thing before leaving and even took coal in bags on her deck after filling all the cargo space, and still we had to proceed under part of our boilers only to make the coal last till we got back to Sydney. When we went to the Hudson bay in the Minto the department had to send coal there in the Aranmore to rebunker us for the trip back, and when I took the same "specially constructed ship" to Archangel, Russia in 1915-16 we filled every available foot of space with coal, even to taking some in bags on top of the house, and still we did not have enough to take us in, and it is no further than from Nelson to Liverpool.

Any who pin their faith on the "specially constructed ship idea" are fooling themselves in more ways than one.

First, the cost per ton to build one of these ships is so much higher than for the ordinary freighter which plys between, say, Montreal and Europe.

Then there is the food and wages, interest, upkeep, depreciation, and insurance which all go towards making up the operating expenses and are greater in proportion than the first cost, for they are all based on the power and value of the ship and not on the amount she will carry, and the less she carries the more per bushel she will have to get as freight to make ends meet.

Then he gives a resumé of the period of navigation that the different captains have given.

Bernier gave the opening date as June 22, Wakeham as June 29, Webb as July 23, and Bartlett, Keen and Anderson as July 28; whereas in the years 1914 and 1915, August 15, was the earliest it was safe for ordinary freight steamers, and on July 30, 1914. Anderson in the Acadia was still forty miles out of Cape Chidley the eastern most part of the strait, in heavy ice and did not get to Burwell till August 20 and there was still heavy ice in the strait at that late date. Suppose for example a freighter sailed from England expecting to get into the bay on the date set by Bernier (June 22), and could not get in till the dates set by Bartlett, Keen and Anderson, namely, July 28, it would mean that he would be delayed at the entrance of the strait for five weeks, and if it was in the years 1914, and 1915 he would have been hung up for seven weeks before it would have been safe or even possible for him to get in. Next let us take the closing dates. Captain Webb gives October 15, Commander Wakeham, October 21, and Keen, Anderson and Bernier October 30.

Here is an incident which Captain Read narrates:

On August 5, 1914 at Stupart bay on the south side of Hudson strait, the Bonaventure had followed us in the day before, and the ice caught her and was pushing her on the rocks. Capt. Gross sent me a call for help and had I not responded immediately with one of the best icebreakers ever built, it would only have been a matter of about an hour before the Bonaventure would have been a shapeless mass of scrap iron for as it was we only broke the pan in the nick of time and this was not the only S.O.S. call I had to respond to while in the Hudson straits on account of ice.

There is more here. Engineer MacLachlan, whose report I think most people have read condemns the project altogether. He was for four or five years engineer in charge of the work at Port Nelson. He knew that the chief engineer, Mr. Bowden, was very much in favour of this enterprise, and he did not like to condemn it for that reason but finally he condemned it as being impracticable.

Mr. McTAGGART: Is my hon. friend reading from the report prepared by Mr. MacLachlan and sent to Ottawa, or is he quoting from his evidence under oath before the Senate committee?

Mr. HUGHES: Mr. MacLachlan's evidence under oath before the Senate committee is not favourable to the project. I have it here and only wish I had time to read it.

Mr. MARTELL: Has the hon. member in his possession the chart made by Engineer MacLachlan showing the different positions day by day? I understand that is in the Department of Railways and Canals; also the reason given by Mr. Hazen, the first engineer sent up there, for coming out from the bay.

Mr. HUGHES: I have Mr. MacLachlan's report here, and I think most people are familiar with it. I will just read two or three paragraphs:

Many a time during the last four years I have been on the verge of coming out in absolute condemnation of the undertaking on which I am engaged, but so long as I thought there was a chance of the Hudson Bay railway ever proving of value for any national purpose, I thought that I had better not do so, especially as I knew that you have always been one of its staunchest supporters.

That was written to his chief at Ottawa, Mr. Bowden.

Mr. McTAGGART: That is not in the evidence given under oath?

Mr. HUGHES: No, but this is his statement and I suppose he is a reputable man.

Mr. MARTELL: I happen to have known Mr. MacLachlan for years; I remember when we used to room together. Mr. MacLachlan, I think, is a gold medalist of McGill who was sent up to the Hudson bay to succeed Mr.

Hazen who came out, I am informed, thinking the proposition was not feasible. Every person who knows Mr. MacLachlan knows he is one of the best engineers in Canada.

Mr. HUGHES: Now I will continue the quotation from Mr. MacLachlan's report:

In the light of the ice conditions of this year, which I observed carefully on August 13, 29, and September 3, in the entrance to Port Nelson, and the operation of our ships to and from Port Nelson for the past five seasons, I have come to the conclusion that the season for tramp steamships on this route is going to be so short that the cost of doing every item of work in the handling and transporting of merchandise is going to be so great that the route is not going to be able to compete with the lake route to Georgian bay and rail to Montreal.

Mr. BIRD: Can the hon. gentleman find anything in the correspondence to substantiate this statement?

Mr. HUGHES: This is the correspondence.

Mr. BIRD: Has he any ground for this statement that he makes?

Mr. HUGHES: Yes, he has already given the ground. This is the summing up.

Mr. BIRD: There is no ground at all.

Mr. MARTELL: It was the result of his own personal investigations.

Mr. BIRD: He talks about the ice conditions. Quote something which will substantiate what he says about ice conditions.

Mr. HUGHES: I quoted from the log of the ship Neptune which was in those waters for two years.

Mr. BIRD: It was never sent in to investigate the straits at all. The hon. gentleman's remarks about the Neptune are beside the mark because the Neptune never was sent up to investigate.

Mr. HUGHES: "Convince a man against his will and he's of the same opinion still".

Mr. BIRD: I simply ask the hon. gentleman to quote from the MacLachlan report, grounds for the statements which he makes.

Mr. HUGHES: I have not the time. My hon. friend or anybody else can read Mr. MacLachlan's report.

Mr. BIRD: They are not there, he just makes a bald statement.

Mr. HUGHES: Let me continue:

Port Nelson was this year blocked with ice on August 29.

Mr. BIRD: I think that statement has been sufficiently answered to-night.

[Mr. Martell.]

Mr. HUGHES:

And there was still ice around the harbour entrance on September 6, proof of which I enclose.

These are quotations from Mr. MacLachlan's report.

Mr. BIRD: What hon. gentleman believes it? The hon. member for Dauphin (Mr. Ward) and I were up there at the end of September and there was no ice there then.

Mr. DUFF: You must have been snow blind.

Mr. HUGHES: To continue from the MacLachlan report:

The Shebe altered her course twice on the 12th September, to avoid ice within one hundred and fifty miles of Port Nelson. Though this year is extremely late as regards ice, yet it is quite usual to meet ice in the vicinity of cape Tatman until September. The extreme season will count in a commercial route. I also feel that we cannot extend the latter end of the season beyond a date on which our ships have been leaving in recent years, which means that the 15th, of October will terminate commercial navigation, unless aeroplane reconnaissance of the Fox channel ice floes brings to light something now unknown.

Assuming for argument as long a season as can be hoped for, namely, two months between arrival of the first ship at Port Nelson and departure of the last ship, I find that the Hudson Bay railway route could not offer a greater rate to tramp steamers to come to Port Nelson than would be required to induce them to go to Montreal, and I feel that under equal rates the tramp steamer will prefer to go to Montreal rather than to Port Nelson when sailing to or from a European port.

Then Mr. MacLachlan goes on and gives quite a number of statistics to establish his statement. But I have something else here. I have a report from a gentleman that the Winnipeg people well know. It is a report by W. Nelson Smith, M.E., M.E.I.C., F.R.S.A. consulting electrical engineer to the Winnipeg Electrical Railway Company, Winnipeg, Manitoba. I do not know this gentleman but his article is published in the Engineering Journal. He gives several calculations; he appears to have gone into the project very thoroughly and he condemns it as being impracticable. This is not a prejudiced eastern man at all events.

I regret that I have not been able to go more fully into the information I have before me but as the night is so far advanced I will refrain from doing so. I have read statements somewhat in favour of this project. I have read statements of novelists of repute. Agnes Laut, for instance, wrote in favour of it. Other prolific writers have favoured the scheme, but I cannot imagine they had any experience or knowledge that would enable them to write on a subject of this kind. Personally I would not be opposed to the project

if I thought it was practicable or feasible. If I thought any reasonable part of the revenue of the Dominion would be sufficient to build and maintain a harbour at Port Nelson and make it a commercial possibility, I would favour it.

I listened with some attention to the remark made by the ex-Minister of Finance (Sir Henry Drayton) who would be willing to give the railway that has been already built, the money that has been expended at Port Nelson, and perhaps a large subsidy as well, to the people of western Canada or to any company in the world that would undertake this project. That offer should be sufficient to induce a company of business men or a corporation to undertake an enterprise of this kind, if they thought they could carry it out. I feel much as the ex-Minister of Finance does, that our friends and fellow countrymen—many of them in Manitoba and perhaps in Saskatchewan as well—are sincere in thinking that this is a feasible proposition. I do not know whether this would appeal to the government or not, but I would suggest that the government invite tenders, asking the tenderers what subsidy per bushel they would take to carry grain from Port Nelson or Fort Churchill to Europe, the subsidy to be paid when and as the grain would be delivered in Europe, and the unsuccessful tenderers to complete the railway to Nelson or Churchill, build their own terminals and elevators and provide their own ships. That would mean to give them all that has been expended; ask them for tenders, and give any subsidy that they would be willing to take, say for fifty years even, to carry the grain over the route, the subsidy to be paid as and when the grain would be delivered in Europe. If the proposition were feasible there would be business men in Canada who would undertake it. I do not think the government would get anybody to undertake it even if they offered a subsidy of twenty cents a bushel. With fifteen million bushels going out that would mean three million dollars a year. Such a proposition would be one way of testing the opinion held in regard to this route by business men shipowners and capitalists. If there is any way of meeting the wishes of our western friends beyond spending money that would be absolutely thrown away, I would be glad to entertain it. Mr. W. Nelson Smith, who writes this article presents a proposition—

Mr. BIRD: Is the hon. gentleman aware that the author of that article is an employee of the Canadian Pacific Railway?

Mr. HUGHES: I did not know that.

Mr. MARTELL: How would that affect his judgment?

Mr. BIRD: I think probably it might.

Mr. HUGHES: He recommends that before any more money is expended on this project a committee should be appointed to examine into the question thoroughly and report to the government.

It is suggested that the commission should be composed of one each of the following experts: Chairman and chief engineer; railroad construction engineer; railroad operating superintendent; harbour engineer; naval architect; shipbuilder; sea captain; ice pilot; air service expert; grain elevator engineer; grain merchant; steamship operator; statistician; one first-class business man of affairs like a banker or a manufacturer; also three farmers who are not politicians or office holders, one to keep in touch with each of the railroad, steamship and grain interests in particular.

That is the recommendation which he makes.

Mr. GRAHAM: We would have to get the Neptune to take them up there.

Mr. HUGHES: At all events all the experienced opinions that I have been able to read upon the subject are to the same effect, that it is impracticable.

Mr. BEAUBIEN: Did you read the report of the Senate committee?

Mr. HUGHES: I did.

Mr. BEAUBIEN: Is that not favourable?

Mr. HUGHES: Yes, but that report is not borne out or justified by the evidence given before the committee.

Mr. EVANS: Who says so?

Mr. HUGHES: I say so. Any person of intelligence who reads the evidence will come to that conclusion. If my hon. friend will say, after reading the evidence that it will justify the report, I will be very much surprised.

Mr. BIRD: Does he say the Wakeham report is not in favour of it?

Mr. HUGHES: I have not read it.

Mr. BIRD: Is the Anderson report in favour of it?

Mr. HUGHES: That report is not in favour of it, and its evidence is strongly unfavourable to it.

Mr. A. E. ROSS (Kingston): Mention has been made to-night of the different reports regarding the Hudson bay route. The hon.

member for Nelson (Mr. Bird) who spoke to such length on this question referred to these reports. The Anderson and Wakeham reports have been spoken of. Mr. Anderson in his report says:

> The season of 1912 was a particularly open season. What Commander Gordon found in three years' experience up there is much the same as I would say.

That is the report which was mentioned. Then we come to the Wakeham report. Wakeham was sent up to inspect the Hudson straits and the whole tenor of the Wakeham report is in support of what Commander Gordon stated. Commander Gordon was reported by hon. gentlemen as being favourable to this route, and I am only going to read a summary of the report as given by Mr. Gordon with which Mr. Anderson and Mr. Wakeham and Mr. MacLachlan agree. After three years in the Hudson bay straits, 1884, 1885 and 1886, Commander Gordon said:

> I consider that the estuary of the Nelson river is one of the most dangerous places in the world for shipping to go to. At the outer anchorage the sea in a north-east gale breaks from the bottom, and the captains of the Hudson's Bay ships, if the barometer is falling and the weather threatening, will go to sea in the afternoon and lie off until the weather clears again.

And he repeats further:

> I can only repeat my previously expressed opinion, that the Nelson river is no port, nor would the expenditure of any amount of money make it a desirable place for ships.

I asked the hon. gentleman when he referred to the 1884 report, why he did not quote the 1886 report.

Mr. BIRD: Will the hon. gentleman explain why his party, when it was in power, acted on these reports and spent all these millions of dollars in developing Port Nelson?

Mr. ROSS (Kingston): I am not responsible for what my party did. I was not in the House at the time. I have opposed this vote when part of my party was in favour of it. I am giving the report as given by these three men who have studied the situation. I have nothing to say against the Hudson Bay railway; it may be very useful; I have no objection to its being built; but after reading all these reports, I can come to no other conclusion than that it would be a waste of a large amount of money to go on and make the Hudson Bay scheme a scheme of navigation and transportation.

Mr. JOHN EVANS (Saskatoon): Mr. Speaker, the physical features of this project have been pretty well gone over; but there is another side to it, mostly political. I think it was away back some time in 1891 or 1892 when I was reading a western newspaper, I came across a cartoon. Sir Charles Tupper was dressed in engineering garb and he had one of the old type engines with an immense smokestack labelled "Hudson Bay railway." Along came Mr. Osler and he asked him: "Well Sir Charles, what do you expect to carry over this road?" "Oh, my dear sir, the province; the province, my dear sir." This project has been made a political football ever since I can remember. In the year 1911 a very curious thing happened. At that time an appeal was made to the country particularly on reciprocity. Two things that the West very much wanted were reciprocity and the Hudson Bay railway. The Conservative party promised the Hudson Bay railway and the Liberal party promised reciprocity, but prior to the present time the West has had neither reciprocity nor the Hudson Bay railway.

Mr. MARTELL: Was it through the fault of the Liberal party that they did not get reciprocity? They sacrificed the Liberal party for it.

Mr. EVANS: Have I misstated a fact?

Mr. MARTELL: The hon. member has not misstated a fact, but by innuendo he is trying to make out that the Liberal party were not sincere although they sacrificed their all to get reciprocity.

Mr. EVANS: My hon. friend can put his own interpretation upon it.

Mr. MARTELL: It is not the hon. member's interpretation.

Mr. EVANS: This is not a case of party politics. This is a case of East against West.

Some hon. MEMBERS: Oh, oh.

Mr. EVANS: Hon. gentlemen may laugh at that, but that is the belief in the West to-day. It is not a case of even expenditure or economy. The grade has been completed to the bay, and the time to question the feasibility of the project is now long past. Moreover, as regards the last pre-emption grant made in western Canada, the money was ear-marked for that purpose and enough of that should be left available yet to finish the whole project. If the road had been constructed to the bay when it was under consruction, it would have taken some millions of dollars less to do the work; to-day the agriculturists of Canada would be satisfied

that the work was either feasible or not, and our produce would be going over that road and finding the nearest route to the European market.

Mr. McTAGGART: Does the hon. member believe the government should force collection of the unpaid pre-emptions in order that this road might be completed?

Mr. EVANS: I do not know that that is relevant to the question, but in any event the money will be available at some time. The time has come when this work must be completed. In all the towns, villages and cities throughout western Canada an organization has sprung up known as "On to the bay". Association. This organization comprises men of all shades of political opinion, belonging to all vocations and professions in western Canada. They believe that the East must now recognise the claims of the West. Too long have the eastern cities, with their dominant representation in this House, held that part of Canada under tribute to themselves. When I say "under tribute", I use those words in exactly their full meaning.

Mr. MARLER: The hon. member had better explain that a little more fully.

Mr. EVANS: The West has been subject to eastern Canada in all that it has ever needed, and no people on the face of the earth engaged in agriculture have had to pay such high rates of interest, high prices for all the commodities they need as well as high freight rates on everything they have to ship out. The situation in western Canada has been carefully studied and anything calculated to make us independent of the East has been left undeveloped. The great transcontinental lines were built because of the mistaken idea that the trade of this country was to run east and west. By that it was meant that it should go through Montreal. The transcontinental lines now in the hands of the government with their yearly deficit are a standing monument to that selfishness. The defeat of reciprocity in 1911 gave a fillip to the East-and-West idea. In 1915, another transcontinental line was opened for traffic, notwithstanding the fact that two were already in operation. This is the reason that to-day we are faced with such railway deficits as we have, and yet we have no means of economically getting the produce of western Canada to the markets of the world. Agriculture in the West is being stifled to death because it cannot pay the freight charges that are called for.

The ex-Minister of Finance (Sir Henry Drayton) put forward a project that this government should give to the West this line with all that pertains to it and a grant so that they might finish it themselves and be responsible for it and to do as they liked with it. There are many things to consider before the West would accept that. Shall we have our natural resources along with it on equitable terms with the rest of the provinces? Will any man in this House undertake to say what use a railway would be there, isolated in the northern part of Canada, without the whole system of the Canadian National Railways to feed it? Shall we have control over the feeding lines throughout the three western provinces for that purpose? It would be rendered useless in less than one season with two hostile systems working against us. Is this a fair proposition for the people of Canada to undertake at this time? That is the question. Let us look at that great inland sea and consider its peculiarities. Practically all the arguments used against the feasibility of navigating that sea might very well be advanced against the St. Lawrence.

Mr. DUFF: Not at all; there is no comparison between the two.

Mr. EVANS: In all the reports that I have read, not one of the navigators of the northern route has ever stressed the effects of fog there.

Mr. DUFF: I am in a position to state authoritatively that there is not one day in the year when there is not running ice in the Hudson straits. Does the same thing happen in the St. Lawrence?

Mr. EVANS: I have read the Senate report and a good many other reports as well and I do not think that the hon. gentleman's opinion is based on solid facts.

Mr. DUFF: I have been there at cape Chidley and I have seen ice in the straits at all times. Furthermore, I have talked with master mariners who have navigated those waters and they tell me that they have seen ice running there every day.

Mr. EVANS: This bay was discovered in 1610 by Captain Hudson and it was pretty thoroughly explored in 1612 by Captain Button who wintered at Port Nelson that year. Since that time 750 vessels of the Hudson's Bay Company have gone in and out through those straits and in all that time only two ships have been lost.

Mr. DUFF: How long does it take them to get in and out?

Mr. EVANS: Some of them have left at any time of the year they wanted to. They have gone in and out during the last 250 years and have done the business of the company in that northern part of Canada; and surely when they can make 800 voyages without mishap we should regard that fact as good evidence as to the navigability of the straits. Some of the reports which have been quoted here this evening have not been controverted. If this House has any fear that the bay and straits are not navigable I have a suggestion to offer which I think provides the only reasonable and logical way of putting the question to the test, notwithstanding what the hon. member for King's, P.E.I., (Mr. Hughes) and the ex-Minster of Finance (Sir Henry Drayton) have said. Before the road is completed let us announce to the trade of the world that upon its completion the railway ports of Hudson bay will all be made free trade ports. Surely even the greatest protectionists who are opposing this road at the present time would raise no objections to that proposal seeing that they are so thoroughly convinced that no ships can go in and out of these waters. I venture the prophecy that if this is done there will be no need for this government to expend one dollar on any extra or special craft for the navigation of these waters; all that we would have to do would be to construct lighthouses and give to navigation the ordinary aids which would be provided on any other navigable route.

The first thing we have to do is to construct the railway, and this can be accomplished very largely during this very season. And it is the duty of this government to take steps towards that end. If the people of western Canada are unreasonable in their demands, who is to blame supposing that it is not shown on solid fact that this road is feasible? Who have given them the idea during the last forty years but the politicians of eastern Canada? But the thing is feasible. The testimony of the navigators who have taken the ships in and out of these waters during the last 250 years is unquestionable and these men are not mistaken. I say that it would be a crying shame and a reproach to the government of this country if this project were left in abeyance for any indefinite time or even for another year. Last year we thought this government had again professed its faith in the project in the vote of $350,000 which was passed for the purpose of putting into running order that portion of the road which had been left to fall into a state of disrepair. But the work was not proceeded with as early as it might have been; it was late in the summer when the men got down to work.

Mr. GRAHAM: It could not be proceeded with until after the vote had gone through, and that was late.

Mr. EVANS: There was nothing done until August 10.

Mr. GRAHAM: That was not long after the vote had passed.

Mr. EVANS: Some 48,000 ties were laid last year and some surfacing and brushing were done. Now, the West has a right to this railway. The last pre-emption grant was to provide for this project; money was set aside for the purpose of constructing the road and the people of the West have every right to expect the completion of the undertaking without any further delay.

Mr. ARTHUR LUCIEN BEAUBIEN (Provencher) (Translation): Mr. Speaker, a friend of mine related to me that on one occasion, Monseigneur Laflamme, an eminent professor of Laval University, Quebec, opened his speech in the following manner:

I intend to show you that the laying of the transatlantic cable is possible,—and the task is greatly facilitated by the fact that it is already accomplished,—and in demonstrating the practicability of the scheme, I shall bring to bear evidence as satisfactory and convictions as strong as inspired me when I endeavoured to disprove its feasibility.

All great enterprises as regards development have had their opponents and critics. Competent engineers, renowned explorers, and after them distinguished men opposed, with the same spirit, with as convincing arguments and as pessimistic reports—MacLachlan type—the Canadian Pacific Railway project as those which are advanced, to-day, by the opponents of the Hudson Bay Railway.

It would be interesting to ask, to-day, for the production of these official documents containing adverse opinions in regard to the proposed construction of the Canadian Pacific Railway. We would find in these documents reports of the nature of the MacLachlan one on the Hudson bay. We would wade through speeches of eminent men who have gone so far as to say that "the revenues of the Canadian Pacific would not even suffice to pay for the greasing of its wheels." In spite of this opposition, the Canadian Pacific Railway was built and now is an object of pride to Canada.

I had prepared quite a number of notes so as to try and satisfy my friends from the East of the advantage which our country would derive from the construction of the Hudson Bay Railway and its practicability. However, this question having cropped up at such a late hour of the session, I find myself obliged to curtail my treatment of the subject and limit my observations to the general outline of the scheme.

Hudson bay is a vast inland sea, measuring 1,000 miles in length and varying in width between 400 and 600 miles. Its depth varies between 70 and 150 fathoms. It has an outlet on the Atlantic ocean through a strait measuring 35 miles at its narrowest width, the depth of which varies between 150 and 300 fathoms.

For more than two centuries, the vessels of the Hudson's Bay Company have navigated these waters bringing from Europe the necessary provisions for the inhabitants of the north and carrying back the inexhaustible treasures of furs which abound in the tributary country of the immense bay. More than eight hundred vessels have entered Hudson bay, and two only of this number have been wrecked. Is this not an eloquent refutation to the statement of those who contend that navigation on the strait and the bay is so dangerous that companies will refuse to insure the ships and the cargoes which they carry on this route? Is there another route in the world where, during the same lapse of time, we have had to register such a low percentage of loss?

The supremacy over this route of which depended the freedom of the fur trade gave rise to bloody battles and homeric combats between the two great races of this country. This is a further historical fact which tends to show that already at a time when navigation had not as an auxiliary, aeroplanes, hydroplanes, lighthouses, wireless telegraphy and other modern aids, navigators were unanimous in recognizing that this route was possible, useful and advantageous. With greater force must we admit that with the progress of nautical science, we are well advised to contend for the establishment of this trade route. Another argument in favour of this route is indeed to be found in the opposition which it encounters. Where does this opposition originate?

It has its source among those who benefit or at least expect to benefit later on from the carrying of western products. It comes from these people who transport our grain, our cattle and our other products; from those who handle or get a living from this trade. It also arises from persons who plan new enterprises whose maintenance will depend on the traffic of our products. It is the loss of a present or future profit which stirs them to oppose the completion of the Hudson Bay railway. They have dragged in their wake those who, for trade or other reasons are subject to their influence. They contend that the bay and the strait are not navigable and that the grain will never be sent by that route. Why then do they fear competition? We are fully within our rights in doubting of their sincerity. Is there, indeed, one avowed opponent of the Hudson Bay railway who is not at the same time the advocate of another route? Has not even the change of mind of the engineer MacLachlan been followed by a recommendation in favour of the St. Lawrence waterway scheme? Again do I state that the interests of parties in this opposition are clearly shown.

To pass a sound judgment on the chances of success of this route, recourse must be had to information supplied by explorers of this region. Such procedure was followed by the Upper House, in 1920, and the conclusion which was arrived at by the special committee of the Senate was favourable to the completion of the railway. The committee's inquiry covered a very long period, and herewith are some of its conclusions:

1. That the establishment of the Hudson Bay route is possible and will eventually become profitable.

2. That the navigable season, under the present conditions, extends over at least four months each year and that it may be considerably lengthened if we make greater use of aids to navigation.

Without further quoting from the report, I must state that the opponents to the scheme do not accept this latter conclusion. In support of their contention, they bring forth the evidence of certain navigators whose ships were held up by ice floes or storms in the strait. I do not wish to contradict the truth of their statements. But I do hold that their way of arguing does not rest on sound principles. They draw a general conclusion from a particular case. Were we to judge of the climate of Canada by the temperature which Ottawa has experienced of late, we would falsely conclude that summer does not exist in our country. Nothing, ten days ago, gave us an idea of the intense heat of these last days. This is an exceptional year, and it is only by looking over the temperatures of a given number of years that we can form an exact opinion.

This was the way that the length of the season of navigation in the Hudson bay and strait was determined. Those who have visited

these places during many years agree in the statement that this season is about four months. According to an average established by observation covering a period of seventy years, from 1824 to 1894, there is open water from June 19, to November 8.

Here is what Dr. Bell, a famous explorer who has made a thorough study of the question, reports:

> The Hudson bay is free from ice during the whole year. Navigation between the bay and the ocean can only be carried on without interference during four or five months of the year. However, it is exactly at a time when the greatest part of the wheat can be transported to Europe.

I do not think that I am committing an indiscretion by repeating in substance what one day was told to me by Monseigneur Charlebois, bishop of Keewatin. His opinion rests on a long personal experience and on the reports of his missionaries. It is as follows:

> There exists no doubt that the water route of the Hudson bay and strait is practicable, and it will to a great extent help toward the development of our agricultural and mining resources; it will facilitate the development of our fisheries and be of great advantage to our grain growers and cattle breeders.

If I had the time, I could cite numerous extracts and invoke the evidence of Dr. Low, Mr. O'Sullivan, Capt. Anderson, Capt Webb, Mr. Harling, Mr. Herbert Saunders, Capt. Wakeham, Capt. Bartlett, Capt. Kean, Mr. Stefansson, Capt. Freakley, the Rev. W. G. Walton, Corporal Nain, Mr. J. W. Tyrrell, Capt. Bernier and many others whose opinions are certainly worth that of Mr. MacLachlan, who never ventured any further than Churchill, and who had a lonesome sojourn of a few years at Port Nelson. All these gentlemen are acquainted with the conditions of the Hudson bay and strait. Some of them have navigated these waters or lived there for the last thirty years. Others have made numerous trips, the country thereby profiting by the knowledge and experience and they, themselves, winning world renown. It is the reports of these famous and earnest men that have decided our statesmen to undertake the establishment of the Hudson bay trade route. Shall the labours of these men be in vain? Shall the explorations of our hardy navigators remain without practical results?

The railway is almost completed to Port Nelson. The grading is finished, and all that remains to be done is the laying of the rails and the ballasting of the road over a distance of about one hundred miles. Are we going to lose the money already spent? If my information is correct, an additional expenditure of some $20,000,000 would be sufficient to open up this commercial market of the West. The benefits derived by the western population during a year only would cover the cost of all that remains to be expended.

Transportation of grain by way of Hudson bay woud be advantageous. That is evident, for the rates on freight are much lower than those of railways and the distance by railway to the shipping port on the Hudson bay would be much shorter than the present distance. Moreover, the transportation of cattle would be benefited in a still larger degree. It is a known fact, to-day, that cattle transported by railway lose much weight, while cattle transported by ship fatten and gain in weight.

Mr. Stefansson, whose name is well known suggests that we should raise reindeers in what explorers have designated wrongly as barren lands, since there grows an abundance of grass essentially adapted to the feeding of cattle. The reindeer is one of the most useful animals. Man feeds on its flesh and milk, he clothes himself with its skin and hide, he utilizes its antlers and tendons. Man also makes use of the reindeer as a draught-animal. This suggestion alone of Mr. Stefansson, if it contributed to stock with reindeers these barren lands where they would furnish their quota of wealth, would be sufficient to immortalize its author.

The completion of the Hudson Bay railway would give a new start to the development of the mines in that region. The mineral deposits which are found in those parts are probably the richest and the most extensive in the country. We first come across, in the Hudson bay, the coal mines of the Belcher islands, and iron deposits which are responsible for the deviation of the magnetic needle. To the east of the bay, in Ungava, silver ore is found, and to the north of the Pas, a mineral belt of untold richness comprising, gold, platinum, copper, silver, molybdenite, iron and lead. To the west near Schiste lake, lies the greatest mass of copper of the whole world: the Flin-Flon mine, the development of which has been retarded owing to the want of communications.

Then we have, in the centre, the new gold fields of Elbow lake which are at present attracting from all corners of the earth those who have the thirst of gold. The development initiated on the Webb, Hammerston and Murray properties have recently uncovered mineralized masses of a great richness, and only a few days ago platinum was dis-

covered. More to the east at the small and large Herb lakes, are to be found the Bingo and Rex gold mines which have already given fair profits and there are other valuable properties; then, further towards the east are to be found silver, lead, molybdenite and iron deposits. After all this vast mining region only awaits better railway communication to develop and it promises to be for Canada a source of considerable revenue. One of our colleagues, the hon. member for Dauphin (Mr. Ward) assured me of late that, for the last two years, the engineers in the employ of the Canadian Pacific Railway were going over that region with the evident intention of linking the copper mines of Schiste lake and the gold mines of Elbow lake with some point on their main line.

The establishment of important fisheries would result from the completion of this railway line. Travellers and people who inhabit the country tell us that fish abound in the lakes and rivers tributary to the bay and strait, and also in these latter. Their flesh is excellent, and the establishing of the ocean route would ensure its transportation to the United States and the European markets. Briefly, the wealth of those regions is inexhaustible, and only awaits the completion of this railway to pass into the hands of the hardy worker. The progress of half the country which would necessarily follow on the establishment of this route would in no way hinder the progress of the east, and I should have liked to prove it, but this proof has already been given, and I wish to be as brief as possible.

It was often stated: What would become of the ships remaining idle during seven or eight months of the year? What would become of their crew?

Allow me to make a suggestion. Would it not be possible to rent them under contract to a government of a country whose products are exported during our winter? I wish the government would look into this matter. There would lie, I think, the answer to the most serious objection that has been brought to bear against the establishment of this water route. It is true that even without such a contract, the establishment of this route would still be desirable, seeing that most of the transportation companies in Canada draw at least two-thirds of their revenue during the period of shipment of grain from the west, however, a treaty concluded with a foreign country in order to keep our ships in operation during our winter, would be, I think, to the benefit of our country, and also to the advantage of the country with which the treaty would be concluded.

Canada must be united not only by the love of one's country, the same institutions and the same flag, but also and especially by the spirit of justice, in the equal treatment of all its citizens. The hardships which prevail in the West have their sad sequel in the East. Let us call a halt to our fratricide interprovincial strife and let us labour for the happiness of all. Shall the eastern provinces deny to their three western sisters these $20,000,000 so necessary to the progress and development of the latter. I appeal to this great race which inhabit the banks of the St. Lawrence and which has left throughout the centuries, as far back as Clovis, an épopee filled with heroic and generous deeds; I appeal to my compatriots of Ontario, descendants of those people who through their courage and resourcefulness have carried to the extreme ends of the globe the freedom of trade, and I beg of them: Pray! do not sacrifice to the cupidity of one or more syndicates of profiteers, the interest, the happiness, the prosperity, and I shall add further, the rights of your western fellow citizens. For we are entitled as well as other Canadians to state aid toward developing our natural resources, our unexploited inheritance, our inexhaustible national wealth, awaiting in the bowels of the earth for laborious hands to bring them to light. We have a right to claim the utilization of the natural outlets of the country for our products, routes which Providence seems to have placed there for us, by carving with its creative hand the vast coasts of the Hudson sea.

Mr. SUTHERLAND: Mr. Speaker,—

Mr. STEWART (Humboldt): Mr. Speaker—

Mr. SPEAKER: Mr. Sutherland.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, I have been speculating in my mind for some time as to what has taken possession of the House to-night and what object hon. members can have in sitting here at this time in the morning. Early in the night we witnessed what I thought was a burlesque staged by the government in respect to a matter that should not have come before the House at all. After two or three hours' discussion the Chair ruled the amendment moved by the hon. member for Lunenburg (Mr. Duff) out of order. Since then I have listened attentively and very patiently to this debate, and have been thinking that had his resolution gone into effect, in the course of a

few years we would find possibly six hundred members assembled here to conduct the business of the country, and that then the House would sit twenty-four hours in the day for twelve months every year in order to discharge its duties.

Now, the Hudson Bay railway is an old question—

An hon. MEMBER: Too old.

Mr. SUTHERLAND: —and I cannot see any justification for discussing it at this hour in the morning. I can recall that in 1911 when a change of government took place one of the last acts of the outgoing government was to let a contract for the construction of about two-thirds of the Hudson Bay railway. During the interval we have gone through a great crisis, the greatest that we have ever experienced, and it has had a sobering effect upon the people; there is no question as to that. To-day we are compelled to look matters square in the face and not be so inclined to take chances as we were in earlier days. We can all be very wise after the event. In pre-war days there may have been some justification for our optimism, and this spirit may have been responsible for certain undertakings that we are now convinced should never have been attempted or undertaken.

I was surprised and pained to hear the member for Saskatoon (Mr. Evans) state that the East had no sympathy with the West, and that in consequence there was an association in the West advocating "on to the bay." One might infer from his remarks that, conversely, the West had no sympathy with the East, and that if they could keep apart from the East and could obtain access to the bay they would be perfectly happy. Well, Mr. Speaker, I do not think that such a sectional spirit should be encouraged either in the East or in the West. We have great difficulties to overcome, and so long as one-half of the country is pulling against the other half we may rest assured that we are not going to make very much headway. On the other hand, if we unite our efforts and resolutely face our difficulties, I have not the slightest doubt we can very quickly overcome them all, for we have a country of tremendous resources and a people that are not surpassed in any other part of the world. It is true that the vast extent of the Dominion entails expensive transportation; and transportation facilities are necessary to success in this or any other country. To-day we cannot help noticing the fever of unrest that is so apparent everywhere. Indeed one would think that the sole business of our people was transportation, shifting things from one occupation and locality to another, regardless as to whether this is necessary or not. I am afraid that this feverish unrest is apt to blind us to a true appreciation of the matter under discussion.

It is a significant thing that over a hundred years ago the Hudson's Bay Company were having access to western Canada through the bay and they are still carrying on through this channel. But that does not justify the contention that the adoption of this route will meet the difficulties with which the people of the West are confronted to-day. By the time the harvest is threshed and ready for transportation it would have to be nearly all stored at the bay for transport the next season. It might have been a good thing for the farmers of the West this year had they been unable to get rid of their grain of 1923 as quickly as they did, and if we had elevator capacity at the bay in order to carry the grain over for another year it might be a good thing. Possibly when the farmers become organized as they ought to be in order to take care of their own business that is what we will have, and they will then be in a position to control the markets of the world to a greater degree than is possible to-day.

I do not see the wisdom of having introduced this matter at so late a stage of the session and under the circumstances under which it was introduced. If hon members to my left are anxious to have their views considered they ought to present them to a full House rather than to empty benches and at a time when members are tired and heartily sick of the whole debate. When I see some of them sleeping soundly and paying no attention to what is going on I do not think it has a tendency to elevate the dignity of parliament in the eyes of the people; indeed, it rather has a tendency to make parliament look more like a burlesque to the people. The people expect that their business will be dealt with in a businesslike way, not that there will be all this talking for effect—and I would ask a personal favour that the Hansard reporter would not report anything I am saying here to-night; I am not talking for that purpose at all. I am protesting against the habit we are getting into of talking in order to have it reported in Hansard and circulated throughout the country. If hon. members from the West are so sanguine with regard to this proposal why should they not take over the road and manage it and bear the expense in connection with it or have its profit? I am sure the rest of the country

would be glad to see the matter settled in that way.

It seems to me that the hon. member for Saskatoon (Mr. Evans), who is usually so reasonable and moderate in his statements, was very unfair in his references to-night to the attitude of the East toward the West. We had deprived the West of the right to have, he claimed, reciprocity with the United States, and of the right of having access through the bay to the markets of the world; that had the railway been constructed the people of the West would have had the benefit of complete free trade. Does any hon. member think that had reciprocity been enacted in 1911 the present government of the United States would have allowed it to remain in effect?

Mr. PUTNAM: Is there one who wouldn't?

Mr. SUTHERLAND: Did I hear an hon. member say yes?

Mr. PUTNAM: Perhaps you are the only one who wouldn't.

Mr. SUTHERLAND: I notice there is one hon. member who believes that. Well, I assure him that the Americans are wide awake and looking after their own interests, and I am not blaming them for it. This reciprocity agreement might be terminated on six months' notice—

Some hon. MEMBERS: Order.

Mr. SUTHERLAND: What is the point of order?

Mr. LAPOINTE: It is rather late to discuss reciprocity.

Mr. SUTHERLAND: It was referred to by preceding speakers and no objection was taken. It is unfair to insinuate that the East has been unfair to the West in that regard. It was after the termination of the reciprocity treaty with the United States in 1866 that it became necessary to develop new channels of trade, and since then the East has assumed tremendous obligations in opening up western Canada. It is true that the lines of communication have been east and west; they could not be otherwise, because our friends to the south erected a tariff barrier against us and only recently increased it until it is almost prohibitive. In no part of the world will you find a closer tie between the people of the East and of the West than you will find right here in this Dominion. I can recall that in my boyhood days young men from my district went to the West by the hundreds and by the thousands; they settled in that country and they or their descendants are the people who are out there to-day, bound by the closest ties of kinship to the people of the East. When hon. members try to stir up feeling between the East and the West they are not doing it from the best motives. It is true that a great many other people have gone into the West. It is also true that a great many of these people have seats in this House to-day, whereas had they remained in the country of their nativity they possibly would have been in a much different position from what they find themselves in at this time.

What Canada needs to-day is a united effort on the part of all the people, regardless of the political party they belong to, in order to overcome our difficulties. I am not sure but what a good deal of this agitation is for political effect at this time. I see the Minister of Railways and Canals (Mr. Graham) in his seat and I believe he was occupying a similar position about thirteen years ago when this project was a live issue in the country. He has a great deal better knowledge of conditions to-day than he had at that time, and I am satisfied, in view of the information that has been obtained during the present session with regard to the facilities for transportation or for ocean liners to load grain in Hudson bay, that there is a tremendous expenditure to be made before the conditions in the West can be relieved by anything of the kind. We hear a great deal about shipping grain by the Pacific. We are building harbours and elevators, we are contributing in that way for the relief of the people of the West. It is not altogether for the people of the West, but it is in order to build up this Dominion. We are laying the foundations of a great country in Canada and something must be conceded by one section to another. If I thought for one moment that the building of the Hudson Bay railway was going to be of any very great advantage to the West I would say "Go on with it by all means" but I do not believe that any arguments have been advanced so far to show that after we have constructed the Hudson Bay railway it will prove to be anything more than a colonization road. It may serve a useful purpose in the district in which it will be built and in that way, perhaps, the building of the railway will be justified. But in the province of Ontario when we require a colonization railway we have to go to work and build it. We had a good deal of difficulty in obtaining a subsidy from the federal government.

Mr. CAMPBELL: Does my hon. friend think that it is fair to compare Ontario with the western provinces when Ontario owns her own resources, and the very lands through which these railways are being built?

Mr. SUTHERLAND: That is another disputed point. The matter of the control of the natural resources by the western provinces was going to be settled by the present government when they came into office but I am inclined to think, in view of the grants of one kind and another that are being made to western Canada the prairie provinces are not very anxious to have their resources turned over to them.

Mr. CAMPBELL: Yes they are.

Mr. SUTHERLAND: We have found them receiving many to-day that they would not receive if they had control of their lands.

Mr. CAMPBELL: Will not the hon. gentleman admit that there has been a discrimination against the western provinces since 1912 when the boundaries of some of the other provinces were extended. Up to that time we will admit that we were perhaps on an equal basis, but while large territories were added to Ontario and Quebec, the lands of the western provinces were still retained by the Dominion government.

Mr. SUTHERLAND: I am satisfied that even the present government, and I have no very great faith in them, would be very glad to make a settlement with the western provinces and have this matter disposed of. I believe they have made a reasonable attempt to bring that about. In so far as the province of Ontario is concerned, to-day notwithstanding the fact that we have a government owned system in this country, a road is being built by the provincial government of Ontario which is purely a colonization road right up towards the interprovincial boundary and into Quebec. There are no branch lines being constructed by the National Railways in the province of Ontario. These are some things that my hon. friends do not have to contend with in western Canada at all. In view of the fact that so much of the Hudson Bay railway has been constructed I am surprised that the provincial governments in western Canada will not accept the offer made to them, will not consider the matter of taking over the roads in the West and operating them.

Mr. CAMPBELL: That offer has never been made to the western provinces.

Mr. SUTHERLAND: A meeting of the Premiers of the provincial governments was held in this building not so very long ago and when that suggestion was made to them they would not even say that they would consider it— there is no such disposition on their part. I am speaking now of the Premier of Manitoba. When that matter was broached and put right up to him he would not consent to accepting the road under those conditions.

Mr. CAMPBELL: The Premier of Manitoba would not be in a position to accept such an offer without consulting his government. That does not say that the province of Manitoba would not consider the matter.

Mr. SUTHERLAND: This was several months ago, and so far no intimation has been received that they would be willing to consider such a proposition.

Mr. BROWN: Nobody in authority has made the offer.

Mr. SUTHERLAND: The building of a railway in the province of Ontario, as I pointed out, is undertaken by the provincial government. The hon. member for Mackenzie (Mr. Campbell) was arguing that the East denies the West any opportunities for expansion. Does my hon. friend realize that in the province of Ontario the work in connection with experimental farms, with the exception of the Central Experimantal Farm here—which is the central station for the whole Dominion—and a little tobacco station at Harrow is really all undertaken by the provincial government.

Mr. McBRIDE: I want to know what the question of experimental farms has got to do with the Hudson Bay railway?

Mr. SUTHERLAND: I should like to know what the Hudson Bay railway has got to do with our sitting here at this hour of the morning? I think the one is just as appropriate for discussion as the other, and if my hon. friends to my left desire to stay here all night well and good. Ample opportunities for discussing this matter early in the session, whenever they saw fit, were afforded to them, but now when there is a desire on the part of everybody else to bring this session to a close they think there is a fine opportunity to put themselves on record and show what a real, active body they are because they kept the House in session all night. If that is their desire and any of them are in any way weary of the struggle we will try and help them out a little. I do not believe they have any intention of having a division to-night and going home. If that is the case I think it would be too bad to deprive them of the opportunity of saying "Why, we sat all night discussing the Hudson Bay railway fighting for western Canada, damning the people in the East and telling them what tyrants they were, and how they are depriving western Canada of access to the markets of the world".

Free trade with the world through Hudson bay. For only about six weeks in the year they will be able to get out clear of the ice. That is about as long as conditions will permit. What a beautiful programme it is? And yet our liabilities are accumulating, we have to face the most serious conditions that this country has ever grappled with, and we are not making any reasonable attempt to get right down to first principles and attend to the business before parliament. For it is not attending to the business of the country when we sit here discussing such questions in this way.

Now, Mr. Speaker, I may say that when I came into the House to-night nothing was further from my thoughts than to engage in this debate. But when I looked around at the empty benches on this side of the House and realized that I was the only member of the party present, I thought it would be too bad not to take my part in helping my hon. friends to my left to carry this matter through to-night. We will not have much longer to go till we see the sun rising in the East, and the sun will rise in the morning just as usual whether the Hudson Bay railway is built or not. That is one thing we can bank on, and if in the west you start thinking about the people in the East when you get up in the morning, do not forget that you have many things to be thankful for, even though you have not the Hudson Bay railway.

Mr. C. WALLACE STEWART (Humboldt): I regret as sincerely as any one that I find it necessary to continue this debate at this unfitting hour, but it is not my choosing, and I would be far from assuming the responsibility that was placed upon me by the electors who sent me here if I did not express their sentiments in regard to the subject we have under discussion, no matter what hour of the day or what hour of the night it came before us.

I thought it was a significant fact when I was chosen by the electors of the constituency I have the honour to represent, that outside of the declaration of political principles which I had adopted at that time, there was but one commission which they placed upon me as their representative here. The convention which nominated me passed one resolution, and that was that the candidate they selected should be pledged to use his whole energy to urge the completion of the Hudson Bay railway. That convention was sincere in expressing the wishes of the constituency. In fact I think I might go further and say that the constituency which I represent in central Saskatchewan is a good representation of the constitueneies of the western provinces, and the sentiments in the constituencies in the western provinces in that respect are similar to those expressed by the convention I have mentioned. The matter appealed to me as one that was deserving of attention. As I have said, I believe they were sincere.

I myself at that time believed that the completion of the Hudson bay project was necessary for the full development of western Canada, but when I came to this House to represent that constituency I believed that it was necessary to look into the matter a little further than I had done up to that time, to see if the convictions which I held in common with those who sent me here were well founded; so that since I came here I have spent a considerable amount of time in studying the evidence we have available on this subject; and I say frankly to this House at this time that I am more convinced now of the necessity for the completion of this route, having read practically all if not absolutely all the evidence that the library contains. I can say that I have read every word in Hansard that has been spoken on this subject in forty years. I might inform the House from actual count that this matter has been debated in the House something just over a hundred and twenty times in the last forty years, and by the way, I think that if the hon. gentlemen who formed the membership of this House had been occupied with a track laying machine over the Hudson bay route during the hours that have been spent in discussing the question here, there would have been no more steel to lay on the Hudson Bay railway.

I have looked into the matter since I came here, and I have read the reports presented by the hon. member for King's, P.E.I. (Mr. Hughes), and the other similar reports in connection with this matter, and I am convinced that on the whole the evidence is overwhelmingly in favour of this project, I have no hesitation in urging it upon the House to-night. If I were of the opinion of the hon. member for King's, P.E.I., or of some other hon. members who have spoken to-night in this debate and at other times in opposition to the completion of the project, I could, just as well as they have, I think, and at greater length, have found selections from various reports that were opposed to this project. I freely admit—and I think every hon. member who is urging the completion of this project on the House will admit—that there is much evidence that shows it to be of a very difficult nature, but there is this difference: The men of western Canada, the producers of grain, and other agricultural products, who

are particularly interested in the completion of this railway and the opening of the port, are men who have in their own experience overcome very great difficulties in pioneer life. They know what it is to overcome the obstacles that present themselves to men opening up new territory. For example, the ice conditions in the port and bay have been mentioned in magnified terms. Quotations from reports of extreme conditions have been given. I may tell the House that eighteen years ago on the 9th of June, on the shore of a little lake which borders my farm, I gathered up a huge snowball, as large as I could carry. At that time there was not a bushel of wheat grown within many miles of that district. If gentlemen who are so afraid of the ice conditions had seen the snow piled on the very land which is now producing grain they would have thrown up their hands, and would have said "This land will never be productive; it is wholly unfit for habitation." But that was an extreme condition and it has never prevailed since, and I am not saying whether it might. On a day as late as the 9th of June there might be snow and ice to be found on the land that produces wheat. That is an example of the outlook of men who have studied this from their quiet retreats in their homes and offices as compared with the different outlook of the men who look at this proposition from the wealth of experience they have had in overcoming difficulties which to them seemed just as insurmountable at the time they encountered them as the objects that presented themselves in connection with the opening up of the Hudson Bay railway.

Mr. PUTNAM: Were those men who overcame those difficulties sea-faring men?

Mr. STEWART (Humboldt): Some of them are, but that has no bearing on the fact that they overcame obstacles many miles away from the sea. There are men from the province which the hon. gentleman calls his home who reside in my own constituency, and in our country they have overcome obstacles, although the men to whom I have referred may also have had experience with obstacles on the sea. It is a feature of their character that they should overcome whatever obstacles come to them.

I will not travel all over the ground in connection with the argument. I will confine myself to one feature of it alone. Last year when this matter came before the House for debate, I emphasized particularly in the remarks I made at that time the possibilities of the Hudson Bay railway as an outlet for a rich, agricultural, mineral and fishing ground.

This year I do not intend to touch upon those possibilities of the project. It has been suggested that as a colonization railway it might justify itself. The people who are interested in it are not overlooking that fact. The hon. member for Nelson (Mr. Bird) brought it very forcibly to our attention this evening, but I propose to look at it this time from a purely commercial standpoint. After all, that is the feature of this project that appeals to the people of western Canada. If it were simply as a branch line, there would be no great demand for its completion before some other branch lines that I could mention at this time.

The MacLachlan report has been referred to many times during this debate, and I propose to give my attention to certain features of that report. The hon. member for Nelson (Mr. Bird) referred to the fact that that engineer had turned his attention to a phase of the problem which, perhaps, he was not very well acquainted with. It is true that he searched for many figures, and he built up what seems to be a very plausible argument by which he proved to his satisfaction, but not to that of those of us who have analyzed his statements, that this port could not be serviceable for grain export. I am going to take one table and try to show by the fallacy of it that his argument contains other fallacies. He took in this statement, as his starting point the town which is the centre of the constituency that I represent, namely Humboldt. Might I say that Humboldt is very much closer to the port of Nelson than Swift Current, which the hon. member for Nelson brought to our attention? Mr. MacLachlan took the town of Humboldt as a representative point and he built up a table from that. Part of these figures I am sure are accurate because I have checked them with Bureau of Statistics returns for the year 1922. By this table he showed that it would cost to ship from Humboldt to Liverpool via rail, lake and ocean, $12.17 per long ton of wheat. Departing from the actual figures which he had, he took two hypothetical cases and he figured out, on supposition, what it would cost to ship a long ton of wheat by two other routes. The first route he had in his mind—and I think this was very prominently in his mind—was the route over the great waterways project, if it were completed so that ocean-going ships would take their cargo at Fort William and would not discharge it again until they reached their destination at Liverpool. He figured out what the charge would be in his estimation over that route, and he found that it would

be considerably less than over the actual route that the grain has to go now, namely, by lake and rail and ocean. He found that the cost was $10.96 as against $12.16. Then he dealt with the route that he himself was labouring upon namely the Port Nelson route. He undertook to build up a table in order to compare it with these other two, one of them real, the other supposititious. This, of course, was an estimate, and his total for it came to $12.63, or 47 cents greater than that over the actual route over which the grain travels.

I want to show the fallacy of his figures. I am not going to attempt to show any fallacy in his figures in connection with the possibility of the St. Lawrence waterway project with ocean-going steamers going to the elevator at Fort William, taking their cargo there and not discharging it until they reach their destination. In figuring that he used the same cost for ocean-going steamers travelling over the great lakes and the numerous canals they would have to traverse as he charged for crossing the ocean. In that his figures were hardly justified. It is not, however, my intention to criticise that part of his table, but I wish to criticise the table he built up of the cost from Humboldt via Port Nelson to Liverpool. He took an arbitrary charge for the railroad 40 per cent higher than the average rail haul charge. There is nothing to justify that. The hon. member for Nelson mentioned that from Swift Current to Port Nelson it is a down hill haul. If that be true—and practically it is—it is much more truly a down hill haul from the town of Humboldt. Humboldt is practically on the height of land and it is down grade practically to the port of Nelson. There is nothing under the sun to justify the statement that the railroad charge would be 40 per cent higher than average, on that rail haul to Port Nelson. At Port Nelson he allowed terminal elevator charges to take the grain from the cars to the boat, and he made this figure 8.9 cents, or almost nine cents per bushel. Let us compare that with the charge he allowed on the St. Lawrence deep waterways route or the actual charge that he found to be in effect at Montreal with regard to the route that is practically always travelled by our grain in going to Liverpool. The rate at Montreal is 1.27. I submit to hon. members who will give any thought to the matter, that there is too wide a discrepancy there for common sense to justify it. The difference between 1¼ and nine cents is out of all proportion and all reason. He had no grounds on which to base that argument except that he claimed that very little grain could be handled through the port of Nelson. I will deal with that in a moment. To make this fictitious rate he charged 3 cents more per bushel for the ocean rate from Port Nelson than obtains from Montreal. There are hon. gentlemen who have maintained that there should be, and would be, a higher rate, including insurance, from Port Nelson than from Montreal. I am not even prepared to admit that, at least for certain parts of the season; but admitting there would be a higher one, his table, placing these estimates on their proper basis, would be reduced from $12.63 to $7.17 or a saving of $5.46, which would work out in the neighbourhood of 13½ cents per bushel. If that is anywhere nearly accurate, it justifies the contention of the grain growers and agricultural producers of western Canada that this project should be completed.

The argument had been brought up that there would be no grain available during those months and this is worth investigating. The hon. member who immediately preceded me (Mr. Sutherland) used that as part of his argument. I have before me a table and I am going to offer a few figures with regard to what wheat has been shipped in the past during the months this port might be open. In the past it has been maintained that the port might be open for seven months in the year. I am not dealing with that claim, but there is evidence to show that in certain seasons at least the port is open and has been safely navigated for five months in the year. Taking the percentages for five months over the past seven years, these are the quantities of the grain that was available and that was actually exported during those years through the port of Montreal: 1917-18, 33 per cent; 1918-19, 50 per cent; 1919-20, 41 per cent; 1920-21, 35 per cent; 1921-22, 48 per cent; and 1922-23, 46 per cent of the total amount of exported grain for the years stated during the five months that this port might be open. To concede a point to those who say that, perhaps, five months is too long, let us cut it down to three months, the three months which practically every engineer who has made a report on this matter has considered that the port would be open. These are the amounts of grain, taking the past seven years as a basis, that have been available. These three months would be August, September and October. For the past seven years the grain percentages have been as follows: In 1918, 17.5 millions of bushels or 17 per cent of the actual grain exported; in the next year it was 11.8 millions,

or 20 per cent of the amount exported; then 10.7 millions, or 14 per cent of the grain exported; in the next year it was 24½ millions or 17 per cent; in 1922 it was 39.8 millions or 25 per cent and in 1923, 58.3 millions or 28 per cent of the grain exported. At no time in the past seven years was there less than 10 million bushels available for export through this port during the three months in which it would be open.

An important fact to which I desire to draw the attention of the committee is the amount of grain which is directly tributary to the lines that lead to Hudson bay. The same engineer who submitted the previous report prepared these figures; and if they are no more accurate in this respect than in the one I have quoted they are not very valuable. But as these figures have been collected from our own Bureau of Statistics probably we can place considerable reliance in them. For the years which he had under consideration there was at no time less than 10 million bushels produced in the vicinity of and directly tributary to the Hudson Bay railway. When I say directly tributary I am not including more than half of the province of Saskatchewan and not more than one-third, probably less, of the province of Manitoba. And that goes as far back as 1914. Since that year, as hon. gentlemen know who are acquainted with the conditions, it has multiplied by leaps and bounds; in 1915 it had increased from 10 millions to 41 millions, and although in the following year it dropped to 32 millions, it has crept up astonishingly so that according to the latest statistics there are now in the neighbourhood of 100 million bushels which are directly tributary to the lines running to the Hudson Bay railway. These facts, along with many others, are some of the reasons why the people of western Canada are not satisfied to drop this project but demand that it shall be completed.

The ex-Minister of Finance (Sir Henry Drayton) presented a proposition to the House. I have been wondering whether he was enunciating a new policy for the party with which he is associated. If he is and if the hon. gentleman who immediately preceded me (Mr. Sutherland) is acquiescing in that proposition, they are evidently attempting to put forward the policy of the Conservative party concerning the Hudson Bay railway. Well, I would bring this to the attention of the House. A little over a year ago the leader of the opposition stated as his policy and enunciated it as the policy of his party, something entirely different from what we have heard to-night from those hon. gentlemen. Let me read from a letter which the right hon. gentleman wrote to a friend and supporter of his in the town of Melfort. I will quote very briefly from the letter:

> We therefore maintained the operation of the road as constructed and purpose doing so, and further purpose completing it at the earliest possible date. This remains our policy to-day.

This letter was dated February 13, 1923. There are very good reasons why the seemingly generous offer of the ex-Minister of Finance would not appeal to the western provinces who are interested in this railway. In the first place, as has been pointed out, these provinces are not in possession or control of their natural resources; furthermore they have not been directly concerned in the building of railways. They have no departments built up which could undertake a public work of such magnitude, and their greatest objection of all would be that such a project as the Hudson Bay railway would, if it became a provincial scheme, lose the prestige which naturally belongs to it as a national undertaking. It is a national port of the first magnitude and as such should be developed by the Dominion.

Mr. M. N. CAMPBELL (Mackenzie): I am not quite so modest as either the hon. member for Humboldt (Mr. Stewart) or the hon. member for Nelson (Mr. Bird); I have no apologies whatever to offer for taking up the time of the House at this hour of the morning. We made repeated attempts throughout the session to bring the matter to the attention of the government and of hon. members and have not succeeded in doing so. A resolution was placed on the order paper early in the session but we could not secure an opportunity of debating it; and the government abandoned private members' day too soon to permit of the matter being taken up. It is to be regretted that we have had to take this rather drastic method of bringing it before the House but the fault is not ours and I for one have no apologies to offer.

Mr. GRAHAM: It could have been brought up on motion to go into supply at any time.

Mr. CAMPBELL (Mackenzie): Lately the government has not been going into supply until very late at night or in the early morning.

Mr. GRAHAM: The estimates must be taken up on Monday, Tuesday or Wednesday before they can be gone into on Thursday or Friday without a motion, and every estimate which has been before the House has provided a means of discussing this subject.

Mr. CAMPBELL: At any rate it has been the desire of hon. gentlemen interested in this matter to avoid if possible the present drastic step. We have been in hopes right along that some other means would be available but it seems that we were doomed to disappointment. On the other hand, we have been waiting for some pronouncement from the government as to what their intention is but so far they have not stated their policy. Under the circumstances the present debate is unavoidable.

I do not want to enter into a general discussion of the feasibility of the Hudson Bay route; I considered that this was settled many years ago, if the reports of the navigators and the engineers and explorers who have been employed by the Dominion government are to be relied upon. Our archives are bursting with technical information secured at a large public expense; our Hansards contain thousands of pages of brilliant speeches setting forth the many advantages to be derived from the opening of the route; ministers and deputies have journeyed to the bay and have returned enthused over the proposition. On the strength of such information the construction of the road was undertaken; and if, as its opponents claim, these reports are not to be relied upon, then there is neither political nor commercial honour in Canada. The Speech from the Throne at the opening of the session contained the following paragraph:

> Every effort will be made still further to develop the policy of Canadian trade via Canadian ports.

Had the Prime Minister the port of Nelson in mind when he penned that statement? I venture to suggest he had not; nothing was further from his mind. And yet this port means as much to the prairies as does Halifax to Nova Scotia, or St. John to New Brunswick or Quebec to the Eastern Townships. I want to make a suggestion to the government as to the way in which one of these ports may be developed: remove the artificial disabilities under which the port of Quebec suffers and do away with the discrimination against grain passing through that centre and the port will develop automatically.

I am not going to discuss in any general way the various farming problems with which we have to cope, as the rules of the House oblige me to confine myself to the resolution. Transportation costs and markets are, however, generally asserted to be two of our greatest problems and it will be interesting to quote some of the figures in this regard. At the present time it costs from $40 to $44 to ship a steer from Winnipeg to Liverpool. Although there is no limit to what we can produce in western Canada, it is impossible for us to continue to pay such high transportation costs and produce beef for the British market.

When Canadian farmers try to attach some responsibility for these adverse conditions to our political and commercial institutions, they are generally told that these conditions exist because our customers in Great Britain and on the Continent are unable to buy our products. That such is not altogether the case is made abundantly clear by a perusal of the following trade figures. The United Kingdom imported for home consumption in 1921, 3,523,000 hundredweight of butter, in 1922, 4,268,000, and in 1923, 5,125,000. An analysis of these figures shows that the imports in 1922 were 31 per cent over those of 1921, and those of 1923 were 20 per cent over those of 1922. Cheese shows about the same consumption in 1923 as in 1921; that is, there is no falling off. Eggs show a heavy increase, the figures quoted in hundreds being, 1922, 13,661,000, and in 1923, 20,048,000. These figures show that Great Britain imported for home consumption in 1922, 30 per cent over the amount imported in 1921, and in 1923, 47 per cent over the amount of 1922. The total of meat imported—exclusive of poultry and game—was 1,746,000 tons, an increase of 18 per cent over 1922. Imports of bacon and hams from Canada in 1923 increased over 1922, but the quantity was very small and less than that for 1921; and we supplied only 10 per cent of the total British imports.

While Great Britain has been steadily increasing her importation and consumption of these various farm products, Canada has been steadily losing out in that market. Our exports of butter to the United Kingdom for 1923 were 4,365,000 pounds, as against 17,527,000 pounds in 1922. Our total of butter exports to all countries was 13,173,000 pounds in 1923, as against 21,504,000 pounds in 1922. In the face of a heavy decrease of Canadian butter sales in the British market in 1923, the Argentine, New Zealand, The Netherlands and Denmark all made heavy increases. In eggs our exports dropped 25 per cent in the face of increases by Denmark of 18 per cent and The Netherlands of 120 per cent. Of the enormous importations of chilled and frozen meat into the British market Canada does not share at all, New Zealand, the Argentine and Australia supplying the greater part. In the face of decreasing exports our home production of butter has steadily increased, the greatest expansion of the dairy

industry having taken place in western Canada. The province of Saskatchewan produced 7,030,000 pounds of creamery butter in 1921, 8,991,000 pounds in 1922, and 10,867,000 pounds in 1923.

Politicians and prominent business men are perpetually advising the western farmers to go into mixed farming as a cure for all their troubles. This is giving gratuitous advice to the Canadian farmer, as Sir Wilfrid Laurier once expressed it. I maintain that the western farmers have adopted mixed farming to a degree almost beyond the point of safety, and that it will be impossible for us to continue to expand in this direction unless we secure a substantial reduction in transportation costs. As evidence of over-production of mixed farm products, in the middle of March eggs sold on the prairies at from 13 to 15 cents a dozen. New Zealand has almost completely captured the British butter market, for the very good reason that New Zealand butter can be delivered in Liverpool to-day at a very much lower cost than from western Canada, notwithstanding the fact that the distance from New Zealand is more than double that from western Canada.

The Hudson Bay route offers the only solution for the marketing of our surplus cattle and dairy products. With it completed we may look with hope and confidence to the future; without it no further expansion of these industries can take place. The northern portion of the prairie provinces are the parts most suitable for mixed farming, and the Hudson bay is its natural outlet for Europe. I do not claim that the route will handle all our grain, the most zealous advocate of the project in western Canada does not so contend that, but I do claim that in addition to being the natural outlet, particularly for our cattle and dairy products, it will provide competition which will be more effectual in settling rates on the Great Lakes than any legislation which this House may pass.

Expenditure on the route is being opposed on the ground of economy. Perhaps no more absurd argument could be used when it is borne in mind that last year this House voted twelve million dollars for construction work on the Welland ship canal, and only $350,000 for salvage work—not construction work—on the Hudson Bay railway, of which amount only one-third was actually spent. At the beginning of the session the Speech from the Throne contained the following interesting observation:

> The further development of our magnificent inland water transportation routes, which will result in lower carrying charges for the products of the farms of the West as well as for the products of the mine, the forest, and the diversified industries of the East, is of vital importance. To aid in the accomplishment of this purpose work on the new Welland ship canal is being expedited.

These words bring to my mind the famous saying of Talleyrand, that language is given us to conceal our thoughts. Surely, Sir, the Prime Minister does not think the farmers of western Canada are so gullible as to believe that the completion of the Welland ship canal will result in any appreciable reduction of the transportation charges on grain. If as this reference in the Speech from the Throne implied, the construction of the Welland ship canal was undertaken for the benefit of western Canada, surely their wishes and opinions in such a serious matter are worthy of consideration. The farmers of western Canada have asked for the Hudson Bay railway and have been given the Welland canal; they have asked for bread and have been given a stone; they have asked for fish and have been given a serpent. The money to complete the railway was raised by the sale of our own lands; none of it was raised by taxation; and yet eastern newspapers and business interests are opposing completion of the railway on the ground of economy!

The hon. member for South Oxford (Mr. Sutherland) seemed to deplore the fact that to-day there is talk of secession in western Canada. It is only too regrettable that such is the case; but the fault is perhaps not primarily with the people of western Canada. I have before me a number of resolutions from various public bodies in my constituency urging the immediate completion of the road, several of these, in view of continued eastern opposition to the project, placing themselves on record as favouring secession as an alternative. The same note was sounded in the Saskatchewan legislature during the last session—and mark you, by a Liberal member. These are not the impassionated utterances of demagoguery, they are the sober and reasoned judgment of sane men, but of men who feel themselves being driven by the impelling force of economic injustice to undertake any means that may be necessary to preserve to themselves the sanctity of rights—rights guaranteed to them by divine and moral laws, but refused them by their fellowmen. The danger is so great that some of these times some man with an eloquent tongue, without scruples and with no particular desire to preserve unity in Canada may set that whole country in a tumult. And if that day comes—I want hon. members to mark this—the fault will not be

that of the people of western Canada. There has lately been a new note introduced into our journalistic, our political and our commercial life: they call it national unity. It is a favorite theme for newspaper discussion. It figures very largely in Canadian Club speeches. Cabinet ministers out in the country frequently refer to it. The hon. Minister of Justice (Mr. Lapointe) paid a visit to the West last summer. We were glad to see him, and I want to say that no minister of the Crown has more friends in western Canada than the Minister of Justice. I take this opportunity of thanking him for the many kind words he addressed to us on that occasion. He had also a good deal to say about national unity and of the necessity for maintaining the spirit of good-will between the East and the West. Now, why is all this talk of national unity necessary? Is it not simply because from one end of this country to the other, from Halifax to Vancouver, we realize that there are growing up influences that are destroying that unity, that no such thing as national unity exists in Canada? That this feeling does prevail there is no stronger confirmation than is contained in a paragraph in the Speech from the Throne this session, which reads:

> National unity, not less than national prosperity, depends upon the surmounting of those barriers which have tended to separate western from eastern Canada and to discourage permanent settlement upon the land.

Surely, Sir, it should not be necessary to emphasize the necessity for maintaining a spirit of goodwill between the East and the West. But when last year this House voted nearly $12,000,000 for construction work on the Welland ship canal without one word of protest from the businessmen and newspapers of eastern Canada, and when such violent journalistic opposition developed, as it did last year, to the voting of $350,000 for salvage work on the Hudson Bay railway, it is not to be wondered at that goodwill between the East and the West is being strained to the breaking point. If this government really mean what they say in the Speech from the Throne; if they want to remove this haunting suspicion from the minds of the people of western Canada; if they really want to do justice, let them spend the necessary amount to complete this railway to the bay and give us some tangible proof of their desire for national unity. I want to make it clear that no other heavy expenditures are being advocated at the present time. The western people are satisfied to permit the project to justify itself once the railway is completed to the bay.

Now, Sir, I wish to state that anything I have said or anything I intend to say is in all kindness to the hon. Minister of Railways (Mr. Graham). I believe it is generally recognized in the West that the Minister of Railways himself has always been a friend of the project and I believe that if he had a free hand in the matter this debate to-day would be unnecessary. We are not here as humble suppliants seeking favours from this House. We are not here doffing our caps in the presence of powerful business interests that seem to have had the ear of all our governments, business interests that oppose this project not because they think it is not feasible but because they fear that it is. We are not asking for a privilege; we are asking for what is a matter of right. It is our own money that has gone into it; none of it is raised by taxation. The newspaper propaganda that has taken place has been based on narrow sectionalism. If the government permits its hands to be tied then we must consider this reference in the Speech from the Throne to national unity as just so much camouflage and irony. I consider, Sir, that the time has come for plain speaking with regard to this undertaking. For forty years the people of western Canada have waited for the consummation of their hopes; for forty years the Hudson Bay railway has been dangled before their eyes at election time, only to recede into the mists of obscurity after the polling had taken place. Year after year hope has been raised by the advent of the construction gang, but the Hudson Bay still beckons from the distance, it still eludes our grasp. What we are waiting for is a clear enunciation of policy on the part of the government. So far as I am concerned I will be frank and say that I would a thousand times prefer that the government should come out clearly and definitely as abandoning the whole project rather than that they should continue as they are doing to-day. Anything is preferable to the present policy—a policy like that of the mule on the treadmill, plenty of expended energy but no advancement; the spending of a little money here and a little money there, lifting a few ties out of the mud here and putting in a little ballast there.

Montreal is opposed to the project; all the newspaper interests of Montreal are opposed to it, and why? Is it not because Montreal is afraid that it is feasible and that some of our grain will go out over that route instead of coming down and going through Montreal?

Mr. MARLER: My hon. friend is now talking very airy nonsense. Montreal has no fear whatsoever of developing any other port. If the Hudson Bay route is feasible Montreal

will be the first to fall in with the ideas of the people in the West. We are not afraid of any other port being developed; on the contrary we want to see every other port in Canada developed. We have not taken the same selfish attitude in Montreal that my hon. friend is taking now, nor do we issue threats.

Mr. CAMPBELL: I am glad to have the assurance of the hon. member for St. Lawrence-St. George (Mr. Marler), but the newspaper reports that come from there and the statements of businessmen in that city do not bear out what he has to say. In spite of what he says I still believe that the atmosphere of Montreal is opposed to the Hudson Bay railway.

Mr. MARLER: The atmosphere of Montreal is opposed to the Hudson Bay railway, it is quite true, but it is not opposed to any feasible or any reasonable scheme. Let my hon. friend not misunderstand my remarks.

Mr. CAMPBELL: A great deal has been said about the responsibility of the provincial governments with regard to this project. When Ontario built its railway into the northland it was appreciating the value of its own holdings. Put us in the same position as Ontario and we will not be asking you for votes of money to build this railway. I know hon. gentlemen will say, "Oh, but you get a subsidy in lieu of your natural resources." That was true up to 1912, but in that year the boundary of Quebec was extended to the shores of Hudson strait; the boundary of Ontario was extended to the shores of Hudson bay; the boundaries of Manitoba, Saskatchewan and Alberta were moved northward. But there was this difference: while an empire rich in resources, rich in minerals, pulpwood and water-power was added as a free gift to Quebec and Ontario, so far as the prairie provinces were concerned the additions were simply a line on the map, because the Dominion government retained all the resources. Put us on an equal basis with the eastern provinces, give us the territory that was added in 1912 and we will build the railway ourselves. We are not asking for any privileges. My hon. friends in the province of Quebec are all opposed to it. I think they are largely influenced from Montreal. The press of Montreal are opposed to it, and that has influenced to a large extent the province of Quebec. I would like to ask some of our Quebec friends what Montreal has done to their own port? Is it not the influence of Montreal that is preventing our using the port of Quebec? There is a prohibitory rate on grain and other products going to Quebec to-day. I intend to deal with that on a later occasion if I get an opportunity. I shall not go into it fully now. But it seems to me there is ample proof that it is the Montreal influences that are preventing the use of that port to-day. If the hon. member for St. Lawrence-St. George feels as he expressed himself toward the other ports, I would like to see him support me in trying to secure a reduction of grain rates to the port of Quebec, and to bring about the establishment of a rate that would be in line with the prairie rate, or what are known as the Crowsnest rates.

Mr. MARLER: I know nothing whatever about grain rates, nor does my hon. friend. That is in the hands of the Railway Commission.

Mr. CAMPBELL: It is a remarkable thing that the Railway Commission should establish rates that are almost double those prevailing on the prairie to-day. There are some influences working somewhere. There is something wrong with the Railway Commission or there are other influences.

A good deal has been said about the report of Engineer MacLachlan. It has been fairly well dealt with already, but I just want to point out one or two facts in connection with it. Engineer MacLachlan was retained on that work a year after he had sent in the unfavourable report that we have heard so much about. It does not appear that the department took this report seriously. They continued him on the work for another year and spent a great deal of money on the enterprise after he had sent in his report. It seems to me that it is very difficult to get unbiased reports on the Hudson Bay railway. If an engineer at the beginning of his career wants to damn his professional prospects there is no way in which he can do it so effectively as by coming out in support of the Hudson Bay railway. That is proven in one or two cases. But here and there we will find some man with moral courage who comes out and says what he thinks. Mr. Cowie, who I believe is in the employ of the Montreal Harbour Commission, is a man of that type. A year ago he made a public statement to the effect that there were no obstacles in the way of the Hudson Bay route that had not already been overcome on the St. Lawrence route, and there was a great outcry from various interests in the city of Montreal asking that Mr. Cowie be discharged from his position. Did that show a broad minded spirit?

Mr. MARLER: That is an absolutely inaccurate statement.

Mr. CAMPBELL: I read statements in several newspapers to that effect stating that demands were presented from various parties asking for his position.

Mr. MARLER: He was not chief engineer of the Montreal Harbour Commission when he read the paper my hon. friend referred to.

Mr. CAMPBELL: Then I stand corrected. At any rate it seems a very difficult matter to get a fair and unbiased report on this project. I hope the government will give the assurance that they are going to do something or else definitely abandon it. For my part if the government are not going to complete the railway I do not want to see any more money spent on it. Either they should abandon the project altogether or announce that they are going to complete it.

Mr. T. G. McBRIDE (Cariboo): It is not my intention to unduly occupy the time of the House at this early hour of the morning talking about the Hudson Bay railway. I have stated here on a previous occasion that if the two old parties have committed themselves to that project it is up to them to see to it that the road is completed. They could then give the Canadian National Railway a bonus to operate it. I do not think the Hudson Bay railway should be saddled upon the shoulders of those who are doing everything possible to make the National Railways pay without giving them some financial assistance, otherwise it will be too heavy a burden for them to carry. As to Mr. MacLachlan there is no question but that he is one of the outstanding men in his profession to-day, and those who know him best appreciate his ability most. In regard to the port of Nelson that we have heard so much about, I will read a few extracts from men who are thoroughly familiar with this harbour and whose opinions have not been quoted to-night —at least some of them have not. I have here a letter from Captain Copp, who spent some thirty years navigating boats all along the coast and through the straits and in Hudson bay. This is what he says:

> The Hudson bay straits are blocked with ice for over nine months in the year. The distance from Fort Churchill across the Hudson bay to Daggers island, the entrance to the straits, is five hundred and twenty miles and could be navigated for six months in the year by the use of ice breakers. It is four hundred miles from Daggers island through the straits to Button island, the entrance from the Atlantic, and the ice breakers here would be of little use against icebergs and packed ice.

He goes on to say:

> The rate on freight overseas would be naturally high, owing to the high premium of insurance that would have to be paid on the ships on so dangerous a route. No buoys can be kept in the Hudson bay straits to mark points of danger owing to them being swept away by the ice. Hence the heavy insurance both on grain and ships.

Mr. CAMPBELL: Has my hon. friend read the report by Mr. J. W. Tyrrell who was sent up there in 1903. He spent a winter there and stated there were only two months of the whole year in which a vessel could not have picked a way through the straits.

Mr. McBRIDE: You have made your statement, I am making mine. Mr. W. J. Jackson, a magnetic expert, speaking of Hudson straits made this statement:

> Accidents in which good men will be sacrificed to the requirements of progress will be heard of, and many a brave sailor may find a permanent grave in the icy waters of Hudson bay straits, as undoubtedly the great difficulty in connection with Hudson bay lies in the straits. Both sides are lofty rocky shores, lashed by a tide that rises in places as high as 35 feet, and runs in calm weather ten miles per hour. Through these rocky walls ice has poured and torn and ripped its way since the ice age, cutting a great channel to the Atlantic. When the ice is running and the incoming tide meets the ice pack, the water often mounts 35 feet high. This wall of water is what mariners fear, and other great dangers are getting ripped between two ice jams, which rear and plunge like fighting stallions.

Suppose a steamer, when the tide is running ten miles an hour, steams into a fog. How can any navigator know his exact position? He cannot go ahead at full speed because of the danger of running into an iceberg. He has to slow down possibly to five miles an hour, and if the tide is running at the rate of ten miles an hour the vessel drops back five miles an hour instead of going forward. No navigator could ever successfully navigate his vessel under such conditions. On account of the fog he would not know where he was, and intead of making progress he would be running backwards.

Mr. J. A. J. McKenna, makes the following statement:

> The Hudson's Bay Company was well satisfied if its ship wintered safely in the bay and returned the next year; indeed a bonus of fifty guineas was allowed the captain who made the trip in two seasons.

That experience, I will admit, was encountered in the sailing days. Captain Coates is responsible for the following statement:

> It is very dangerous to enter the straits before the beginning of July or leave after the middle of September.

Captain Falconer states that the bay straits can be navigated between July 15th and October 15th. Captain Kennedy, who, for eight years coasted the shore line, thought that navigation could be carried on without much danger for three months.

Captain Hawkins who made no less than fourteen voyages to the bay, believes four months of navigation would be possible, while Captain Fisher states three and a half months would be the limit. Captain Webb, of Hudson Bay Navigation Company, said the straits are navigable three months of the year for ordinary vessels, but crafts built for the purpose could be navigated for five months. Vessels might be built that could navigate the straits for possibly five or six months of the year, but these vessels would have to be so constructed that they would be practically useless in other waters in other seasons of the year, and what person or company in the shipping business would build vessels for use in the Hudson bay six months of the year and have them lying idle the other six months? Such vessels could not be operated at a profit if they had to be idle six or seven months. Captain Hews states that Hudson bay vessels at their port of destination show no arrivals earlier than August 2nd.

Captain Wakeham writes this:

I do not consider that the straits can be successfully navigated in June. Such ships as the Diana might force a passage through, but these vessels would be useless for commercial purposes as they are so braced and strengthened that they are impossible for freight carriers.

Captain Hews states:

In regard to Churchill, on arriving October 1st I found the men off hunting on snow shoes and there had been good snowshoeing for ten days previous.

That would indicate that the people in that district had gone out on snowshoes on the 20th of September.

Of course, the harbour does not freeze over before the end of October, but for some time before it closes it would not be safe for vessels. I would fix October 20th as the limit of safe navigation in the fall. Of course the bay is navigable much earlier than the straits, and the above estimate is for the latter.

Mr. M. J. Butler, formerly Deputy Minister of Railways and Chief Engineer recommends Port Nelson as the best port on the Hudson bay. He says a number of speculators have already subdivided considerable lands in the expectation of receiving immense profits when the route has been completed.

There is a question in my mind as to what those speculators have to do with those who have taken such a strong stand to promote the Hudson Bay railway. What I would suggest to the Minister of Railways is that he turn over to those provinces which are so anxious to get this railway, the whole railway and all the equipment on the road at the present time, together with all equipment at Port Nelson and give them as a start ten of the merchant marine by way of a bonus.

Mr. A. Graham, referring to Churchill, says:

No spring near, drink snow water nine months of the year. The harbour usually freezes over about November 15. The ocean also freezes over during the winter four or five miles out from Churchill. The ice lay off the coast and harbour this year, preventing the return of the survey party until July 13 when a start was made. Five days more was lost by the ice packs off Churchill, which extended 30 miles out to sea. The ice floats up and down the harbour on strong currents which exist, and constitutes a serious inconvenience and danger to ships at anchor, to docks and other works which may be constructed along the shore. The harbour has been reported on occasions to block as late as August. At the present time very little shelter can be had at low tide by any ship drawing 18 to 20 feet of water.. The sea enters with sufficient force to cause a heavy swell to be felt throughout the harbour, in fact, at times it is impossible for small boats to cross the harbour for two or three days at a time. Excavation for ship berths close to shore to avoid the heavy drift ice will in all probability encounter solid rock, as solid rock in several places runs to the water's edge.

Stone for the construction of breakwater and other works may be obtained; about 75,000 to 100,000 cubic yards could be picked up along the tide flats in the shape of scattered boulders and up the Nelson river about 40 miles there is a splendid quarry where any quantity can be obtained.

He also reports survey parties on board government steamers which were investigating the ice and navigation conditions in Hudson bay and the straits. During the present summer reports are not very encouraging as to the safety and feasibility of the route for transportation.

Mr. L. P. BANCROFT (Selkirk): I had quite a speech prepared, but at this late hour I am going to cut it very short.

Mr. VIEN: I am going to move that my hon. friend's speech be taken as read and embodied in Hansard.

Mr. BANCROFT: I was somewhat surprised at the remarks of the hon. member for Cariboo (Mr. McBride). I am very much surprised he has taken the stand he did and that he spoke at this late hour. He told me earlier in the session that if the church union bill passed he did not care what else happened this session.

I wish to refer very briefly to the proposition which has been outlined by the hon. member for West York (Sir Henry Drayton). He suggested that this line be turned over to the provinces, and that a bonus be given to these provinces; that the western provinces complete the railroad and own it.

An hon. MEMBER: Hear, hear.

Mr. BANCROFT: An hon. member on the other side says "hear, hear". I think these hon. gentlemen fail to realize that the western provinces have been kept in poverty up to this time because they have not got their natural resources. If the western provinces took this line over and completed it, it would be something like the province of British Columbia, we will say, turning its natural resources over to the Dominion and then starting to develop the harbour of Vancouver and the dry docks at Victoria and Vancouver, or Ontario and Quebec turning over their natural resources to the Dominion and constructing the great St. Lawrence waterway. Even Nova Scotia might turn over her natural resources to the Dominion and build her own harbours and breakwaters.

Mr. MARTELL: The hon. member would not like to see Nova Scotia turn her resources over to the Dominion because he was born in the historic county of Hants.

Mr. BANCROFT: No, not even two counties in the redistribution. It would be almost impossible under present conditions for the western provinces to take over the railway and build it. It is a national undertaking and will have to be built as such. The hon. member for Kingston (Mr. Ross) read short extracts from two reports and read them together. One was from Captain Anderson's report and one was from Commander Gordon's report. When he was dealing with the harbour of Nelson he quoted from the report of Commander Gordon, but I find in the other report which he has quoted just before the quotation he read that there was also a report on the port of Nelson, and I find on page 19 of the report of the special Senate committee in 1920 Captain Anderson says:

> I was off the entrance to the harbour at Nelson in 1913. The wind blew about 75 to 90 miles an hour—that was about from the northeast, a blizzard—and there was not very much sea around there, just the usual slop from the wind blowing hard. There was no very big sea.

The demand for the Hudson Bay railway arose originally from the fact that owing to the smaller circumference of the earth in the northern latitudes a distance of approximately 1,000 miles could be saved in transportation between western Canada and Great Britain.

Continuous efforts have been made by our federal and provincial governments to overcome our transportation problems. These governmental efforts have taken such forms as land grants, cash subsidies, rate agreements, railway commissions, and control of water rates. These attempts to reduce transportation costs constitute an admission of the seriousness of our transportation problem. All these have been efforts to overcome distance, which after all is the great factor in transportation costs.

Now here is a proposal, Mr. Speaker, which actually eliminates 1,000 miles from the distance between western Canada and Liverpool, and you can realize the economic possibilities of that shorter haul. I submit that no hon. member should treat this matter lightly, nor allow himself to be prejudiced by the propaganda of those interests who fear the competition of the Hudson Bay route.

The Hudson Bay railway is 424 miles in length, 332 miles have been completed and laid with 80 pound steel and mile long sidings have been constructed at frequent intervals, which will greatly facilitate double tracking when the traffic demands it. There remain 92 miles to be built and the grade is built on that. Three immense steel bridges have been constructed on the route, one across the Saskatchewan river and two over the Nelson These cost about $1,000,000. There is also the steel bridge, two-thirds of a mile in length, which connects the mainland with the artificial island at Port Nelson. The completion of this road which was estimated at that time to cost $2,000,000 was abandoned in 1918 in the interests of economy, so we were told. Because economy seemed necessary, no great opposition was raised to the suspension of the work. Subsequent events however, suggested that some influences were at work to defeat the whole Hudson bay project, for while the construction was abandoned in 1919 in the interest of economy, the Victoria dry dock was begun in the same year at an estimated cost of $5,000,000, and I am informed that the city of Victoria needed a dry dock just about as much as the city of Regina. The deepening of the Welland canal was gone on with at the same time, and it is estimated that it is going to cost about $100,000,000 when completed. This project in itself will not make a difference of a fraction of a cent in the price of wheat. At the same time also the Canadian Government Merchant Marine was being built at a cost of $71,000,000. The people of Canada for the most part want to see economy practised in our public affairs, but they do not want a policy of economy that is confined to the Hudson bay project.

The construction of this road to date has not cost the taxpayers of this country one dollar. The farmers of the pre-emption area in Saskatchewan and Alberta have contributed every dollar that has been spent on the

Hudson bay railway so far. In 1884 a land grant of 12,800 acres per mile was authorized by the Dominion parliament to cover the cost of construction. From 1904 to 1908 demands were made that the road from Le Pas to Hudson bay be built and controlled by this government. Accordingly the government of the day made an agreement with the Mackenzie and Mann interests that if they would relinquish the land grant of 12,800 acres per mile for the 424 miles from Le Pas to Port Nelson, the government would build the road and make arrangements with the Canadian Northern to operate it for the government. This enormous land grant was now the property of the government, and in 1908 a measure was passed eliminating the land grant and substituting therefor a new source of revenue to meet the responsibilities assumed in the construction of the road. This was the sale of pre-emption lands in Saskatchewan and Alberta totalling some 9,000,000 acres. The amount of sales of these lands which have been actually sold to date is about $28,000,000, of which about $20,000,000 has been paid and about $15,000,000 has been spent on the Hudson bay road. The statement has been made in this House that this money was not earmarked for that purpose. It did not need to be ear-marked. The purpose all through the negotiations was very plain and these lands would have been homesteaded in the regular way except for the government's intention of financing the construction of the road by selling these pre-emptions to homesteaders at $3 per acre. The farmers in that district should not pay one more dollar for that indebtedness on those pre-emption lands until the Hudson Bay railway is gone on with. This money is a trust fund paid to the government by the farmers in the pre-emption area for the sole purpose of building the Hudson Bay railway.

Apart from the great possibilities of this route as an auxiliary grain and cattle route, there are great opportunities for national development in the northern areas. The Belcher islands, which comprise an area of about 10,000 square miles, and are situated on the eastern coast of the bay about 100 miles off the coast in almost a straight line east of Port Nelson, are said to contain one of the richest deposits of iron ore in the whole world. If this ore is developed,—and it must be developed one of these days—it may be brought south to James bay and by rail to some point in Ontario to be smelted there. If we do that, coal will have to be brought from the United States for smelting purposes, and the cost of carrying the ore down that railway will all have to be charged up to the ore because there will be the traffic only one way. If the Hudson Bay railway is completed, the ore can be shipped across the bay, and trains that are carrying the grain out to the port can bring back the ore, thus dividing the cost of maintenance between the two cargoes. This ore can be shipped west to some central point where it will meet the coal from the coal areas of Alberta, a great quantity of which is suitable for smelting purposes, and in this way these two natural industries can be built up. This would form a basis of a great iron and steel industry on the prairie and in no other way could these natural resources be developed as economically as this. The presence in the immediate vicinity of the immense natural water powers of Manitoba would open up great possibilities for manufacturing without artificial encouragement. Our transportation systems should be so laid out as to develop our natural industries and to make them supplementary to one another. The Hudson Bay railway is then, from the national point of view, the logical route for the development of the Belcher islands' ores.

This road has been promised by all political parties. It has been paid for by the farmers of western Canada, and at this late date when only 92 miles remain to be completed, it cannot be abandoned without a serious breach of national trust.

Mr. T. H. McCONICA (Battleford): Mr. Speaker, I desire only to associate myself with those who have urged the government to make some pronouncement favourable towards the Hudson bay road. I have no desire to discuss the question at any length, but the people of western Canada are thoroughly in earnest when they ask that this road be completed. They have looked forward for many years with the earnest hope that this would furnish them with an outlet for their grain. It is hope deferred, but it was a hope that was founded upon the solemn, unequivocal promises of both the old political parties, promises made without mental reservation or conditions, and upon that hope they have built themselves up. Moreover, circumstances developing are such that if it were an arrangement between private parties, they would have almost a contract right which the court would enforce. They have bought millions of acres of land and paid for them with the understanding that the money so paid would be used in the completion of this road. They have paid that money in good faith. Part of that

money is still in the hands of the government, and the road is not completed. I suppose to-night the vote will be against any further work on the Hudson bay road, and I want to assure this government that no word could be sent from Ottawa to the West that could cast a deeper gloom, because the people there are really anxious and in earnest in their desire that this road be completed.

Mr. ROBERT MILNE (Neepawa): Mr. Speaker, the reason has been asked many times why the West is anxious for the completion of the Hudson Bay railway. The West has been left dangling so far as this railway is concerned, and since 1918 we have never known whether it would be completed or scrapped. After some $15,000,000 of western money has been put into that road the prairie provinces are desirous that some concrete policy shall be stated and pursued in regard to this project. For a good many years the subject has been under discussion in this House, and consulting the debates I find that such eminent statesmen as Sir Wilfrid Laurier, Sir Robert Borden, the Hon. Frank Oliver, the Hon. Mr. Cochrane, Sir George Foster, the present Minister of Railways (Mr. Graham), the present member for Welland (Mr. German), and many others pronounced themselves a long time ago in favour of the undertaking. If the project was feasible at that time—and I presume it must have been or these hon. gentlemen would not have declared themselves so outspokenly in favour of it—if it was feasible, I say, in 1908 it is ten times more reasonable and more necessary to-day. At that time the famous Carrot river and the Swan river country of Manitoba was undeveloped and the possibilities of this agricultural area were unknown. And so far as minerals are concerned it has been only within recent years that they have been ascertained to be in that region in large and paying quantities. There is considerable water power to be developed on the rivers as well, the possibilities in that direction being unlimited. It is only within the last few years that we have been able to harness that power and transmit it efficiently. I repeat, therefore, that if hon. gentlemen had strong grounds for declaring themselves so definitely in favour of the project at that time, the undertaking is ten times more reasonable to-day.

The suggestion has been made that the provinces should take over this project; but as has been pointed out, the provinces do not own their own natural resources and you could hardly expect them to spend money building lines to develop resources which are under the control of the Dominion. There is another good reason why the province should not take over the work. This railway is a national undertaking and if the provinces assumed the responsibility of developing it, it is more than likely that the shipping interests who control transportation on the high seas could, if they made up their minds definitely to oppose the scheme, practically beat the provinces to it. If the project were undertaken by the Dominion, however, with the powers which the Dominion can wield there would be a much better chance of success. As all the arguments have been dwelt upon at some length I do not propose to enter upon any consideration of them. I want to voice my approval of the scheme, and intend to support the project.

Mr. O. R. GOULD (Assiniboia): This is not the first time I have placed myself on record as being in favour of the immediate construction of the Hudson Bay railway, and my reasons, which I have advanced on former occasions, are the same as those which have been put forward to-night. I have nothing new to offer but I desire to emphasize my belief that it is the bounden duty of this Dominion to carry this undertaking through to a successful conclusion and satisfy the demand of the western people. I have received a goodly number of resolutions from boards of trade and towns in my own district in south-eastern Saskatchewan, and as the greater number of those who have spoken on this subject to-night have stated the case for the northern part of the country it will be evident when I advance the views of the people of south-eastern Saskatchewan that the demand for this project is general throughout the province, both in the north and in the south. The minister himself has favoured the construction of this railway in order to give to the western people that share of justice to which they are entitled and which they demand. But so far, for economic reasons, the hopes of those people have been deferred from time to time.

I do not wish to say anything in any way prejudicial to the case but one fact I cannot overlook. Some years ago there happened to be a great unrest throughout the Dominion on the part of the returned soldiers and we voted at that time a huge sum of money, some $40,000,000, for the purpose, to a considerable extent at any rate, of allaying that unrest, providing means whereby the soldiers might be rehabilitated. I do not think that any hon. gentleman who assisted in the passage of that vote thought at the time that we

were making the best possible investment, because no doubt we were prepared to lose some of that money if only we could get matters settled. Hon. gentlemen who are sceptical of this proposition in the West might consider that fact. There is unrest in the West to-day and it would seem to be the part of wisdom for this Dominion to spend some money to appease that feeling there; from that point of view alone, altogether apart from the undoubted feasibility of the scheme, hon. gentlemen might consider the advisability of going ahead with the undertaking if only to allay the unrest that prevails in western Canada over this matter. The people there are certainly of the opinion that the Dominion is not playing the game fairly with them in withholding what they deem to be their absolute right. Hudson bay is situate right in the heart of the hinterland and Divine Providence must have placed it there for some useful purpose. It is therefore for the wisdom of man to exploit the potential advantages that lie there. Both of the old parties are on record in favour of this scheme and the third party is now stating its case. I would point out that while there is all the traffic which the two roads can carry at present from the production of grain in the West, only one-fifth of the arable land in Canada is so far under cultivation. We have approximately 300,000,000 acres in the Dominion adapted to agricultural production but we have only 60,000,000 under cultivation at the present time. So that we can reasonably expect that the new area which will be developed will easily provide traffic for all the ports we have.

We in the West feel that justice has not been done us. I want hon. members who live farther east to take a few minutes' time and just try to visualize conditions in the West and our earnest feelings in regard to this project.

Mr. J. L. BROWN (Lisgar): Mr. Speaker, I am not going to make even the short speech which I intended to make. I rise simply to associate myself with this project and to remind the House that history is a record of things regarding which people said "it cannot be done." Some day the words which have been uttered in this House by those opposed to this project will be used against their authors, because some day this "will be done," and I only hope it will be done soon enough for the Minister of Railways to have a chance to carry to completion the project which he himself began and which I am sure he would like to complete. This scheme is heartily supported by the eastern part of the prairie provinces, and we should like to associate ourselves with those who would carry it to completion.

Mr. W. J. WARD (Dauphin): Mr. Speaker, we should be able to get in a good day's work to-day, starting at six o'clock in the morning. Had we always commenced our work at this hour, we would have been through the session long before to-day. I can assure hon. members it is with the deepest regret that I am forced at this time in the morning to address the House, but as I look over at the Minister of Railways, who I am sure has come through a very heavy ordeal during the session, I want to remind him that this is his own making.

Mr. GRAHAM: Mr. Speaker, I might just as well settle this now. I absolutely deny that this is my "making" or the "making" of any person but the member who introduced this amendment. He has had seventeen chances to move the same amendment—seventeen chances. Do not talk about the resolution. He had time to bring in that resolution, but he let it go by day after day. I am not going to criticise him for that. But to say that this is the only time when the amendment could have been brought in is absolutely counter to the fact. He had seventeen chances to move it, because estimates have been introduced Mondays, Tuesdays, and Wednesdays, by every department of the government.

Mr. WARD: I have a super-respect for the Minister of Railways, but he knows just as well as I do that the stage has been set against us for the last ten days.

Mr. GRAHAM: Nothing of the kind; I deny that absolutely. My hon. friend is not going to work up any heroics throughout the country on that account. Every Monday, Tuesday and Wednesday when estimates were introduced, this same motion of want of confidence in the government could have been moved; but it was not decided until the last two or three days that it should be a vote of want of confidence.

Mr. WARD: The Minister of Railways must be perfectly well aware that this is not a vote of want of confidence.

Mr. GRAHAM: I know it is. It cannot be anything else.

Mr. WARD: I am sure the minister is perfectly familiar with the rules—

Mr. GRAHAM: I certainly am.

Mr. WARD: And he will find that Bourinot states very clearly that an amendment of

this kind is not a vote of want of confidence any more than is an amendment to an ordinary motion.

Mr. GRAHAM: An amendment on the motion to go into supply is always a vote of want of confidence in the government.

An hon. MEMBER: Not according to Bourinot.

Mr. WARD: However, I do not rise to take part in this debate simply to play politics as some hon. members have stated.

Some hon. MEMBERS: Oh no.

Mr. WARD: In response to what the hon. member for South Oxford said I request the reporter not to report my speech.

Mr. RINFRET: I second the motion.

Mr. WARD: This is only the second time that I have risen in my place during this session. I ask the reporter not to report my speech. I do not think hon. members appreciate the feeling in regard to this project which prevails in western Canada to-day. It is an amazing situation when a matter of such national importance has to be forced upon the House, and we are compelled to remain here all night to discuss it. I must repeat again, it is not my making that I am forced at this time in the morning to address the House on this question.

Mr. VIEN: Will the hon. gentleman tell us whose making it is?

Mr. WARD: There was only one day upon which it was feasible to introduce this motion, and on that day the hon. Minister of Railways was absent from his seat. Consequently out of consideration for him the hon. member for Prince Albert deferred his motion.

Mr. VEIN: I have seen the Minister of Railways in his seat almost every day during this session.

An hon. MEMBER: So say we all.

Mr. WARD: We might just as well have gone into supply at three o'clock yesterday afternoon as at one o'clock this morning.

Mr. VIEN: And six weeks ago.

Mr. WARD: But the amazing situation is that while in the last ten days we have voted almost thirty million dollars, much of it for projects of somewhat doubtful value, including five million dollars for a bridge at Montreal—

Mr. VIEN: And twenty-five million dollars for branch lines in the West.

Mr. WARD: —another five million dollars for Vancouver harbour; another six million dollars for a viaduct in Toronto—Toronto, with facilities second to none, with steamboats steaming up to its back door, with the very finest railway facilities to be found anywhere in the Dominion, in view of the resolution which was accepted by this House, enthusiastically accepted by hon. members opposite, moved by my hon. friend from Prince Albert (Mr. Knox) to give priority to the Hudson Bay railway over other national projects commenced subsequently to this project, I find in looking up the amount of money that has been spent on other works since operations were stopped on the railway in 1911 that we have expended on the Montreal harbour $10,052,000. That is exclusive of the vote this session.

Mr. VIEN: To move your grain.

Mr. WARD: I find that we have expended $26,626,791 on the Welland ship canal. That also is exclusive of the vote this session of another $8,118,000.

Mr. VIEN: To move your grain.

Mr. WARD: Neither the Minister of Railways nor any other hon. member has ever had the temerity to stand up and say that the Welland ship canal is worth one iota to the grain carrying business of Canada.

Mr. GRAHAM: I do not want to interrupt my hon. friend but he must be careful of his language. If he will look up Hansard he will discover that in two sessions I have pointed out that I had received petitions before the new Welland ship canal was started, petitions largely from the West. All Canada was a unit on the beginning of the canal, and the West was just as much a unit as any part of the East. I pointed out on one occasion the saving which it was estimated would be made in the hauling of grain by enlarging the canal so that bigger vessels could go straight through to Montreal.

Mr. WARD: Mr. Speaker, the West is unanimously in favour of the Hudson Bay railway, but I venture to say that you cannot get 15 per cent of the people west of the Great Lakes to vote for the Welland ship canal.

Mr. GRAHAM: That may be now, but it was not the case formerly.

Mr. WARD: I challenge the minister to guarantee that the widening and deepening of the Welland ship canal will effect a saving of a thirty-second part of a cent on the carriage of grain, and we have already spent $70,000,000 on the project. If the Welland ship canal

was going to be of any value to the grain carrying trade or in connection with the transport of goods into the interior of this country it should have been started at the lower end, at Montreal, and opened up through to Toronto. When the Welland ship canal is completed the money we have expended in the Port Colborne elevators will amount to nothing more than a pile of concrete and the city of Toronto will be down to this House demanding ten or fifteen million dollars to build eleators at Toronto. That is what will happen. The government are not respecting the stand they took last year in supporting the resolution of the hon. member for Prince Albert. I find that since the work on the Hudson Bay railway was stopped in 1918, $2,877,137 has been spent on the Esquimalt dry dock, another white elephant on the hands of this country. There is also provision in the estimates this year for $350,000 for the Port Colborne elevators and repairs to the Welland ship canal, and the huge sum of $40,000 for the terminals at Port Nelson. These are amazing figures, Mr. Speaker, in the face of the unanimous demand of western Canada for this national project. It is a national project just as much as the port of Montreal, just as much as the National railways. In view of the fact that it has been paid for by the western people themseles I contend that eastern Canada has no more moral right to attempt to block this project than have the people of China. The money has been provided out of the sale of lands in western Canada set aside for that purpose.

We have been discussing this question now for about five hours. The Minister of Railways (Mr. Graham) has not attempted to make any statement on the subject and I contend that we are forced into the position we now find ourselves. I would just like to quote the statement of a very eminent politician and one of the greatest statesmen this country ever produced, the right hon. Sir Wilfrid Laurier. He said:

> I hope that I shall live to see a city at the terminus of a Hudson's Bay railway.....
>
> A city mark you.
>
> It is not enough for us to confine our views to Canada that is now settled, we must look ahead, we must push northward as far as colonization can go. I have great confidence that before many years are past we shall see towns and villages on the shores of Hudson's bay, as we see on the shores of Norway, where people will be prosperously engaged in the lumbering business, the pulp industry, the fishing industry, and others. This is what I hope Canadians will see ere long, said Sir Wilfrid Laurier.

[Mr. Ward.]

In company with the hon. member for Nelson (Mr. Bird) I made a trip over the Hudson bay route last fall.

An hon. MEMBER: Why did you come back?

Mr. WARD: I would like to say that ridicule on the part of hon. members opposite will not get us anywhere. It will not settle these questions, nor will it tend to develop that national unity that is talked about so much by hon. gentlemen opposite.

During the two previous sessions we discussed this question in the House and on those occasions I refused to take part in the debate because I had some doubt in my mind as to the practicability of the whole project. However, I determined to inform myself on the question. Accordingly I made a trip over the route last year, and I intend to give a review of the character of the country, the nature of the soil and the conditions as we found them at the port.

Leaving for Port Nelson on the twelfth of September, we were disappointed at not finding the huge muskegs about which we had heard so much through the press. A false impression has been given to the public regarding the character of that country. We had been told that it was one great muskeg; that trains would run off the track into the muskegs and disappear; that no railway could be maintained there. Well, the facts are these: For the first hundred miles of the Hudson Bay railway, the substratum is almost wholly composed of hardpan or rock, an excellent place to build a railway. From that point on for 125 miles the railway runs through what is termed up in that district as the great clay belt, which the hon. member for Nelson has mentioned. Travelling through this clay belt we found settlers growing all their own vegetables. We found that district quite capable of producing equal to that of almost any other part of western Canada. We passed along through that portion of the country and coming to the port of Nelson, spent a week there. I am not an expert in any sense and am wholly incompetent to judge as to what constitutes a good harbour and what does not. But I think we had enough horse sense to be able to judge whether Port Nelson would constitute a good harbour, and we were unanimous in our opinion that there was nothing wrong with Port Nelson except that it needed some expenditure in the development of these works. We were also surprised to find the 90 miles of grade on which the steel has been laid, from Port Nelson to the Kettle Rapids

bridge, in an excellent state of preservation; seventy-five per cent of it would receive ties without any repair work whatever. We were also amazed to find the whole road in an excellent state of preservation considering the years of inaction which it has undergone. I would say in summing up that there is no other five hundred mile stretch of railway in Canada that was built more cheaply or that can be maintained and operated more economically than the Hudson Bay railway. There is not a five hundred mile stretch of country in Canada that can contribute more traffic to a railway than the stretch from the Pas to Hudson bay.

However, the purpose of the Hudson Bay railway project and of all our agitation in that connection is to reduce the carrying charge of our grain from western Canada. It may be of interest to the House to learn that the average cost of carrying the western grain crop from the head of the lakes to tidewater has been $75,000,000 a year. In 1922 it cost a little over $100,000,000 to transport it from the head of the lakes to Montreal, New York or the eastern mills. You may say, what has that to do with the Hudson Bay railway? It has this to do with it: Port Nelson is closer to where the grain is grown, closer to the average railway station in western Canada, than the ports of Fort William or Port Arthur, so that if we could have shipped our grain by way of Hudson bay we could have saved the entire $75,000,000 a year that we are paying to-day, and that is only upon the grain trade. You may add the 50,000 or 60,000 head of cattle that we shipped out of Canada last year and upon which we paid about $22 a head for delivery at Montreal. On the basis of the very same rates and commissions paid last year they could have been delivered at Port Nelson for $9, a saving of $11 per head on the fifty or sixty thousand head of cattle shipped. I noticed that in a statement made by the Minister of Agriculture he expressed the hope that we will be shipping 200,000 head of cattle to the Old Country in the near future. You can visualize what a saving there would be if we could ship our cattle via Hudson bay rather than by the long route to Montreal and save an average of $11 a head. In addition to that the cattle leaving Calgary in box cars are on the road for ten days. Unless they are sent right through by fast train it takes, on an average, ten days from the time the cattle leave the stockyards in Calgary until they are delivered on the boat in Montreal. Now, a bullock is not fit for exportation after it has been bunted in and out of the stockyards and carried up and down the tracks for that long period.

Mr. VIEN: Is the hon. member referring to frozen beef?

Mr. WARD: No—to live beef. On the other hand if those cattle could be shipped to Port Nelson the longest time occupied on the journey would not be over three days. It would not be over three days until they were delivered to an ocean liner and they would be delivered in the markets of the world in very much better condition than they can be delivered when shipped by the long route which is used today. In discussing this question with a manufacturer not long ago he made this statement, "Ward, the most vicious"—these are his own words —"and expensive system of transportation, transhipping, wholesaling and warehousing that exists in the world exists between the city of Winnipeg and the city of Montreal." And anyone who has had experience visiting these transhipping stations cannot help but be impressed with the truth of this statement. Every bushel of grain shipped out of western Canada to Montreal has to be transhipped four times. How in the world is it possible to retain the identity of our grain, or stop the mixing which now goes on as long as our wheat has to pass through that process? I have no prejudice against the city of Montreal, none whatever. I am glad to know that we have great cities in this country, I am proud of our Canadian institutions—I do not think the institutions in any country are better manned than in ours —but I do say that western Canada cannot continue paying 53 per cent of the net value of our grain to ship it to tidewater through the entire season as was the case last year in the shipments to Montreal and New York. When we have paid the $75,000,000 it cost us to transport our grain from the head of the lakes to tide-water we are exactly the same distance from Liverpool that we would be if we shipped it via the port of Nelson, and if we could ship by the latter route we should be able to save that immense sum of money. These are facts that we cannot be indifferent to. It is impossible, so long as we are hemmed in as we are, marooned in the heart of this continent, to do otherwise than suffer heavy loss until we get relief. I have made the statement frequently and I will make it here, that never again will grain be grown at a profit in western Canada until we can ship it by the Hudson bay route. I may be asked the reason. It is because our natural competitors in the wheat markets of

the world are the Argentine, Brazil, Australia, India, and some of the states of Russia. In none of these countries will you find a bushel of wheat grown over five hundred miles from tide-water; the great bulk of it is grown within three hundred miles of tide-water. Those are the countries we have to compete with. How can we do it successfully as long as we are from fifteen hundred to eighteen hundred miles from ocean ports. It is impossible to successfully compete with the countries I have named; and until we get access to the sea, until we have a port on Hudson bay, I hesitate to think what the future of western Canada will be. I was at the station of Togo, just on the west side of my constituency one day last fall. They grow principally oats at this point. I went to the elevator and got the price of oats and found that the freight rate to Montreal on No. 1 feed oats that day was 86 per cent of the net value of those oats. That is what it cost to ship to tide water. How are farmers going to grow oats, which they sell for 22 cents a bushel, when it takes practically that amount to carry them to tide-water. All through last season it cost 56 per cent of the value of a pound of butter to take it to Montreal; in the case of a crate of eggs 63 per cent of the value, and in the case of a ton of hay 84 per cent of the value. These are the salient facts of the situation and they stare us in the face every day. Is there any wonder that there is talk of secession in western Canada. I have here before me a huge volume of petitions, many of them covering whole municipalities. I will just read one which is typical of the entire number; and let me say that I had not the slightest idea that any of these resolutions were coming.

Mr. VIEN: Take it as read.

Mr. WARD: I will read the preamble of one of the petitions.

Mr. VIEN: Put it on Hansard.

Mr. WARD: It is very brief.

Mr. VIEN: Unanimous consent.

Mr. WARD: I am only going to read the preamble:

Whereas, owing to the failure of the present government to implement their promise, on assuming office, to complete the Hudson Bay railway, which is the natural outlet to the seaboard for the western provinces, and which, it is estimated on the basis of the 1922 crop, would have saved the West $50,000,000 in transportation and handling charges, had the route been in operation, and

[Mr. Ward.]

Whereas, owing to the fact the two previous governments were sufficiently satisfied with the feasibility of the route to invest over $20,000,000 on the project, which expenditure was provided for out of the sale of land in the West, leaving only ninety miles of steel to be laid.

Therefore, we, the undersigned fully qualified citizens, request the Dominion government to complete the Hudson Bay railway in 1924; and due consideration be given to branch lines, and provide terminal facilities by the 31st August, 1925, sufficient to take care of all business offered, and, failing this, we will ask the Imperial government to establish a separate dominion west of the Great Lakes.

We must not view these things too lightly. I know the West very well and I know this spirit is growing there. The people of the West have a feeling that they are being discriminated against. There is no parallel to the situation regarding the Hudson Bay railway in the history of this country where one section of Canada is deliberately blocking a project by selfish prejudice in another province. Do you mean to tell me that if the Hudson Bay railway were the dud our opponents are trying to make us believe it is that there would be such a fierce, persistent, organized and resourceful opposition to it? Of course there would not. The worth of the road is advertised by its enemies; they fight it because they fear it. Of that there is no question at all. Most of the opposition comes from the city of Montreal. In spite of what was said by my hon. friend from St. Lawrence-St. George (Mr. Marler) there is the big four in opposition in the city of Montreal to this project. I have inside knowledge that when the order went forth in the fall of 1922 to lift 116 miles of steel off the Hudson Bay railway that order was engineered from St. James Street, Montreal.

Mr. MARLER: What is my hon. friend's authority.

Mr. WARD: I am not in a position to give it.

Mr. MARLER: Does my hon. friend know?

Mr. WARD: I have it from a member of the staff of the firm in question.

Mr. MARLER: Give the name of the member of the staff.

Mr. WARD: I could not do that in all fairness.

Mr. MARLER: My hon. friend has no right to make such a statement in the House unless he can substantiate it, and I challenge him to do so.

Mr. WARD: I would say this in reply to my hon. friend: My information was so direct as to the real source of this opposition that

I could not help but think there was some ground for believing the statement.

Mr. MARLER: It is purely hearsay.

Mr. VIEN: Imagination!

Mr. WARD: That is probably beside the question. Nevertheless there is a big cry in the city of Montreal against the Hudson Bay railway. There is the Bank of Montreal, there is the Hudson's Bay Company, there is the Montreal Harbour Commission, and there is the Canadian Pacific Railway Company. These are all opposed to the development of ports on Hudson bay, there is no question about that. There is not any question about that, and I would be happy to think that we only had this parliament to deal with. In fact, I have it on the word of members of this government that there are underground wires which are making it very difficult for us—

Mr. MARLER: My hon. friend is making very inaccurate statements.

Mr. WARD: Not inaccurate at all. My statements are too accurate.

Mr. MARLER: Let the hon. member substantiate his statement, or else give us the names, so that we will have something to go upon. It is only hearsay evidence.

Mr. WARD: It is getting under the skin of my hon. friend when we touch Montreal.

Mr. CAMPBELL: There was propaganda in the Montreal papers regarding it.

Mr. WARD: I think I have an article here that would substantiate all I have said from the lips of the Premier of Quebec. However, that is by the way. I will deal with that a little later on. Premier Taschereau opened out in a tirade against the West for demanding the Hudson Bay railway some short time ago, and as I read that article, in which he charged the West with having created all the national problems in Canada, he went on to say that after the East had built all the railways in Canada, we were demanding branch lines and the Hudson Bay railway, I wondered if the Premier of Quebec knew that the Canadian Pacific Railway had sold three hundred and fifty million dollars' worth of resources given to them by the Canadian people, ninety per cent of these resources being in western Canada. The appraised value of the Canadian Pacific railway is $500,000,000, and yet they have sold three hundred and fifty million dollars' worth of resources that have been given them. And now we have the Premier of Quebec telling us that the East has been building the railroads in western Canada. I will go further and say that the land grants given to the old Canadian Northern were almost equal to the railway itself. So that eastern Canada has not built the railways in western Canada, and western Canada has made wonderful contributions to eastern Canada. It is easy to give away something that does not belong to you. The eastern politicians freed the Canadian Pacific Railway from taxation from time immemorial, and the exemption will run for another twenty years. It has been estimated that we have lost in the non-payment of taxes somewhere in the neighbourhood of $50,000,000, while eastern Canada collected taxes from the railroad. These are the things that are grinding the people of the West every day. The people out there have been going out of business. About five hundred people have left my constituency in the last few months, simply because of the conditions surrounding the production of grain and live stock, and on account of lack of transportation, the high tariff and many other things which produce these conditions.

Mr. HUGHES: What good would it do to spend millions of money on an impossibility?

Mr. WARD: I will deal with that right now to satisfy my hon. friend and for the benefit of my hon. friend from St. Lawrence-St. George (Mr. Marler) I will quote from an article which appeared in a newspaper, which states that the Montreal branch of the Engineering Institute of Canada appears to have had quite a pleasant time at its last monthly meeting. The article continues:

> The subject was the Hudson Bay railway and all the good Montrealers present took a hearty kick at the project. When they objected to any money being spent in making Port Nelson into an ocean port, none of them appears to have blushed. Of course, Montreal has been made an ocean port by virtue of expenditure—

And I direct my hon. friend's attention to this:

> —that make any possible outlay on the Hudson Bay route look like the proverbial thirty cents.

That is true. If there is any port in Canada which can with less grace oppose this expenditure, it is Montreal, where hundreds of millions have been spent to make it an ocean going port. I am not complaining, but we are still spending millions of dollars on the St. Lawrence route, one of the most dangerous routes in the country. The article continues:

> They also had the nerve to object to Port Nelson because it is only open part of the year and because the route of the port will be subject to differential rates in insurance—arguments that would have been equally valid against the development of the St. Lawrence route. One of the critics was a Mr. Tair, "a marine engineer" who knew all about it.

Of course.

It would, he declared, be impossible to navigate any cargo vessels to Port Nelson, or as near there as they could get, for more than six weeks a year.

How would it be if we would introduce a little real information? I will refer to Commander Gordon about whose reliability there is no question. He investigated the Hudson straits. Commander Gordon in his voyage of 1886, following instructions to proceed to the mouth of Hudson strait on July 3rd, pushed through the strait, calling at some of the stations established in 1886. He crossed the bay from cape Southampton to Churchill and arrived in the harbour on July 29th. The voyage appears to have been made with comparative ease from Halifax to Churchill, Nelson and return. In 1886 Commander Gordon found the strait navigable about a month earlier than in 1885. In his conclusion, respecting the season of navigation he takes into consideration the main question of the object of the expedition, namely, that practical navigation in the straits can be kept up during July, August, September and October. He mentions those four months during which the straits can be kept open.

Then I would refer to Commander A. P. Low, and on one will question him. He is a practical engineer, a man of world wide repute almost. Hudson strait never freezes over and the official expedition of 1903 under the command of A. P. Low, has established an important fact of two open currents always flowing in the straits; one along the north shore in and westward bearing the ice drift of Greenland, so that ships entering could go with ice drive; one along the south shore outward bearing the raft ice of Hudson bay so that the ships going to sea could also go with the ice drift. In both cases, therefore, it was found that the ships could navigate the straits with the ice drift, not against it.

Then we have Captain Bernier, another well-known man, whom no one will question. Captain Bernier, the well-known arctic explorer and navigator says:

With wireless telegraphy in a station at the entrance of Hudson bay, the opening of navigation could be made in the first week of July by informing the steamers which side of the straits to pass on, so as to find clear navigable water.

In a former interview Captain Bernier had made the statement that Hudson bay and strait are open to navigation the year round, but as far as the strait is concerned, icebergs block the way in places according to where the current into and 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 to Europe, compared with that of other ports.

I just draw my hon. friend's attention to the statement of Captain Bernier that the straits are open for navigation the year round.

I have a whole lot more of these citations. My hon. friend from King's (P.E.I.) submitted what he thought was very interesting information regarding the straits. I have compiled my information from these reports which I have gathered from all over Canada, from practically every engineer of whom we have a record who has visited the Hudson bay. I got a report from these different engineers, so that I have not confined myself to one trip or one ship but I have reports of some thirty or forty different engineers, who have made the trip through the Hudson straits.

Bishop Lofthouse, who has spent more than twenty years in mission work throughout what was the district of Keewatin, says that the Hudson straits are just as safe for navigation, or will be when they are properly lighted, as the straits of Belle Isle, more so in fact; for there are more accidents at Belle Isle than in the Hudson straits.

J. W. Tyrrell, who has gone through the straits several times writes:

The strait can, in my opinion, be relied upon for unobstructed navigation from July 15 to November 1, with a possible extension of two weeks at either end. ....I would say that the proposition to open up a route for commerce through Hudson bay and strait, is, in my opinion, a wise and perfectly feasible move, both because of the service it will render in developing the local resources of the country, and because of the additional transportation facilities it will afford for the products of western Canada.

Mr. Tyrrell has also said:

As to icebergs, they are occasionally met with in Hudson straits, being sometimes carried in 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 strait of Belle Isle.

Mr. G. Halcrow, a retired factor of the Hudson's Bay Company, and a resident of the Pas, who has lived forty-five years or more in the Hudson bay district, eight of which have been spent on the bay, has passed through the strait several times. His opinion is that navigation by that route is possible eight months in the year.

The most quoted authority we have to-day on the navigability of the Hudson strait is Dr. Bell, F.R.G.S. He gives his opinion, after nine years of navigation in these waters, having made seventeen trips to Hudson bay with the several government cruises. He 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, and more than that, the waters of the Gulf stream come back this way from the north of the coast of Europe. There may be some little difficulty near the shore at some time of the year, but I do not think it will ever be necessary to have ice-breaking boats. Why, navigation through the straits should be particularly easy, because, while there may at times be floating ice, there are no rocks and no islands upon which to go ashore.

I would direct that to the attention of the hon. member for Cariboo (Mr. McBride), who thought that ships would have a terrible time in getting through the straits.

Sir Wilfrid Laurier—and I am sure my hon. friends will not question his authority—speaking at Niagara Falls on September 18, 1908, said:

> We have undertaken the construction of another railway, the Hudson Bay railway. The Hudson Bay railway, I am sure, does not appeal very much to the people of Welland county. It concerns more the people of the West. But I say to you, gentlemen of Ontario, and you will agree with me, that what concerns one portion of the community concerns every part of the community. Now, we have come to the conclusion that this railway is a necessity, owing to the condition in which our fellow-citizens in the West are placed.

And do not forget that this was in 1908. We need it many more times to-day.

> This railway will give an alternative or optional route.

This is what my hon. friends from some eastern ports fear:

> At the present time all the wheat as soon as it is tracked is sent out to lake Superior. We want to provide another railway by Hudson Bay route. There will then be the present route and the Hudson Bay route, and the man who raises wheat and cattle will have two outlets for his production. We have been asked: "Are you not going to hurt the trade of the St. Lawrence if you do that?" Oh ye of little faith! the trade of Canada is too great even for these two outlets.

I wonder what has happened to the vision and courage of the politicians and statesmen of to-day. When the statesmen of the day thought that it was necessary to build a bridge at Quebec across the St. Lawrence river, they called together the engineers of the country and they set them to work to design a bridge to span that great river. They made the attempt and when the bridge was partly up, what happened? It fell into the river, taking down with it some seventy souls to an untimely grave. Did the people of that day throw up their hands in holy horror and say: The risk is too great; we cannot take the chance? No; they had vision and courage. They called their engineers together and said: We have faith in our engineers, we believe that they can build this bridge. They tried it again and when it was almost completed, it fell into the river, taking with it twelve more souls to an untimely grave. Did they then say: The element of chance is too great; we cannot take the risk? No, they exhibited the courage and vision which Sir Wilfrid Laurier exhibited in his time. They said: We have faith in our engineers. The engineers made the third attempt, and there the bridge stands to-day as a monument to the ingenuity of man, the greatest structure of its kind in the universe. We are all proud of it, proud that it was designed by Canadian engineers.

When the Panama canal had been attempted by three or four different governments and corporations and after $140,000,000 had been spent on it, when the world considered that it was impossible to build a canal through the torrid zone of Panama, did the United States government say: The chances are too great? No, they exhibited the same courage and vision which Sir Wilfrid Laurier exhibited, and they said: We believe it can be done. The result is that that canal stands to-day the greatest engineering project of its kind in the universe.

When the Canadian Pacific railway was being mooted and being discussed in this House in 1875, 1876 and 1877, such men as Alexander Mackenzie said: Why, it will never pay for the axle grease that will be used on the wheels. He was not considered a fool; he was considered one of the greatest statesmen of this country, and yet those were his views at that time. Will anyone say that the Canadian Pacific railway has been a failure? Let me tell the House that the element of chance was ten times greater in building the Canadian Pacific railway than in the Hudson Bay railway. What was known of western Canada in 1875? There was a little colony in the Red river valley and they came in by the Hudson bay. Had they met the hon. member for St. Lawrence-St. George (Mr. Marler) or the hon. member for Lunenburg (Mr. Duff), they would have landed them at Montreal or Halifax and walked them across the continent. The only means, however, of connection for over two hundred years was by the Hudson bay.

I have often said this—and I think there is some truth in it—that this country was settled from the wrong end. If this country had been settled from Hudson bay rather than from Quebec, we would have had a heritage that would have paid off our national debt, in fact all our bond indebtedness, provincial and federal, without any trouble at all. I think it was the Minister of Railways and Canals (Mr. Graham) who made the statement some time ago in this House about how some of our forefathers had cleaned up as many as a

hundred acres of hardwood bush in eastern Canada and who ended up with broken physique, gnarled hands and twisted backs. What for? To make prairie. They cut down the greatest heritage that this country has ever known to make prairie, while there were hundreds of millions of acres of it out West waiting to be developed. Those instances are by the way; but I wonder sometimes what happens to the courage and vision of our statesmen and politicians. When the question is one of an investment in Montreal, Toronto or Vancouver, the courage and vision seem still to exist, but when the question is one of an investment at Port Nelson of $2,000,000 something happens. What is it? I can only conclude that it is selfish prejudice; that you fear the route.

A promise made is a debt unpaid, and this debt is not paid. I fear that what the ex-Minister of Finance (Sir Henry Drayton) has said is all too true and that this government has no intention of building the road. I feel sorry for the Minister of Railways (Mr. Graham) because I think he wants to complete it but his hands are tied by underground wires which we cannot tap. In conclusion I want to express the hope that the government will very seriously consider this question and regard this fund as a trust fund. The people of western Canada consider it as such, and if we want to maintain that unity in Canada which I am sure the minister and the government have at heart, if we want to retain confederation, the Hudson Bay railway must be built.

Mr. ROBERT FORKE (Brandon): I want to protest against the idea that a vote of this kind is an expressoion of want of confidence in the government. It has been the custom no doubt when a motion to go into supply has been moved to consider any amendment proposed thereto as a want of confidence motion. That may have been true in connection with the budget or other important debates of that kind but the day is passing when this shall continue to be the practice. It is an absurdity that a government in a minority of the whole House should look upon a vote of this kind as indicating a want of confidence, and there must be some change in our mode of procedure in such cases to allow any hon. member to move a motion of this kind without incurring the charge that he is proposing a vote of want of confidence. When we look at the Mother of Parliaments we find that a government that has been defeated time and time again still carries on and no one thinks that anything wrong has been done. When a motion is intended to be considered as a want of confidence it should be clearly worded to that effect and in that case no government would retain its position five minutes after such a vote was carried.

I have a great deal of sympathy for hon. members opposite and I know that there is abundant excuse for much of the irritation which has been evident on both sides of the House during this debate; under the circumstances that was inevitable. But in justice to the hon. member for Prince Albert (Mr. Knox) some explanation is called for. Hon. members on this side of the House, having this project in view this session, have hesitated to introduce a motion of this kind for the very reason I have stated: they considered that it might be regarded as a want of confidence motion. But the representatives of western Canada have a duty to discharge by their constituents who have sent them here and in bringing forward this matter they are only endeavouring to fulfil that duty. It must be remembered that there are at least a million people in the western provinces who consider this project, not in the way hon. gentlemen opposite consider it but with an earnest desire to see the work completed. Would hon. gentlemen think it right that the voice of that million should not be heard on this floor? Of course not. And that is why the matter has been brought forward in this House at the present time, although possibly the circumstances may not have been the most auspicious. The Minister of Customs (Mr. Bureau) I think it was stated that fifteen or sixteen occasions had presented themselves when the resolution could have been moved. I admit the truth of that statement, but I have clearly explained why the motion was not previously made; hon. gentlemen on this side did not want to have it thought that they were moving a want of confidence resolution against the government.

I hope that any unpleasant feelings which have been engendered will soon disappear; I am sure that any unpleasantnesses have already been forgotten. Naturally the members on this side feel strongly on this question, although hon. gentlemen opposite have rather ridiculed the project. I have no hesitation, however, in predicting that the Hudson Bay railway will be a reality in the not far distant future, no matter who builds it. Of course, oceans of evidence can be adduced on both sides of the question, but with modern equipment and scientific inventions available I have no hesitation in expressing the belief that this undertaking will be successfully completed at no very distant date and will prove profitable. I almost hesitate

to say a word with reference to the Minister of Railways, who I think is a little irritated to-night, but I can assure hon. gentlemen that there is no member on this side of the House who has any hard feelings whatever in this matter.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): Let me hasten to assure the hon. gentleman that I am not irritated. I am not anxious to sit here all night, but I can stay as late as anyone else. I do want to correct one wrong impression which has been left by some of the younger speakers, who may not have been born after I became a friend of the Hudson Bay railway but who certainly grew up after that. As a matter of fact I signed the first contract for the construction of the Hudson Bay railway; I turned the first sod in connection with the work; and I do not mind being lectured for what may be termed a dereliction of duty, as one hon. gentleman put it. An hon. gentleman asked where the courage had all gone. Now, I think that the hon. member for Prince Albert did make a mistake in introducing the subject in this way. I say so decidedly, and for this reason: Under our practice such a motion cannot be considered as anything else than a vote of want of confidence.

Mr. FORKE: But we must change the practice.

Mr. GRAHAM: Well, that has been the practice all along and it was the practice when the resolution was introduced. I had not had an opportunity of reading over the amendment before it was moved; I was told that it would be moved but I did not know the nature of it until I heard it read. I am not complaining of that, although it is the custom when an amendment of this kind is contemplated for a copy of it to be sent to the minister concerned. Now, all these speeches could have been made in committee to-day; every one of them could have been delivered in committee, so that there was no necessity for moving a want of confidence vote. I cannot help thinking therefore that the hon. member has been ill-advised by someone in moving his resolution in this way. I say this kindly, but he has injured the Hudson Bay railway project inasmuch as he has compelled friends of the project to vote against his amendment. It cannot be otherwise.

As to the project itself, someone will build the Hudson Bay railway—and I am not going to argue the question of navigation and all that sort of thing. I have said time and again that the construction of the railway as a colonization road will open up a territory which will be valuable in that respect, even if the transportation end were left out altogether. We must recognize that we are in a practical world, and my hon. friend should remember that governments do not grant money; parliaments do. You cannot get parliament to vote money unless you go at it the right way, by trying to educate members who do not agree with you; do not abuse them. If parliament is not in a frame of mind to vote the money, you must adhere to the project until you see it forced to a conclusion; but I think every member will agree with me that parliament as now constituted is not prepared to vote money for the completion of the Hudson Bay railway. That is plain on the face of it, and we must take that fact into consideration.

It is true that land was set apart in the Dominion Lands Act for this purpose, it is true that that land was released, and it is true that in a speech Hon. Frank Oliver did indicate that the proceeds from their sale would be used for the construction of the Hudson Bay railway. There is no question about it, but a great many people do not know it.

I have only this statement to make. The war having intervened, everything is turned upside down, and it is impossible to pick up the strings of any project just where they were thrown down before the war; we must bear that in mind in discussing this project. I will not say that our national finances are in a precarious condition, for I have every confidence in Canada and in her people, but I do say unless those behind the Hudson Bay railway go carefully along the lines I have indicated it makes it difficult for their friends especially when such a motion as this is introduced. I would advise those who are in favour of the project, as I know a portion of the West is, not to be discouraged, but to take into consideration all the circumstances, including this outstanding circumstance, that the parliament of Canada as now constituted will not vote money for the completion of the Hudson Bay railway at the present time. Perhaps another parliament may be more friendly. If I were hon. gentlemen living in the West I would do my best to spread information concerning this project, particularly laying stress on the railway as a colonization scheme; then the transportation end may follow.

Mr. KNOX: Is the government willing to recognize that the fund which has been accumulating from the sale of the lands for the

building of the Hudson Bay railway is a trust for that special purpose?

Mr. GRAHAM: I would not care to make any further statement. I am inclined to think that investigation will show that practically all the money which has been received from the sale of these lands has been already expended on the project.

Mr. SPEAKER: Is the House ready for the question?

Mr. KNOX: Mr. Speaker, I think I should have a right to say a word in reply. I merely wish to explain a certain statement that has been made.

Mr. SPEAKER: Order. Rule 21 provides:

A reply shall be allowed to a member who has moved a substantive motion for the second reading of a bill, but not to any member who has moved an order of the day, an amendment, the previous question, an adjournment during a debate or an instruction to a committee.

I am sorry, but the hon. member is precluded from speaking further on this motion.

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

YEAS

Messrs

Bancroft, Beaubien, Bird, Brown, Campbell, Carmichael, Davies, Fansher, Forke, Gould, Hoey, Knox, Lovie, McConica, Milne, Sales, Speakman, Steedsman, Stewart (Humboldt), Ward.—20.

NAYS

Messrs

Baldwin, Béland, Benoit, Binette, Bouchard, Boucher, Bureau, Cannon, Cardin, Carruthers, Casgrain, Chevrier, Chisholm, Copp, d'Anjou, Déchêne, Delisle, Denis (St. Denis), Desaulniers, Descoteaux, Deslauriers, Drayton (Sir Henry), Duff, Ethier, Finn, Fontaine, Forrester, Fortier, Gendron, Gervais, Gordon, Graham, Halbert, Hammell, Hatfield, Healy, Hughes, Hunt, Kelly, King (Kootenay), King, Mackenzie (York), Laflamme, Lapierre, Lapointe, Lavigueur, Macdonald (Pictou), McBride, McGiverin, McIsaac, McKay, McTaggart, Malcolm, Marcile (Bagot), Marler, Martell, Mercier, Murdock, Ouimet, Power, Prevost, Pritchard, Putnam, Rankin, Reed, Rinfret, Robichaud, Robitaille, St. Père, Savard, Séguin, Sexsmith, Shaw, Sinclair (Oxford), Sinclair (Queens, P.E.I.), Sutherland, Tobin, Vien, Walsh, Woods.—79.

PAIRS

(The list of Pairs is furnished by the Chief Whips).

Messrs

Robinson, Kay, Jacobs, Raymond, Gardiner, Evans, Lucas, Spencer.

Motion agreed to and the House went into committee of Supply, Mr. Gordon in the chair.

Civil government—Post Office—salaries, $1,107,518; contingencies, $145,000.

Sir HENRY DRAYTON: I fancy all the minister wants to do now that we are in committee of Supply is to move that the committee rise and report progress.

Progress reported.

DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT ACT AMENDMENT

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, That it is expedient to amend the Department of Soldiers' Civil Re-establishment Act, and to provide that regulations may be made by the minister, subject to the approval of the Governor in Council,—

1. For authorizing the selection and employment of such officers, clerks and employees as may be required to carry on the work with which the minister is charged, and for their classification and salaries under the regulations, and that such provisions shall be deemed to have been operative from the date of the passing of the said act;

2. For the receipt and retention of any properties or moneys held or payable by the Crown, or any other authority, person or persons, on behalf of any persons or their dependents whenever such persons are or have been cared for under the provisions of the act, and to give valid receipts therefor;

3. For assumption of guardianship in the case of the insane cared for under the act, in respect of such moneys or properties; and,

4. For the disposal of such properties or moneys to such persons or their dependents, or as may be deemed expedient, or to their estates, if deceased.

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. SPEAKER: This motion requires unanimous consent.

Motion agreed to.

On the motion of Mr. Mackenzie King the House adjourned at 7.20 a.m. (Thursday).

Thursday, July 17, 1924

The House met at eleven o'clock.

BUSINESS OF THE HOUSE

Mr. SPEAKER: On account of the late sitting of the House yesterday, it has been impossible to get the Orders of the Day printed. I have had one prepared especially for myself, and I can lend it to any hon. member if necessary. I will call the orders in the regular way and we will follow the Orders of the Day for procedure for Thursday.

PUBLIC ACCOUNTS COMMITTEE

Mr. HANCE J. LOGAN (Cumberland) presented the first and final report of the select standing committee on Public Accounts.

CRIMINAL CODE AMENDMENT

Mr. MACKENZIE KING (for Mr. Lapointe), moved for leave to introduce Bill No. 259, to amend the Criminal Code.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

MILITIA PARADES—REGULATIONS

Mr. HOCKEN:

1. It is not contrary to military law or regulations for a battalion to carry battalion colours without the presence of the Union Jack?

2. Did the Prime Minister, Minister of Militia, or both inspect a battalion on June 30, which carried battalion colours only?

3. Is it contrary to military law or regulations to carry rifles on church parade?

4. Is the Minister of Militia aware that on June 30, several units marched through the streets of Ottawa carrying rifles, the same units carrying battalion colours without the Union Jack?

Hon. Mr. MACDONALD (Pictou):

1. No.

2. No.

3. No. Ordinarily only side arms are worn.

4. No.

ALTERNATIVE VOTE

On the Orders of the Day.

Mr. ROBERT FORKE (Brandon): Has the government any further information to give the House in regard to the amendment of the Elections Act, dealing with the transferable vote in single member constituencies?

Right Hon. W. L. MACKENZIE KING (Prime Minister): As matters stand at the moment, it ought to be possible to conclude this session this week, if nothing too controversial arises between now and Saturday, and the government is desirous if possible of having parliament prorogue this week. There are different reasons for that. Among others, one reason is that we should like to have His Excellency at the prorogation, and I understand that His Excellency has planned a trip to the West, leaving on Sunday or Saturday night. However, that is not the reason that has actuated us in our decision. We feel that there is a general disposition on the part of members of the House to have the business brought to a conclusion this week. I am afraid that if the transferable vote were introduced it might lead to protracted discussion, extending over some little time. Under the circumstances, the government has decided not to proceed further with the bill which is before the House at the present time, but to take it up at an early stage next session of parliament.

CANADIAN PETROLEUMS LIMITED

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I have been advised that an order in council was passed reserving, in northern Albert townships 84, 85, 86 and 87, in ranges 20 and 21, for the Canadian Petroleums Limited, in consideration of their agreeing to do certain development. Was such an order in council passed? I think it was dated in April of this year. If such an order was passed, what is the nature of the concession granted to this company and who are the companies?

Hon. CHARLES STEWART (Argenteuil) (Minister of the Interior): Yes, there is a reservation for the company mentioned for the purpose of manufacturing gas into carbon black. The district is away beyond the Peace river. My hon. friend will remember there was a great deal of drilling there about four or five years ago by this company and a company of Winnipegers headed by J. D. McArthur. It will cost some money to

develop these oil wells. I think the company has three wells drilled at the moment, with the object of discovering oil. No oil has been discovered, but natural gas has been found in the locality, and we have given the company some concessions with certain restrictions, on the undertaking that they will construct a plant.

Mr. STEVENS: Will you bring down a copy of the order?

Mr. STEWART (Argenteuil): Yes, this afternoon.

INTER-ALLIED CONFERENCE

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): I should like to ask the Prime Minister if he can give us any information as to the status of Canada at the Inter-Allied Conference. It seems to me the Prime Minister should give us some outline as to the councils and the policies of the government with regard to the position and attitude of Canada on some of these Imperial questions.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend has asked that some outline should be given of Canada's attitude towards the present Inter-Allied Conference and the present position of Senator Belcourt. Perhaps in reply I cannot do better than give to the House in a few words an outline of the correspondence which has taken place in reference to the Inter-Allied Conference. The first intimation that our government had of any intention to hold an Inter-Allied Conference appeared in the morning papers here of June 24 in a despatch dated London, June 23, in which it was mentioned that an Inter-Allied Conference would take place very shortly in London, and in which it was also said that, replying to a question in the British House of Commons, the British Prime Minister had intimated that the British government was in communication with the dominion governments respecting representation at the conference. I was asked one or two questions in the House with reference to the invitation which had been extended to our government for representation at the conference, but I was unable to give any definite information or to reply to the first one or two questions, as I had not received any communication at the time the questions were asked.

On the 29th June the government received a formal communication from the Prime Minister of Great Britain intimating that the Inter-Allied Conference would be held in London probably on the 16th of this month, and that a week prior to that time a preliminary conference would be held in London of representatives of the different dominions with His Majesty's government to arrange for representation of the dominions at the conference. This despatch stated that, in the opinion of the British government, the conference, as respects British Empire representation, would come within the scope of the resolution passed at the last Imperial Conference in London. We were asked if we would send a representative to be present at the conference. To this communication the government within a day or two replied to the effect that we agreed, from the representations in the telegram which had been sent to us, that the matter did fall within the scope of the resolution passed at the last Imperial Conference, and that we would be pleased to have a representative of the Dominion meet with representatives of the other self-governing dominions and His Majesty's government in London at the preliminary conference. We regretted that the time was too short to permit of our sending a minister of the Crown to the preliminary conference, but stated that we would ask our High Commissioner to represent us at that preliminary conference. In order, however, that there might be no mistake in our position in the matter of representation, we intimated immediately that, in our opinion, representation according to the terms of the resolution passed at the last Imperial Conference should follow the precedents set at Versailles and Washington whereby each dominion would be separately represented by its delegate bearing full powers from His Majesty the King to act in the name of His Majesty in respect of the dominion.

In reply to that communication, an intimation was given by the British Prime Minister that he was unable to say whether he could place the same interpretation upon the application of the resolution of the Imperial Conference as we placed upon it. It was however, suggested that the representatives should meet and confer and the question of representation be decided as a result of the conference. The preliminary conference took place on the 10th of this month in London, and our government was represented by the Hon. Mr. Larkin. It appeared at that preliminary conference that its purpose was not so much to

arrange for separate representation of the dominions as to inform the dominions of the nature of the representation which had already been decided upon. It was intimated that it would not be possible for more than three representatives of the British Empire to be present at the Inter-Allied Conference and the despatch rather suggested that the three in question would necessarily be members of His Majesty's government. We intimated that this would not be satisfactory to the Dominion; that in our opinion this parliament would expect that precedents set at Versailles and Washington should be followed and that our government would expect that a Canadian representative with full powers from His Majesty in respect of Canada should represent this country as a member of the British Empire delegation. We drew attention to the fact that the internal organization of the British Empire delegation was a matter, in our opinion, for the British Empire itself to decide; that any objection from other nations as to the manner in which representation was arranged within the Empire was something that was none of their affair, if I may use the expression, but that it was for the British Empire itself to arrange the manner in which it should be represented at any conference at which British Empire delegates would be present. We pointed out that we could see no objection to the delegates of the several dominions arranging with the delegates of His Majesty's government such order of procedure and representation within the British Empire delegation at the Inter-Allied Conference as they might see fit.

We received in reply to that communication a despatch thanking us for the suggestion that something in the nature of a panel of the British Empire delegation might be arranged.

Mr. MACLEAN (York): Perhaps the Prime Minister will explain what is meant by a panel.

Mr. MACKENZIE KING: If my honourable friend has no objection, I shall first dispose of the correspondence. The communication from the British government expressed appreciation of the suggestion that representation at the sessions of the Inter-Allied Conference might be determined from time to time by the British Empire delegation, which the British government interpreted as meaning that in our opinion the panel system which would enable one Dominion representative to be present at the sessions each day offered a way out of the difficulty. To that communication I replied on July 10, the same day on which it was received, as follows:

> Re representation Inter-Allied Conference
>
> My understanding of your telegram just received is that you are agreeable to following, as respects the Inter-Allied Conference which opens to-morrow, the precedent of the Paris Peace Conference in respect of representatives of self-governing dominions on the British Empire Delegation, and that the procedure to be followed at the Inter-Allied Conference as respects the British Empire Delegation will be similar to that followed at the Paris Peace Conference. In accordance with this understanding our government has to-day passed an order in council appointing the Honourable N. A. Belcourt as representative of Canada at the Inter-Allied Conference and requesting the issuance to him of the necessary full powers

This was the procedure adopted with respect to both the conference at Versailles and that at Washington. The Canadian government passed an order in council appointing the representatives of the Dominion and asking that full powers should be given them by His Majesty. I should have added that in the telegram received, to which this one which I have just quoted was a reply, the Secretary of State for the Colonies stated:

> This plan certainly seems the best means of meeting the position and I am prepared to take steps accordingly and to arrange for each Dominion representative to be furnished with the necessary full powers.

The British government was immediately informed of the order in council passed, and I had rather expected to hear that full powers had been granted to Senator Belcourt in accordance with the request which our communication in reply to that of the British government contained. Since that message was sent, the day before yesterday, I have not received any further communication from Great Britain so that I am unable to say at the moment in what position matters now stand. I assume that possibly there may be a delay on the part of the home government by reason of its desire to hear from the other self-governing Dominions before sending any further communication to Canada. My own opinion is that there will probably be no difficulty in arranging for Canada's representation in the manner I have described.

My honorable friend (Mr. Maclean, York) has asked what I understand the word "panel" in this connection to mean. As I have gathered, the practice adopted at Paris was for the British Empire delegation, composed as it was of representatives of the self-governing Dominions and His Majesty's government, to agree as to how many and who of their number should appear at the different sessions of the conference to discuss the matters that were before the representatives of the several nations there assembled. For example, on the British Empire delegation there may have been ten or fifteen representatives

in all, but only three or five of whom would be entitled to a place at the table. Each representative would carry with him full powers from the King, with respect to the Dominion or the part of the Empire which he represented, and all would have like powers to speak touching matters of policy which would be agreed upon by the British Empire delegation through its members conferring with each other in separate conference for the purpose of determining policy.

Mr. FORKE: There is another matter—

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): If the hon. member wishes to refer to something else I should be glad if he would let me take up this matter for a moment. Although I am very anxious not to contribute in any way to any embarrassment of the situation, it may not be inappropriate for me to say that I think the Canadian representation in the British Delegation is essential in this case as it was equally essential at Lausanne. As to what method may be adopted in deciding who from that delegation shall sit at the conference, I would consider it not of primary importance; representation on the Delegation is itself what is of importance. In relation to the last words of the Prime Minister I desire to read a despatch which I understand is just received through the Canadian press:

The High Commissioners of Canada, Australia, New Zealand and South Africa this morning conferred with the Colonial Secretary,—

"This morning" means to-day.

—J. H. Thomas, with reference to the position of the Dominions in connection with the Allied Conference now being held in London. But it is stated that nothing will be settled with regard thereto pending the arrival of fresh information from Canada.

I call attention to the fact that apparently what is wanting and what is being waited for is fresh information from Canada alone. In this relation may I ask whether to the knowledge of the government the other dominions have taken the same position that Canada has taken in this matter.

Mr. MACKENZIE KING: Before answering the last question of the leader of the opposition, may I say that in my opinion it is an extraordinary procedure that this parliament should have to be advised, regarding what is pending in Great Britain with respect to our representation, through press despatches which come to the leader of the opposition and which the Prime Minister of the country has not received.

Mr. MEIGHEN: No press despatch has come to me.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: What has the right hon. gentleman just read?

Mr. MEIGHEN: It is a Canadian press cable which has come to the press of the country.

Mr. MACKENZIE KING: Why did it not come to me?

Mr. MEIGHEN: I have just informed the Prime Minister that no press despatch came to me; it is a message to the press of Canada. I have no doubt that it is in the Prime Minister's office now.

Mr. MACKENZIE KING: I wish to inform the House that there is no despatch at my office. I made inquiry before coming here, and I also left word that a special messenger be sent immediately to this chamber if any despatch were received. My instructions were that no time should be lost in decoding the message but that a message should be sent immediately by telephone if any despatch arrived. I want to bring to the attention of this House and of the British government the fact that at this moment we are receiving information with respect to what is being done in London as to the representation of Canada at the Inter-Allied Conference, through a press despatch given to the House through the lips of the leader of the opposition, while no communication has reached the Prime Minister.

Mr. BOYS: I want to clear up a somewhat serious misunderstanding. As a matter of fact I chanced to meet a member of the press gallery about half an hour ago, and he asked me if I had seen the despatch. I replied that I had not, and I asked him to let me have it. Having read it, I showed it to my leader. That is the entire explanation. I have no doubt the despatch will be found in the press room upstairs.

Mr. MACKENZIE KING: I submit that the explanation does not improve matters in the least. If the whip of the Conservative party has relations with the press gallery by which he can get information which the government has not yet received, well and good. What I take exception to is, not that my hon. friend has certain information, but that that information should come to the people of Canada through the press or any other channel before it reaches the Prime Minister and the government of Canada as to matters which directly concern this country and as to which we are corresponding with the Imperial authorities.

Mr. BOYS: I have no such relations with the press gallery. It was the merest accident that I got the despatch, and I do not think the Prime Minister has any right to in any way try to involve me as whip of the Conservative party. My position has not the slightest connection whatever with my obtaining the despatch, and it was a pure accident that I met the member of the press gallery.

Mr. MACKENZIE KING: I am not trying to involve my hon. friend; he is trying to involve himself. I wish to repeat what I said, that from the beginning of the negotiations respecting this Inter-Allied Conference up to the present moment the press seems to have received information with regard to what is to take place, which information does not come to the government of Canada, and to which the government therefore is not in a position to reply.

Mr. BOYS: Then find fault with the press and not with the leader of the opposition or the whip of his party.

Mr. MACKENZIE KING: I am not finding fault with the press. I am trying to make as plain as I can that I think where communications are passing between governments, whatever governments they may happen to be, these communications should be in the hands of the respective governments before they are in the hands of the press of the country and published to the people of the country. With respect to the insinuations of my right hon. friend (Mr. Meighen) that in some way or another the Imperial authorities are waiting for further communications from Canada, I was hoping that on this occasion at least he would rise above party differences and try to take with me a united stand in the interests of Canada and her representation; but he gets up and asks the question as to whether in some way this whole matter is not being delayed through lack of further correspondence from Canada. I intimated to him in the last words I uttered that the despatch we sent to the British government made it plain that we were prepared to take, as respects representation, the course which was suggested in the message I have referred to, and that no futher communication had been received by this government. Now, there is nothing owing by this government to the British government in the matter of replies or further information. We have not been asked for any further information. Up to the present time we have not received any answer to the telegram which we sent to the British government intimating that we would meet and would be glad to fall in with the proposal which we had really helped to make to find a way out of the situation which would secure representation to this and the other dominions without embarrassment to any of the parties concerned.

Mr. MEIGHEN: Mr. Speaker, I really—

Mr. SPEAKER: There is no motion before the House, but as the question is a very important one I suppose, by leave of the House both leaders may be allowed to speak in regard to it.

Mr. MEIGHEN: Really I cannot express my amazement at the temper of the prime minister—

Mr. MACKENZIE KING: There is no temper at all.

Mr. MEIGHEN: —or his criticism of myself with respect to what he terms some insinuation. As a matter of fact I really thought the prime minister was getting up to thank me for according with the government's view. I had never heard until to-day what stand Canada had taken.

Mr. MACKENZIE KING: Does my right hon. friend approve or disapprove of it?

Mr. MEIGHEN: I stated my approval. I said I thought it was most important we should have representation. I did not know what had taken place, and I heard it first from the prime minister. I immediately rose and stated my approval Then, having handed to me from the press a despatch, and noting the significance of the fact that the Imperial authorities were awaiting further information from Canada, I merely asked if the government had knowledge of any different stand taken by any other dominion.

Mr. MACKENZIE KING: I think when my right hon. friend reads his remarks in Hansard he will see that they take the form to which I objected.

Mr. MEIGHEN: I shall find them exactly as I am now expressing myself, and as everybody in the House understood me. I agreed with the prime minister's stand regarding Canada's position, and I thought possibly other dominions were taking a different attitude. Simply because I asked him that question I have received this castigation, which in all humility I accept.

Mr. MACKENZIE KING: I wish to assure my right hon. friend that I did not mean to castigate him at all.

Mr. HANSON: Just a little peeved.

Mr. MACKENZIE KING: Not at all; I was very deeply obliged. Answering my right hon. friend as to the attitude of the other dominions, in one despatch, received, I think before the preliminary conference was held, Australia intimated that she desired to be represented at that conference by her High Commissioner, and at the Inter-Allied Conference by one of the British Ministers. I think New Zealand's attitude has since been the same. The communication from South Africa intimated that the Government would await developments before expressing itself definitely in regard to representation. The Irish Free State, I think has taken the position, both with respect to the preliminary conference and the Inter-Allied Conference, that she must be separately represented. As far as I am aware there are no communications from the Dominion of Newfoundland. That is the position at the moment.

I might add this further word, that in the press communications which appeared before the preliminary conference was held there was an intimation that the United States had been asked to send a representative to the Inter-Allied Conference, and that the government of that country had replied that they would be represented by their ambassador. Our government felt that, having very similar questions to consider on this continent to those which interest the United States, there was a double reason why someone who was wholly familiar with the Dominion point of view should represent Canada and have power to act, in the name of His Majesty, in respect of Canada in the manner I have described.

Mr. W. F. MACLEAN (South York): I think that the right hon. gentleman's action of battery would lie rather against the Prime Minister of England than against the leader of the opposition (Mr. Meighen). But I do wish to register my protest on behalf of this parliament against the system of panelling. I do not understand it thoroughly yet and I am trying to get more information in regard to it. But I think if Canada attends the Inter-Allied Conference she ought to go as a fully equipped country rather than by way of panelling.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, as the question I am going to ask is somewhat related to the matter under discussion, I should like to express the opinion that I do not think it adds to the dignity of this parliament that the government of the Dominion has to learn through press despatches what communications the Imperial government has to make to this country.

[Mr. Hanson.]

I notice in the Ottawa Journal this morning the following statement:

> The Journal rejoices to see that Mr. Mackenzie King has graciously consented to accede to the wishes of Mr. Ramsay MacDonald and to appoint two Canadian representatives to the special committee which is to examine and report upon the problem of marketing Dominion food supplies in Britain.

As this is one of the most important statements in regard to co-operative marketing that I have seen for a very long time, and as it may have an important bearing upon the future trading relations between Canada and Great Britain, I would ask the Prime Minister if he has any information to give upon this matter, and if he is fully seized of the importance of the proposed conference on the subject that is to be held in Great Britain.

Mr. MACKENZIE KING: A day or two ago my right hon. friend (Mr. Meighen) asked me a question with regard to the conference to which the leader of the Progressive party (Mr. Forke) has just referred. I intimated at the time that the government had received from His Majesty's government an invitation to send representatives to a conference to discuss or to consider ways and means of marketing and distributing throughout the British Isles overseas produce and products, and that the government had stated in reply that we would be pleased to see that Canada was represented at any conference of that character. My hon. friend will recollect that at the Imperial Conference there was a suggestion that there should be a permanent economic committee to deal with questions of an economic character arising within the Empire. A very broad aspect was given to the functions of the proposed committee, and at the Imperial Conference, the delegates who were present from Canada took the position that unless there were something more definite than a committee to which subjects in general could be referred, we did not think a useful purpose would be served by the existence of such a body. The British government subsequently took the same view that we took at the Imperial Conference. I think it was partly as a result of the discussions that arose out of this demand for an Imperial economic standing committee that the present proposal to have a committee for one specific purpose, appointed ad hoc in relation to this question, came about. We have thought it would be advisable to participate in a conference of that character, and if it results in good there is no reason why similar conferences for specific purposes might not be held in the future. The gov-

ernment appreciates the importance of the conference and intends to see that it is well represented when the conference takes place.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I do not think it is important—and I apologize to the House for rising again—that no misleading impression should go out from the House connected with the telegram which I read. The telegram was a Canadian Press despatch merely intimating that this morning the Allied Conference met and is now being held. But it says that nothing will be settled with regard thereto pending the arrival of fresh information from Canada.

Mr. MARCIL (Bonaventure): A newspaper man's guess.

Mr. MEIGHEN: It possibly is—quite probably is. It may be right; it may be wrong. If it is wrong, of course nobody is to blame; if it is right, equally nobody is to blame. However, I doubt very much if anybody can beat a press man in getting a despatch over to Canada. It is only this morning that the conference has met. In any event, the cable after the conference is had would probably come from Canada's representative; I would expect the first message to come from him. So certainly there is no reason for castigating the British government, much less the press or myself.

Mr. MACKENZIE KING: I do not think any one would have attached any importance to the despatch my right hon. friend has read, had not he as leader of the opposition brought that despatch into parliament and tried to make use of it in the manner he did.

Mr. MEIGHEN: Oh well, the rules prevent me from replying.

Mr. WILLIAM IRVINE (East Calgary): I would like to ask a question in further reference to that raised by the hon. leader of the Progressive party (Mr. Forke). I understand that the proposal made by ex-Premier Baldwin of the British House, and which was accepted by Mr. Snowden, was to the effect that the British government should enter into negotiations with the dominion governments for the purpose of nationalizing every stage in the wholesale trade in certain articles of food. I would like to ask if that is not a very important departure from old methods, if this government is in agreement with that general policy, and also whether the government will afford parliament an opportunity to discuss their policy in connection with that proposal.

Mr. MACKENZIE KING: No suggestion of the kind has been made to the government through any despatch which it has received. If any such suggestion is made I am sure the government will be pleased to take into consideration the views of members of the House in that regard.

Mr. RENE MORIN (St. Hyacinthe-Rouville): I would like to ask the Prime Minister whether the correspondence to which he has alluded to-day will be printed and tabled.

Mr. MACKENZIE KING: I have assumed that parliament would wish to have the correspondence to which my hon. friend has referred. It is between the two governments, and as a matter of courtesy and right I have asked the British government for their consent to have all the correspondence brought down. We desire to have it brought down, and we would like to have it brought down before this session is concluded. I sent the telegram a day or two ago, and I hope a reply in the affirmative will be received speedily.

BANKING AND COMMERCE COMMITTEE

On the Orders of the Day:

Mr. R. J. WOODS (Dufferin): I wish to ask the government when the report of the Banking and Commerce committee in relation to the Home Bank depositors will be discussed by the House.

Mr. MACKENZIE KING: I think I can say to my hon. friend that if we make progress in the estimates to-day we will take up the report to-morrow. The government has arranged the procedure with a view to facilitating prorogation by the end of the week. There may be a lengthy debate on the report to which my hon. friend has just referred, and for that reason we desire before dealing with it to get as far along as we can with legislation that has to go to the other House. I think I can assure my hon. friend that it will be the first order of the day to-morrow.

YUKON QUARTZ MINING BILL

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): Before the orders of the day are called, and this discussion on international or inter-Empire matters having concluded, I would like to direct the attention of the government to a matter relating to the development of the natural resources of Canada, namely, Bill No. 6 on the order paper. It was given its first reading in this House on the 12th of

March and has been on the order paper for the past fifty-two days, during which matters of much less importance have taken up the time of the House. The bill was approved by the standing committee on Mines and Minerals and referred back to the House. It would take only a few minutes to deal with the bill and I would ask the government if some arrangement could be made by which that few minutes could be given.

Mr. MACKENZIE KING: My hon. friend spoke to me of that measure last night. I shall be glad to arrange that it will be one of the first orders at the next session this morning.

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. W. C. GOOD (Brant): Would the Prime Minister give the House an assurance that the Alternative Vote bill, which has already received its first reading, will receive consideration early next session, and further that there will be no election, as far as he can guarantee that, between now and then?

Mr. MACKENZIE KING: In reply to the first question, I may say that if we are all here when parliament re-assembles, certainly this alternative vote measure will be one of the first to be brought before the House. As to giving him any assurance as to when an election will take place, I am afraid I shall have to reserve to the government the right to decide that matter itself. I do not see at the moment that there is any necessity for a general election between now and the next session of parliament, but I do not wish to tie the hands of the government as to its actions in that matter.

PRIVILEGE—MR. PUTNAM

On the Orders of the Day:

Mr. HAROLD PUTNAM (Colchester): I ask for only a moment to make an announcement which is almost purely personal. When the vote was taken last night upon the amendment of the hon. member for Prince Albert (Mr. Knox), with regard to the Hudson Bay railway, I totally forgot that I was paired with the hon. member for Portage la Prairie (Mr. Leader). It was a trick of memory which I am thankful to say is as yet unusual, but one which naturally I very much regret. Besides sending an explanation to the hon. member with whom I was paired, I think it prudent to make this announcement in the open House.

[Mr. Black.]

BANKRUPTCY LEGISLATION

On the Orders of the Day:

Mr. G. G. COOTE (Macleod): I would like to ask the government whether it is their intention to bring in a bill to give effect to some Bankrutcy Act amendments which are recommended by the standing committee on Banking and Commerce in their seventeenth report. It is a matter which I think is very important.

Mr. MACKENZIE KING: That is a question to which, I think, the Minister of Justice (Mr. Lapointe) should reply, but in his absence I would say to my hon. friend that the government does not contemplate bringing in further legislation this session.

Mr. GARLAND (Bow River): Why not? It is most important.

RAILWAY MAIL CONTRACTS

On the Orders of the Day:

Mr. W. J. WARD (Dauphin): I understand that certain contracts for the carrying of the mails by the railway companies are about to be renewed, or new contracts made, and I would ask if the government are taking steps to see that there is an equal division of these contracts between the two railway companies.

Hon. CHARLES STEWART (Argenteuil) (Acting Postmaster General): The department and the government have been receiving a great many telegrams from points located along the Canadian National Railways, and I had anticipated making a statement when the estimates of the department were up. At the moment it would probably be well to say that the whole matter is under consideration and due attention is being paid to any contracts that are expiring and have to be renewed.

Mr. HOCKEN: Will the Acting Postmaster General tell us whether the post office estimates will be up to-day?

Mr. STEWART (Argenteuil): I cannot say. I am going on with Mines first. If we do not reach the post office estimates to-day, I hope we shall tomorrow.

Mr. HOCKEN: Why not take them up first?

DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT ACT AMENDMENT

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment) moved that the House go into committee to consider the following proposed resolution:

Resolved, That it is expedient to amend the Department of Soldiers' Civil Re-establishment Act, and to

provide that regulations may be made by the minister, subject to the approval of the Governor in Council,—

1. For authorizing the selection and employment of such officers, clerks and employees as may be required to carry on the work with which the minister is charged, and for their classification and salaries under the regulations, and that such provisions shall be deemed to have been operative from the date of the passing of the said act;

2. For the receipt and retention of any properties or moneys held or payable by the Crown, or any other authority, person or persons, on behalf of any persons or their dependents whenever such persons are or have been cared for under the provisions of the act, and to give valid receipts therefor;

3. For assumption of guardianship in the case of the insane cared for under the act, in respect of such moneys or properties; and,

4. For the disposal of such properties or moneys to such persons or their dependents, or as may be deemed expedient, or to their estates, if deceased.

Motion agreed to and the House went into committee, Mr. Marcil (Bonaventure) in the chair.

Mr. BELAND: I might explain in a few words that from the first the Department of Soldiers' Civil Re-establishment has been exempt from the operation of the Civil Service Act, with the possible exception of certain regulations as to staff increases, holidays and retiring allowances. A situation has developed in the last six months which is rather interesting. Although the department was clothed with the authority to appoint any person to its staff, apparently it had not the statutory power to pay such appointees. The question was raised in the first place by the Auditor General, and we, of course, expressed surprise that this authority should be questioned after the department had been in operation for such a long period, six or seven years. However, the question being referred to the Department of Justice, the Auditor General was upheld, and we were therefore in this position, that though we could appoint, we could not pay. After a conference with the Auditor General we were able to secure from him temporary authority to issue cheques and pay our staff until the proper legislation was introduced in this House and passed. The first part of this resolution is only to provide that authority. No change in the operations of the department as at present is contemplated, not in the remotest regard or detail. We have, before my time, and since I have been at the head of the department, followed the general regulations of the Civil Service Commission as respects the other departments, and there is no intention, of course, to change the present practice. It is felt that action should be taken immediately, because if this authority is not granted now, the Auditor General supported by the Department of Justice, will again question our authority, and we shall not be in a position to pay our staff.

12 noon

The second part of the resolution deals with insane departmental patients. Most of the moneys belonging to the insane who are under our care are held by the department in trust, and interest on those moneys is credited at the rate of 5 per cent. As a matter of fact, we have included an item in the estimates for $20,000 to cover the interest on the moneys we hold for these insane patients. But it appears that it is a fact a substantial amount of money belonging to the insane patients is in the hands of the governments of the provinces, and other moneys are in the hands of other parties belonging to these patients, and though we are disposed to receive those moneys and care for them for the patients, as we do in the majority of cases, the parties now holding the money refuse to hand it over until we get the proper authority of parliament to give a valid receipt for it. Generally speaking, my recollection is that we hold $400,000 for the insane or other patients, and there is outstanding outside the department about $90,000 held by the different parties, provinces and others. I have in mind the case of an insane patient, for instance, who was bequeathed a sum of money by a relative living in New York. We have taken steps to get this money for our patient in order to keep it for him, but his lawyer questions our authority to receive the money until parliament has authorized us to give a valid receipt for it. This is the authority that we seek to obtain under the resolution.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I am not objecting to the resolution. but I take occasion to suggest to the minister that steps might be taken to bring what are now established virtually as permanent departments in line with the other departments under the act. The only reason I mention it is this: There has been called to my attention a very wide diversion in the range of salaries and remuneration between those who do not come under the Civil Service Act and those who do come under it. I do not say that those not under the act in all cases receive less, in fact as regards important positions I believe their salaries are higher; but there is a very low range of salary applicable to certain employees in certain departments. I do not know about the hon. minister's department, but in the Finance department for instance, I am aware person-

ally of quite a number in the revenue collecting branches who have been in the service two or three years and longer, yes four years, who are still receiving, although engaged in important work, only $50 a month, and, with the taking away of the bonus, the $50 is the entire remuneration. We had a turmoil a little while ago over a schedule of salaries where the minimum was $1,070 per year. I do not think it is right that we should have the scale as low as the one to which I have just referred. I do not know any reason in the world why these employees should not be brought under the act, because that department now is permanent. The only reason they were ever kept out of the operation of the act was that it was expected that our income and war tax would be temporary, but no doubt they are now permanent, in the same sense as anything is permanent. I suggest that immediate steps should be taken to bring them under the act, so that the same measure of law and equality nearly as may be to all our public servants.

Mr. ROSS (Kingston): What is the department's position in regard to granting retiring allowance to the temporary employees retiring, say, the first of August?

Mr. BELAND: I presume my hon. friend refers to Mowat Sanitarium.

Mr. ROSS (Kingston): Not altogether. There are certain employees of the department who will be dismissed on the first of August.

Mr. BELAND: Employees are being retired I think at the rate of about ten a week, and they get a retirement allowance in conformity with the regulations of the Civil Service Commission. I think it is based on the length of service, one day's salary for each month, if I am not mistaken.

Coming to what my right hon. friend (Mr. Meighen) has suggested, that the department should be placed under the operation of the Civil Service Commission in common with the other departments, I really do not believe that the time has arrived when this should be done. I think the departmental staff should be reduced further by at least fifty per cent before this is done. There is a great deal of shuffling in the department in reference to the reductions. We transfer men from one branch to the other, from one city to the other, and their classification is thereby altered very much. We dispense with one man, and two positions are combined in one, and where two salaries were paid amounting to $2,000, it is possible to combine the two positions and pay the new holder of the position $1,200 or $1,400. He may be classified a little higher than the two employees were previously, because his duties are more involved. We have classified the whole staff. The department, in conference with high officials of the Civil Service Commission last year, have gone over all the personnel and every employee has been classified to the satisfaction of the Civil Service Commission representatives. We have in every case tried to adhere as closely as possible to the regulations obtaining in the Civil Service Commission, and I think we should be left free to effect our reductions at the present time.

Mr. MEIGHEN: I think the minister is right with respect to his own department. I merely use the occasion to bring up the general subject, but I emphasize the Department of Finance.

Mr. BELAND: It will surely be permanent.

Mr. MEIGHEN: Yes; but if it is found objectionable for any reason, I ask the government—and I address my remarks to the other ministers just as much as to the Minister of Soldiers' Civil Re-establishment—to look into the scale of salaries which prevail amongst those lowest-paid employees. They are really at a level that cannot be defended—they are getting quite considerably less than they were receiving three years ago, unless one can really live on less money now.

Mr. WOODSWORTH: Did I understand my hon. friend to say that some officials were being paid $50 a month? If so, I would like to know what class they are, who they are, and what work they do?

Mr. MEIGHEN: I made that statement, and I assure my hon. friend that it is right. They are engaged in clerical work connected with income tax returns, not under the Civil Service Act.

Resolution reported, read the second time and concurred in. Mr. Beland thereupon moved for leave to introduce Bill No. 264, to amend the Department of Soldiers' Civil Re-establishment Act.

Motion agreed to, bill read the first and second times, considered in committee, reported, read the third time and passed.

INDIAN ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. CHARLES STEWART (Argenteuil) (Minister of the Interior) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 172, to amend the Indian Act.

He said: The Senate amended section 3 which deals with the inheritance of an Indian dying without issue. The committee will remember that we had a good deal of discussion on this section which, as it passed the committee read:

In case any Indian dies intestate without issue, leaving a widow of good moral character, all his property of whatever kind shall devolve upon her, and if he leaves no such widow the same shall devolve upon the nearest of kin to the deceased.

The Senate has struck out the words "of good moral character" and the word "such," so that the section as amended by the Senate will read:

In case any Indian dies intestate without issue, leaving a widow, all his property of whatever kind shall devolve upon her, and if he leaves no widow the same shall devolve upon the nearest of kin to the deceased.

We are accepting these amendments.

Motion agreed to; amendments read the second time and concurred in.

On the motion of Mr. Mackenzie King the House proceeded to Public Bills and Orders.

YUKON QUARTZ MINING BILL

Mr. GEORGE BLACK (Yukon) moved that the House go into committee on Bill No. 6, respecting quartz mining in the Yukon territory.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

On section 2—Definitions.

Mr. BLACK (Yukon): In accordance with the suggestion of the department, I beg to move that in subsection (p) of this section after the word "elements" in the ninth line, the following words be inserted:

Quartz, metallic oxides, silicates and the ores of radium, tungsten, titanium and zirconium.

Amendment agreed to.

Mr. BLACK (Yukon): I beg to move that in subsection (x) of section 2 the word "regulations" be struck out and the words "this act" be substituted therefor.

This is to correct a clerical error.

Amendment agreed to.

Section as amended agreed to.

On the preamble.

Mr. MACLEAN (York): Before that passes, Mr. Chairman, I wish to refer to the interpretation clause, subsection (p) which enumerates all the valuable metals, some of which are found in Canada alone. I want to impress upon the Minister of Mines (Mr. Stewart) that the time has arrived when there ought to be a disclosure of the actual content of the various valuable metals which we have, and that the ascertainment of their content should not be left to those who happen to refine those metals outside of Canada. My objection has been in the past, and is to-day, that we have exclusive control, so far as I know, of the nickel ores of the world, which not only contain nickel but other of the most valuable and rare metals. These are still refined outside the country and all the business in connection with it is lost to Canada. In the late war Germany got all the nickel she wanted, and it all came from Canada as far as I can gather. The source of supply was never disclosed, and because I raised the question I was treated almost as if I were a rebel. I am yet going to know the full story of that nickel exploitation. How valuable these rare metals are we will only know by ascertaining their content. If my hon. friend the minister will read a series of articles which appeared last week in the Free Press of Winnipeg he will see how valuable these metals are. Canada is going to be the greatest mining country in the world, and we are about to develop in that direction. Therefore I say that it is in the interests of the Dominion that the content and the value of these rare metals should be disclosed, and an effort made to secure this information. Having control of the nickel supply of the world practically, we can locate the manufacture of nickel steel in this country and command the world's market for it. If we do not take action in this direction control will go over to the United States. Surely my hon. friend will admit that something ought to be done. It has not been done in the past. As the responsible minister he ought to give some assurance to the country that something will be done along these lines.

Mr. LAPIERRE: For the benefit of the hon. member for South York (Mr. Maclean), who has on several occasions stated that we do not know the content of our nickel ore, I propose to give him this extract from the Press Bulletin of the province of Ontario, dated June 4, 1924:

Nickel, Copper and Platinum Metals

As will be noted from the table on page 1, production of these metals shows a marked increase. The British America, International and Mond nickel companies operated mines and smelters. The first two mentioned have refineries in Canada while the Mond Company ships all matte produced to its refinery in Wales. During the quarter there was a production of 16,050 tons of nickel-copper matte from 332,260 tons of ore smelted. Matte exported totalled 3,899 tons, while matte treated in Canadian refineries was 10,640 tons. The average New York price of electrolytic copper for

the quarter was 12.875 cents per pound, compared with 15.566 cents in 1923. Electrolytic nickel in large lots was worth about 23 cents per pound. Precious metals recovered were gold $4,988, silver $10,266.

The metals of the platinum group, to which the hon. member has referred on several occasions in this House are known to every matallurgical corporation in Canada.

These details have appeared in the press from time to time:

Platinum..	495 ounces valued at	$50,901
Palladium..	638 ounces valued at	42,586
Rhodium..	276 ounces valued at	20,476
Ruthenium, Osmium and Iridium..	105 ounces valued at	12,820

These are the by-products of our nickel copper ores. These ores are treated by the British American Nickel Corporation, at their refinery at Deschenes, near Ottawa. The nickel produced by the International Nickel Company at Sudbury is now treated entirely in Canada and its by-products are known to the Department of Mines. They are also treated in Canada at Port Colborne.

My hon. friend has stated that there is a monopoly in the nickel business, and that statement has been made in the House before. At present there is far from being a monopoly in the nickel business. There is a large overproduction and our companies are now barely paying operating expenses. In order that my hon. friend may know exactly what the situation in the nickel business is at the present time I will give him a statement which appeared in the Toronto Globe and which will prove that no such thing as a monopoly exists.

The CHAIRMAN (Mr. Marcil, Bonature): I hope the hon. member will summarize his remarks, because this bill refers to quartz mining in the Yukon territory and a general discussion of mining would not be in order.

Mr. LAPIERRE: I will confine myself to this one statement. The matter is of great importance to the people of Canada who have been misinformed about the conditions existing in the nickel mining business; and this is the first opportunity I have had of placing the matter before the House. The Toronto Globe says:

It has frequently been stated in the press that the production of nickel is practically a monopoly, but a glance at the refining capacity of the various companies, which are in no way affiliated, shows this to be anything but the fact.

	Tons Nickel per Year.
International Nickel Company, Port Colborne, Ont..	24,000
Mond Nickel Company, Wales..	8,000
British-American Nickel, Quebec.. ..	7,000
Le Société le Nickel (New Caledonia ore), Ballande (New Caledonia ore. Refinery in U.S.)..	10,000

[Mr. Lapierre.]

I hope that my hon. friend now has the information he has asked for in the House on several occasions.

Mr. MACLEAN (York): We have heard a good deal of this before. I thank my hon. friend (Mr. Lapierre) for what he has given us, but not for one moment does that answer my contention. He admits we have the nickel and he says there is no monopoly. That may be so, but the nickel that goes into the manufacture of the nickel steel of the world and which promises to be the most valuable alloy of iron that can be found anywhere today is being manufactured outside of our country. As a Canadian I want to see a policy adopted that will bring the production of nickel steel to Canada. I hope the hon. member will join with me in trying to bring that about. But no matter what way I bring it up I always get some stall.

Mr. LAPIERRE: I was merely referring to the statement of the hon. gentleman that the people generally were not aware of the by-products extracted from nickel and copper ores, and that there was a monopoly. That was the point I was trying to make clear.

Mr. MACLEAN (York): I still think there is a monopoly. The thing is in the control of certain parties who fix the prices.

Mr. STEWART (Argenteuil): My hon. friend knows that the provinces control their own mineral output and any effort in this direction on the part of the government or of the federal Department of Mines must be in the nature of an attempt to work in co-operation with the provincial departments.

Mr. MACLEAN (York): Or through the tariff, or by export duties.

Mr. STEWART (Argenteuil): What I have said, of course, does not apply with respect to the Yukon, the territories, or the three prairie provinces; in that case we are responsible. I agree most heartily with many of the things my hon. friend has said. The matter of duties might be given some consideration. At the same time, as the hon. member (Mr. Lapierre) points out, the business has not been as prosperous as one would think.

Mr. MACLEAN (York): Oh yes, it was. The Germans paid for what they got.

Mr. STEWART (Argenteuil): Of course it was different during the war, but that condition does not apply at the moment. However, I am quite willing to go thoroughly into

this matter. I assure my hon. friend that I am not making any "stall" because I agree very much with what he has said.

Mr. LAPIERRE: For the benefit of the hon. member for South York I may say that after the disarmament conference that was held at Washington three years ago seventy per cent of the market for nickel was practically wiped out, and it is only by the carrying on of research work at their own expense that these corporations have managed to find new uses for nickel. Nickel that was selling at thirty-five cents a pound in 1917 is now selling at twenty cents, the lowest price in the history of the nickel industry, and to-day the plants are being run at about sixty per cent capacity and are barely paying operating expenses.

Section agreed to.

Bill reported, read the third time and passed.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH

The House proceeded to the consideration of amendments made by the Senate to Bill No. 64, respecting the construction of a Canadian National Railway line from the end of China Clay branch to St. Remi d'Amherst, in the province of Quebec.—Hon. Mr. Graham.

Right Hon. W. L. MACKENZIE KING moved:

That a message be sent to the Senate to acquaint their honours that this House disagrees with their amendment to Bill No. 64, an act respecting the construction of a Canadian National railway line from the end of China Clay branch to St. Remi d'Amherst, in the province of Quebec, for the following reasons:

That the reduction from $105,000 to $59,500 of the amount to be expended on the total mileage and from $52,500 to $29,750 per mile renders it impossible to proceed with this work as the estimate in detail will show, and that the Clerk do carry the said message to the Senate.

Mr. MACLEAN (York): I want to raise a question, in so far as I may, that seems to be coming up between the two Houses—and I am not going to break the rules, Mr. Speaker. I see an issue coming up in the whole country in regard to the management of the Canadian National railways, which are supposed to be under the control of parliament, and especially under the control of this House; but in other quarters there is an effort being made to attack the Canadian National railways in a way that will surprise the people, and this issue between the two Houses is only a little indication. The greatest issue in Canada is now right at our door, and that is whether parliament as represented by the House of Commons, is to administer the Canadian National railways, or whether an irresponsible body, so far as the electors of this country are concerned, is to do it.

Motion agreed to.

SUPPLY

DEPARTMENT OF MINES

The House in committee of Supply, Mr. Marcil (Bonaventure) in the chair.

For transportation charges from outlying provinces on ore shipments which may be sent to the ore dressing plant of the Mines Branch at Ottawa for testing purposes under regulations approved by the Minister of Mines, $10,000.

Mr. MEIGHEN: I do not think we should go on with these estimates now. I thought the minister was just going in for the purpose of having the item called and then adjourning until three o'clock.

Mr. STEWART (Argenteuil): Very well.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at three o'clock.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Before taking up the item which you have called, Mr. Chairman, I would like to mention that this morning I was asked the question as to when the report of the Banking committee which deals with the Home Bank would be presented to the House for discussion, and I intimated that it had been our intention to have that report presented this morning, but owing to the circumstance that we were kept here all night we thought it was preferable to go on with the estimates to-day and get as much of our legislation across to the Senate as possible at the earliest moment. Since noon several members of the House have intimated to my colleagues and myself that they believed if the government were to permit the report of the Banking committee to be presented this evening, immediately after reassembling at eight o'clock, probably it would meet the wishes of hon. members of the House more completely than if the report was held over until to-morrow for consideration and that it might result in shortening the discussion on this particular report. It has also been pointed out that one or two members of the House who may be especially interested in being present when this report is being considered are contemplating leaving the city to-morrow and who if the report were held over, would be prevented from being present when the discussion was on. Under the circumstances, if the House concurs generally in the view that we will expedite business by having it understood that the report shall be taken up

at eight o'clock this evening, the chairman could be given an opportunity of moving the adoption of the report. I am prepared to say on behalf of the government that we will gladly fall in with that arrangement.

Mr. MANION: The right hon. leader of the opposition (Mr. Meighen) is not here. I have no reason to think he will oppose this proposition, I just mentioned it in case he will have something to say.

Mr. MACKENZIE KING: It might be understood that if no objection is raised before six o'clock we will proceed with the report of the Banking committee at eight o'clock, but we fervently pray that every hon. gentleman will put his remarks in as close a compass as possible, for the sake of himself and of the House.

Mr. HUMPHREY: Could the minister tell us what sum has been expended last year under the item for transportation of ore?

Mr. STEWART (Argentéuil): Only $53, all told. My hon. friend will remember that it was July before the legislation was assented to, and the season was so far advanced that very little chance was given for anyone to take advantage of the offer of free shipment.

Mr. HUMPHREY: Would the minister be prepared to give any information with respect to the working out of this policy of providing free transportation of ore to the head office here in Ottawa, with respect to the movement in the proposed plan of establishing an ore-testing plant or an ore-dressing plant in the western provinces?

Mr. STEWART (Argenteuil): I think there is somewhat of a misunderstanding with respect to what the government ought to do. There is, I think, an agitation on foot in eastern British Columbia for the establishment of an ore-dressing plant on a commercial scale operated by the government. I am going to be very frank and say that I do not see how the government could undertake it. That is not properly the business of the government. But it is the business of the government to make tests of small quantities of ore, in order to furnish accurate information as to the value and contents, and a plant of that character, I think, would not meet, what is very frequently in the minds of people engaged in the mining industry in eastern British Columbia. What we had in mind—or I should qualify that by saying, what the previous government had in mind—was the establishment of a plant there that would do just a fair share of the work that we are doing here—for the plant here is not on a commercial scale. If ore-dressing is to be carried on in a commercial way a very much larger investment of money would have to be made for that purpose in eastern British Columbia. But this vote is primarily for the purpose of assisting the prospector, the small miner, to prove his claims and to accurately ascertain the value of the ore that he has discovered or owns. We ask him to send samples of this ore sufficient in size, so that we can demonstrate to him what we think is the value of the ore, and we will pay the freight from his station to Ottawa, make the assay, and give him that information.

Mr. HUMPHREY: I am not rising to offer any objection in any way to this vote, but simply for the purpose of gathering a little information in regard to the way it is working out. I have been given to understand that in past years it has been a recognized principle that a testing plant was necessary particularly for British Columbia on account of the abundance of complex ores, and it would appear that providing a sum of money for the free transportation of ores to this office in Ottawa might possibly meet the situation for the time being; but I have come to the conclusion that there is such an unlimited quantity of complex ores that it is necessary to do something further in order to bring out and develop the natural resources of the province. I do not wish to have it inferred that I am objecting to this vote at all.

Mr. STEWART (Argenteuil): There is something in what my hon. friend has said. There is no doubt that British Columbia has a large field yet undeveloped in mining resources. But we felt that for the time being we could do this work here with the present equipment and staff and give satisfaction if ores were sent forward in sufficient quantities to make the tests. As regards the more complex problems of separation and all that sort of thing, you could not ship such large quantities as would be required to ascertain completely the best methods of handling. This particular appropriation is for the purposes which I have outlined, not with a view of ultimately abandoning the idea, so far as the government is concerned, of establishing a testing plant in eastern British Columbia.

Mr. HUMPHREY: Has the minister received any shipments of samples from British Columbia under this appropriation?

Mr. STEWART (Argenteuil): I cannot give my hon. friend accurate information. I stated what was spent last year. I do not know how

much is involved. People send forward samples in very small quantities, but samples are beginning to come in this year in larger quantities.

Mr. HANSON: Have any investigations been made by the Mines branch in connection with the coking properties of coal from the Maritime provinces?

Mr. STEWART (Argenteuil): We received shipments from a number of mines in the Maritime provinces. These samples were tested at the Hamilton plant, and by mixing they gave splendid results, making a first-class coke.

Item agreed to.

Geological Survey

For explorations, surveys and investigations, wages of explorers, topographers and others	$200,000
For publication of English and French editions of reports, maps, illustrations, etc..	55,000
For maintenance of offices and museum, instruments, chemicals, books of reference, miscellaneous assistance and contingencies..	50,000
For museum equipment..	10,000
For purchase of specimens..	5,000
	$320,000

Mr. MEIGHEN: How is this $2,000 less than last year?

Mr. STEWART (Argenteuil): By a re-adjustment, we have one more party in the field this year than last year, but by cutting out certain expenses, we have been able to reduce the cost. We have been paring pretty closely.

Mr. MEIGHEN: What expenses are cut out?

Mr. STEWART (Argenteuil): The amounts, which are spread over all the survey parties, are so trivial for each party that we have not set them out in detail. This is merely a saving of that amount on our survey parties.

Item agreed to.

Civil Government—Mines, salaries and contingencies, $539,870.

Mr. MEIGHEN: How many days and nights did the minister work in order to reduce this item by $20?

Mr. STEWART (Argenteuil): Last year we had 231 on our staff; this year we have 223, so that we have a reduction of staff. The statutory increases carry the staff along to a certain amount this year, so that we have only a slight reduction.

Item agreed to.

Grant to Imperial Institute, to permit of retention of exhibition galleries on condition that the other contributors to the support of the institute increase their contributions pro rata, $12,849.

Mr. MEIGHEN: What is the reason of the large increase?

Mr. STEWART: (Argenteuil) At the Imperial Economic Conference, 1923, a resolution was passed providing for the re-organization of the Imperial Institute and the amalgamation with it of the Imperial Mineral Resources bureau. It was agreed also that the exhibition galleries of the Imperial Institute should no longer be maintained and, in consequence, the expenses of supporting the two bodies would be greatly reduced. The annual cost of maintaining the re-organized institute on the basis mentioned is estimated at £39,000 per annum. Of this amount £14,000 pounds will be obtained from endowment, annuity, fees for work and rent of part of the building, leaving £25,000 to be provided annually by the government concerned. The conference agreed that this amount should be provided on the following basis: Each government agreeing to contribute its share annually for a period of five years:

Great Britain..	£9,000
Colonies and Protectorates..	8,000
Canada..	2,000
Australia..	2,000
South Africa..	1,200
New Zealand..	1,200
India..	1,200
Irish Free State..	200
Newfoundland..	200
	£25,000

Canada's annual contribution is equivalent to $9,735 in Canadian funds. The balance of the amount of this vote, viz., $3,114, is provided to pay Canada's proportion of a sum needed for the retention of the exhibition galleries if the governments interested in the institute ratify a recent proposal to that effect. Canada's contributions in the fiscal year 1923-24 to the Imperial Institute and the Imperial Mineral Resources Bureau were as follows:

Imperial Institute—	
Department of Immigration and Colonization..	$ 3,190
Department of Trade and Commerce..	20,000
Imperial Mineral Resources Bureau..	7,300
	$30,490

The reduction in expense to us in connection with these two organizations is over $17,500 annually.

Mr. GARLAND (Bow River): Is there any indication that the contributions will be increased pro rata?

Mr. STEWART (Argenteuil): Yes; that was the arrangement made and we are now combining the grant.

Mr. GARLAND (Bow River): This has already been agreed upon?

Mr. STEWART (Argenteuil): Yes.

Item agreed to.

Supplementary Estimates—Compassionate allowance to the dependent parents of the late T. B. Lawlor, who was drowned at Sturgeon Rapids, Que., on June 4, 1924, while employed on geological field work.

Mr. STEWART (Argenteuil): In this case a young man who was practically the sole support of his parents was drowned on one of the survey parties last year.

Mr. MEIGHEN: What is the principle on which the amount is arrived at?

Mr. STEWART (Argenteuil): Usually it is based on the compensation paid where insurance is in force, or otherwise on the basis of the Workmen's Compensation Act. That is the general basis, but it is not always acted upon particularly where the victim is married and has a family dependent upon him.

Item agreed to.

INDIAN AFFAIRS

Indians—Manitoba, Saskatchewan, Alberta and N.W.T., $697,923.

Mr. GARLAND (Bow River): How much of this money will be spent in Alberta?

Mr. STEWART (Argenteuil): It would be difficult to give the allocation for Alberta because we do not keep the accounts separately for the provinces. We have an office in Regina which has charge of the three prairie provinces and all the agencies are under that office.

Mr. GARLAND (Bow River): How much of the vote of last year was spent in that province?

Mr. STEWART (Argenteuil): The Auditor General's report would show that but it would take some time to segregate the figures.

Mr. GARLAND (Bow River): What is the reason for the decrease?

Mr. STEWART (Argenteuil): This year we are asking $4,733 less for the purchase of tools, implements and supplies for destitute Indians; and in connection with treaty obligations we are able to reduce the vote by $9,039, largely because of the fact that these treaty obligations fluctuate considerably. It does not mean that we are spending less for the relief of destitution.

[Mr. C. A. Stewart.]

Mr. GARLAND (Bow River): Would the reduction in the case of tools and implements indicate a falling off in agricultural activities among the Indians?

Mr. STEWART (Argenteuil): No; as far as possible the Indian buys his own tools. This particular vote is a small one—about $5,000. In view of the fair crops which were harvested in the West last year it was anticipated that the Indian would be in a better position to buy his own equipment, and this vote is only to meet the cases in which it is absolutely impossible for the Indians to procure their own equipment.

Mr. GARLAND (Bow River): They sometimes borrow from the agencies.

Mr. STEWART (Argenteuil): Yes, and sometimes we have to supply the agencies with fresh equipment. For surveys we are able to reduce the estimate by $3,000, while for grist mills we are asking this year $1,194 as against $3,462 last year, or a reduction of $2,268. The total reduction in general expenses is some $34,000. But as we have an additional amount for hospital and medical attendance of $22,501 the net reduction is only $31,300.

Mr. STEWART (Humboldt): What is the general policy of the department in the case of Indians who desire to move from reserves that are becoming too much hemmed in by civilization? I have a special case in mind.

Mr. STEWART (Argenteuil): No case of this kind has been brought to my attention. We frequently get suggestions for cutting down reserves and selling lands for the benefit of Indians, but I have not had any application of the nature my hon. friend speaks of. Does he say that a particular band is desirous of moving?

Mr. STEWART (Humboldt): I am not sure that the application has been made to the department, but I know that the Indians in the Nut Lake reserve in Saskatchewan are considering moving. The country is becoming thickly settled so that the reserve is being gradually hemmed in, with a railway in the vicinity. Certain leaders of the Indians last fall informed me that as they did not wish to engage in agriculture they wanted to move. Their reserve is well adapted to agriculture and they are raising a considerable number of cattle besides going in for farming generally. They think, however, that they will be able to secure a more suitable location somewhere further north to meet their requirements, certain Indian scouts having investigated the

situation. Their land is more valuable now than it was formerly and they believe that they can get a fair amount for it. Would the department in this case try to dispose of the land to the advantage of the Indians and permit them to go further back into the unsettled territory?

Mr. STEWART (Argenteuil): All the circumstances would have to be taken into consideration. The hon. gentleman knows that we frequently sell portions of reserves. I suppose the band desire to sell their valuable land so as to have a considerable amount of money at their disposal and then go on to cheap Crown land. I should not like to commit myself as to what action I would take until I have all the circumstances placed before me.

Mr. STEWART (Humboldt): I thought the application was before the board.

Mr. STEWART (Argenteuil): No.

Mr. BANCROFT: Was not the same thing done in connection with the St. Peter's reserve, in Manitoba a few years ago?—the reserve was sold and the whole band moved north.

Mr. STEWART (Argenteuil): If the reserve is very close to a town that is done. We have a similar case in Nova Scotia to-day.

Mr. HOEY: Is the Indian hospital at Norway House being rebuilt?

Mr. STEWART (Argenteuil): Yes.

Mr. MILLAR: The term "band funds" is not very clear to me.

Mr. STEWART (Argenteuil): Band funds are the property of the Indians themselves and are held in trust for them by the government.

Mr. MILLAR: Are they paid out to the Indians annually?

Mr. STEWART (Argenteuil): The interest only is paid out annually either in cash or for general purposes.

Mr. COOTE: Some two weeks ago when a bill to amend the Indian Act was before the House I understood the minister to say that leases of Indian lands were not granted without the consent of the band. Was such consent obtained for the lease which was granted some time last year to the Hon. Mr. McLean of land on the Peigan reserve?

Mr. STEWART (Argenteuil): A meeting of the band was held on the reserve at which most of the Indians were present and voted in favour of the lease, provided they were given a certain percentage of the rent, $8 per head, annually. I am speaking from memory, the records being in the Indian office at Regina, but I shall be very glad to get them. The lease was granted on the understanding that only $7 per head would be divided among the band. The difficulty at Macleod is that parties who had been pasturing their cattle on the leased land will undoubtedly be denied the privilege, and trouble has arisen particularly with two chiefs who now repudiate their share in the original arrangement. I have had a good many representations made to me in regard to this matter, and Mr. Graham, the agent, was very careful to see that all the regulations were complied with.

Mr. COOTE: According to the correspondence which I have in my hand, the minister must have been misinformed. In a letter from the Indian Commissioner, Mr. Graham, of April 29, addressed to Mr. John Crow Eagle, Peigan Reserve, Brocket, he says:

> Your letter of the 4th of April addressed to the right hon. the Prime Minister, protesting against the lease that was granted to Mr. A. McLean, has been sent to me by the department for reply. I may say that this lease was granted to Mr. McLean, but not before the band was consulted, and it is well known that the majority voted against it. The result of this meeting was reported to the minister, who, after consulting his officers in the field, decided that it was in the interests of the Indians of the Peigan reserve to grant the lease.

Apparently the lease was granted against the majority vote of the band. I am unable to understand why this was done.

Mr. STEWART (Argenteuil): Are you not speaking of the Blood reserve?

Mr. COOTE: This is the Peigan reserve.

Mr. STEWART (Argenteuil): My understanding is exactly to the contrary, that the majority of the band who attended the meeting did vote in favour of the lease, and that the two chiefs who are now raising the trouble were both present at the meeting.

Mr. COOTE: That may be the minister's understanding, but this is a copy of a letter which came down in a return I asked for, signed by the Indian Commissioner himself, and he says, "It is well known that the majority vote was against it". I cannot understand why Mr. Graham would write this letter if the lease was not granted against the vote of the band.

Mr. STEWART (Argenteuil): My information is exactly the other way. I find it is very difficult to reconcile all the Indians to any transaction of this kind. We have some-

times to take what appears to be drastic action, but this action is always taken in the interests of the band. My hon. friend will remember that a former lease of land on this reserve was cancelled some years ago in order to let the grass recover. Later we received a report from the agent and from all parties concerned that there was again a large quantity of surplus grass that might very well be utilized. On this particular reserve we are changing the status of the farm instructor to that of herdsman in order to encourage the Indians to increase their herds, and we hope to get them to use every available particle of grass in rearing stock. The same is true of the Blood reserve, where we are leasing 150,000 acres; it now develops that there is considerable objection taken to the arrangement by some chiefs, although in the initial stages they were quite willing to grant the lease.

Mr. COOTE: I think the leasing of Indian lands against the vote of the band is wrong in principle. I had always understood that such lands would not be leased against the wishes of the Indians.

Mr. STEWART (Argenteuil): Undoubtedly there have been cases where Indian lands have been leased against the vote of the band, but only after careful investigation to ascertain whether there was grass to spare. My hon. friend should bear in mind that it costs a very considerable amount of money to maintain our Indians, and we have to exercise somewhat drastic powers to deal with these wards. We cannot always agree to every whim that the band may take ,and I think there has been ample evidence given in the House, particularly in our dealings with the Six Nations Indians, that the time comes when those in authority must decide what is in the best interests of the band. But aside from that, it is very important to have the Indians satisfied with any arrangement made, because otherwise they make a great deal of trouble in connection with the transaction.

Mr. COOTE: That is why a mistake has been made in granting this lease on the Peigan reserve. The Indians voted against it, and if the lease is persisted in and there come dry years again the Indians will be short of grass for their own cattle. The minister says he is trying to encourage them in the production of cattle on this particular reserve.

Mr. STEWART (Argenteuil): At any time when the Indians can use a portion of it the lease would be cancelled, because our endeavour is to encourage these people to raise stock and to become self-supporting, thus saving the large sums of money that we otherwise have to vote annually to pay for their sustenance. Take the case of the Blood reserve; their stock was reduced to a very small number, but last year owing to the encouragement they received, largely through the activities of the agent, they had a splendid crop and their stock is rapidly increasing. There is no reason why every acre of this reserve should not be utilized by the Indians themselves. But there are cases where the reserve is not being so utilized. The Indians on the Blackfoot reserve, for instance, are objecting to our renting 100,000 acres that they cannot possibly use. I propose, however, to lease that area, even though they persist in that objection. That was the lease held by the McHugh brothers. If they had the stock to put on it we would encourage them to do it, but they have not the stock to cover that lease.

Mr. GARLAND (Bow River): Was not a portion of that land leased to McHugh brothers in the past

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow river): Were they successful in meeting their payments?

Mr. STEWART (Argenteuil): No.

Mr. GARLAND (Bow River): Then the minister proposes to take it out of the hands of the Indians and lease to men who have not made payments in the past?

Mr. STEWART (Argenteuil): That is hardly the case. During the war McHugh brothers paid about thirty-one cents an acre for grazing land, and it is evident that any one who had to pay a rental of that character was in a very serious position when the inflated prices fell. That was what happened to McHugh brothers; they had to give up because they could not afford to carry on.

Mr. GARLAND (Bow River): And the government has not collected from them?

Mr. STEWART (Argenteuil): We are endeavouring to collect. I do not know whether we shall be able to do so or not. The same thing applies to another rancher just west of Calgary, Mr. Gardiner.

Mr. GARLAND (Bow River): I am not criticising the minister or his department in the case of McHugh brothers; I think perhaps there was some excuse for their action. But I do criticise him for suggesting that he should take 100,000 acres out of the hands

of the Indians on the ground that they cannot make use of it and give it to somebody else who may not be able to meet the payments.

Mr. STEWART (Argenteuil): I do not propose to lease it at a price so high that the persons interested cannot succeed. If the Indians cannot utilize the grass, there would be no reason why they should be denied their right to have the lease.

Mr. GARLAND (Bow River): In the leasing of Indian lands the greatest care should be exercised to see that justice is done, not only to the Indians but to the taxpayers as well. Above all there should be avoided even a hint of suspicion of political motive. I do not say that has been the case in any instance that has come to my attention, but there are rumours; dissatisfaction is rife. The people see this land being leased and they say, "Who gets it? A friend of the government?" Let us avoid that if at all possible.

Mr. STEWART (Argenteuil): Who said that?

Mr. GARLAND (Bow River): Only too many people in the Gleichen district.

Mr. STEWART (Argenteuil): I have no knowledge of a single individual who has a lease in the Gleichen district. A number of farmers have leased land there that was used for the purpose of greater production. But so far as I know I do not think there could have been any changes from what was the case under the previous government, other than changes from one farmer to another. There is a fixed price per acre for these leases and the man who makes application usually gets them if they are available. I know the McHugh brothers and I know the gentleman who holds the lease complained of by the hon. member (Mr. Coote) but I do not know any individuals who hold leases on the Gleichen reserve.

Mr. COOTE: I have several reasons for complaining of this lease. Several years ago, owing to the drought which had occurred for a good many years in southern Alberta, a commission was appointed by the Alberta government, known I think as the South Alberta Survey Board, which after studying the question thoroughly, made certain recommendations as to what should be done for the farmers in that area. One of those recommendations was to the effect that any government lands, including Indian reserves which might be available should be leased if possible to small farmers who lived in the vicinity so that they might have some stock and carry on mixed farming instead of straight grain farming. During the first two sessions I was here I spent a great deal of time trying to get some arrangement with the Indian department by which the farmers living in the neighbourhood of these Indian reserves might secure some grazing lands on the vacant parts of the reserves. I was unable to do so. But I find that in the past year a lease of twenty-two thousand acres has been granted on the Peigan reserve to Hon. Mr. McLean against the vote of the band. The minister is reported on page 4175 of Hansard of this year as saying:

> We never lease land on an Indian reserve unless the band has voted in favour of it, which vote is registered in our office.

Then we find that the Indians not only voted against it, but made representations along that line to the government, pointing out that they have not enough grazing land left for their own purposes if those twenty-two thousand acres are leased. I do not see how we are to encourage the Indian to make himself an independent farmer if we are to lease these lands to outside parties for a period of ten years, for six cents per acre, which seems to me to be a small rental, considering the fact that there are no taxes to pay on this Indian reserve. I do not see that the department has any justification for leasing the land, particularly in the way they did. Were any tenders invited for the leasing of these lands? Was anyone else given an opportunity of renting them, or was the lease to Mr. McLean for these 22,000 acres of land at six cents per acre made solely through private negotiations?

Mr. STEWART (Argenteuil): Yes, solely on private negotiations, but the lands were leased at the regular price fixed by me for the rental of all Indian lands on which cattle are to be grazed. If sheep are to be grazed the rental is ten cents per acre on all Indian lands, but when cattle are to be grazed the rental is only six cents per acre and that applies to all Indian reserves in the West. As my hon. friend knows, Crown lands rent for two cents per acre. I placed a rental of six cents per acre on these grazing lands, because, as my hon. friend says, there are no taxes to pay. That, however, is a moot question as between the provincial government and some of the leaseholders. In all cases where these Indian lands are to be leased, a careful survey is made not only by the inspector but by Mr. Graham himself, in whom I have the utmost confidence. He is accused very frequently of taking what may be called a high hand with the Indians, but I have

found him a very excellent officer and very trustworthy, and I take his advice very largely in matters of this kind. But one thing I insist upon, and that is that he make a personal inspection in every case where we are leasing these lands. It was done in this case, in the case of the Macleod reserve, and on his representations this lease was executed.

Nobody is more anxious than I am to encourage the Indian to raise cattle, and that is why we do make a careful inspection, because I think the Indian can best provide for himself by the raising of stock. Not more that fifty per cent of the Indians make good agriculturists, and they have to be carefully watched before they make a success of farming. As a rule in western Canada the raising of cattle is a comparatively easy method of earning a livelihood, and as fast as the Indians on these reserves have sufficient cattle to utilize the grass, just so soon will the leases that are in existence upon them be cancelled, and the grass be made available for the Indians. Every encouragement is lent the Indians to breed stock and increase their herds, but to leave areas of pasture land on these reserves idle simply because the Indians refuse to lease them and say as they frequently do, they are going to utilize them themselves, when they have not the stock, would be a mistake, and in such a case we have to take action to get some return from these lands that will assist us in maintaining the Indians. I do not advocate the strong arm method, rather the reverse, but I have had sufficient experience in the administration of this department to realize that there are times when you must be firm, but always fair, I hope. I feel quite confident that the commissioner at Regina is quite capable of deciding in difficult cases of this kind.

Let us say one word more with reference to what my hon. friend has said regarding community grazing. He knows that we put not only the Crown lands at the disposal of the Alberta government, but the forest reserves as well. In the case of every lease coming up for cancellation, four years prior to its cancellation we notified the Alberta government. In one case they expressed a desire to go into community grazing, in my hon. friend's constituency. That lease has given us a considerable amount of trouble, and finally they threw up their hands with respect to community grazing and decided not to enter into an agreement of that sort. There is one in existence in Saskatchewan, and there we have turned the lands over to the provincial government free of charge, but they have not made application for any more lands. While it sounds plausible to say that community grazing is going to assist the small farmer, it is a most difficult thing to work out, and so far as I am concerned, I have continuously set my face against it on these Indian reserves. We are primarily responsible for the reserves, and we have trouble enough preserving amity and good feeling between one individual on the reserve and the band, without introducing half a dozen other people into it. I went so far as to say on one occasion, and I have said it to my hon. friend, that if one individual came forward and would assume responsibility for the lease, I would be very glad to enter into negotiations with him, but so far as I know, no one has yet come forward. I will be very frank with my hon. friend and say that I would not consider community grazing on Indian reserves.

4 p.m.

Mr. COOTE: It is felt by the Indians that they have no one to speak for them, that the Indian Commissioner just comes into the reserve and decides what is going to be done, and they have no choice in the matter. I sympathize with the Superintendent General of Indian Affairs (Mr. Stewart, Argenteuil) to a certain extent, I realize that he has a very difficult situation to deal with sometimes; but I regret that he has not given us more details with reference to this particular lease. In fairness to the Indians I want to present to the House a letter which the Indians have written on this subject. It is addressed to the Right Hon. W. L. Mackenzie King, and is dated April 4, 1924, and reads as follows:

> We respectfully submit to Your Excellency that we members of the Peigan Band of Indians do express our disappointment of a certain lease, which we have learnt from Commissioner Graham, that Hon. Charles Stewart has granted to Mr. A. McLean.
>
> A meeting was called for by Indian Agent Mr. C. A. Arthur, a vote took place, a majority of over three-quarters of the voters was against the said lease.

I do not know the exact figures of the vote, but if anything like a vote of that size was recorded against the lease, I cannot understand why it was granted.

Mr. STEWART (Argenteuil): That letter does not refer to the vote that was taken a year ago. What is the date of the letter?

Mr. COOTE: April 4, 1924.

Mr. STEWART (Argenteuil): The vote I am speaking of took place in 1923.

Mr. COOTE: The letter which I quoted from Mr. Graham admitted that the band was against the lease.

Mr. STEWART (Argenteuil): That may be.

Mr. COOTE: This letter may refer to the vote of 1923 or 1924, I am not sure which. It goes on to say:

> Experience has taught us to do away with such leases. We have leased our reserve for the past twenty years to Maunsell Brothers, and we know the consequences. We never received a cent of the lease money and then the dry years came, so our stock had to die.
>
> We understand it will be a closed lease, not in one block, but in three parts, twenty-four sections, ten sections in another, and three sections, so it will take up the best grazing land we have, including the springs and watering places; when it is fenced our stock at large will suffer for want of water.
>
> We surrendered thirty-six sections of our reserve, about thirty-six sections is fenced in for farming purposes, and Mr. McLean got on or about thirty-seven sections.

I would draw the minister's attention to the fact that thirty-six sections of this reserve were sold off some years ago. This reserve is being cut down to the limit, I think. The letter continues:

> We have 2,800 head of stock, cattle and horses, to graze the balance of our reserve. If we should get dry years again and do not save our grass now, our stock will die on us again. So we think we will be far better off to not have the lease; six cents an acre, or three dollars and twenty cents for each Indian, is not enough.
>
> This lease is against the Indians' will, and so we are asking you for protection, to see into the matter and to find out why should they force this lease on us. An answer will oblige.

I shall not take time to read the reply. This letter was acknowledged by the secretary to the Prime Minister. I have already read Mr. Graham's letter in explanation. How much land is there on the Peigan reserve that has not been sold and is not under lease? What is the balance now left to the Indians?

Mr. STEWART (Argenteuil): I have not the statement here, but will be glad to get it for my hon. friend. This lease has been under consideration ever since I came into office. I refused it the first year because the information I had from inspection was that the reserve had not recovered, and it was well to let the grass grow up and get ripe. It is true the Maunsell herds crossed this land; we had full information about this long before Mr. McLean thought to give some consideration to the community crossing. On that occasion I decided not to sell the property, not that the Indians had sufficient stock to graze it, but in order to give the grass a chance to grow up.

Mr. HOEY: How many acres are involved?

Mr. STEWART (Argenteuil): I have not that information, but I will be glad to get it and give it to the committee. Just recently I have had letters regarding this matter. I did not anticipate that we were depriving farmers in the surrounding district who were letting their stock run on this reserve free of charge. That will create some difficulty in the locality, and is probably part of the reason we had so much complaint. Then, again the fear is the reserve will be fenced and cut off the road. These farmers living to the south of this land have been using it for a number of years. Provision will be made against that sort of thing. It is not the idea to inconvenience anybody; but with respect to this particular lease, when the matter was put up to the Indians first I remember very distinctly the same statement was made about the payment of the rental to the Indians with respect to the lease Maunsell Brothers held. That is absolutely untrue, I proved it beyond the question of doubt. They all received the rental. They want eight dollars to-day out of this rental, and we did not agree to give that much, because we believed better use could be made of it. That letter referred to was turned over to me for reply, and I naturally consulted the commissioner at Regina with respect to this matter. My hon. friend I presume is reading from a return that was brought down.

Mr. COOTE: Yes.

Mr. STEWART (Argenteuil): The very moment that the Indians are able to occupy this land I am prepared to see that they have all the assistance necessary to sustain their stock.

Mr. COOTE: I regret I have not the map here to show the area.

Mr. STEWART (Argenteuil): The area is 93,000 acres.

Mr. COOTE: Is that the original reserve, without deducting what was sold off a few years ago?

Mr. STEWART (Argenteuil): That is as it stands now.

Mr. COOTE: And 22,000 acres has been leased. I think one of the objectionable features about the lease is that the land has been leased in three separate blocks.

Mr. STEWART (Argenteuil): It could not be otherwise and preserve watering privileges for the lessees and the Indians. There is a travelled road to the pass through this reserve, and the water, with the exception of sloughs on the reserve, is all in the river, running on the other side of the road. I do not know the name of the river. In order

to give water to the lessee and to preserve the waters to the Indians—because the Indians are practically settled along the waterfront there—it was necessary that a small portion be granted across the road for water privileges only. The balance is on the west side of the road.

Mr. COOTE: The major portion of the lease is in one block, and there would not be quite so much objection if only that land had been leased. Two other small blocks have been granted, and if I understand the contention of the Indians, they say a lot of their water, if it is a dry year, is going to be shut off.

Mr. STEWART (Argenteuil): That is not true.

Mr. COOTE: The land surrounding some of the watering places has been leased.

Mr. STEWART (Argenteuil): I do not think so.

Mr. COOTE: I do not think the department have handled the matter properly. I feel they should not have granted the lease at all, and for the small rental they are going to get out of it, $1,200 a year, I do not think it is worth running the risk of having the reserve eaten off. There is no limit to the amount of stock the lessee may now put on the land, and they can eat the grass right into the ground, for nothing is stipulated to the contrary. The department maintain that they are not concerned with the number of the stock—

Mr. STEWART (Argenteuil): My hon friend is mistaken. We do keep tab; we do not propose to allow the land to be overpastured.

Mr. MILLAR: In the case of McHugh brothers and others similarly situated who have leased land for pasture purposes at a price too high to possibly make it pay, would it not be a wise policy to reduce their indebtedness, so that they could wipe it off and get a fresh start? That is being done every day by those who have leased land during war days at a price which was too high. It is being done by thousands of farmers who have sold land.

Mr. STEWART (Argenteuil): I thoroughly agree with the idea my hon. friend has suggested, but the government business is just a little different from business of a private character. In government business every action into which you enter is very carefully scrutinized, sometimes not to your credit, I am bound to admit. Here is a contract entered into, and to negotiate with a contractor to reduce the price he agrees to pay is rather a difficult undertaking. In the case of the sale of school lands, I know perfectly well that as trustee for those lands very frequently it would be to the advantage of all parties concerned if we could consolidate the payment of two quarter-sections into one, and take back the other. We have put matters of that kind up to the provincial government, and to the owners of the land and the beneficiaries for consideration, and they do not care to instruct us to do anything of the kind. In the case of the McHugh brothers, and the case of Mr. Gardiner, I do not think these men can ever pay the indebtedness they have incurred in the way of rental, and possibly there are some cases in my hon. friend's province where the same thing occurs. But to say that the minister can, in a free-and-easy way enter into negotiations to forgive them their debt in part or in whole, would leave me liable to serious criticism.

Mr. MILLAR: It is because the minister has done such a thing in the past that I made the suggestion on this occasion. I could not give day and date. I think it was in the first session of this parliament that reference was made to the pulpwood concessions, I believe in northern Manitoba, where a berth of pulpwood had been appraised at a price which seemed to be too high, and the minister had sold another berth to the same firm at a very much lower price, because it was thought, and thought I believe by the minister, that they could not possibly pay the price contracted for. That being a precedent, I thought the minister would not find it very hard to do the same thing in this case.

Mr. STEWART (Argenteuil): That is a precedent which the minister will never follow again. That was done in good faith, but it develops now that the particular berth in question did not have any pulpwood on it so that it was no good. This is not private business, and I have found in some years' experience in dealing with the business of government, that you must protect yourself at every turn or someone is critical of an arrangement of that kind, and can make it appear in a not very pleasant light at times It is an utter impossibility to do business for the government as you would do it for a private individual.

Mr. COOTE: I have looked very carefully over this lease, and I find no provision in it as to the number of stock which may be put

upon this land. I also find in one of the letters from the Indian agent an objection to the fencing of this leased land. This should be pointed out because it is possible that the fencing of this land may cause as much damage to the Indians in loss of cattle as the amount which they may receive out of the lease. This is part of a letter from the Indian agent at the Blood reserve in regard to the question:

> With regard to the fence across the reserve, the Indians themselves do not like the idea of a fence, pointing out that the large pasture fences erected by Knight and Watson caused heavy loss both to the Indians and their own cattle and stock, through their drifting along these fences and over the river banks, and judging by the piles of bones along the banks of the St. Mary's river, where the fences ran into the river, the loss must have been heavy.
>
> So far as I am concerned the fence would be all right provided it were watched carefully in stormy weather, and this in itself would be quite a job as the fence would be 22 or 23 miles long, and I know it would never be in repair as the Indians themselves would cut it wherever they felt inclined to go through.

I think there is a great deal of truth in what Mr. Faunt points out. In a bad storm, enough Indian cattle may drift up against this fence and die in the storm to cause the Indians more loss than will be offset by the rental they receive. Has a lease been granted on the Blood reserve, and if so, what is the extent of it and to whom is it granted?

Mr. STEWART (Argenteuil): I do not think it is executed, but it is under negotiation with Mr. Neilson. In this case it is a sheep-grazing lease that is being discussed with him. This is a case in which I have accurate information, because I attended the meetings of the band that voted on this particular lease. I was there to hear their grievances and to discuss them. They were many and varied; some of them were reasonable, and some were most unreasonable. The band insisted on a fence being built, although we did not wish to build one, for the very reason set forth by Mr. Faunt. They wanted a fence to separate their stock from that of the lessee because they pointed out that their cattle when grazing became mixed to the detriment of the Indians. I believe it is true that their cattle were driven off frequently. I point out these things just to show the committee some of the difficulties we have in administration. I thought it was a wise suggestion to segregate the lessee's stock from that of the Indians. Therefore, I favour fencing, notwithstanding the fact that storms may come at times when stock will drift up against the fence and cause considerable loss. Under previous conditions, however, the stocks on the Indian reserve suffered such an appalling loss that they were almost annihilated. I do not know what has taken place, but I am glad to say that to-day under Mr. Faunt they are increasing rapidly.

Mr. COOTE: I agree that if this land is to be leased, it should be fenced. I do not think any leases should be granted on the Peigan reserve. The Blood reserve is a very large reserve where the Indians have more land than they can use. In the Peigan reserve there is too much risk involved for the amount the Indians are getting out of the lease, which amounts to only $1,200 a year. There are three parcels to be fenced, and that is worse than if it were all in one block. I think that the department has made a mistake, particularly in view of the fact that the Indians are opposed to granting a lease. I am pointing this out in view of the fact that a few nights ago the minister told the committee that these lands were not leased without the consent of the band.

Mr. CAMPBELL: Some method might be adopted under which a little more latitude would be given to Indians of a more progressive type, those who are getting along and making some headway in farming. I remember, about twenty years ago, when I first visited the Coté Indian reserve near Kamsack, that most of the Indians there were prosperous. Some of them had fine, healthy herds of cattle and swine. I believe that at that time the reserve was self-supporting. I regret that year by year those herds have been depleted and the Indians have become poverty-stricken. They seem to be degenerating, losing out in every conceivable way. From what observations I have made, I attribute this in large degree to the fact that their individual efforts are controlled; that they are not allowed to buy or sell or do anything on their own behalf. Indians who are making some progress, who are making a fair show at farming and who are becoming self-supporting, should be given a certain latitude. Twenty years ago those Indians were in as good condition as the white settlers, but they have become discouraged because they cannot buy or sell anything without going to the Indian agent. Sometimes he is not a good business man, and sometimes there is a lack of sympathy and understanding on his part of business and business methods. The Indian agent is seldom a man who understands farming conditions, and I have known Indians who know more about farming than the agent.

These Indians have the finest land in the country; they have no taxes to pay, and there is no reason whatever why these reserves should not be self-supporting.

Item agreed to.

Indian education, $1,854,977.

Mr. GARLAND (Bow River): What is the reason for the reduction of $88,725 this year?

Mr. STEWART (Argenteuil): We embarked some time ago on a programme of building institutions but we do not require so much money for construction this year as we did last year.

Mr. GARLAND (Bow River): There will be no curtailment of the educational facilities afforded the Indians?

Mr. STEWART (Argenteuil): That is impossible; we find that the demand is increasing year by year and it will be still greater as the Indian parents become more interested in the schools. We have spent about a half million in construction work trying to repair dilapidated buildings.

Mr. GARLAND (Bow River): What is the state of the school building on the Blackfoot reserve? Has it been completed?

Mr. STEWART (Argenteuil): Yes, and the school has started again.

Mr. GARLAND (Bow River): There are few things that are more important than provision for the proper education of our Indians in modern methods of agriculture and civilization generally.

Mr. COOTE: Is the school at Edmonton completed yet?

Mr. STEWART (Argenteuil): Yes.

Mr. COOTE: And the one at Macleod on the Blood reserve?

Mr. STEWART (Argenteuil): That will be completed this year.

Mr. COOTE: Has any provision been made for proper accommodation on the Sarcee reserve? The minister stated a year ago that there were children there who had to be accommodated.

Mr. STEWART (Argenteuil): We have opened the school and a hospital there.

Item agreed to.

[Mr. Campbell].

Supplementary Estimates—Manitoba, Saskatchewan, Alberta and Northwest Territories: To provide an amount to be placed in a special account for expenditure in the interest of Indians as the Treasury Board may from time to time direct, $79,029.03.

Mr. STEWART (Argenteuil): This is an amount which is derived from the profits of the greater production campaign carried on by Mr. Graham in the western provinces. It is desirable to enable young Indians who graduate from our schools to get a proper start in agriculture. Heretofore we have not had any fund for this purpose and the young men whom the agents have encouraged to marry and settle down have had to start on borrowed capital. They will still have to borrow their capital but it will be loaned by the government. We shall expect them to repay it but it will not be in the same category as many of the accounts in regard to which we have encountered difficulties, as for instance where the Indians are given an order for the purchase of a team of horses and later on find themselves unable to pay. The vote is to provide for loans to the Indians for certain purposes including the building of houses which are frequently needed on the reserves. This fund was turned into the treasury by the department and we asked to have it set aside for the purposes I have mentioned.

Mr. MEIGHEN: This represents only a portion of the profits of the greater production scheme?

Mr. STEWART (Argenteuil): We have provided for the return of all money borrowed, plus this amount. Repayment was made of all money loaned to Mr. Graham for greater production purposes except $12,000 and these have been the profits up to date. The operations however, are not yet concluded; he is still farming a considerable area.

Mr. MEIGHEN: The profit account had a much larger sum than this to its credit some time ago.

Mr. STEWART (Argenteuil): There may be an outstanding investment in implements, horses and so forth.

Mr. MEIGHEN: I understand.

Mr. STEWART (Argenteuil): This is cash in the bank.

Mr. MEIGHEN: I congratulate the minister on being in on the harvest.

Mr. STEWART (Argenteuil): You got the criticism?

Mr. MEIGHEN: Yes. I have looked in vain for a long while for profits from any venture launched by this government.

Item agreed to.

Department of Indian Affairs—To provide salary for one Head Clerk for three months. $720; to provide salary for one Senior Clerk for three months, $390: $1,110.

Mr. GARLAND (Bow River): What is the explanation of this item?

Mr. STEWART (Argenteuil): This is merely to take care of an omission from the Main Estimates.

Item agreed to.

Department of the Interior—To appoint Mrs. Electa Blanche Hutchison matron of rest room, Langevin Block, from 1st July, 1924, notwithstanding anything in the Civil Service Act, $900; to appoint H. D. Chapman, Engineering Clerk, Forestry Branch, from the 12th October, 1924, notwithstanding anything in the Civil Service Act, $592.75: total $1,492.75.

Mr. WOODSWORTH: Why are these appointments not made under the Civil Service Commission?

Mr. STEWART (Argenteuil): A large number of young women are employed in this block, and Mrs. Hutchison is to be placed in charge as matron of the rest room. She is eminently fitted for the work, although she is over 35 years of age—the maximum for entering the Civil Service.

Mr. WOODSWORTH: I am not objecting to the expenditure, but I do not like the idea of creating new positions which do not come under the Civil Service Act.

Mr. MEIGHEN: This is only one of about twenty appointments where the government is widening the door day by day getting more and more people in against the act.

Mr. STEWART (Argenteuil): This is a very special case, and I understand that a great many are interested in it. I intend to follow the advice of the Civil Service Commission in connection wtih all appointments in my department. I have investigated this case and find that the lady is eminently fitted for the work. Her husband, perhaps, did more to advertise Canada than any other man. His widow will be able to occupy this position for a few years. I understand that the Civil Service Commission made no objection, but they could not appoint her because of her age.

Mr. HOEY: What about the second appointment?

Mr. STEWART (Argenteuil): It is one of those unfortunate cases where the gentleman was retired by the Civil Service Commission on the understanding that if an opening occurred he would be placed in the service again. We have him in the Forestry branch I have a letter from the Civil Service Commission pointing out that they are entirely in accord with our taking this gentleman in. This is the only way in which he can get back into the service. He is a very excellent officer.

Mr. MEIGHEN: Is he too old?

Mr. STEWART (Argenteuil): Yes. But the Justice department have ruled that where a man retires he is out for keeps so far as the Civil Service is concerned.

Mr. CALDWELL: Did he retire under the Calder Act?

Mr. STEWART (Argenteuil): Yes. He is only in receipt of his salary.

Mr. MEIGHEN: What is the idea of establishing a rest room in the minister's block; and when is the rest all done?

Mr. STEWART (Argenteuil): I am not very strong on rest rooms, but there are times when the young women engaged in the department are overcome with illness and require attention.

Item agreed to.

Dominion Lands—To cover professional assistance engaged by the Governor in Council to assist the departmental officers who are advising re international and boundary water questions, $8,000.

The CHAIRMAN (Mr. Marcil, Bonaventure): The whole resolution has been adopted except this one item.

Mr. STEWART (Argenteuil): This item stood in order that more information might be supplied the committee. In the re-organization work I have suggested that the whole of the Interior department, as well as every other department over which I have control, shall place its legal work under the Department of Justice. I know our officers say that they need these men at their elbow, but we find that for definite and final advice we must always consult the Justice department. I should like the item to be passed.

Mr. MEIGHEN: I would not be content to have it passed unless the money is owing. Who is the man who got in on this?

Mr. STEWART (Argenteuil): Mr. Challies has had to employ legal services in connection with the Chicago diversion and the Lake of the Woods.

Mr. MEIGHEN: It is too large an item to be accounted for in that way. The cost of getting occasional advice would never amount to $8,000.

Mr. STEWART (Argenteuil): He has had to have legal work done from time to time.

Mr. MEIGHEN: It would not amount to this sum, and he would have no authority to take legal advice except from the Justice department, which is always available. The trouble is these items are used to work in men who want to get a little money out of the treasury, and they are very ingenious in doing so. Observation of the National Railways accounts shows that they are marvellously successful there, the legal account being more than double this past year what it was the year before. I do not know any better test of economy of management than the barometer of the legal account. I advise the minister to resist every effort to have special departmental solicitors and special departmental advice from this, that and the other fellow. He is undoubtedly right when he says that the proper source for legal advice is the Justice department. I never found any very great delay in that department, and certainly I always found the advice very reliable when it came.

Item agreed to.

Dominion Lands and Parks—To cover the Dominion government's share of freight charges in connection with the removal of settlers from the drought stricken areas to other districts, $13,500.

To pay M. J. Patton, Economic Adviser, balance of salary due under terms of appointment, $600.

For the enlargement of the western outlet of lake of the Woods and the provision of suitable control works therein in conformity with the recommendation of the International Joint Commission, $200,000.

Mr. GARLAND (Bow River): What has been done under the first item with regard to the removal of settlers from drought-stricken areas to other areas, and to what districts have they been removed?

Mr. STEWART (Argenteuil): This is to cover last year's work in conjunction with the two provincial governments. There seemed to be some dispute about the obligation of the federal government, but it appeared that we had agreed tentatively to assist in the removal of these settlers. This is to pay our share of the expenses.

Mr. GARLAND (Bow River): Has the minister any figures as to the number moved?

Mr. STEWART (Argenteuil): No, it was all done by the provincial government, we being furnished with a statement of cost.

[Mr. C. A. Stewart.]

Mr. HOEY: In what provinces did the removals take place?

Mr. STEWART (Argenteuil): Saskatchewan and Alberta.

Mr. GARLAND (Bow River): This principle of removing settlers, though it may be desirable from the point of view of some settlers, is not going to solve their problems. Most of these men we desire to be moved are men who are practically insolvent, and the only thing that can save them and keep them in Canada and enable them to rehabilitate themselves is bankruptcy. Under our present bankruptcy law, however, the unfortunate farmer is not permitted to get the protection that an ordinary trader gets. I would submit the following suggestion as a partial solution of a difficulty that has arisen and that is likely to become more pressing next winter if the western crop is as poor as it is reported to be at the moment. Last year I took up the question with the then Minister of Justice, (Sir Lomer Gouin), and asked him to make several changes in the Bankruptcy Act that would enable a farmer to secure clearance, that would enable him to undertake an assignment in bankruptcy without having to put up an enormous cash fee. The fees at present charged by trust companies and lawyers in Alberta are hopelessly high from the point of view of the farmer. They ask him to put up an initial amount of from $100 to $200. I find on page 3212 of Hansard of last year, volume 4, I put a question to the then Minister of Justice requesting him to make provision so that there would not be discrimination against the farmers and assuring him that I was informed that the farmer had no chance to get clearance except after he had paid fifty cents on the dollar. The minister replied to me then:

There is no difference between a farmer and a trader as to that.

The discussion then continued for some time, in the course of which the minister assured me—it is recorded in Hansard—that after the amendments of last year had been adopted there would be no further difficulties, the farmer would be able to get clearance, and that an official custodian would be appointed by the federal government who would take over an assignment in bankruptcy without requiring the farmer to put up the initial cash fee, which payment of course was impossible in so many cases. It may be difficult for some who come from the cities to understand why the farmer should not be in a position to put up the necessary cash or to raise it in some way. But in the case of these men, especially

those likely to be removed from one portion of the province to another under this vote, their house and furniture, everything upon which they can get security at all, has been hypothecated, so when they wish to enter bankruptcy they are unable to do so for lack of the $100 to $200 required by trustees. Even their wages are sometimes attached under garnishee. As a result of that situation, certain amendments were put in the act last year, or purported to be put in which relieved this condition. A case arose where a Mr. Baskin of Enchant tried to file his estate in bankruptcy. The application was refused by the trust company in Calgary unless the man would put up $200 in cash. Mr. Fream was written to in connection with that matter and he stated that the farmer had no redress. Mr. Justice Tweedie had the case under consideration and he decided that the trust company was within its right in asking for the initial cash payment. Mr. Varcoe of the bankruptcy branch expressed the opinion that in this case the amount of $200 seemed to be exorbitant. Now, an attempt has been made during this session to secure some immediate legislation in this regard that would enable the farmer to place himself in bankruptcy with a fair possibility of getting the same clearance that a trader gets. An amendment to the act was proposed in the Banking committee. It was introduced as a part of the investigation into rural credits. The question arose whether the subject was allowable in connection with the discussions of the Banking committee, but as the Bankruptcy Act itself largely affected the farmers' credit, especially the farmers of whom I happened to be speaking at the time, an amendment to the Bankruptcy Act was recommended. I quote the amendment proposed and agreed to in the Banking committee:

(1) Notwithstanding anything contained in this act, if the Lieutenant Governor in Council of any province, has authorized any officer of the provincial government, charged under a provincial statute with duties which in the opinion of the Lieutenant Governor in Council are analogous in any respect to the duties of custodian and trustee, to act as custodian and trustee under this act, the official receiver shall in the case of an assignment by a person engaged solely in farming or the tillage of the soil appoint such officer as custodian.

(2) Any officer so appointed to the office of custodian by the official receiver shall thereupon in addition to such office be and be deemed to be the authorized trustee as if appointed under subsection (1) of section 15 of this act, and shall continue to be the authorized trustee until properly removed under subsection (2) of the said section 15.

(3) In case any such provincial officer is appointed custodian and trustee, he shall not be entitled to be paid any remuneration as custodian or trustee nor any of the costs enumerated as costs of custodian in Part III of the General Rules.

Then there was a further amendment:

4. Section 59 of the Bankruptcy Act is hereby amended by adding thereto the following subsection:

(2) Paragraphs b, c, of the preceding subsection, shall not apply in the case of an application for discharge by any assignor who at the time of the authorized assignment was engaged solely in farming or the tillage of the soil.

The purpose of this amendment was twofold: First of all, to obviate the difficulty involved in the finding of the necessary cash before the insolvent farmers could enter bankruptcy at all, as should this carry the House, the provincial custodian, under paragraph 2 of the proposed amendment that I have just read, would be able to take charge and receive applications without a fee.

Secondly, in the event of liquidation of the assets of the farmer, he would be given an absolute clearance of his debt, and could start over again without disgrace, without a burden of debt on his shoulders, and become again a useful citizen of this country. Unfortunately, at the moment judges decline to give clearance to a farmer in the West, even after entering bankruptcy, even after liquidating all his assets, unless he has kept books for two years prior to his assignment in bankruptcy. That is a most unjust law, it eliminates at least eighty or eighty-five per cent of all the farmers who find themselves insolvent, because very few of them keep books. I think, therefore, Mr. Chairman, it would be indeed an act of mercy on the part of the Minister of Justice, if at the instigation of the Minister of the Interior or of the Minister of Agriculture, under whom, perhaps, this item comes, he would introduce this proposed amendment at this session of parliament. It will take him but a short time to do it, and it will pass the House, I am quite sure, with little dispute, because the justice of the case is clear to everybody. It was Sir Lomer Gouin's expressed intention last year that the act should have this effect, but it failed to have that effect, largely because no amount was provided in the estimates to pay the official custodian for what work he might do in connection with assignments. Now in the province of Alberta, we have a debt adjuster, Mr. Fream, and in the province of Saskatchewan there is, I understand, a Debt Adjusting Board, who would be quite capable, if given authority under such an amendment as this, of accepting without payment the application of a farmer in bankruptcy, and of getting the creditors together and saying: "Now look here, this is a serious case. You stand to lose a great deal. Are you willing to get together and compound with this man,

let him off a little easier, and get a settlement of your debt, and let the man go on farming? Eventually, if you do that, you may be paid off, but otherwise I shall have to close this man out." Now if he closes the man out under the present system, he still has that burden of debt on his shoulders, and he is going to leave the country rather than go around with that debt hanging to him, and facing even the garnishee of his wages or a continuing judgment. We want to keep our citizens and our farmers in this country, and the Minister of Justice can do a great service to western Canada, and keep more men on the land than will be put on the land under an immigration scheme this year, if he will but make this simple amendment to the Bankruptcy Act. It will take him only a half an hour to do it; and I urge him now, most earnestly, to do it.

Mr. COOTE: I would just like to say a word in support of what the hon. member for Bow River has said. This subject is very closely allied to the matter covered by this estimate to cover freight charges in connection with the removal of settlers from the drought stricken areas. This amendment to the Bankruptcy Act is asked particularly for the benefit of the farmers in the drought stricken areas who have become bankrupt through no fault of their own. Under the law as it now stands, it is impossible for them to get a discharge, and they are not going to leave a drought stricken area and move up into a portion further north where they might have a chance to make good, if they know these debts are to remain against them and their creditors are going to follow them to their new location and seize the first crop they raise. They have so many creditors that sheriffs' and lawyers' fees often eat up practically all the proceeds of the crop seized. It is simply driving these people out of the country, to leave the act as it is now.

As has been pointed out, these amendments to the Bankruptcy Act were recommended by the Banking and Commerce committee, I think, unanimously; there may have been one dissenting vote, but I do not think so. The government now apparently are going to refuse to bring in a bill to give effect to these simple amendments which have been recommended by the committee. In a letter written to me recently by a member of the Legislative Assembly of Alberta, he mentions the case of some good Scotch Canadians of the very best type—we could not get any better farmers—

—who last year had 1,100 acres of wheat completely hailed out, after several years of crop failures, and

who have now been forced into liquidation. Their position now is that they are unable to get a discharge. They are willing to make a new start, and wish to do so, but under the circumstances they are unable to do so, and they are now waiting to see if anything will be done in this matter. If not, they will drift to the United States or elsewhere and—

I would ask the committee to notice this:

—we will attempt to replace them with people of a lower standard, possibly, from continental Europe. Surely the nation is not so bankrupt in statesmanship as to be unable to remedy this situation.

We may not be so bankrupt in statesmanship as to be unable to do it, but we seem to be in such haste to get home, that the Minister of Justice is apparently unwilling to bring in a bill to give effect to these amendments. It would do more good, so far as keeping farmers in western Canada is concerned, than spending a million dollars on immigration. We know something of what it cost to get immigrants last year. These amendments will cost us nothing. There is going to be absolutely no cost put on the Dominion government at all; if there is any cost, it will have to be assumed by the provincial governments, but the provincial governments cannot bring in legislation with regard to bankruptcy. The responsibility must rest on this government, and primarily on the Minister of Justice. I am going to make this last appeal to him to change his mind and to bring in a bill giving effect to these simple amendments.

Let me point out, in closing, what the Secretary of Agriculture in the United States says over his own signature, in regard to bankruptcy among farmers in that country:

Reports were secured from 15 states covering the period January, 1920, to March, 1923. Out of over 68,000 owner-farmers included in this survey 4 per cent lost their farms through foreclosure or bankruptcy, 4.5 per cent lost their farms without legal proceedings, and a little over 15 per cent had been spared such loss up to March, 1923, only because of the leniency of their creditors. Out of almost 26,000 tenant-farmers, 7.2 per cent lost property through foreclosure or bankruptcy, 7.8 per cent lost property without legal proceedings, and 21.3 per cent retained their property merely as a result of the leniency of creditors.

I have often been asked what percentage of the farmers in western Canada are bankrupt. I am, of course, unable to give any estimate of that, but I have given the figures compiled by Secretary Wallace of the United States regarding conditions in the western states, and although conditions in western Canada may not be so bad, they are somewhat similar. I think if the Minister of Justice could realize the amount of good which he would do for these people in western Canada by bringing in a bill to give effect to

these simple amendments, he would do it even at this late day, and I hope the Minister of Interior, who has to administer this vote, will use his influence with the Minister of Justice in endeavouring to have this bill brought in.

Mr. SPENCER: I would like to add my appeal in support of the request of the hon. member for Bow River that the Minister of Justice bring in a bill to make the desired amendments to the Bankruptcy Act. This is a question that is of vital interest not only to western Canada, but of equal interest to eastern Canada, because after all is said and done, the East depends upon the success of the West. It has often been urged, when we have been trying to get through this House legislation affecting western Canada, that it might hurt eastern interests, but in this case eastern interests cannot be damaged in the slightest. The only effect such legislation could have would be to help eastern interests.

As the hon. member for Bow River has mentioned, the question has arisen as to the necessity of farmers keeping books before they can be discharged under the Bankruptcy Act at the present time. The present provision is quite a bar to farmers going into bankruptcy, and it is very unfair to them. The position we find ourselves in is that a lot of settlers who are good farmers, are very heavily in debt through no fault of their own, but through successive crop failures and one thing and another; and to-day they have no alternative but to leave the country. I might refer to one settler in particular, not very far from my own home, who, not so very long ago, left in the night with his wife and five children, because he was in the position of not being able to go into bankruptcy. This sort of thing is taking place in many parts of Alberta and not merely in the dried-out area. It is, therefore, in a plea to keep the settlers we have, to recognize good settlers, who are simply hard up and cannot go into bankruptcy and are fleeing for the reason that they cannot get clear of their debts legitimately, that we are asking for this amendment to the Bank Act, and I sincerely hope the Minister of Justice will realize the absolute necessity of the amendments that have been asked for being placed on the statute books.

Mr. GARDINER: Coming back to the question of the vote, I again call the attention of the Minister of Agriculture (Mr. Motherwell) and the Minister of the Interior (Mr. Stewart) to appeals which have already come from southern parts of Alberta for some assistance to enable people to get out of that part of the country. I brought this matter to the attention of the House some time ago, and also brought it to the attention of these two ministers some weeks ago, but up to the present time have not been able to convince these gentlemen that it is advisable to move some people from certain portions of southern Alberta to some other parts of the province where they might have a better opportunity of making a living. As I have said on previous occasions in this House, the part of the country to which I refer was opened up by the government in 1909, against the wishes of people who knew just exactly what that section of the country could produce. These people have been staying there for the last ten to fifteen years. They have spent all their capital and have spent the best portion of their lives in trying to make a living. We have passed estimates for three million or three and a half million dollars for immigration purposes. These people are making appeals to the government to assist them to get into some other locations. Would it not be advisable for this government to take the attitude that where they find people who have settled in this country in good faith, to keep faith with these people and try and locate them in some place where they could make a living. It is no use locating them in some other part of the province, unless some provision is made to enable them go through bankruptcy and get rid of their debts legitimately. I can quite realize these people, being in the districts they are in must have accumulated some debts in the past, and it is a question whether the government would be willing to bring down such legislation by way of an amendment to the Bankruptcy Act as would enable them to make a living. I think the proposal is well worth the consideration of the government, and I trust they will give it that consideration.

Mr. IRVINE: I have no doubt that if the Minister of the Interior had this matter of an amendment to the Bankruptcy Act in his own hands, he would give his promise right now to put it through. I suggest to him that he whisper across to the Minister of Justice and advise that he should give us this amendment this year. It would not take ten minutes to pass the House. I do not believe there would be a single objection to it. I think it would be a great help in keeping the insolvent farmers from leaving the country, and would of course, favourably affect other people as well.

Mr. STEWART (Argenteuil): We might need it ourselves.

Mr. IRVINE: As things are now, the merchant, for instance, who has been looking after the farmer and helping him along might not get one cent, because some other creditor might come along and take from the farmer all that he has. The effect of this amendment would be to distribute the assets of the insolvent farmer pro rata, and hence it would be a benefit to business men also. Perhaps the minister will tell us that he will pass such a bill to-morrow. Will the minister answer?

Mr. WOODSWORTH: I do not intend to cover the ground already covered by other speakers, but as a member of the Banking and Commerce committee I would like to corroborate what has been said as to the almost absolute unanimity with which this amendment was passed in the committee. There was full discussion in the committee, and although some members, especially from the eastern provinces, were inclined to doubt the wisdom of the proposal, when they understood the situation they quite readily accepted it, and saw that no evils could arise in any part of the country. I might say that in the western provinces we already have machinery which would enable us to administer such an act as this. I desire to protest against the failure of the government to implement by legislation the resolutions which have been passed by the committee.

Mr. GARLAND (Bow River): I think the Minister of Justice (Mr. Lapointe) owes it to us to take action in this matter. We are representing our constituents' interests in this House, and we ask the Minister of Justice at least to make a statement now. We appeal to him to bring down the legislation that is already drafted by the committee in co-operation with the law officers, and there should be no difficulty.

Mr. LAPOINTE: My hon. friend says that I owe it to him. These are the estimates of my colleague in the Department of the Interior. I was quite interested in listening to the arguments presented with such eloquence by all my hon. friends with regard to the urgency of an amendment to the Bankruptcy Act. I am not prepared to say that I will take the responsibility of introducing such a bill this session. Amendments have been suggested to the Bankruptcy Act in many quarters. Those amendments have been considered and the answer which has been given before this amendment was presented to the department was that no amendment would be presented this year. The Bankruptcy Act will not be touched this year. Some of the suggested amendments are contentious. My hon. friend says this amendment would pass in a few minutes. Perhaps it will, but my experience is that we are disappointed sometimes in regard to the time which is occupied in passing legislation in this House. I think it would not be fair to all those who have been told that the Bankruptcy Act will be left as it is this session to introduce an amendment for this part of the act.

I wish to mention another matter in regard to this part of the act concerning the farmers. Evidently the feeling is not the same in all parts of the country. My hon. friends find it is too difficult for the farmers to use the Bankruptcy Act. In my own province, the farmers, those who are representing the farmers' associations, and the farmers generally are complaining that the act is used too freely. They are asking to be exempted from the operations of the act. They do not want it. The attitude is an absolutely contradictory one. Under the circumstances I desire to consider the matter more fully, and I am not quite prepared to say that I shall introduce an amendment which may complicate the situation more and render more difficult the final solution. Some are suggesting that the provinces should be left free to decide whether they desire that the farmers of those provinces should come under the operation of the Bankruptcy Act. This is a suggestion which deserves consideration. But especially when the report of the committee came up only a couple of days ago urging the necessity of this legislation, I do not think, on the whole, that my hon. friends should insist on my introducing legislation during the very last days of the session.

Mr. MILLAR: Is the complaint to which the minister refers that some are taking advantage too freely of the Bankruptcy Act? Is it the farmers who are taking too great advantage? There is a section which prevents those taking advantage of it who do not keep books. Very few farmers keep books and, therefore, the advantages of the Bankruptcy Act are at present confined to the business men and are not available to the same extent to the farmers. The object of the amendment is to overcome that.

Mr. LAPOINTE: The complaint coming from the farmers' associations is that by virtue of this act and many having taken advantage of it—the farmers have not the same credit that they had formerly to carry on their operations. The men who used to lend them money are now refusing to do so because they are afraid that when the Bank-

ruptcy Act is taken advantage of, they will lose the security which they had formerly. That apparently works against the farmers, according to this complaint. I am not saying that this is right or wrong, but those are the representations which are very strongly made. Indeed, the legislature of Quebec passed a unanimous resolution calling upon this government to remove the farmers of the province from the operations of the Bankruptcy Act. They contend that it is placed upon them against their will. The situation which my hon. friends mention as existing in the west is quite the reverse, because there the farmers seem to complain that they cannot take advantage freely enough of the provisions of the act. Therefore, this is a matter which certainly deserves a good deal of study and consideration, and my hon. friends should not, at this late hour of the session, precipitate me into introducing legislation to make it more easy and free for a certain part of the country to use the act when other parts complain that it is too easy and free.

Mr. GARLAND (Bow River): The minister has stated that some of the provinces have requested that the farmers be removed from the operations of the Bankruptcy Act. Is there any other province than Quebec that has done so.

Mr. LAPOINTE: None that I know of yet.

Mr. GARLAND (Bow River): Nor has it come to my attention either. I admit that the representatives of the farmers of Quebec appear to desire to get the farmers away from the operations of this act. In the West we regard it as the possible way out for those unfortunates who, through debt or other causes, are insolvent, who cannot leave the country except as defaulters, who cannot stay in Canada and fight the battle out because they will have to carry this load of debt on their shoulders and who will be hounded and badgered from one end of the country to the other until they have settled their debt. I tell the Minister of Justice (Mr. Lapointe) seriously and honestly now that the homes and existence in Canada of a thousand people in this country depend upon his inaction at this session. It is a crime to rush through the business of the session without taking action in this matter. I am in no hurry for the undue end of the session, and members around me are in no particular hurry. If the minister wants a week to consider the matter, we shall be glad to remain here.

Mr. LAPOINTE: Does my hon. friend think that this strong language will be more effective than the reasonable remarks which he made a few minutes ago?

Mr. GARLAND (Bow River): I want to tell the minister that there is an undue haste on the part of some portions of this House to get back home. We want to get this legislation enacted.

Mr. LAPOINTE: I am quite willing to stay here as long as my hon. friend. I live in Ottawa.

Mr. GARLAND (Bow River): I am delighted to hear that.

Mr. LAPOINTE: I am quite willing to stay here until this fall, but not to listen to my hon. friend all the time.

Mr. GARLAND (Bow River): It will not take him longer than a few days or a week to prepare and draft this legislation, and to be convinced of the necessity of it. The Attorney General of Alberta has already stated that this would meet his idea of a solution. He would be glad to accept this very proposition. He would appoint the present debt adjuster as a custodian under this act if this legislation is passed, and we would be in a position to meet the coming winter when we expect that conditions will be again bad in the West. This is one little life-belt that we can throw out to those farmers. The minister says: We have no time to consider it as one other province has declared against us.

Mr. LAPOINTE: Is that fair?

Mr. GARLAND (Bow River): Those are the minister's own words.

The CHAIRMAN (Mr. Marcil, Bonaventure): We are not discussing the insolvency question. I have allowed some latitude, but the debate should come back to the item before the committee.

Mr. BOYS: Is it a fact that farmers cannot get the benefit of the Bankruptcy Act unless they keep books? If so, under what section does that come?

Mr. VIEN: The section of the act to which reference has been made provides simply that they can obtain a release only if they have kept books. In the first place, one of the conditions is that they should have paid at least 50 per cent to their creditors, in the second place, that they should have kept books.

Mr. BOYS: I am familiar with those provisions. I was wondering if I was overlooking any provision. I live in a farming community; I know a good deal of the life of the farmer, and I cannot see the slightest reason why a farmer should not be able to get the full benefit of this act just as any other tradesman or anybody else. So far as I know the law, the farmer has that right. I quite appreciate what has been said on the question of discharge. The minister knows that some months ago I pressed upon him, and I had very satisfactory conversations with Mr. Varcoe regarding this very question of discharge. In my opinion, the usefulness of the Bankruptcy Act is a nullity unless the provision regarding discharge is amended. You could do everything that could be done by the Bankruptcy Act, under the various assignment laws of the different provinces, with this single exception. The whole purpose of the act was not that a man could make an assignment as he could under the Assignment Act, but that he could get a discharge and make a fresh start in life. I do not know a single assignment where any estate paid 50 cents on the dollar, and that stands in the way of the only purpose for which the act was passed. I urged this on the minister and Mr. Varcoe, and I thought we might meet with some success. What I suggest is that county court judges who, it is said, often do not have enough to do, should be given jurisdiction and discretion to allow them to give any man a discharge, so long as the judge thinks that man is a proper person once more to be given a fresh start in life, if he has failed through misfortune, sickness, heavy household expenses and so on. So long as he has been honest in his dealings even if the estate pays only ten cents on the dollar we should give the county court judge jurisdiction to give the man a new start. If you do not do that you may as well abandon the Bankruptcy Act altogether and go back to the various provincial acts which were in force in former years. I realize that nothing can be done at this late day, and to be frank, I am one of those who want to get away. If, however, I felt that any good could be accomplished by remaining here a few days longer to discuss this matter fully I would readily do so; but I do not think it would be worth while. I hope that the minister in the recess will take this matter seriously into consideration for the two reasons I have advanced, namely, because it is right and because the county court judges know something of the standing of the various men who come before them; and if they do not they can very easily find out whether in any particular case the man is deserving of consideration and should be given another chance. I sincerely trust that the minister will bring down some legislation at the next session of parliament covering the matter. If I am here then one of the first things I shall do will be to take steps to see that something is done in this direction. I hope there will not be the slightest intention either in Quebec or anywhere else of adopting any legislation which will make any exception of the farmer.

Item agreed to.

Expenses connected with the survey and demarcation of international boundaries—Further amount required, $6,000.

Mr. SPENCER: How much was spent last year?

Mr. STEWART (Argenteuil): Last year we spent $37,000 and this year we hope to clean the thing up with this vote and another vote of $20,000, making a total of $26,000.

Item agreed to.

To provide for assistance in transportation of Canadian coal to Central Canada by payments to railway companies under regulations to be approved by the Governor in Council, $200,000.

Mr. STEWART (Argenteuil): This is not my solution of the coal problem in the acute fuel area, but we desire to make a little further study. I think the proper solution lies in the construction of coking plants in all the reasonably sized municipalities in central Canada. At the next session I hope to be able to bring down some policy that will appeal to the House and that will encourage the establishment of these plants for the transformation of Canadian coal into coke. There is a demand at present from western Canada for a trial shipment, and while I have put this sum in the estimates for the purpose I am doubtful whether, under existing conditions, we can carry out the experiment. One must be frank about these things, and we should realize that there is a strike on in the western provinces. Furthermore we are rapidly approaching the time when wheat will be moving and it will be impossible to secure the necessary cars for the purpose of putting on a fair test. There are two or three things that should be taken into consideration and one of them is that the coal itself should be mined at a cheaper cost than is the case today. If the government is to step in and carry out a real test that is one of the considerations that must be insisted upon. Another is this, that the test can be made only in

complete train loads running from the pit mouth to some central point where distribution would not entail a distance of more than fifty or sixty miles; I have in mind such points as Toronto, London and places of that character. I hope to be able to make the test; but, as I say, it is possible that we shall not be able to do so. After considerable discussion with the mining interests and the governments both of Ontario and of Alberta, who have pressed consistently for this to be done, I agreed to the proposal. This applies wholly to domestic coal; it has nothing to do with any other kind of coal. As to conditions in the East, they can ship by water to Montreal and points on the St. Lawrence and distribute thence into Ontario points. As I said at the outset, this is not intended as the ultimate solution of the coal problem but is merely to encourage the industry in the East this year; and with this object in view we propose to lend some assistance in the haulage from river ports to points of distribution in the province of Ontario.

Mr. WHITE: Has any arrangement been made with the interested provinces for the purpose of securing assistance from those governments?

Mr. STEWART (Argenteuil): No arrangement of that kind exists. The matter was discussed, but the provinces took the view that as this is a national problem it should be solved by the federal government. I would not say, however, that they would not be inclined to assist if urged to do so.

Mr. IRVINE: The minister speaks of a contemplated test. Is it the test suggested by Mr. Howard Scutchbury of the Alberta government?

Mr. STEWART (Argenteuil): Yes.

Mr. WOODSWORTH: The minister says that this matter is to be studied more fully.

Mr. STEWART (Argenteuil): I did not say that; I said that the coking problem would be looked into.

Mr. WOODSWORTH: With regard to the larger question, has the department considered the advisability of reorganizing the coal production system of the West in such a way as to render the work more continuous and to definitely reduce the cost per ton.

Mr. STEWART (Argenteuil): If it were possible to transport coal in the summer months during the slack season it would add materially to the length of time the miners could be employed, and it would also reduce production costs.

Mr. GARDINER: The minister stated that the mining costs in the West were too high. Has he any information as to those costs? Has the minister looked into the royalties which are being paid to the original leaseholders by those who are actually operating the mines? Perhaps there might be some redress in that quarter.

Mr. STEWART (Argenteuil): I know in the Drumheller field there are cases where the royalities paid go to the original leaseholders, and it is a difficult thing to cure. As a matter of fact my hon. friend knows that if 300 of the 350 mines in operation in Alberta were closed down the operation of the other 50 would result in very much cheaper production of coal, but you cannot cure this state of things over night. It is a problem which the provincial government will have to try to solve. Our responsibility is perhaps that of refusing to open up new mines where the development is overdone. The heavy overhead in our mining operations largely comes about through the short operating season, although a certain staff must be maintained all the year round to keep the mines in working order. The serious problem for Canadian mining is that the same quantity of coal can be produced at $2.25 a ton on the other side of the line which costs at pit mouth on this side $4.50. From information I have received there does not appear to be much likelihood of production costs increasing in the United States. So we must devise ways and means to reduce our production costs. Our freight charges are pretty much on a parity with those in the United States. I do not just know why there should be this big difference in production costs, but in some cases I think too much is going in royalties to the original leaseholders. Some authorities say that the miner is getting too much. He retorts that he is working only three months in the year, and over the twelve month period his wages are not very high. The distribution cost in our cities is excessive, in fact I think it is a scandal.

Mr. WOODSWORTH: It would seem to me that the minister is working from the wrong end. This $200,000 is necessary in order to make an experiment because of the present high cost of production. It does seem to be reasonable that those costs should be cut down. The minister has admitted that one reason for the high cost of production is be-

cause we have 350 mines in operation when 300 might very well be closed down. Why should not action be taken in this direction? Undoubtedly the high cost arises because of such matters as the strike, but the strike is very largely the result of slack time and the fact that although the nominal wages of the miner may appear high for the short period he is working, his real wages spread over the whole year are too low to enable him to maintain a decent standard of living. Would it not be well to supplement his wages in order that he might live decently, and thus cut down the cost of production? It seems to me that we ought not to go on year after year dealing with these mere symptoms, but rather we should tackle the underlying trouble. We have the coal, and I cannot for the life of me see why production costs should be so much higher in western Canada than in corresponding districts in the United States.

Item agreed to.

RAILWAYS AND CANALS

Railways and Canals—Salaries—To provide for the salary of chief engineer from February 4th to 29th inclusive, 1924, at $8,000 per annum, $597.70.

Mr. GARDINER: What is the necessity for the number of engineers that the minister has in his department now, in view of the fact that the Canadian National Railways have to all intents and purposes taken over much of the work that these engineers formerly did?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): It is the greatest fallacy in the world to imagine that the taking over of the Intercolonial by the Canadian National has reduced the work of the department. The department has at least fifty per cent more work to do along these lines than it ever had before. In addition to that the engineers are engaged in the investigation of waterways in connection with the Hudson bay and the construction of the Welland ship canal, as well as superintending engineering work on our various canals. When the late Mr. Bowden died his family received two months of his salary. When his successor was engaged we had to make an extra vote to pay him until the two months' gratuity to the widow of the former chief engineer expired. Hence this item.

Item agreed to.

Railways and Canals—Chargeable to Income—Welland canal improvements, additional amount required, $75,000.

Mr. GRAHAM: So that there may be no misunderstanding, I must explain that this is not the Welland canal in the strict sense of the term. It is an amount to begin the reconstruction of a pier that has gone out of business on the old feeder to the Welland canal, which is really the harbour at Port Maitland where there is a lot of transcontinental ferrying. The work has been left undone for a number of years and it has now got to the point where it is becoming dangerous to navigation and we have to reconstruct it.

Item agreed to.

Miscellaneous—To provide for the payment of salaries and expenses in connection with the St. Lawrence ship canal surveys and investigations, including the Canadian National Advisory Committee, and its employees and including E. B. Jost, $2,500, as assistant to Chairman of Engineering Board, and G. W. Yates, $1,200 as Secretary, $100,000.

Mr. CHURCH: We had a visit in Canada the other day from Mr. Hoover, chairman of the United States branch of this commission, who announced that his report would be ready for the next sitting of congress. Will the report of the Canadian commission be ready for next session of parliament? When will the commission begin its work?

Mr. GRAHAM: This amount is for the investigation of the St. Lawrence deep waterways. After correspondence and negotiation an organization was formed on each side of the line for the purpose of making further investigation of the St. Lawrence deep waterways project. Some misunderstanding has occurred with reference to the international relationships in this connection; let me briefly explain them. There is in each country what is called the National Advisory Board. In the United States the head of that board is Mr. Hoover; in Canada the head of that board is the Minister of Railways. These are not joint boards; they are appointed each to investigate the situation with regard to the interests and requirements of their own country. The United States board are investigating and securing all the information they can with regard to the benefits that will accrue to the United States from the project, and the Canadian board are doing the same from the point of view of Canada.

Mr. MACLEAN (York): Although more or less recognizing the idea, I suppose, that this is an international affair, and that the two must harmonize at some points?

Mr. GRAHAM: The boards are quite independent of each other. Up to date they have held no conferences with each other; the task of each is separate. It is thought better by both countries that each should conduct its own investigation as to the results that might accrue to its own country. In

addition to that the government of each country has appointed three engineers, who comprise a joint engineering board. They meet to discuss the technical questions that may arise in that connection.

Mr. MACLEAN (York): Does that include hydro development?

Mr. GRAHAM: Everything. In addition to that there are two technical officers in each country, selected by members of the Joint Engineering Board. These technical officers first decide and pass on for further approval the questions to be submitted to the Joint Engineering Board for investigation. The technical officers of the two countries, which, as I have said form a joint body, met in Montreal recently and decided on certain questions to be submitted for approval to each advisory board. I might to-day have been able to give those questions except for the fact that the United States has suggested that a further question be added to the list of those to be investigated, so that perhaps it would not be wise to state them before they are all finally decided upon. When the technical officers decide the questions to be submitted, the references to be made, their suggestions are passed on to the government to be handed to the advisory board in each country. They pass on them and then the government of each country finally decides what the reference shall be. It is hoped that within a few days a decision will be arrived at by the Joint Engineering Board of the two governments as to what questions shall be referred to that board. One of the questions to be submitted—I think I can fairly give it, because it has been unanimously arrived at—is that of the probable effects of power developments on the levels of the lakes.

Mr. MACLEAN (York): The question of lake levels is fundamental.

Mr. GRAHAM: It is more than fundamental. It must include an investigation of Chicago Drainage canal. Both countries are agreed that that, with other questions, should be investigated by the Joint Engineering Board. The National Advisory Board for Canada has had one meeting for the purpose of organization, and in this vote will be seen an amount for a secretary and another for an assistant engineer. We are utilizing men already in the employ of the Railway department and adding a little to their salaries out of this vote for the work they do in that connection. We take these men because they are better qualified and cost less than men engaged from outside. There is one body in Canada that has no counterpart, so far as I know, in the United States organization: I refer to what we call the interdepartmental committee, a very useful body, with Colonel Biggar as its head. As a matter of fact, Colonel Biggar has got to be such a useful man that we use him in other capacities than that of Chief Electoral Officer. The departments interested—Finance, Trade and Commerce, Railways and Canals, Public Works, Marine and Fisheries, National Defence—are each represented on this interdepartmental committee, and they have been studying this whole question; not that they have any authority or power to do anything, but they are acting in a sort of advisory capacity to the Advisory Board and also to the technical officers of the Joint Engineering Board, and the result of their studies, with all the material they have on hand, and all their facilities, has been wonderful. I want to pay tribute to the work these officers are doing. They are taking a wonderful interest in the project, and already they have furnished us with a great amount of data preliminary to the investigation proper. This question of the reference is also being investigated by the interdepartmental committee, and the additional proposal from the United States has been handed over to them for informal advice. They are looking into it and will, I believe, be able to give us sound advice on that matter. A meeting has been called by the Chairman of the Canadian Advisory Board for next week, the 31st, and we hope after that meeting to pass on to the government a final recommendation as to the reference to be made, and it is expected that in a very short time the governments will agree as to what is to be submitted to the Joint Engineering Board, and then everything will be clear for them to go ahead and make their investigation.

Mr. CHURCH: The minister has given quite a bit of information, but there is one question I should like to ask him before this vote carries. Will the report of this St. Lawrence Advisory Board interfere in any way with the application of the Ontario government and the Hydro-Electric Power Commission of Ontario for authority to construct a power dam at Morrisburg to supply eastern Ontario with hydro power very badly needed there? The application has been approved by the Ontario government and the Hydro-Electric Commission of Ontario, and I should like to know if this board which is considering the St. Lawrence ship channel project will hold up the application. I understand that the

Department of Justice has given the opinion that the bed of the river and the banks and rapids of all the surplus waters subject to the rights of navigation belong to the province. There is a great scarcity of power in eastern Ontario, and it is very necessary that the Hydro-Electric Power Commission should be given authority at an early date to construct this dam at Morrisburg when the Ontario government grants the leases. I would not like to see the hydro application, which has been pending now for about six months, held up any further by the work of this St. Lawrence Canadian advisory board in Ottawa, and I should like the minister, if possible, to give me the assurance that this hydro power application will not be interfered with in any way. The power is a necessity not a luxury and the construction of this dam at Morrisburg will not interefere with the navigation end of the St. Lawrence ship channel.

Mr. GRAHAM: That application was made to the Department of Public Works. Under the act no construction can be placed in any navigable stream without the consent of the Public Works department of the Dominion. As that application may now be before the Department of Public Works, I must not discuss any question that may be in dispute as to where the authority lies for doing a certain thing. We must have co-operation if this great project is ever to be carried out. The Bowden-Wooten recommendation, that is, the recommendation of the former Joint Engineering Board, provided for a development, I think, at the Long Sault. There is a plan for a two-dam development, and it is possible the other plan calls for the construction of two dams. At all events, one plan provides for the construction of two dams, one at Morrisburg, and one further east. The other plan provides for the whole development to be made at the dam further east, at what we call the Long Sault. I cannot say what the effect would be if the application of the Ontario Hydro-Electric Power Commission was approved by the federal government; I do not know what effect it would have on the whole scheme, and I do not want to discuss that, because the engineers will have nothing to do with any application made to the Dominion government by the Ontario Hydro-Electric Power Commission. All they are concerned with is the plan for the development of the St. Lawrence waterway. It may harmonize with the construction of the dam at Morrisburg, or it may not; I do not know.

[Mr. Church.]

Mr. MACLEAN (York): Will the Morrisburg proposal be deferred by reason of the St. Lawrence waterway scheme? Perhaps the Minister of Public Works could tell us.

Mr. GRAHAM: I could not say. It is an engineering problem. The two schemes might harmonize, and they might not; I would not like to say.

Mr. MILLAR: I am not going to discuss this matter at the present time, but some months ago I pointed out to the government that some American papers were alleging that President Coolidge, in appointing these commissioners to whom reference has been made, chose men who were active propagandists in favour of this scheme. Later on, I notice in the press that Mr. Hoover in making his first, or almost his first address in Canada, stated in effect that almost assuredly the commission would report in favour of the scheme. I thought that did not look well. It savoured to me too much of the action of a judge who would declare a prisoner guilty and then proceed to take the evidence.

Item agreed to.

Progress reported.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 265 (from the Senate), for the relief of Charles Dawson Carlyle.—Mr. Boys.

BRITISH NORTH AMERICA ACT

EXTRA TERRITORIAL JURISDICTION

Mr. SPEAKER: I have the honour to inform the House that I have received a message from the Senate informing this House that the Senate have amended the resolution passed by the House of Commons:

That it is expedient that section 91 of the British North America Act, 1867, be amended by adding thereto the following subsection in lieu of that set forth in the address of the Senate and House of Commons to His Majesty the King on the 24th and 26th June, 1920.

(2) An enactment of the parliament of Canada, if expressed to operate extra-territorially shall have and be deemed to have had that operation, if and in so far as it is a law for or anacillary to the peace, order and good government of Canada.

By inserting after the word "enactment" in the second paragraph the words "intra vires" and requesting the concurrence of the House of Commons to the amendment.

BANKING AND COMMERCE COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister): According to the understanding we had this afternoon I move that we return to routine proceedings, so as to permit of the presentation of the report of the committee on Banking and Commerce.

Mr. SPEAKER: By leave of the House.

Motion agreed to.

Mr. THOMAS VIEN (Lotbinière): I beg to move, seconded by Mr. Deslauriers, that the eleventh report of the select standing committee on Banking and Commerce be concurred in.

Mr. SPEAKER: Carried.

Mr. W. F. MACLEAN (South York): Is it the intention to have a discussion on this report?

Motion agreed to.

SUPPLY

The House in committee of Supply, Mr. Gordon in the chair.

Privy Council—salaries, $49,830.

Mr. MEIGHEN: We have had quite a lot carried already since eight o'clock. I think we ought to consider this vote.

Mr. MACKENZIE KING: There are only statutory increases where there are any increases. The total vote asked for this year on account of salaries is between one and two thousand dollars less than last year and the vote asked for on account of contingencies is $2,000 less than last year.

Item agreed to.

House of Commons—	
Salaries	$231,475 00
Expenses of committees, clerical assistance, etc.	84,950 00
Contingencies	46,735 00
Publishing debates	60,000 00
Estimates of Sergeant-at-Arms	175,113 75
	$598,273 75

Mr. WOODSWORTH: This is a very large amount and we should have some details.

Mr. MACKENZIE KING: What particulars does my hon. friend wish to have?

Mr. WOODSWORTH: There is a large item for the estimates of the Sergeant-at-Arms, $175,113.75.

Mr. SPEAKER: There is a decrease in that item. As regards the permanent employees of the staff, last year there were sixteen, this year there are fifteen. The Protective Service has increased in view of the larger space occupied by this House than in the old buildings. Moreover last year the Library was added to the Sergeant-at-Arms supervision, so that we have to look after that part of the building. The number of employees is as follows:

	Last year	This year
Permanent	16	15
Protective service	17	23
Sessional messengers	19	17
Temporary messengers	20	18
Servants, all classes	41	40
Pages	17	14
Charwomen	88	86
	218	214

From this statement it will be noted that there is a net decrease in this department of four although there is an increase of six in the protective staff. This is accounted for by our taking over the patrolling of the parliamentary library from the Royal Canadian Mounted Police and the transfer from the messenger staff to the protective staff of doorkeepers of galleries in the House of Commons. There is a decrease in the number and a decrease in the amount as well.

Mr. WOODSWORTH: We have not very great details given us yet as to the whole of the expenditure.

Mr. SPEAKER: If the hon. member will look at page 20 of the estimates, he will find the details for the department of the Sergeant-at-Arms. The total amount this year is $175,113.75. Last year it was $177,442.50. This year we have 63 employees in the Sergeant-at-Arms department as gainst 75 last year, so that there is a decrease in the nmber of employees and in the amount.

Mr. WOODSWORTH: I have no criticism to make with regard to the character of the service which is given in these buildings, and which all, I think, appreciate. At the same time things are on a somewhat extravagant scale all around, and in view of the professed need for economy, we might very well begin at home. I recognize frankly that the scale which we have here is reflected more or less in all the departments of government, but it comes under our immediate view in connection with the parliamentary buildings during the session. Last year, just to show the extravagant scale, I mentioned one particular item and suggested retrenchment. I do not see that that has taken place. That item was with regard to the upkeep of the restaurant in connection with which I notice an item of $20,000, the same as last year. In the supplementary estimates there is another $7,000

and this large amount of $27,000 is merely for upkeep. Then, as I understand the matter, the restaurant is provided with free building, furnishings, lighting, heating, china and cutlery. In addition to these heavy expenditures the cost to the country for the 400 privileged persons—because there are about that number who are entitled to use the restaurant—is approximately $75 per head or something like $1 per meal for the meals served during the session. I realize that this may seem a rather small thing to bring to the attention of parliament and I hesitated somewhat to introduce it last year. But I feel that there is a principle at stake. There is no reason why we should not keep a restaurant, but we should maintain it on a self-sustaining basis. As the matter now stands it practically means that we are voting ourselves an additional $75 a year. I noticed the other day in this connection an editorial in the Montreal Gazette from which I should like to quote a paragraph:

> In the supplementary estimates for the current fiscal year, brought down on Monday last, appears this item, "additional sum required for the parliamentary restaurant, $7,000." What does that mean? In plain language, that members of parliament are being fed below cost at the expense of the rest of the people. Not satisfied with an indemnity of $4,000 for a session capable management would contract to not more than three months, not satisfied with free transportation on all railways and steamship lines the year round, these representatives provide a cheap but high-class boarding house for themselves at the cost of the taxpayers. Surely it is not too much to require that members pay for their meals what the service costs.

There is no objection whatever to provision being made for the maintenance of a high class club to which the members of both houses of parliament are eligible, but I do think that such a club should be run on a self-sustaining basis. I recognize the value of such facilities as are afforded by the restaurant and I have not a word to say against anything of the kind. But at the same time some of us at least come from districts where the people are struggling under an enormous burden of taxation and find it exceedingly difficult to make both ends meet. Under these circumstances I do not think we are justified in maintaining this establishment on so elaborate a scale and I desire once more to protest against this particular item. Other items of a similar character might easily be cited and objected to on similar grounds.

Mr. SPEAKER: As regards the administration of the department I can point with pride to the figures which appear in this volume of the estimates. Last year we were

[Mr. Woodsworth.]

on the right side of the ledger by about $25,000 and this year we have done even better; at page 16 hon. members will see that in the administration of the House of Commons, embracing every department—the restaurant, the Sergeant-at-Arms and everything else—we are to the good by the amount of $33,338.75. As regards the restaurant, it is controlled by a joint committee composed of members of the Senate and of the House of Commons who are selected from amongst the different groups, and of that committee I happen to be chairman. Now, we are bound to have a restaurant and if we do maintain one it must be creditable to both houses of parliament. Large delegations visit this city during the session of parliament; electors come here to see their representatives and naturally they have to be received somewhere. I therefore hold the view that the restaurant of the House of Commons should at least be comparable with the best restaurant in the city. On the other hand, prices must not be too high. Generally speaking I know when the restaurant is well kept or otherwise from the complaints that reach me or other members of the joint committee, and I am bound to say that this year, with the exception probably of two instances, I have not received one single complaint. The hon. gentleman is right when he says that we must provide for the maintenance of that restaurant, but I would ask him to bear in mind that such an institution is always costly and in this particular case its chef must be retained the whole year round. As it is patronized only during the session, the personnel must necessarily cost more than that of an ordinary restaurant where the outlay is spread over the entire year. When the session closes, the day after to-morrow, perhaps, or to-morrow night I hope, we shall have to dismiss the personnel of the restaurant, but I shall keep the chef. Why? Because if I did not keep him he would in all probability be secured by one of the large hotels in Toronto, Montreal, Winnipeg or perhaps Ottawa. We retain his services and in the holidays he prepares some preserves for his clients and very cheaply at that. We also keep him engaged in different useful work in order that his services might be retained for the next session; in that way we have an excellent chef. And he himself secures an efficient personnel when the session opens.

This year I may say that out of the receipts of the restaurant we shall be able to create a sinking fund. We will begin this session with something like $3,000 which, although it is only a beginning, the fund will

increase with time. Hon. members will no doubt remember how poorly circumstanced we were in the old building in the matter of restaurant service. We have a new building now and I am trying to keep together, under the best chef that can possibly be secured, as efficient and courteous a personnel as can be desired, so that members may bring their wives, their daughters, their friends and those whom they represent in parliament, and enjoy a visit to the restaurant, feeling a sense of satisfaction and pride in the institution. My hon. friend (Mr. Woodsworth) with whom I have already conferred on this subject, takes a keen interest in it. And I do not blame him. Certainly there must be no extravagance. But, on the other hand, we must maintain an up to date restaurant where the prices shall be fair, neither too low nor unreasonably high, and where a clean service and a respectable personnel will enhance the pleasure of all who patronize this restaurant.

Mr. NEILL: I think perhaps it would be appropriate under this heading to suggest for the consideration of the Sergeant-at-Arms or the Speaker during recess an improvement which might be carried out in this building, and that is some method of automatically indicating to members at any time the business in which the House is engaged. Just take the present circumstances. A member comes into the House—I am talking about what everyone has experienced, and it must be a painfully frequent experience to hon. gentlemen at the lower end of the chamber—and he sees someone speaking. He asks his neighbour what is going on; but that gentleman who is trying to pay attention to the proceedings does not like to be interrupted and so the newcomer must ask somebody else. After he has inquired of three persons someone says that it is Vote No. so and so. Next, of course, he wants to know what the page is and he experiences the same difficulty again. And when an item is called, unless the chairman happens to be a man of very stentorian voice, he cannot be heard. I have heard no less than six people ask "What is the number of the vote?" That means six people are talking whilst other members are not able to hear what is going on. The confusion could be obviated if we had some means such as they have in churches or even in the movies, where they announce on a board what is going on. It may sound lacking in dignity perhaps, but it is not lacking in usefulness and common sense. We have a great many guests come here from out of town, and they will sit in these galleries for at least half an hour before they discover what subject is under discussion. If we had a simple form of notice board, on which we recorded that bill No. so and so was being discussed or that estimates of a certain character were being dealt with, I believe it would be a Godsend not only to our guests but to the members themselves.

Item agreed to.

House of Commons—to provide for the full sessional indemnity of Members of the House of Commons—days lost through absence caused by illness, official public business, enquiries, or on account of death during the present session—Notwithstanding anything to the contrary in chapter 10 of the Revised Statutes, an act respecting the Senate and House of Commons or any amendments thereto—payment to be made as the Treasury Board may direct..	$22,520
Parliamentary Restaurant—further amount required..	7,000
To provide for the appointment of Edouard Taschereau, a clerk, at an initial salary of $960, notwithstanding anything to the contrary in the Civil Service Act, or amendments thereto..	960
	$30,480

Mr. SPEAKER: This is the usual vote to members who are ill or are called away from the House by public duties, in which case it is customary to pay the full sessional indemnity.

Mr. MEIGHEN: I notice that another party is being appointed a clerk not in accordance with the Civil Service Act.

Mr. SPEAKER: He is the Deputy Sergeant-at-Arms.

Mr. MEIGHEN: I am quite satisfied.

Mr. SPEAKER: Two years ago we had as Deputy Sergeant-at-Arms Mr. Panet, an old and trusted employee of the House of Commons. He became ill, and during the session his nephew, who has had military training, replaced him in order to help him out. When Mr. Panet died I thought that I should retain the services of his nephew because he was giving full satisfaction to the House.

Mr. CALDWELL: Hear, hear.

Mr. SPEAKER: I brought the matter before the Civil Service Commissioners. They regretted they were helpless and they said, "This appointment should be made by the House, and we give you our blessing with respect to it." The House knows what a faithful public servant is young Taschereau.

While he was acting for his uncle he paid over to him the paltry sum of $500 to which he was entitled as Deputy Sergeant-at-Arms. As I have said, he has had military training, he has the bearing of a gentleman, he has the requisite education, and I think, he will be a credit to the House of Commons in the years to come.

Mr. MEIGHEN: I did not know the nature of this appointment when I called it to the attention of the Speaker. I am very glad I did, because it gives me an opportunity to compliment the Speaker on the choice he made. This young lad is deserving in every respect. I happen to be acquainted personally with his record, and from the standpoint of his family and his record, and, as well, his relation to the late incumbent, it is perfectly proper that he should get the appointment.

Item agreed to.

Library of parliament—	
Salaries..	$44,060
Books for the General Library, including binding..	18,000
Books for the Library of American Histoy.	1,000
Contingencies..	12,000
To provide for the cost of printing reports.	1,000
	$76,060

Mr. WOODSWORTH: If at all possible there should be a modern system of cataloguing and indexing in the library. There are an immense number of very fine books there, and the service of the staff is very satisfactory, but the system itself is antiquated and makes it very difficult for members to obtain the advantages which the library ought to afford them.

Mr. SPEAKER: I will call the attention of the two librarians to the remarks of the hon. gentleman. Unfortunately within the last three or four years we have lost Mr. DeCelles, Mr. Sylvain and Mr. Griffin, who were certainly men of great distinction. New men have come in, and I am glad that Mr. Griffin was replaced by the Hon. Martin Burrell, and that Mr. DeCelles was replaced by Mr. Taché, but they have been keeping down the expenditure and the staff has not been increased. Of course, I am in the hands of the joint committee, but this year Mr. Bostock, the joint chairman of the committee, and I have decided to add one or two typists. We have excellent service from the library staff, from men like Mr. Todd and, Mr. MacCormac and others. Mr. Todd is the

[Mr. Speaker.]

son of the late Alpheus Todd, the great authority on constitutional government. Whenever you apply to those old employees you get your books and authorities immediately.

Speaking of Mr. Todd, I have been requested by the Joint Committee of the Library of the Senate and House of Commons to ask the Minister of Public Works (Mr. King) to place a small sum in the estimates for the purpose of erecting a tablet in the library to the memory of the late Alpheus Todd. There is no name better known and more appreciated in the whole British Empire than his. He is quoted as an authority in the British House of Commons and House of Lords, in the Australian parliament, in the New Zealand parliament,—in fact in all the dominions, as the standard authority. He was a great Canadian. When I was a young lad I saw him here in the library, a modest but very deserving civil servant of the old school. I think he should have a tablet erected to his memory, just as the late Sir John Bourinot should be similarly commemorated in this building. Their two names are a credit to Canada, and I hope next session the hon. Minister of Public Works will give us that satisfaction.

Mr. MEIGHEN: Mr. Chairman, I appreciate the compliment paid the late Mr. Griffin. In point of learning, in point of command of the resources of a library I do not think I have ever seen his equal. Though to all appearances, so far as individual hunting for books was concerned, there was in his time some difficulty in locating oneself in the library, nevertheless upon application to Mr. Griffin no matter what the subject was, he could procure in four minutes more material than one could read in four months. I want to say, though, that since the incumbency of the present librarians Mr. Burrell and Mr. Taché, I notice a much better arrangement in the library. It is more systematically kept, the books are more easily available to one who does not know just every nook and corner of the place. Of course Mr. Todd and Mr. MacCormac are still there, which helps mightily. I am very sorry to have witnessed the departure of Mr. Sylvain. Generally speaking, the library staff is most efficient. What I rose to say mostly was that without question the order of the library is better, the disposition of the books seems to be clearer and more systematic. Generally it is very effieciently kept, I think, for the purposes of the members.

Mr. ROBINSON: I wish to say one word in reference to the library, and more particularly in reply to the hon. member who spoke of a proper indexing system. Under the present conditions it would be almost impossible to introduce a better system than that which now obtains. The room is not large enough for library purposes, and taking everything into consideration I think the library is carried on in an efficient manner. In order to have a thoroughly modern index system they would require almost twice as much space as they have for their books, and that seems to be out of the question at this stage of the game. I wish to add my words of praise of the system that we now have. We should realize that these people are working under difficulties and are doing remarkably well.

Item agreed to.

Legislation—general—	
Printing, printing paper and binding.. ..	$125,000
Printing, binding and distributing the annual statutes..	16,000
	$141,000

Some hon. MEMBERS: Carried.

Mr. SPEAKER: Carried, but with my protest, because I think it is rather unfair that the House of Commons should be called upon to pay for printing for the various departments. Ordinarily when a department furnishes blue books to the House of Commons, we are charged for them. I agree that the House of Commons should be responsible for what the members require in the way of public documents and should pay for them, but it seems to me that the various departments should pay for the blue books printed for them at their request. However, the arrangement has lasted some years, we are paying 25 per cent. No such arbitrary payment should be forced upon the House of Commons. I am simply expressing my own candid opinion that the departments should pay for themselves and the House of Commons should pay for itself.

Item agreed to.

Loans to railways—to increase amount authorized by Vote No. 137, Main estimates, 1924-25: additional amount required, $527,000.

Mr. MEIGHEN: Will the minister explain this item?

Mr. GRAHAM: A large amount of this is to carry out the removal of level crossings in Toronto in connection with the Canadian Pacific under an order of the railway board. Certain work is required this year in that connection. The whole work will cost a million and three-quarters, I think. The Canadian National's share will be about $750,000, $400,000 being for this year. $100,000 is for carying on the standardization of the gauge of the Prince Edward Island railway, and $27,000 for repairs to wharf and shed for the seed potato trade of Charlottetown.

Item agreed to.

Loans to Canadian National Railway Company—Amount not exceeding $56,000,000 to meet expenditures made or indebtedness incurred (where amounts available from net operating income or investments may be insufficient) by or on behalf of the Canadian National Railway Company, hereinafter called "the company," or any company specified in the first schedule to the act incorporating the Canadian National Railway Company, being chapter 13 of the statutes of Canada, 1919, or by the company in respect of any railways, properties or works entrusted to the company from time to time under the provisions of section 11 of the said chapter 13 of the statutes of Canada, 1919, or by or on behalf of any company specified or referred to in chapter 13 of the statutes of Canada, 1920; or any one or more of them, on any of the following accounts: (a) Interest on securities, notes and other obligations; also, rentals for lease of lines. (b) Equipment principal payments, sinking fund, miscellaneous maturing or matured notes and other obligations secured or unsecured. (c) Operating income deficit whenever incurred or ascertained. (d) Construction and betterments including co-ordination, acquisition of property and purchase of equipment. The amount herein authorized may be applied from time to time, in the discretion of the Governor in Council: (a) To meet expenditures made or indebtedness incurred by the company in respect of railways, properties and works entrusted to the company as aforesaid. (b) By way of loans in cash, or by way of guarantee, or partly one way and partly the other, subject, however, as follows: If by way of loans, the amount or amounts advanced shall be repayable on demand, with interest at the rate fixed by the Governor in Council, from time to time, payable half yearly, secured if and when directed by the Governor in Council by mortgage or mortgages upon such properties, in such form and containing such terms and conditions, not inconsistent herewith, as the Governor in Council may approve. If by way of guarantee, any such guarantee may be of the principal and interest of the notes and obligations or securities of one or more of the said companies specified by the Governor in Council, and may be signed by the Minister of Finance, on behalf of His Majesty, in such form and on such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto, $56,000,000.

Mr. MEIGHEN: A statement should be read giving in detail the purposes to which this sum is to be devoted.

Mr. GRAHAM: The details are as follows:

Statement of Fixed Charges and Resources Applicable thereto, together with Summary of Proposed Capital Expenditures Required for Year Ending March 31, 1925.

Item	Amount
Rental for lease of subsidiary lines.. ..	$ 1,979,228 64
Interest on funded and other debt.. ..	34,546,455 00
Grand Trunk Pacific guaranteed interest.	1,662,120 00
Sinking Fund payments..	151,133 33
Equipment principal payments..	6,856,400 00
Dividend on G.T.R. 4% guaranteed stock.	2,433,333 33
Total financial requirements.. ..	$47,628,670 30
Less: Resources..	28,174,302 64
Net financial requirements..	$19,454,367 66
New equipment—series "H" $12,500,000.	4,609,375 00
General additions and betterments..	25,958,257 34
Paris property..	3,000,000 00
Ontario electric lines..	1,500,000 00
Montreal Terminal Railway..	1,278,000 00
Quebec Terminal..	200,000 00
Total..	$56,000,000 00

The amount to be voted for new equipment is $4,609,375. That is more than 25 per cent of the $12,500,000 of the new equipment series "H," but it includes the interest for the first half year until the end of this fiscal year. It also includes an amount for sales tax, which is quite considerable. These items taken together, and the 25 per cent, make the $4,609,375. The bond issue will be $12,500,000, less 25 per cent.

Mr. MEIGHEN: I think I caught a reference to the "Paris property." That is Le Palais Canadien?

Mr. GRAHAM: The Canadian building in Paris, I suppose that means the same thing.

Mr. MEIGHEN: Getting away from that subject as quickly as possible, so as not to worry the minister, will he give us the details of the $25,000,000 of capital investments and betterments; some of it will be betterments, and I would like as many details of the betterments as possible, because they can be classified. The capital investments should be given in detail.

Mr. GRAHAM: If there is any discussion, perhaps we might go on with it until Major Bell comes in.

Mr. MEIGHEN: I find so much I can discuss that I am not sure that anything is of sufficiently unimportant a nature as only to take up until Major Bell arrives. I would not venture to say anything about Le Palais Canadien, because to enlarge on this topic I am afraid would mean an extension of the time of the session. I notice, though, that

the price is continually rising, that now it has passed the $2,700,000 mark and has reached $3,000,000. By the time all the appurtenances and adornments are in place, I fancy it will get much beyond that figure. I observed in a perusal of the evidence of Sir Henry Thornton that somebody had told somebody in Paris that he thought it could be sold. Whether I could seize on this as a ray of hope or not, I do not know. I do not want to get too optimistic and grasp at mere straws or chase rainbows; but if it can, and we can escape or nearly escape, and if my word will be of any advantage to the government, I beg of them to take the first good offer. Do not let anything pass. We have as much need of Le Palais Canadien in Paris as we have of a lake of mountains in Shanghai. Let us utilize the very best and most honest agent we have, and if Major Bell can make his services of value by going over to Paris and getting rid of this property as effectively as he got title to it last year, then he will earn the undying gratitude of the people of Canada.

I congratulate the government on the new name. Le Palais Canadien has a sonorous sound. It falls on one's ravished ears with a soft and dulcet effect. I am sure the very name will bring many clients to the system, and will attract tenants to the building. Sincerely do I trust that somebody will be induced to occupy it pending the triumphant day when we are able to rid ourselves of the Scribe hotel and all its memories.

Mr. BELAND: I must congratulate my right hon. friend on the fact that he is able to appreciate all the hidden beauties of the French language.

Mr. DAVIES: Under this item in the estimates, I would like to draw the attention of the House to a very serious situation which has arisen in western Canada owing to the slaughtering of the long deferred hopes of many thousands of our worthy pioneers, many of whom have given the best part of their lives to building up our western country. We are given to understand that through the action of some irresponsible body, and just when the true representatives of the people had decided to give these people on the western prairie the relief in the matter of branch line construction—

The CHAIRMAN: Order. I am very much in doubt whether this vote has anything to do with the question of branch lines. I have gone over it carefully and I cannot

find any item for branch lines in it, but if the hon. gentleman can indicate where it is referred to, I shall be pleased to re-consider. In the meantime, I think he is out of order.

Mr. DAVIES: Subsection 9 takes in construction and betterments.

The CHAIRMAN: It does not take in the construction of branch lines at all.

Mr. MEIGHEN: If the hon. member can find some way of saving $3,000,000 for the Scribe hotel, I am sure the Senate would gladly vote it for his branch line.

Mr. BELAND: For Le Palais Canadien.

Mr. MEIGHEN: I beg pardon.

Mr. EULER: Possibly, as the chairman of the select standing committee on National Railways and Merchant Marine, I should make a few brief observations. It is not my intention to delay the business of the House, which I know the members are anxious to conclude as soon as possible.

9 p.m.

As hon. members know, the committee was appointed very late in the session. Consequently, the time was too short to make a very exhaustive examination, either of the report of the business of last year, or of the estimates for the ensuing year. I think I am right when I say that the chief purpose in the appointment of the committee was to establish what I might call some sort of connecting link between the management of the National Railways and the parliament of Canada. This committee, I take it, was not appointed in order to criticise, but rather to be more in the nature of a help and assistance to the management of the railway. The project is of such magnitude and of such importance to the people of Canada that I think we cannot afford to lend ourselves, no matter to what party we may belong, to anything that would look like a depreciation of the efforts of the management in making that enterprise a success. For my own part, I should regret very much if we did allow the matter of politics to enter into the conduct of the National Railways.

I have a good deal of confidence in Sir Henry Thornton in connection with the National Railways, and I would say this: If we are going to make the railways a success we should, as a parliament, do everything in our power, regardless of politics, to hold up his hand so long as he has our confidence—hold him responsible for the success of the railways, assist him in every way possible, and if then he does not make good, then is the time to consider serious criticism and action.

Mr. MACLEAN (York): If that is the hon. member's opinion, does he not think somebody is interfering with Sir Henry Thornton in not approving an expenditure that we in this House have voted for the National Railways?

Mr. EULER: That is with regard to the branch lines. I am afraid I would be called to order by the Chairman if I entered upon a discussion of the branch lines. But I agree very largely with the hon. member who took his seat a short time ago (Mr. Davies). The committee made a somewhat cursory examination of expenditure. It was more or less incomplete. This is not said by way of apology, but merely by way of fact, and in justice to the committee, which had only a short time at its disposal.

The statement itself showed that the railway made very considerable advancement in the last year, and I think this House ought to congratulate itself upon the success attained. For myself I should have liked, and I rather expected, that the net results would have been a little better than they finally turned out to be; but they are good. The railway is improving from day to day, and from month to month. I have always contended that the chief purpose of public ownership is not the making of money, but the giving of the best possible service at the lowest cost, and I think that members of this House will admit that the service on the National Railways to-day is immensely improved under the new management. In that way we have already secured a large measure of the purposes for which the National Railways were taken over. We have printed the evidence taken before this committee. Hon. members have before them the printed report and the estimate, and I think it would be entirely out of place for me to go into any great detail in regard to that. The committee has felt its way. It learned a good deal in the short time at its disposal, and if that committee is continued in another year, as I think it might very well be, I am sure it can be of a great deal more assistance than it has been this session.

I am in agreement with what was said by the right hon. leader of the opposition (Mr. Meighen) that we should not move for the adoption of the report that has been submitted, because that would, without any great notice, commit the House to the carrying out of the recommendations made by the com-

mittee. I think the committee was practically unanimous in all the recommendations that were made. We do not think that report should be adopted without serious consideration, and for that reason I have not moved its adoption.

I desire to make a reference to a number of things. One of them is the allocation or distribution of the mail service to the great railway systems, the Canadian Pacific and the Canadian National. It was felt, I think, by all members of the committee that the Canadian National Railways were not receiving as great a proportion of the mail contracts, if we can call them contracts, as they were entitled to. I believe it to be a fact that the National Railways should receive a greater proportion of the mail carrying than they are receiving at present. I would not like to say exactly on what basis that division should be made. The statement has been made that the mail contracts should be divided exactly in proportion to the mileage. I am not convinced that that is right. I thought at first that was the correct method, but I am not so sure of it now. It was also suggested that it should be divided on the basis of the business done. If we are to consider the mileage, the National Railways has a mileage of 20,510, whereas the Canadian Pacific Railway has a mileage of 14,895. Yet while the Canadian Nationals have that larger mileage, they receive $3,162,977.51 in money from the government for the carrying of the mail, and the Canadian Pacific Railway receive $3,658,937.40, or nearly $500,000 more than the National Railways receive. On the basis of traffic, the National Railways have a traffic percentage of 57.9 while the Canadian Pacific has a traffic percentage of 42.1. If the postal business were divided on the basis of the traffic, the Canadian National should receive $786,911.23 more than they are receiving now. I do not say that that is the correct method for the distribution of those contracts. There are a great many things entering into it which probably would not occur to the members of the committee or the members of the House, but I do think it is the duty of the government to look very carefully into the question, so that at least an equitable division of the mail contracts will be made between the two systems; and the first thing that should be present in the minds of those who make the redistribution or re-allocation of the contracts should be service to the public.

We heard a good many complaints that along the line of the Canadian National the mail service is not what it ought to be. I am giving my personal opinion when I say that, in view of the fact that the National Railways are the property of the people of Canada, and that the postal service is conducted by the government of Canada, it seems to me to be almost absurd that the National Railways should not receive practically all the business that is at the disposal of the government. When I say that I make absolutely no reflection upon the other great railway systems of this country. I am not one of those who would like to see the National Railways make progress to the destruction of any other railway. But what is our own, it seems to me, can very well be supported by ourselves, especially in view of the fact that if we do not act on that principle we diminish our revenues and increase our taxes. In that we are not doing our duty to the people of Canada.

Mr. GOOD: I am told that the mail from Jasper to Vancouver is taken back to Edmonton, thence south to Calgary and thence out to the coast, in order to travel via the Canadian Pacific Railway. Can the hon. member inform the House if this is true?

Mr. EULER: I think that is correct. There are a good many instances given all of which I cannot recall where, in order to carry the mail by a certain road, very much larger distances have to be covered than it would be necessary to cover if the mails were carried by another railway. That whole situation ought to be reviewed. All the mails from Montreal to Vancouver and Toronto to Vancouver are carried by the Canadian Pacific Railway. It seems to me that the Canadian National should receive at least a portion of that business. But the primary factor and the first consideration should be service to the public; and then, so far as I am personally concerned, bearing that in mind as the primary factor, the government of Canada ought to give to its railways as much of its business as possible. I would like it to be clearly understood when I make that statement that I am not speaking for the committee but merely for myself. The committee does recommend that there should be a very careful survey made of the whole situation, so that an equitable distribution, whatever that may mean, should be made of the mail contracts between the two roads.

Mr. SALES: Could the hon. member explain to the House how it is that the western mail was carried for years on the Canadian National west of Winnipeg to Saskatoon, on the Canadian Northern, the old line that runs round by Dauphin, and on to Battleford, and also on the other line which

runs through Brandon, Regina and up to Saskatoon? I understand there is no mail van on the Transcontinental Limited of the National Railway. If the hon. member could give us some explanation of that I would be very much obliged.

Mr. EULER: I regret that I cannot give all the details in connection with that. There is such a multiplicity of details that no one man can remember them all. I admit that I am not in a position to give that information, but if the hon. member will consult the evidence in the printed record he will find some information included in the report that possibly will enlighten him upon that matter.

I desire to speak briefly of capital charges. Many hon. members of this House—and I am one of them—have felt for a long time that the National Railways are burdened with an unfair amount when they are asked to make an interest return on the capital indebtedness now charged to the road. That capital indebtedness includes a greater sum than is a fair charge upon the earning power. It includes loans made by the Dominion government, possibly some losses, and capital charges for constructing two or three railway systems, many miles of which would not have been necessary for the construction of one complete system such as we are now trying to make of the Canadian National system. I believe that the National Railways should be asked to earn returns only upon that sum which is owing to the outside public and not to the Dominion of Canada. I am not saying that at all as an arbitrary statement. Many suggestions have been made as to how the capital charges should be fixed upon the National railways. Some have said that they should be—and I thought so myself at one time—on the basis of the cost of replacement by a system that could do the work that can be done by these amalgamated lines. That, of course, should not be a sum equal to the total cost of all these systems that are welded into the National railways, because there is much duplication. Probably it would be better to base capitalization on some sort of fair earning power, and it is not fair that the nationally owned system should be burdened with anything greater than a privately owned system would be burdened with under similar circumstances.

Mr. MACLEAN (York): Would the hon. member as chairman of the committee make a suggestion as to the process by which that would be ascertained? It must be done by somebody, probably by a parliamentary committee, or the Minister of Railways and Canals (Mr. Graham), or the government. There ought to be a practical suggestion in regard to ascertaining that amount.

Mr. EULER: That is a pretty difficult matter. We did not feel that we had sufficient information to make a definite suggestion to the government as to what method should be used to arrive at a proper capitalization. But we felt that we could go so far as to suggest to the government that they take into consideration the reduction of the capital to some reasonable sum. That would have been done if the roads now constituting the National system had been taken over, amalgamated and reorganised by a private company. It would have wiped out a good deal of the capital cost, and capitalized it at some sum on which the roads might fairly be expected to make a return. I may add that if this suggestion which I have thrown out and which is only my own, were adopted, that the road should be asked to earn only on that sum which is covered by obligations to the public, this would mean a sum of something over $800,000,000, which, it seems to me, would be reasonable.

We made a recommendation with regard to duplication of service. It must be known to every member that we have many more trains on the two railway systems than are necessary to give efficient service. I might cite some instances. On the transcontinental travel, we have some nine trains a day; between Ottawa and Montreal we have something like 24 trains a day and I think hon. members know that very seldom are the trains fully patronized or the coaches filled with travellers. The managements of the two systems, if they are willing to co-operate, as they ought to be, might very well get together and in their mutual interest try to arrange services which would be less of a drain on their revenues and which would give to the people just as good service as we are getting now. It has always been an interesting speculation to myself what saving might be effected if duplication could be entirely eliminated; if, for example, we had one railway system in Canada. I am informed on very good authority that the raialway systems of this country could save a sum of no less than $50,000,000 a year if we could cut out this duplication by having one system. That would immediately relieve us of a large portion of our deficits and it would put the railways on a basis where they would no longer be a drain on the taxpayers of this country.

Mr. HUGHES: Does the duplication mentioned by the hon. member refer to passenger trains only or to passenger and freight trains?

Mr. EULER: I was thinking at that point particularly of passenger trains, but this can very well be carried into the other field as well.

Mr. MACLEAN (York): That is practically a consolidation of both systems.

Mr. EULER: I am speaking there again entirely for myself, merely as an interesting speculation which some day might very well be carried into the realm of practical things.

Possibly the appointment of the committee was the result of criticism in this House in connection with the purchase of the Scribe hotel at Paris. Personally, I believe the appointment of the committee was justified, if only by the results obtained in connection with the investigation of the Paris purchase. I will admit at the outset that I believe the country was somewhat disquieted at some of the criticisms that were levelled at the management of the National railways in connection with that purchase. I had some misgivings with regard to it; but by investigations made and evidence given before that committee, I will say for myself and, I believe, for the majority of the members of that committee, that many misconceptions and misunderstandings were removed as is nearly always the case where men come into personal contact with one another. A great deal of credit attaches to the hon. member for West York (Sir Henry Drayton) for his examination of officials of the road, an examination which established after all that there was nothing reprehensible in what took place in connection wth the purchase of that property. The thing that impressed me perhaps more than anything else was the entire frankness of the officials of the railway in answering questions that were put to them. I am not going to review the transaction at any length. It was pretty clearly established that the National railways needed office quarters in the city of Paris. By that I do not mean that they were under any necessity of purchasing a property in that city. They did not at the outset intend to buy a piece of property in Paris, and it is possible that a number of mistakes were made. Possibly it was a mistake to deal with a middleman by name of Arnold Aronovici. I am inclined to think that was the case. That may have been an error of judgment. Possibly another error was made that there was not more free consultation between the president and the members of the board. But those are of very slight importance; they were not deliberate, and they do not in reality alter the final, essential facts of the case. The chief objections that were made, mostly in this House, were that these business quarters for the railways were unnecessary in Paris; that the management in buying the property exceeded its power, and finally that too much was paid for the property. The reason given by Sir Henry Thornton why the railway should have quarters in Paris was that Paris was the centre of population and business activities on the continent; that a great business by way of express and the securing of traffic could be built up in Paris, and that those offices could be used to advantage in the securing of return cargoes for our merchant marine. It is true—and this, I think, has never been commented upon—that if the railway had these offices in Paris, it would be possible to secure return cargoes for boats belonging to the Canadian merchant marine. Those hon. members who have carefully examined the statements of the Canadian merchant marine will find that the reason to a great degree for the losses sustained by those boats was the fact that return cargoes were difficult and almost impossible to obtain. It was thought that by having offices located in Paris, that difficulty might be removed. Finally—and this is merely an outside fact—it was thought it would be well to house the various Paris offices of the government in one building.

So much with regard to the necessity for having business offices in Paris. But the question as to whether the National Railways should have offices in Paris does not, I think, come within the purview of this parliament at all; if we are to give any responsibility to Sir Henry Thornton and his board, surely the matter of securing business offices in Paris should be left entirely to their judgment and discretion. With regard to the statement that the president exceeded his powers in buying the property, we had evidence given by Mr. Ruel, the solicitor of the company and vice president of the National Railways that the management was entirely within its legal power in the purchase. I am not a lawyer and therefore cannot be dogmatic on that point. But I have a good deal of respect for the opinion of Mr. Gerard Ruel as a lawyer and I believe that what he says is quite justified. Then we come finally to the value of the building. It was stated that no very definite opinions were secured as to the value of the property. It has cost $2,600,000 but not yet $3,000,000, unless heavy expenditures were made recently. It may, however, run up to an additional $600,000 or $700,000 if certain changes are made which may be required upon the securing of certain tenants. If the building should be sold then

the cost will not run to $3,000,000. At any rate the cost will be between $2,600,000 and possibly $3,200,000 if all the alterations are made.

We have certain evidence to show that a fair price was paid for the property. We had the evidence of Sir Henry Thornton himself who has a fair knowledge of conditions in Paris; we had the evidence of Mr. Graham Bell, the Deputy Minister of Railways, who made certain inquiries; we had the opinion expressed by Mr. Archibald, a lawyer of merit and standing in Paris and a Canadian that the the property was worth what was paid for it; and we have the evidence of a gentleman who owns property immediately adjoining what is known as Hotel Scribe, a Mr. Pratt, who was in Ottawa and who testified that it was generally believed in Paris that $3,000,000 had been paid for the property and that it was well worth that sum. Mr. Archibald further stated that he believed it could be rented so as to produce a net revenue of 6 per cent on the investment. We had fairly credible evidence that values in that part of Paris are constantly increasing. The leader of the opposition has made a statement with regard to a tentative offer made for the property and he expressed the hope that if a real offer were received the property should be sold. There was some sort of approach made to the management of the railways to ascertain whether 40,000,000 francs would be accepted. I do not think there is anything absolutely definite in regard to that; I do not think there was an out and out offer. But that goes to show, I think, that what I have said about the value of the property and that not too much was paid for it is correct.

Mr. MEIGHEN: Will the hon. gentleman undertake to press upon the management the tracing-down of that suggestion so as to get at its bona fides, and if it is bona fide will he try to induce them to jump at the offer with lightning rapidity?

Mr. EULER: I would say that it has been suggested to the president of the railways that he should look further into the offer, but I am not going to suggest to him that he should jump at it with lightning rapidity. To proceed with what I was saying. We have the opinion of a reputable journal, which is not more friendly to the government than it should be, namely, The Ottawa Journal, which in a full column article approved of the purchase of this Paris property. Now, so far as my own personal opinion goes I think that if the National Railways can retain suitable quarters in that building and if they can then sell the property without any loss or sell it to advantage, then it might be wise to dispose of it. I am giving that as my opinion, and it is also the opinion of the committee. My reason for making that statement is this: The Canadian National Railways are in the railway business and not in the real estate business; and even though it were true that this property in years to come might increase 50 per cent in value or more, for my part I do not think that we ought to retain it of necessity, because we are not in that line of business but in the railway business to which we should confine ourselves. But whether or not the property be sold, I think that the people of Canada and the members of this House can be reasonably assured that the country has not paid more for it than it is worth.

We may congratulate ourselves upon the fact that the situation in regard to the National Railways is improving. Personally I have always been absolutely heart and soul behind them because I believe in public ownership; and I desire again, without offering any criticism whatever, to suggest to hon. members that they all stand solidly behind the National Railways. The president, Sir Henry Thornton, who I believe is sincere, has expressed a desire to work in harmony with parliament in making the railways a success, and he welcomed the establishment of this committee. And the committee I think has done good work so far as lay in its power. I believe that a very good purpose could be served if the connecting link between parliament and the management could be continued in some form.

If there is any group of people, organized or otherwise, that is working for a monopoly of railways in private hands, I would say, "Hands off the National Railways!" The National Railways are here to stay and if there is ever to be a monopoly of railways in this country it must be held by the people of Canada themselves. From now on, if it is at all possible, I should like to see instead of a too strenuous competition, in things other than service, a co-operation between the two great railway systems of Canada. Hon. membres should always bear in mind that these roads belong to us and whatever view we may have held at the outset as to the virtue of public ownership, it is now our duty to stand behind the National Railways and do all we can to make them successful.

I have spoken in general terms and possibly I may have transgressed unwittingly the strict letter of the rules, but I have not deemed it desirable to burden the committee with any figures or details in connection with the esti-

mate itself. The committee feels that with the information it had and with the confidence which it believes must be placed in the management of the roads, we should recommend to the House that the estimate of $56,000,000 be granted.

Sir HENRY DRAYTON: With the general idea of the hon. member for North Waterloo (Mr. Euler) I am in entire accord; indeed, I think that is the only possible way of working out the salvation of the railway proper. In that connection there is nothing very much more important than the matter he referred to in his closing remarks, that is, co-operation within the system, the getting away from the expenditure of unnecessary money with respect to railway services, the getting away from expensive and ornamental investment, the getting away from de luxe services which are only put in for the purposes of competition. These do not really add to revenues at all, they add tremendously to our overheads—as I am going to point out in a little while—and they add to our annual deficits.

Now, Sir Henry Thornton has proved himself in some respects—and I hope he is going to in others as well—a very admirable man to look after the system. I think he has done a good deal towards popularizing the system. He is a man of very engaging personality, he thoroughly understands publicity, and it is a first-rate thing to have a man who does in charge of a railway system. And he is getting business; his gross shows up very well. Take, for example, the increase in the freight movement. Of course, here I know it can be said that the country provides the freight, that it is the accident of what is happening to some extent in the States, as well as the accident of good or bad crops, and he had a good crop; but it does not make any difference, he has got a first-rate share of business. Illustrating that, the revenue freight tons for 1922—and this is where all the money is, not in the passenger end of the business, not in connection with the expensive steel cars and the like that we are asked to authorize in this present vote—the revenue freight tons in 1922 were 50,540,732, while in 1923 the system carried 59,990,454 tons of revenue freight. That is an increase for the year of 9,449,722 revenue tons, or 18.7 per cent. On the gross side it looks very well.

We are not really in as good shape on the net side as we might have hoped from our gross figures. Of course it is true, as Sir Henry Thornton himself has pointed out, that so far he has not been able to bring about economies from amalgamation. He stated in his evidence that when you bring three companies together, for example,—I forget whether he said two or three, I am giving the general effect of his remarks—you of course would have two or three vice-presidents, as the case might be, but these gentlemen had claims on the system, they had not been got rid of, they had been otherwise provided for, and as a matter of fact instead of amalgamation bringing about, as every one thought it would bring about, a decrease in the general expenses, we have an increase. And we have also an increase in our traffic expenses. Of course there is an increase in operation, but that is quite right, for we have handled more traffic and that increase is to be expected. But I hope Sir Henry Thornton will develop another side to his nature and see if he cannot give us some economies in operation as well as getting for us an increased gross.

Now, the figures which the country got in the first instance were reflected from that increased gross very largely. We had a statement—which I think it was a mistake to give out to the public in the first instance—a statement which raised hopes and expectation of very much better results than the real facts show. In other words, we had a figure of some $16,000,000 dealt with as the betterment in the railway situation, a figure which did not include certain additions which afterward had to be made. I want to be absolutely fair in that connection. It is true that in the details of the accounts the appropriate charges are brought down, but they are brought down in a place that the public at any rate did not get hold of them, nor did the newspapers. It is, I think, a matter of cardinal importance. It is really necessary that false hopes of an immediate turn from deficits to profits ought not to be raised; it hurts in the long run.

The accounts show that the net income deficit of the year 1922 was $57,960,097.87, while the net income deficit of the year 1923 was $51,697,674.94. That shows a net betterment in the situation of $6,262,422.93. Those figures, however, do not include the net results of the Central Vermont. We have to look after its deficits also. There was a falling off in the operations of that company. and the net income deficit of the Central Vermont as a matter of fact increased $344,861.58, leaving a net resultant betterment for the year of $5,917,561.35. So we have that to the good on the accounts.

On the other side of the picture we have reflected a matter that the chairman of the

committee has already referred to—the constantly increasing capital charges. He has already referred to the capitalization being such that it is unfair to those attempting to handle the system to be burdened with it, and we are going on burdening ourselves. Because while we look at the increase in the net, so far as operating is concerned, we also have to look to the capital account, and during the year the increases in capital charges amount to $77,000,000 odd. Of those increases $18,000,000 odd are to the public and $58,000,000 odd are to the government. Those increased capital charges involve an increased annual carrying charge on the system of $5,798,847.84. So that as a result of the whole year's operations it is necessary for us to do just that much better this year in order to be in as good shape at the end of the year as we are at its commencement. It is not fair to the system to treat it as being further capitalized by an addition to capital during the year of $58,800,000 representing moneys that the government have had to give out in order that it should carry on. Of course there is no shutting our eyes to the fact that no matter of bookkeeping is going to change the situation as regards the $18,259,000 of securities to the public. This question of capital charges is a matter of more than passing moment. Let us look at the capital commitments, the capital work done by the railways for the year. We have a general vote which provides funds and we also have a source from which funds can be taken in connection with the guarantee the government gives. During the present year the government made a guarantee of $50,000,000. Where has that money gone to? There were only two pieces of original construction during the year. There was the Long Lac cut-off, which I put at $2,500,000, and there was another I did not know about when the matter was up before. But my estimate was too high. As matter of fact the money spent on the Long Lac cut-off during 1923 amounted to $2,160.241. The other bit of construction is the branch to the Minto mines in Nova Scotia, amounting to $111,629.33, making a total of new construction for the year of $2,278,871. Now this question of capital suddenly becomes important. We heard in the House that the whole of that loan had been applied to capital purposes. So far as new construction is concerned anything that will add to the value of the system, more mileage on which returns can be earned—

Mr. GRAHAM: Would not a certain amount of betterments be charged to capital?

Sir HENRY DRAYTON: I will come to that in a minute. I will deal not very fully, but I hope fairly, with the question of betterments. But so far as actual new lines are concerned which will give access to new territory and which ought to mean increased earnings, the whole amount during the year is but $2,271,000, as I have already stated. As the minister says, there is no doubt that some betterments can properly be charged to capital account, but the question of the charging of betterments must depend upon whether the company was capitalized or not. Some of the best railway economists in the United States are of the view that no mere betterment which does not add directly to the earning power of the system ought to be charged to capital; anything of that kind should be charged to maintenance. Some of the best authorities connected with the Interstate Commerce Commission are of the view that railway rates should be so fixed that over and above the amount necessary to maintain the property and to pay a rate equivalent to the current bank rate, there will be a further percentage earned which would be put into the necessary work that every railway has to do, so that it would not get too heavy in the future. It is idle to consider betterments which are not adding to the earning power of the system, and on the other hand not to consider what the committee recommends and what the Chairman has read, namely the writing down of capital. In 1920 I started to write down capital. I started taking away from these assets which cannot be looked upon as active assets and therefore reducible from the public debt. The enormous sum of $558,000,000 has been written off, so far as the books of the country are concerned. They are in suspense account; they are a dead asset.

Mr. GRAHAM: But the inactive assets referable to the $500,000,000 were cash advances, were they not?

Sir HENRY DRAYTON: I think they were all cash advances. I think we paid out down to 1922 in cash on account of railways something like $598,000,000, and we have written everything down by $558,000,000. It is idle on the one hand for the purpose of governmental bookkeeping to write up capital by not considering these advances as things that have to go but have to be added to capital, and then contend that the road is already too highly capitalized. The one thing absolutely answers the other. So far as betterments are concerned my hon. friend is right. Apart from that question of better-

ments, railway managements have a right to charge certain expenses to capital, and it is in connection with that very matter that so far as the accounts are concerned a good deal of the improved showing this year results. For example, maintenance of way and structures, maintenance of equipment—these are items where you may charge to betterment on the one hand or maintenance on the other, depending very largely on whether the man in charge wants to make a good annual showing or really wants to look after his property and keep down capital charges.

In the year 1922 the amount charged to maintenance of way and structures was $45,000,000 odd, and in 1923 $44,000,000 odd. There was a deduction of $841,760.39 in that item. In 1922 the cost, in so far as maintenance of equipment is concerned, was $56,160,700.14, and in 1923 $52,176,320.13, making a saving in that item of $3,984,380.01, and making a total deduction in charges for the year of $4,826,140.40. So that out of a total net betterment of $5,900,000, we find that in these two items for the maintaining of the property, the whole amount was practically taken up, with the exception of $1,100,000. But there is a reason for it, and the thing should not be left in that way. It might be said that the property was being allowed to go down on these figures. That is not true, but the net result is just the same in so far as the comparison of these two years is concerned. What happened was this: In the year 1922 the management set up reserves against the maintenance of equipment which amounted to $4,470,000, while in the year 1923 the whole amount of reserve set up was $801,000. Of course, there again we have a very largely better showing for this year, which is not reflected in and has nothing to do with the results of this year's business, but was earned in the year before. If that were taken into consideration and you were to cut down the maintenance of the year before by the difference in those reserves, hon. gentlemen will see that there is not much net difference in the situation.

Mr. EULER: I agree with the inferences the hon. member has drawn there, but if you are to cut down, it is also fair to take into consideration where the tendency has been in the other direction. In 1923, for instance, the railways had to assume charges of $1,686,000 for interest, which formerly was assumed by the Dominion government because they had guaranteed certain bonds. So in a comparison, it would only be fair to take that into account.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: My hon. friend will find I am going to be fair, but I am dealing with the thing item by item. Before leaving that matter, one usually looks around for the purpose of seeing how costs are, whether costs have come down. Now the accounts of the Canadian Pacific Railway, just like the accounts of this company, are open for public inspection, and I made an analysis of the accounts of the Canadian Pacific in connection with this matter of maintenance. Take the year 1923, the year just closed. I am going to give the costs of the maintenance per mile on both accounts —maintenance of way and structures, per mile, and maintenance per mile for equipment, which is the usual way in which they are compared. The cost of maintenance of way and structures on the Canadian National was $1,942 per mile, and on the Canadian Pacific $2,258 per mile; the charges on the Canadian National were $316 per mile less. Now for maintenance of equipment the Canadian National charges were $2,228 per mile, and the Canadian Pacific charges $2,491 per mile, or $263 per mile greater than on the Canadian National.

Mr. CAHILL: What mileage for the Canadian National is my hon. friend taking?

Sir HENRY DRAYTON: I will give that to my hon. friend in a moment. Hansard, at page 2512, gives the total operated mileage as 21,850.89. Of this 991.69 miles belong to the Grand Trunk Western Lines. I am dealing as far as I can with operation in Canada. On that basis taking off the western mileage, leaves the balance of our lines operating in Canada at 20,859.20.

Mr. CAHILL: What mileage is my hon. friend dealing with in regard to the Canadian Pacific?

Sir HENRY DRAYTON: On the same basis, as shown in the annual returns.

Mr. CAHILL: I recollect putting figures on Hansard a short time ago taken from the Canadian Pacific and the Canadian National, and using them in the same way as my hon. friend is using them, and I found the expenditure on the Canadian National for 1923 was greater than on the Canadian Pacific. So my hon. friend must be leaving out the American mileage, or using different figures from the statements of the two companies.

Sir HENRY DRAYTON: I do not think there is the slightest doubt as to the accuracy of these figures.

Mr. CAHILL: It all depends on what mileage you are taking.

Sir HENRY DRAYTON: I do not think there is the slightest doubt the charges are less; I will give the details in a moment, but I do not want to delay the House by giving too much. On that basis, if the same rate of expenditure had applied to the Canadian National mileage, there would have been an increase in the maintenance of way and structures of $6,591,507, and there would have been an increase in the equipment charges of $5,485,969, or a total of $12,077,476 that is, if there had been as much charged to maintenance on the Canadian National as on the Canadian Pacific. Now having said that, it ought immediately to be qualified. These things are absolutely only relative; they have to be qualified; they are only relative yardsticks. Take, for example, equipment. It depends a good deal upon the state of your equipment when bought, and the duty that is thrown upon it. I will give my hon. friend a couple of figures in that connection. There was an increase of 14 per cent in the mileage of our freight equipment, while there was an increase in the maintenance of our freight equipment of only 7 per cent. The usual thing is that there is a ratio between service and repairs, between mileage and cost of maintenance.

There is another reason for some of the discrepancy in these figures. The Canadian Pacific Railway has put in a whole lot of rock ballast. The charges which they have made for that rock ballast are 25 per cent to betterment as againt 75 per cent to maintenance while on the National system the charge is turned round, some 60 per cent being charged to betterment, and 40 per cent charged to maintenance. I do not want to be understood for one minute as saying that that cannot as a matter of figuring be justified. As a matter of figuring and valuation, these things can always be justified one way or the other. In any large system the thing works out fairly well in either one direction or another. If you want to take every single item and say "Well, now, we can charge this up to the betterment of this road under the rules of the Interstate Commerce Commission," going the full length, and just charging the same percentage to maintenance, there is only one end of it—multiplication of capital and overhead charges. I am not saying that the thing cannot be, as a matter of fact, justified by a calculation made for that purpose. But while we can congratulate ourselves on the one hand on cuts in maintenance, when we do that we have got to look forward, of absolute necessity, to just what is happening —large increases in capital. You cannot have one without the other and maintain your railway, and we do not get very far with it, as a matter of fact, unless we do maintain our railway.

Now I come back to one of the larger questions in connection with this railway, namely finance. I come back, after a short consideration of these matters, to what we have been doing in connection with our own capital charges. Here we have the cost of betterment or maintenance down, and I am not now referring to the Canadian Pacific figures but to Canadian National figures. We have maintenance down and betterment up, and we have at the same time this comparatively small amount which I have already given the committee, $2,171,000, of new construction out of a total expenditure of $35,000,000, and yet we are told that that ought not to be added to the debt. I am not going to stress it now. The thing is really too absurd to go on stressing, but I hope next year we will not have that same practice persevered in.

There is another thing in the report. In so far as the Scribe hotel is concerned, the committee advises that the property be sold. The position of that is very much like that of the tender mother with her child who has done nothing wrong, she says, "But for goodness sake don't do it again," or the judgment of the juvenile court, "Not guilty but never come back here any more". It was first-rate to buy the hotel, but for goodness sake let us sell it. They are perfectly right in saying, "For goodness sake let us sell it". The most remarkable feature about this hotel business is what was not done for the purpose of looking after the public interest. In the first place, the property is purchased without any valuation at all, and it will amaze hon. members, Mr. Chairman, to know that we have not yet had any valuation of the property. We have the opinions of distinguished gentlemen who know nothing about it, but we have not had a valuation made by any single expert in real estate as to what that property is worth. That is one of the things that is usually looked after in large transactions—getting some indication from somebody that knows as to the value. Well that has not been done yet. There is another extraordinary thing. We do not know even yet the assessed value of that property in Paris. We have no information as to that. Again we do not know to-day what the taxes

are. We do not know what the municipal taxes are, but we do know about the government impost, the charges which run into so many millions of francs, in connection with the transfer of offices. We know one or two other things, but we do not know about the taxes. We do not know yet what the price was. We know the price which Aronovici got, but we do not know what the price was. We know what we paid him, but no one has ever had the curiosity to even find out who the real owners were, and the committee never could get it. Nobody knew who the real owners were. We do know this, that the hon. Minister of Railways told us that the property had been offered to the Canadian Pacific, first in May and secondly in November. I think it was in 1920 or 1921.

Mr. GRAHAM: In 1920, I think.

Sir HENRY DRAYTON: And it was offered to them for 20,000,000 francs. We do know that Aronovici got 28,000,000 francs from us, but we do not know whether it was the same old option or a new option. We do not know whether Aronovici or somebody else was getting the benefit of that 8,000,000 francs; we do not know what was happening. That option is still dark and mysterious. That is something we have not learned, and I think we should learn it. The committee learned one thing, namely that this was not the way to buy property, and the committee also recommended that no such purchases can be made in the future. And again they were very wise. Sir Henry Thoronton in his letter on the file points out that he does not know about Parisian real estate. He starts out with that, and then he tells us before the committee that he met a gentleman in Ottawa who gave him information as to the value of the property, he also saw a friend of his in New York, and the friend in New York also gave him information as to the value of the property, and that he got from them such information as he thought justified the price. But he was not kind enough to tell us in the first place the names of these gentlemen. His attitude apparently was that it was not any of our business, so long as he was satisfied it was all right; and the committee were of the same view. That information was not given, but later on the Ottawa gentleman came before the committee. This matter was so confidential that no information could be given by Sir Henry Thornton yet Mr. Pratt comes before the committee and gives evidence, and his evidence as to value is simply wonderful. It is just on a par with the class of information that we have in connection with the Aronovici mystery. He said that he discussed values very little. The truth was that he did not know anything about values. Perhaps I had better give his exact words because we have already had something from the chairman on this point. At page 161 of the evidence he was asked:

How did you come to see him?

That is Sir Henry Thornton.

Did you come to see him about this?—A. No. As I said, I did not know a thing about the Hotel Scribe until I met him. I met him in the parliament buildings, with some friends, in a friendly manner, not to speak of business at all. I was on my way to the coast; I was going to Vancouver and I stopped off in Ottawa to visit my friends.

Q. And as I understand your evidence given to Mr Kyte, you did not discuss values with him?

And the answer of the witness was "No".

Q. But you did tell him if he was after that property—what did you say, that "He ought to be quick about it"? that "There were two other concerns after it"?—A. Yes, that is about all the conversation we had.

So as regards this witness whose name Sir Henry Thornton very wisely did not give us, who discussed the value with him in Ottawa, that is what he says. There is his oath. I want to congratulate the House and the country that, although there is no evidence whatever as to values at the time the purchase was made, although the star witness, Mr. Pratt, when he comes, knows nothing about the Scribe hotel, although he could not give a single instance of a sale in Paris at any specific value, although he knew nothing whatever about values and was not in the business, we got some evidence from him that, I hope, is going to be of great value. We learned that a real estate boom is on in Paris; that rents are jumping, and I only hope that real estate boom is actually on. If Paris is affected with a real estate boom, let us take advatage of it and get just as much money out of it as quickly as possible. That is the evidence of values—Sir Henry Thornton's letter stating that he does not know. It is true, after he gets into the box, he says: "Yes, I know something about it, having been in Paris." How much do some hon. members, simply by being here during the session, know about Ottawa real estate? What difference, however, does it make if this boom is on and we can get our money back? What difference does it make in view of the fact that this committee have recommended that this sort of thing cannot happen any more? If the House adopts the report of the committee, I do not suppose we shall ever have any trouble again about the Hotel Scribe transaction.

Mr. EVANS: Regarding a fair division of the mail services between the two great systems, I want to bring to the notice of the government one or two matters. The Canadian Pacific has a mileage percentage of some 42 per cent; the Canadian National has a mileage percentage of some 57.9 per cent. On a mileage basis the Canadian National is entitled to an additional mail traffic which would net that system some $786,911. But not only is there unfairness in the case of mail service earnings, but the Canadian Pacific enjoys earnings that should go to the Canadian National by reason of the location of their lines. Many towns in western Canada have to put up with a service some 24 hours late because the Canadian Pacific Railway is carrying the mails by a circuitous route. We have the Continental Limited, a train that is equal to anything on the continent and which can give the best of service. On the transcontinental mail alone there should be an increase of earnings of some $390,000 in that respect. But to show the inconvenience to some of the important towns west of Winnipeg, I might point out that, because mails are transferred at Winnipeg from one railway to the other, the mails have to wait at least 23 hours for the train the next day before they can proceed to their destination. In that case, the town of Rivers in Manitoba gets its mail 24 hours later than it should. In Melville, Saskatchewan, the service is 24 hours late; in Watrous, Saskatchewan, also 24 hours late. Saskatoon would get a delivery five hours earlier in the day if the Canadian National carried the mail. That would give people an opportunity of replying on the same day and would save them at least 24 hours in replying to a business letter say from Winnipeg. The town of Biggar is practically in the same position; the mail is some 24 hours late, and again further west on all points west of Edmonton on the Canadian National, the mail is also 24 hours late. Mail from the points west of Winnipeg to Ottawa, Montreal and points east thereof would arrive at its destination in nearly all cases some 24 hours earlier than it does at present if the Canadian National handled the service. Locally in western Canada the handling of all mail traffic would be greatly expedited. For instance, mail between Winnipeg and every important business centre west of Winnipeg and east of Edmonton and between all Canadian National local stations east of Edmonton on the one hand and all Canadian National local stations west of Edmonton on the other, would be expedited by 24 hours. So the handling of mail between Vancouver and Edmonton and the delivery at Vancouver or Edmonton, as the case might be, would be expedited at least from 8 to 24 hours. This, of course, would vary according to the time at which the letter was posted, all such mail being handled via Calgary. I wish particularly to draw the attention of the Acting Postmaster General (Mr. Stewart) to these facts. Not only is there a loss in earnings to the National system, but there is great inconvenience and delay to the people in some of the most important towns in western Canada. Moreover, as regards the earnings of the National system, in which I am sure we are all interested, there is room for tremendous extension in western Canada. The action of the Senate in turning down a number of the branch lines is deplorable and in my opinion they have rejected two of the best revenue-producing propositions in the West; I have reference now to the Radville-Fife and the Turtleford-Hafford branch lines. The Turtleford-Hafford country is well settled. The settlers went in there many years ago and have put in large crops; they planted extensively last year expecting that a road would be built this summer so that they would not have to travel so great a distance to get to market. The rejection of this branch line is a real tragedy to these people and much inconvenience will be caused them; in fact I think the result will be that many of the settlers will leave that district this coming fall.

There is another difficulty which will have to be overcome as the years go by. Not only are the settlers in western Canada placed in a dilemma, while at the same time the earnings of the National system are curtailed, but we are faced with the problem of having a non-elective body which is not representative of the people and which is out of touch with their conditions, standing between them and the needs of the country. As regards the National Railways paying their way, this is an important matter and the time has come when no body of men not elected by the people should be allowed to thwart all legislation and afterwards shield themselves behind a mask of self-righteousness and so-called concern for the country's welfare, when they were only looking after their private interests.

Mr. STEWART (Humboldt): The limited ability which I have been able to bring to bear on this matter is in striking contrast with that of the hon. member for West York (Sir Henry Drayton), who has so thoroughly examined all the proceedings in his address this evening. In that connection I would respectfully impress upon hon. members the responsibility which rests upon us as representatives of the shareholders, and as shareholders ourselves, in this great concern of

ours, the National Railways, as well as the necessity for acquainting ourselves by application and study with the problems and the figures in relation to the roads. And figures, I may remark by the way, play no small part in the problems that present themselves to us in the public ownership of our National Railways. If we are going to adequately investigate the management of the system as well as its organization from year to year we must give the whole subject our careful attention and I am free to admit that I find myself far from possessing that knowledge and experience which are so necessary if one is to go at all fully into these matters.

The hon. member for West York referred to one or two problems which the report of the committee has not touched upon. In a general way the committee reported to the House in favour of a reduction in capitalization. For some considerable time I have felt that this was necessary, and now, after having very carefully gone through the figures, I am more convinced than ever of this necessity. I would not pretend to offer any suggestions as to the percentage by which the capitalization should be reduced, nor would I undertake to say just how it should be done. The suggestion offered by the chairman of the committee, the hon. member for North Waterloo (Mr. Euler) appeals to me and I think it would be feasible and would call for no great adjustment if the sums which have been advanced by the Dominion to the railways, constituting virtually so many free gifts, were written off the capitalization of the company.

I want to emphasize the points which the hon. member for West York presented with regard to this matter of capitalization. If the government should deem it wise to reduce the capitalization to a reasonable figure there also remains the necessity of keeping the capitalization at that level. Under our present system I do not think it would long remain fixed. From time to time as deficits occurred and were met from the treasury these sums would be added to the capitalization and very shortly one would find the railways in exactly the same difficulties, so far as capitalization is concerned, as they are in at the present time. The hon. member for West York called attention to the necessity for exercising very careful judgment in regard to the accounts of those sums which are chargeable to betterment and maintenance, and I think the point he raised was well taken. It is quite possible, without submitting anything actually wrong in the way of figures, to show that the capitalization has been increased when as a matter of fact the earning value of the road has not done the same. The illustration of the rock ballast was one which any member, no matter how little acquainted he might be with the technicalities of railroading, could understand. There is no doubt that rock ballast increases the value of the road to a certain extent, but the extent to which it does so should be very carefully considered. This is but an illustration and I have no doubt that a great many others must present themselves to the officials of the railway in the course of the year's expenditures. Careful judgment should therefore be exercised in allocating the sums expended as between betterments and maintenance, so that capital account may not be unduly increased, making it almost if not absolutely impossible for the road, with any reasonable earnings, to pay a return on the money invested in it. If the road were placed on a proper capitalization basis I think the country would be in a fair way to reap the benefits of national ownership. Ever since I have given any study to this subject I have favoured the national ownership of public utilities, and the results of public ownership of our railways have in no way tended to diminish my desire to see the system extended in this country.

The committee brought in certain recommendations which it would be well, even at the cost of repetition, to consider to some extent. I must admit that the hon. member for North Waterloo very carefully and fairly covered the ground in this matter. I am wholly in accord with the majority of the sentiments which he expressed, both when he spoke as chairman of the committee and in a personal way to this House.

The condition of the road was referred to in the report of the committee. A rumour was current throughout the country, and I think it was encouraged by the press in some parts, that the actual condition of the road had been sacrificed in order that the returns at the end of the year might show an increase over the year that was past. The evidence submitted was convincing to me that such was not the case. The matter of reserve accounts entered into that. The hon. member for West York (Sir Henry Drayton) gave a considerable number of figures as to what was done in the way of utilization of reserve accounts in the maintenance of equipment and right of way, and I shall not attempt to deal with the matter further. The result of the evidence upon the committee was to convince us that the equipment had not been sacrificed, but that it had been kept up, and that if in any particular at the present time the equipment

is not fully up to par there is a full reserve account which, if and when expended, will bring that equipment up to par.

The hon. member for Saskatoon (Mr. Evans) who has immediately preceded me, referred to one particular item of this report, an item which I think deserves the attention and support of every hon. member, namely, the distribution of mail service between the two great railway systems. Hon. members will find all the particulars that were presented to the committee in the evidence commencing at page 181. The facts generally, as they appear to us, are that there has been discrimination against the Canadian National Railway in regard to the distribution of contracts for the carriage of mail. This should not be. I am convinced that there are possibly three groups of opinion in this House as to what might or should be done in this case. I know some members are opposed to granting any concessions to the Canadian National railways, members who perhaps would go so far in their opposition to national ownership that they would limit the earning powers of our National Railways if possible. These, and others who perhaps in their friendship for some other railways might desire to see the National Railways hindered or eliminated altogether. I do not know how far that sentiment extends, but we do know that it exists in this House. Then on the other extreme there are those who are so far committed to the principle of public ownership that they would perhaps stretch a point to give our National Railway system the advantage where possible. I think possibly the hon. member for North Waterloo (Mr. Euler), the chairman of that committee, might be included in this class. Frankly, Mr. Chairman, I admit that I am in the same class. Then between the two extremes there are a number of members who are not particularly opposed to national ownership and who are not so committed to it that they would go to extremes, and they would like to see an equitable and just division between the two great systems. I think the report of the committee would appeal to them and to all of us, and it seems to me we might give that report our heartiest support at this time. It may be that this will not be the final report to be made along this line. It may be necessary in the future to look into the matter again, even if the government should at this time, as we expect it will, take cognizance of this report and act upon it,—it may be necessary for us, I say, to look into the matter in the future and see if we cannot turn more of the business of the government and of the people of the country which is handled through the government to our National Railways, and so help them overcome the deficits they are struggling against.

Mr. MACLEAN (York): What would the hon. gentleman do if he found the Canadian Pacific not only getting an unfair proportion of the mails, but actually the declared enemy of the National system of railways? Perhaps you can almost see this enmity in a place not very far from here.

Mr. STEWART (Humboldt): I think after the expression of my personal opinion it is hardly necessary for me to say what I would do in such a case. Perhaps it is hardly necessary for me to say what I think the House should do in a case like that. At least our National Railways are deserving of just and equitable treatment. But no matter how much we are committed to public ownership, no matter how much we are prejudiced in favour of our National Railways, we must first and always, in regard to the mail service of this country, remember that service to the public is the first aim of the post office system that we have built up, and in all distribution of our mails neither the Canadian National nor the Canadian Pacific nor any other railway should come first in our consideration, but should be wholly secondary to the public service. That sentiment, I think, could be applied to any other business which could be diverted to the Canadian National Railway.

I do not intend to go into any details in connection with the Hotel Scribe. I suppose I may be pardoned for using that name, for I think it was requested that members of this House should refer to the building as the Palais Canadien. The details of the evidence are in the printed report, and have been dealt with by the hon. member for North Waterloo and the hon. member for West York. They have not come to wholly the same conclusion. Possibly the conclusion I have come to is not quite the same as theirs. I suppose that various members in this House will have varying opinions on the subject. I want to state, though, to what extent the evidence affected me personally as it was unrolled before the committee by the head of the Canadian National Railways and by his officials. I was prejudiced against the deal, for I considered that Sir Henry Thornton had in that instance made a mistake. I thought that it was perhaps the one slip of judgment which had occurred since he came to this country as a public servant. But after having heard the evidence I am not

so much of the opinion that it was such a serious mistake as I had at first regarded it. I make that statement with certain reservations. I think that the deal showed to some extent the business capacity and the astuteness of the head of the Canadian National Railways. There is no doubt that he was of the opinion, and that in this his directors supported him, that offices were necessary in Paris. There is also no doubt in my mind that he went to work to obtain those offices in what appeared to him the most sensible and rational manner at that time. I do think he made an error, perhaps not in judgment, but rather because he had not been long enough in the service of this country to know the actual conditions under which we were labouring, and in that he assumed there was more money available for capital investment than was actually the case. Perhaps he did not intend—I think the evidence lends itself to this conclusion—to make a very heavy capital expenditure, but rather that circumstances and the human element entering into them in the person of the third party, Aronovici, caused him to make a larger capital expenditure than was originally intended, and which I am frank to admit I do not think even at this present time is justified. The report of the committee is that it would be advisable to retain accommodation for the Canadian National Railways within the building and then dispose of it as a real estate investment. The evidence that came before us went to show that real estate properties are increasing in value in that section of Paris, so that it should not be difficult for the management of the Canadian National Railways to come out with flying colours from under the load they have assumed of capital investment in Paris and with proper and adequate quarters retained for the purposes of the railway. Perhaps the wish may be said to be father to the thought; I sincerely hope that proper quarters can be retained for the Canadian National Railways in Paris, because they would be of material value to the system in the way of advertising and the securing of traffic.

Another matter that seems to me important, although no very definite statement is made with respect to it by the committee, is that of the immigration and colonization efforts of the railway. I do not hold the view that we should not be making any efforts towards securing immigration, but I do think we should not spend unduly large sums of money in that effort. The spreading of our activities in that connection is costing more than perhaps is necessary. I do not criticise the Canadian National Railways for having an immigration and colonization department, but I am not sure I would not criticise them if they were to make that department too broad. It is necessary that they should have an immigration branch in order that they may attract to themselves a fair share of whatever immigration is coming to our shores, and they should have a colonization branch in order to settle the country adjacent to our Canadian National Railway lines and with a view to making those who come here good citizens in every sense of the word, who will help to build up the Canadian National Railway system, who will become shareholders in it and will assist in making it remunerative. We must not forget, however, that the Canadian National Railways are handled closely in connection with various departments of government—we have a very extensive Immigration department—and there should be the closest co-operation between those departments and a complete co-ordination of their efforts. If they start to spread themselves over the same territory and duplicate services, there certainly will be waste of time, energy, and money.

During the present session this House provided money and charters for the extension of our Canadian National Railway system by the construction of branch lines. It is unfortunate that a number of the bills providing for those extensions have met an ill-timed fate elsewhere. This House should assert itself in some way as to the authorization we give to the Canadian National Railways to provide these branch line extensions. As to the method by which branch line extensions are planned and proceeded with, as I understand it the management of the railways review the situation throughout the country, size up the districts concerned—as to their need of railway facilities, their ability to support them if granted, and the assurance of their being remunerative. They then draw up a programme which they submit to this House. By that very act—that is, in the survey of the country—certain moneys must be expended. Preliminary or reconnaissance surveys have to be made, and if I have any criticism of some of the branch line proposals it is that sufficient survey work was not done before the proposals were brought to the attention of parliament. I know that the officials of the road may come back with this plea: "How can you expect us to make these surveys, no matter to what extent they are preliminary in character, unless you provide a certain amount of money for the purpose

and unless you give us the necessary authorization?" I submit that there is justice in that contention. As I have intimated, certain of the branch lines contemplated this year will not be built because the bills authorizing their construction and providing the money for the work have met their fate. But this parliament would be justified, it seems to me, in earmarking a certain part of the item under subhead (d) in the report of the committee—"Construction, betterments, including co-ordination, acquisition of property and purchase of equipment"—for that purpose. Or if that is not feasible we might have a supplementary estimate, either a new item or an amount included in the present item, which would authorize the management to proceed with the surveys in those districts where they are apparently convinced that these branch lines should be built, a view shared in by members of the House and expressed in the adoption of the branch line measures. That would be an instruction to the management from this House and from the government to proceed as far as they possibly could without an actual charter to provide the railway facilities in those districts.

Mr. SALES: The Senate would kill it.

Mr. STEWART (Humboldt): That is highly improbable; they are not likely to kill all our estimates. The hon. member for West York (Sir Henry Drayton) pointed out that last year the Canadian National Railways did a certain amount of construction work without any special bill or vote in that respect. They apparently considered they were authorized; they were convinced of the need and they went ahead with the work. I should be perfectly satisfied if the management under the existing conditions considered they had the authorization, that the need existed, and thereupon went ahead out of the vote that this House will pass, although for general purposes, and did some constructive work. In the suggestion I am making to the minister I am trying to provide for a contingency which I think exists, in that the railway management would not feel they could draw to any great extent on this particular vote of money, and of course this sum would not lend itself to any extensive railroad construction; but I am suggesting that at least they should be authorized and financed to a reasonable extent, thus placing them in a position to later accept charters which we maintain will come eventually if this House persists in asserting its rights as the representatives of the people of Canada.

Mr. HOCKEN: Mr. Chairman, I wanted to express my opinion that this was a very useful committee that was appointed this year, and that it had a singularly capable chairman and a man who is in entire sympathy with the nationalization of our railways, I listened to him plead with the members of the House to give the National Railways a square deal and sympathetic treatment. I assume, Mr. Chairman, that the hon. member was speaking to those who are associated with him on that side of the House.

Mr. EULER: To everybody.

Mr. HOCKEN: Because on this side of the House there is unanimous approval of the nationalization of our railways. I only hope that his plea will be heard over there and that the principle of the nationalization of our railways will be adopted more heartily by some members on that side of the House than it has been in the past. Then we will have the unanimous opinion of the parliament of Canada in favour of the nationalization of our railways. The hon. gentleman pointed out that anyway we have got the railways; we cannot give them away, the people of this country would not permit such a thing to be done; and there is therefore only one course for us to pursue, and that is to do our level best in every way we know of and can think of to put the system in such a position that it will pay its way and pay its capital charges.

It occurred to me while the hon. member for North Waterloo was speaking that perhaps it was providential that in this House there should be so many members in the particular group to my left. I am afraid that if there had been an overwhelming majority across the floor the National railways would have had a pretty hard time during the last two or three years. At least the sixty-five or sixty-six members who came into this House under the name of the Progressives made it impossible for the government, if they so desired, to scrap the National railways, and in my judgment the country owes a great deal to the Progressive party on that account.

But what I wanted particularly to do, Mr. Chairman, was to give my support most heartily and emphatically to the proposal of the committee that there should be a larger share of the mail service given to the National Railways. As one hon. member put it to me in discussing the matter: "If I had a team," he said, "I would not hire somebody to do my teaming." That is a pretty fair analogy to the situation which we find in regard to the mail service on the two railways. We own a railway, and we are giving the

greater part of our mail service to the privately owned system. I am not advocating that the privately owned system should be treated unfairly. I understand that in the United States and in other countries the different railways get the mail service largely in proportion to mileage. I will not go that far. I will agree with my hon. friend who has just spoken when he said that the primary thing is to give people service, but my examination of this question leads me to the conclusion that by giving the National Railways a larger proportion of this business, there will be a better service given to the public in the western part of this country. In fact, all the way up from North Bay, on the Temiskaming and Northern Ontario Railway and out on the Transcontinental, as well as on the prairies, the service would be greatly improved, and our own system of railways would earn another half or three-quarters of a million dollars, and thereby assist in reducing the annual deficit.

My hon. friend from Saskatoon (Mr. Evans) gave some figures, very illuminating and very interesting, showing the time that would be saved by dividing the Montreal-Vancouver mail service between the Canadian Pacific and the Canadian National. To save twenty-four hours in the delivery of a letter in these times means a great deal to the business men of any city or town, and the hon. member quoted a number of cases where twenty-four hours would be saved by dividing the mail service between the Canadian National and the Canadian Pacific.

Mr. MACLEAN (York): Has anybody ever found out who perpetrated this unfair discrimination against the National Railways? Was it done by the Post Office Department, by the government, by competition, or by what?

Mr. HOCKEN: I raised this question in the House four years ago, and I was met with this statement, that the National Railways at that time did not possess the postal equipment necessary to take its proper share of the transcontinental mail service; but that condition has since been rectified. I made some inquiries, and I understand that the Canadian National is now fully equipped to take its full share of this service.

I am not one of those who are prepared to curse the Canadian Pacific Railway. I think it has been very well managed; I think I might go so far as to say that it has been somewhat selfishly managed. The Canadian Pacific Railway has never let any business get away that it could get hold of. It has been quite able to take care of itself all the way along. But we cannot forget the service it has rendered this country, from the time it was built right to the present. I am not arguing that that great system should be discriminated against, but I am arguing that our own railway could carry our own business to a much greater extent than it is doing at the present time. It would mean a good deal to the Canadian National if we could save three-quarters of a million dollars, which is what a fair division of the mail traffic would amount to; that amount applied to a reduction of the annual deficit on the railway would bring us just that much closer to the time when the system would be paying its own way, and when it does that or approximates it, all the talk that we hear, largely from the city of Montreal, about the iniquities of a national system of railways would cease. Once that system gets to the point where it can pay its capital charges there can be no voice raised in this country against it. Even those who do not believe in that principle at all will then have to accept the situation with better grace than they are doing to-day. So I say that this parliament should see that by every fair means our own system of railways gets its full share of the business of this country. It is the people's railway; it is designed to give service; it is giving service; it has been showing splendid results in the last couple of years, and I am sure that as the country fills up and we have that immigration policy to which my hon. friend has referred, when we get more people into this country, there will be no trouble about the Canadian Pacific Railway.

On the question of immigration, I would just like to give an idea which has occurred to me, and which I discussed with a man from western Canada, about the extension of branch lines. This individual with whom I conversed pointed out to me that the government should discourage in every way it can the settlement of lands remote from the railways, and encourage by all the means in its power, those who are settled long distances from the railways to come in closer, thus concentrating the present population and the people who are to come in districts where branch lines will pay, and where branch lines will be warranted; and then as to further settlement, proceed on some systematic and scientific plan whereby men will get into certain districts where they will get transportation at the earliest possible date. I think there is a good deal in that.

Mr. STEWART (Humboldt): Does my hon. friend think it would be possible to persuade the settler who has a real good farm to leave it and take up poor land in the neighbourhood of a railway?

Mr. HOCKEN: I do not know whether it would or not. My hon. friend who is a farmer would know better than I would as to that. But these men who have gone in and settled forty or fifty miles from a railway and are now demanding a branch line to be constructed past their farm should have some regard for the financial condition of the country. They cannot expect branch lines to be constructed away out to these remote districts, simply because they chose to settle there. There are millions of acres of unoccupied land nearer to the railways than the land which is occupied now by these settlers, and if settlers would come to these lands branch lines would be built that could give better results, and better financial prospects would await them. But I want to give our National Railways all the assistance we possibly can.

Mr. WARNER: I feel I would not quite do my duty if I did not lend a word of approval, especially to the proper division of the mail service. We should try to give service to the people, not merely in regard to the mail but in other ways, in the country which is tributary to these National lines.

I agree with the idea that our railways are designed first of all to give service to the people, and our mail service is more important to our people than any other part of business, in proportion to the cost of operating that mail service. I will have very little to say in regard to my own opinion about the matter. But the people I represent and the people in the vicinity of Edmonton where I live, are very anxious to see the mail service properly divided. They feel that at the present time they are not getting the service they should, simply because the National lines are not carrying the mail to them as it should be carried. The mail, as my hon. friend from Saskatoon (Mr. Evans) has said, has been delayed on account of the Canadian Pacific Railway taking it, and then the Canadian National Railway along their line having to carry it back from a central point to their people. I understand the Canadian National Railways are prepared to put on post office cars, take proper care of the mail and make proper distribution of it. The reason I wanted to say a word to-night was to assist if possible in giving them a chance to serve the people along their line. I believe everyone is convinced that it is important to give the National lines a square deal in regard to carrying the mails, not altogether because they are National lines, but because they can better serve their people along their lines, in addition to giving the business to our own road, the people's road, although I have some sympathy with the idea that we are not doing this and should not do it for the purpose of discriminating against the Canadian Pacific. That is not the intention.

Regarding the service of the Canadian National lines in other ways, I say that our National lines have certain districts which are tributary and in all fairness belong to them. I wish to see the branch lines and the feeders to this National system built where those neighbourhoods are tributary to these roads. I do not want to see anything interfere in any way with the National Railways getting their branch lines where the country belongs to them and where they should operate. I think that is a very important point for this House to keep in mind—to give the National lines their territory and opportunity to build these branch lines where the country belongs to them.

As far as immigration is concerned, I do not care to say very much. I have not spoken on immigration this year, but I am still of the opinion fully expressed last year that our country needs immigration and that our railways and the country in every way can better be brought to a prosperous condition with more people in it. So I am not going to criticise the Canadian National lines if they lay out some money in getting immigrants to settle along their lines, and in certain districts where branch lines are already built, as well as where branch lines should be built. I would not care to see any reckless method adopted of spending money, but I believe it should be conducted along the same lines as any other business. If I own a farm I have to break it up and put it in a condition to work it before I can expect to get any money back. If the National lines are going to get any money out of the country, to keep them running and to keep them prosperous, as well as to make the rest of Canada properous, they must build branch lines, and prepare to take the traffic produced in their territory. They cannot obtain that traffic unless there are people there in sufficient numbers to make it pay. We want to see that the Canadian National lines get a square deal in the mail service and the extension of their branch lines, and in the business in a general way. That is all we are asking for,

and I feel that I should lend my support to this government along the three lines I have mentioned, in the proper distribution of the mail service, in the soliciting of immigrants to settle along these lines, and in obtaining the business in a general way on the National main lines, as well as over these branch lines.

Mr. DAVIES: I wish to heartily endorse the many sentiments which have been expressed in this chamber this evening regarding the carrying of the mail by the Canadian National Railways. It would appear, from an examination of the figures, that the Canadian National Railways are not getting their fair share of the contracts and the revenues derived from carrying the mail. All eastern and overseas mail which is forwarded along purely Canadian National lines should travel the whole distance from Montreal over Canadian National lines and not be taken over Canadian Pacific lines to the furthest point upon the Canadian Pacific to which it is possible to take it and then transferred to the Canadian National lines for a short haul. Whoever is responsible for letting the contracts should seriously consider this phase of the question.

Being a resident for a number of years alongside a Canadian National Railway line and knowing conditions under which they have worked in the past, I would heartily congratulate the management of the Canadian National Railways upon the immense improvement that has taken place within the last few years. That is especially noticeable to people like myself who have lived under the Mackenzie and Mann régime and who can compare that with the system which we have at the present time. Formerly, along Canadian Northern lines in the fall of the year, if we got one car in three months to carry our wheat and the rest of the time we were blockaded with our elevators full, we thought that we were doing pretty well. At the present time, with the efficient management we have, that is something which we do not see very often. We now have as good a delivery of our wheat as exists upon the Canadian Pacific. To any one like myself who has seen the immense improvement that has taken place, it is a matter for congratulation, and it makes us all look forward to the future when we believe that our Canadian National Railways will be a great asset.

The management of the Canadian National Railways have hard work and handicaps enough to put this railway upon its feet without receiving the criticisms which they have to meet in other places. There seems to be at the present time a well-organized attempt, if I may say so, to discredit the management of the Canadian National Railways in the eyes of the people of this country. Since we have been in Ottawa this session, we have seen a great deal of that, and it is high time for the friends of the Canadian National Railways and the government of this country to do all they possibly can to stop that sort of thing. Let us give the president and the other officials of the Canadian National Railways every opportunity to make good.

The hon. member for Humboldt (Mr. Stewart) referred to the colonization scheme of the Canadian National Railways. We want more people along our National lines, so that they will produce more freight, express and passenger traffic and thus give us more revenue per mile. That is correct; but while we are trying to bring people into this country and to place them along the lines of the Canadian National, the acts of a certain body in this country during this session have made it so that thousands of people are leaving this land. They are going out at the present time by the hundreds simply because, after waiting long and patiently for the promised railway, they have become tired of waiting. The government were perfectly sincere in trying to give those people the railway, but they are not supreme, nor are we supreme, There are other people who have a say in this matter.

I want to bring to the attention of this committee the great seriousness of the matter to people who are living in some of the remote districts which were to be served by the branch lines which have been defeated during this session of parliament. I have in mind especially one branch line, the line from Turtleford to Hafford. That line has been promised to those people living forty or fifty miles away from a railway since 1909. I know personally many men and women who have been living in that country for eighteen years, and who have been working hard, undergoing great hardships, trying to build up homes, looking forward with hope to the day when they would get the much needed railway communication. That railway has been promised them by two governments. In 1914, the provincial government guaranteed the bonds of the railway for a distance of forty miles.

The CHAIRMAN: There is in this vote nothing that deals with the matter of branch lines. General reference to them such as has been made by some of the speakers would be in order, but a detailed debate on a branch

line or a series of branch lines would not be in order, as that was a matter of a separate vote already declared and voted upon in this House.

Mr. DAVIES: If it is not permissible to talk about one branch line, I will talk about several in a general way.

The CHAIRMAN: This is a general vote dealing with securities upon the whole railway, and the branch line vote, as the hon. member appreciates, was a separate vote in connection with each particular line, already dealt with and disposed of in this same session so far as this House is concerned.

Mr. DAVIES: I should like to point out then the serious detriment to the Canadian National Railways in connection with the turning down of these branch lines. In order to make the Canadian National Railways the success we all hope the system will be, it is absolutely necessary that feeders should be built, and feeders through the best part of our country. A certain irresponsible body of men have decided to kill off the very best feeders, feeders that would produce revenue from the day the first wheel was rolled over the steel. Whether that is an organized attempt or not, we all have our opinions. But it is time for this House and this government to assert themselves, when the true representatives of the people say that such and such a thing shall be done that our Canadian National Railways shall benefit by the branch lines which we desire to build and which will produce more revenue, not only to allow those people to go into the country, but to save those who have already gone in from going out. I say that this House should be supreme.

Under the present system in this country democratic government is a screaming farce. The hon. member for Humboldt (Mr. Stewart) asked the government to include in the estimates a certain sum to provide for the continuation of surveys so that there would be no delay, as evidently he hopes that the other House will pass these bills next year. I have no such hopes myself. We as representatives of the western people cannot go back and say to them, "Stay on the land another year. It is true you have been there eighteen or nineteen years having given up everything to build up a home and make this country what we all want it to be. But just you stay another year and perhaps our masters will then allow us to build these branch lines." I say, I do not hope that these lines will be proceeded with next year or within the next two or three years if we are to build them on the strength of any act of parliament. But I appeal to the government to make some other provision whereby the western people can get the proper transportation facilities which they stand in need of so badly to-day. If the government would do this we could go back to that part of the country and tell the people that although certain men took a high-handed attitude the government had asserted itself and would see to it that the work was proceeded with. I am not parliamentarian enough to know just how this is to be done, but I am sure that the government need not be precluded from action simply because the Senate is determined to reject the branch line bills we pass in this House. Surely they could provide an amount in the estimates to build these roads for the purpose of retaining the population we have in that western country. I am of the opinion that the matter could be taken care of by way of a vote in the estimates, and I am not alone in that view. I have here a copy of a telegram which was addressed to the Prime Minister (Mr. Mackenzie King) from a member of the legislative assembly of the province who has been a lifelong Liberal. He is one man we have never been able to defeat out in that north country, a man who has the confidence of all his fellow men. He sends the following telegram to the Prime Minister:

July 6th, 1924.

Right Hon. W. L. MACKENZIE KING,
Premier, Ottawa,

Premier Dunning overseas. I had his assurance on a number of occasions that in the event of Senate defeating Turtleford-Hafford bill you would see that provision was made in supplementary estimates for construction this year. People dumbfounded and exceedingly bitter at Senate's high-handed action. Sincerely trust you will implement pledge given to Mr. Dunning.

D. M. FINLAYSON,
M.L.A. for Jackfish constituency.

In conclusion I would ask the Prime Minister and the government to do all that lies within their power to carry out this work and so keep these people on the land. I know of one district where according to the vital statistics there were in four municipalities 800 births in the last 5 years.

Mr. BUREAU: Hear, hear.

Mr. DAVIES: The hon. member would not say "hear, hear" if he lived out in that part of the country.

Mr. BUREAU: I know the country and the people.

Mr. DAVIES: And out of all those births only 6 per cent of the mothers ever had medical attendance for the simple reason that they live from 40 to 50 miles away from a railway. What would our worthy friends think if they were placed in a similar position, so that instead of jumping into their limousines and reaching the railway station in a couple of minutes they found themselves all this distance from a railway? Many a moan is carried on the air of those windswept, cold and desolate prairies in the wintertime and in the graveyards the earth covers the mortal remains of many a woman who has virtually sacrificed her life in the heroic effort to rear a family in order to build up that western country. Are we going to leave those people out there away from civilization, or is this parliament going to assert itself and provide for the relief of those who are so unfortunately situated, notwithstanding any action which may be taken by our friends in the other chamber?

Mr. GRAHAM: The government has shown its sympathy in a practical way in regard to these branch lines but I regret to say that there is no possible method that I can see—and I have thought a good deal about the matter—by which the wishes of the hon. gentleman (Mr. Davies) can be met without a change being made in the British North America Act.

Mr. SALES: Well, let us make it.

Mr. GRAHAM: These things can be done only in a constitutional way. I am not sure that there may not be something in the suggestions of hon. gentlemen but that will not help the branch lines situation this year. With regard to the suggestion made by the hon. member for Humboldt, that certain lines have been considered as unaccompanied by sufficient information, I think it is possible that the Canadian National Railways could find means of carrying on a survey without placing a further item in the estimates. And as to the advisability of providing for the matter by means of an estimate, I would point out that estimates are mortal just as branch line bills are.

I want to say just a word in regard to the committee, although I am anxious to get my estimates through rather than to make a speech. The proposal to appoint a committee to look into the National Railways, including the merchant marine, was a happy idea, wherever it originated, and hon. members can see that it relieves the minister of a great deal of trouble and considerable talking, because he is surrounded by men of the committee who have a thorough grasp of the situation and are able to give all the information to the House in a lucid manner. I hope that in future years the committee will be reappointed and will continue to maintain communication in a friendly way between the management of the National Railways and the parliament of Canada. That is the only way of making the undertaking a success and of inspiring confidence each in the other. But you can never attain any results by means of carping and unjust criticism or finding fault in any picayune spirit, because such criticism, although it is only in the nature of pin pricks, can only injure rather than advance any course. I feel that the committee was a great help to the railway management, and I believe the House will agree with me that it has been of assistance to them in getting a clear viewpoint of the situation.

As to the mails, turn your guns on the Post Office Department; I am willing. But this would be my suggestion. The mail of Canada through which the commerce of the country is largely carried on ought to be delivered to the people to whom it is addressed by the shortest route and in the quickest possible time. That is what the mail service is for. While I should like to have everything for the Canadian National Railways, I believe that the distribution of mail throughout the Dominion ought to be on the lines I have indicated, let the carrying of mail come to whichever line it will.

I do not think I need speak about the Paris building. It is forgotten now. We have the most wonderful building in Paris, and worth the money. If it can be sold, and the Canadian National Railways with its various undertakings be given in it the best position and a comfortable and paying home, then sell it; if not, keep it.

My hon. friend for West York (Sir Henry Drayton) made a calm and careful review of the figures relating to the Canadian National Railways, which I will not attempt to follow. I will be content with saying that the accounts of the Canadian National Railways are kept according to a standard set by the Interstate Commerce Commission, a standard which applies to every railway on the continent of America. That standard prescribes what shall be charged to capital and what to maintenance of way and to maintenance of equipment. I do say that whatever book-keeping there may be, the equipment of the railways' right of way and all the properties of the Canadian National to-day are in as high a state of

perfection as those of any railway on the North American continent. I qualify my statement to this extent, that several railways have rock ballast, which the Canadian National Railway system has not to any great degree. Large amounts of money have been expended on this system, and further amounts will have to be expended. The suggestion that you can ever quit spending capital on a railway is all wrong. There is no railway in the world but has to have large capital expenditure made upon it every year, and so long as that capital is expended in a manner which will carry itself the expenditure is a good one.

As to the division between maintenance and betterments in regard to capital expenditure, the line may be deviated from, but it is carefully drawn. Any improvements to property is capital expenditure, speaking in a general way. The Interstate Commerce Commission will not allow capital to be charged to operation, or operation to be charged to capital, because that would not be fair to the people who have their money invested in the railway on the one side, or to the people who pay railway rates on the other side.

I thank members of the committee and assure them that I think the House is indebted to them for the services they have rendered. Another year I hope we will carry on the work of the committee as a go-between between the Canadian National Railways and the House of Commons.

The right hon. leader of the opposition (Mr. Meighen) asked for some information as to the items going to make capital expenditure. If the committee will allow me, I will put the table on Hansard. In order to have clearly in mind what this table contains, I should explain that it covers besides capital expenditure a statement of what is expended on maintenance. For instance, take one item of the account charged to capital, the amount charged to maintenance in that item is on the table, but as the right hon. gentleman just asked for the capital expenditure I am placing it on Hansard with the consent of the House.

The table is as follows:

Group	Class of work	Capital
1 a	Building new lines	$ 59,500
b	Line Diversion	333,832
1 c	Double tracking	158,450
2 a	New rails & fastenings	467,535
b	Relaying rails	696,310
c	Tie plates	715,015
d	Rail anchors	272,528
e	Frogs and switches	4,080
3	Ties	236,400
4 a	Rock Ballast	175,000
b	Gravel ballast	$1,092,370
c	Slag ballast	6,000
5 a	Widening outs & fills	156,900
b	Scaling rock cuts	29,500
c	Roadway miscell	31,695
6 a	Ditching	38,910
b	Tile drainage	124,810
c	Trunk sewers	19,100
7 a	Highway & farm crossings	15,720
b	Roadway to stations	88,265
8	Right-of-Way Fence	61,580
9 a	Snow Fence	17,550
10 a	Passing tracks	500,100
b	Yard tracks	456,905
c	Business sidings	178,385
11 a	Rip-Rap	89,500
b	Crib work	9,300
12 a	Section dwellings	74,678
b	Bunk houses	72,220
13 a	Bridges	2,113,030
b	Culverts	425,044
c	Trestles	113,103
d	Filling bdgs. tresls. & cul	957,502
e	Bridges Miscellaneous	12,180
14	Tunnels	56,500
15	Eliminating grade crossings	60,500
16 a	Stations & shelters	171,187
b	Freight sheds	345,250
c	Cattle pens	41,755
d	Platforms	97,095
e	Buildings Miscellaneous	99,080
f	Express Dept. Facilities	88,717
17	Water supplies	279,932
18	Fuel stations	72,210
19 a	Turntables	44,500
b	Ashpits	31,400
c	Enginehouse, mach. shops	616,100
20	Loco. & Car Shop Bldgs	207,950
21 a	Docks & wharves	47,000
b	Dredging for docks & wharves	55,000
23 a	Autom. blk. sgls. & intrk	169,170
b	Highway crossing protection	11,420
24	Betterments to equipment	3,025,062
25	Shop machinery & tools	892,870
26	Railway telegraphs & tel	458,379
27	Commercial telegr. & tel	282,071
28	Purchase of land	130,300
30	Co-ordination Facilities	2,494,048
31	Right-of-Way survey	51,000
32	Stores & bldgs. & equip	600,186
33	Hotels	382,400
35	General Miscellaneous	496,090
36	Unforeseen	1,577,907
37	Express Dept. Equipment	82,500
38	Colonization & radio	52,500
39	Traffic department	18,200
40	G. N. W. Telegraph	164,000
	Total	$23,005,776
	Grand Trunk Western Lines	2,952,481
		$25,958,257

Mr. MACLEAN (York): Mr. Chairman, the minister has thrown out a very important statement, and I am going to make a suggestion. As a result of what has happened in another place in regard to Canadian National branch lines, I would suggest that the government call parliament together next October and re-enact the bills that have been defeated this session in the other chamber.

By doing that they would serve notice on our friends that they must play fair with the people of Canada and with their representatives in this chamber.

The CHAIRMAN: Order.

Mr. CALDWELL: Mr. Chairman, while I realize that you must keep this discussion within bounds—

The CHAIRMAN: Branch line expenditure is not contained in this item; it was voted some time this afternoon.

Mr. CALDWELL: We believe your rulings are always absolutely fair, Mr. Chairman. At the same time I think we must consider for a moment why we are loaning money to the National Railways. It is because they are not able to earn enough income for their maintenance and operation. Although branch lines are taboo, and I agree with you that they must be treated as separate entities, yet we must consider some of the reasons why the Canadian National Railways have not been able to earn sufficient revenue to cover operating charges and maintenance. If this is because there are not sufficient branch lines, I think the subject will come within the scope of this discussion. However, I do not wish to violate the ruling of the Chair.

The CHAIRMAN: I call the hon. member's attention to the rule which prescribes that matters already dealt with during the session and disposed of in a debate cannot be debated a second time. It is true they can be referred to.

Mr. CALDWELL: I think, Mr. Chairman, no member in this House realizes that rule better than I do. However, as I have said, we must consider why we are voting this money to the National Railways, and I think we must look into the reasons that necessitate these loans. I believe one reason is that there are not sufficient branch lines to act as feeders to the National system. I also think that the members of this House should be allowed an opportunity of expressing their approval or disapproval as to why these branch lines are not available to the National system.

The CHAIRMAN: If the hon. member attempts to debate branch lines under this item, I must rule him out of order.

Mr. CALDWELL: I am not attempting to do so at all, Mr. Chairman. But I would suggest that this House should express itself very emphatically as to the attitude of certain people in this country towards the Canadian National Railways, and the apparent attempt to keep the National system in that position where this parliament will be continually obliged to vote money for its maintenance. I have another suggestion, and it is along the lines of the suggestion made by one of the Toronto members, only I would go a little further. I would suggest that when parliament convenes again one of the first bills the government should bring down should embody a request to the Imperial parliament to assist us in amending the British North America Act so as to make the Senate elective. If this were accomplished, I have no hesitation in predicting that there would be a very great change in the personnel of that chamber.

As to the mail contracts, I know of an instance in my own riding where the mail is carried on the Canadian Pacific railway to a certain point and is then hauled overland by stage twenty-six miles to serve a post office within half a mile of the Canadian National railway. It means that in winter the mail is from one to two days late in being delivered to people who live within sight and hearing of the Canadian National line. This happens at a number of other points along the National railway. I do not think this condition should exist. I think our National railways should have the necessary equipment to carry the mail of the country so as to give service to the people and at the same time bring revenue to the railway.

I was interested in the little lecture given by the hon. member (Mr. Hocken) with regard to people who were opposed to the Canadian National system. However, I do not think he should have confined his lecture to that particular quarter; if there are any over there who are not in sympathy with the Canadian National Railways they also were entitled to the benefit of that lecture. He should also have included some of his colleagues who sit near him, because when the betterments for the Canadian National Railways were up this year in the shape of branch line proposals—and I do not want to refer specially to branch lines—

The CHAIRMAN: I would remind the hon. member that branch lines are not betterments.

Mr. CALDWELL: That is rather interesting—branch lines not betterments. If they are not they should not be built. I never heard that argument advanced before. However, these betterments were earmarked by opposition in this House and these were invariably the ones that were turned down.

With regard to the fact that the Canadian National is not meeting operating expenses, there was a matter I brought to the attention of the minister and which he agreed to put before the management. One of the reasons advanced why there should be no construction of a certain line was that the line it was connected with had been making a big deficit every year. I refer to the St. John and Quebec Railway, part of the Canadian National system, for operation at least. It runs partly through my riding, with an outlet at St. John, New Brunswick. A great deal of our freight for export goes over that road. Our export dock at St. John is on the west side of the harbour. The St. John and Quebec Railway does not run clear into St. John but we have running rights over the Canadian Pacific Railway for the last ten miles into the city. I do not know who secured those rights. During the last two or three years I have repeatedly put questions on the order paper with a view to getting that information, but have never been able to obtain it. The Dominion government say the provincial governments got the running rights, and the provincial governments say the Dominion government got them. In any case, ordinary discretion was not employed in securing those rights, for this reason: Although we got running rights over this stretch of ten miles into St. John, and although we run our freight on the west side and the railway goes down in the west side, no siding facilities were secured at West St. John on which to set off the cars of freight which were to go to St. John for export, due to the fact that the Canadian Pacific insisted that we must take them across a toll bridge at the reversible falls into East St. John where we did not want them. We have to pay a cent and a half a hundred by way of toll to get over that bridge, paying for engines, cars and freight, to get them where we do not want them. Then, in order to get them back where we do want them we have to pay another cent and a half a hundred by way of toll, and as we have no switching rights on the west side we have to pay three cents a hundred for switching them back. Until three years ago we paid three cents a hundred terminal charges because they said we occupied the track while we unloaded them. Added expense was thus involved to the Canadian National lines and a great handicap was imposed upon our shippers. For instance, any one shipping potatoes to Cuba—

The CHAIRMAN: I would point out to the hon. member that his discussion is not relevant to this item.

Mr. CALDWELL: I will come back to the point and I will show where it is defeating Canadian National Railway revenue.

The CHAIRMAN: I do not think the hon. member can go into a detailed discussion of the matter at this time.

Mr. CALDWELL: I am sorry, Mr. Chairman, because I think the matter is a very vital one. It cuts into the revenue of the Canadian National Railways.

The CHAIRMAN: If the hon. member discusses that in detail then every foot of line in this country can be discussed.

Mr. CALDWELL: I am desirious of conforming to the rules, therefore I will bow to your decision and desist for the present. I will endeavour to bring the matter to the minister's attention.

The CHAIRMAN: The hon. gentleman may refer generally to it in connection with its causing, perhaps, a loss of revenue, but a detailed discussion is not in order.

Mr. CALDWELL: The freight on potatoes to that point is 16½ cents a hundred. We pay 9 cents to the Canadian Pacific Railway for switching and for tolls across the bridge, therefore the Canadian National are getting 7½ cents a hundred and the Canadian Pacific Railway 9 cents a hundred for doing the switching and the tolls. I was directing attention to this because it was one of the reasons why we repeatedly have to vote millions of dollars to help maintain these railways.

Mr. JELLIFF: As a member of the committee appointed to consider matters connected with the Canadian National Railways I wish to express my approval of this item in the estimates. I also wish to express my hearty concurrence in the report of the committee as submitted to the House. I had expected to make some more extensive remarks on the matter, but the discussion has been fairly full, the hour is late, the committee is weary as a result of its arduous labours, so I shall do no more at this stage than simply express my approval of the vote.

Item agreed to.

Canadian Government Railways—to provide for the purchase of branch lines—	
Moncton and Buctouche Railway—revote..	$70,000
Interest estimated, from date of taking possession to March 31, 1925, not exceeding (including revote $23,625)..	27,125
	$97,125

Mr. GRAHAM: This branch railway was purchased some years ago but owing to legal

questions the government has not been able to ascertain to whom the money should be paid.

Mr. MARTELL: The question of the Elmsdale station house has been brought to the attention of the department on divers occasions by myself and other people There is a station at Elmsdale in the county of Hants on the main line of the Intercolonial Railway. The station master at Elmsdale has a family of five or six children and the health officer for that portion of the country declares that the house is unfit for any ordinary man to live in, that the conditions are absolutely insanitary. We are spending millions of dollars to bring immigrants to this country, and yet the government and the Canadian National management cannot find seven or eight thousand dollars to build a decent house in which this man can bring up a family of five or six good, virile, young Canadian children. I think it is utterly absurd. I brought this matter to the attention of the minister; I wrote Sir Henry Thornton in regard to it; I wrote to Major Bell, the deputy minister; I presented to him letters which I have received from people in my county, some of whom are not supporters of mine, but live in that district, and the answer I received was that they had no money to build that station this year. Yet they can spend millions and millions for some of my friends over there to build branch lines in the West which are absolutely useless—

Some hon. MEMBERS: Order, order.

Mr. HEALY: The Senate killed the bill.

Mr. MARTELL: The Senators have got a whole lot of good common sense. I say that we can spend millions on immigration, to bring in foreigners about whom we know nothing whatsoever, and millions more on building branch lines, but the government and the management of the railways will not spend five or six thousand dollars to provide a decent place for the station master at Elmsdale to live in and bring up a family of five or six young Canadian children, who will grow up and become good Canadian citizens, because they were born on the soil and they love their native land. I claim that if the Canadian National Railway cannot find five or six thousand dollars to build a proper place for the station master to live in and where his children can be brought up under healthy conditions, we cannot afford to spend millions on branch lines and on bringing immigrants into this country. Before the vote carries I want to ask the minister what they contemplate doing in regard to this station. I want a direct answer, because I am not going to have the people down there put off again.

[Mr. Graham.]

Mr. GRAHAM: I would be glad to tell the hon. member, but that is a matter entirely in the hands of the Canadian National Railway Board, and the minister has nothing to say about it, except that I shall be glad to draw the attention of the board to the remarks of my hon. friend.

Mr. MARTELL: Parliament is voting money for the Canadian National Railways, and the minister should be in a position to say whether he will recommend that this station house will be properly fitted up for the station master, and if not, that the whole board will be told to get out.

Item agreed to.

Welland ship canal: construction, $11,000,000.

Mr. ROSS (Kingston): Will the minister give us an idea how much has been spent on the Welland canal, and how much work has yet to be done before it will be completed?

Mr. GRAHAM: I believe something like a little over $40,000,000 has been spent. There is one section yet to be let. I imagine it will take four years, perhaps a little more, to complete it.

Mr. MILLAR: I was prepared to make some lengthy remarks on this question, but as it is late, and if there is no further discussion, I shall confine my remarks to just one phase of this matter.

The success of the Welland canal depends to a considerable extent, in fact entirely, on the amount of traffic passing through it. Some time ago we had a discussion in which the Minister of Railways pointed out that there was an order compelling our railways to charge the same rate on grain from Montreal to Portland as to Halifax and St. John. I am going to try and point out to the minister that this order, when you come to analyze it, defeats its own purpose, and I think I can demonstrate that.

The CHAIRMAN: I would ask the hon. member how that is relevant to the vote for the Welland ship canal?

Mr. MILLAR: The order diverts traffic from the Welland ship canal.

The CHAIRMAN: That is something the minister, under the laws of Canada, has nothing to do with. I am just anxious to learn the point of relevancy.

Mr. MILLAR: When this subject was discussed before, it was understood that the Minister of Railways was the one responsible for the order, and I am going to show that that order results in diverting traffic from the Welland canal, and sends it through the States. Let us assume that we have a shipper at Fort William who is sending grain to the seaboard. At any time during the shipping season he has the choice of several routes. He can zig-zag his grain in several ways. It may go to the bay ports, to Goderich, and from there by rail to Montreal. During the season of navigation it would go out from Montreal down the St. Lawrence river, or he may ship it by Buffalo across to New York. But when the St. Lawrence is closed by ice, what is the position? We will suppose that the St. Lawrence is closed or is about to close, and a shipper is sending a cargo of grain from Fort William. In the past, right up to the close of navigation, he has been sending it by Port Colborne or Goderich to Montreal and Portland or perhaps by Buffalo and New York. But now he finds there is another order that affects him. I do not know exactly what the rate to Portland is, but being a distance of 297 miles I would take it to be about five or six cents a bushel. Now this order has compelled the railway to raise that rate; I think the minister will agree that that is the logical result, that we have to bring down the rate to St. John and Halifax and bring up the rate to Portland. The difference between the two in point of distance is in the neighbourhood of five hundred miles, I am speaking approximately, and the cost of carrying grain this four or five hundred miles would be in the neighbourhood of seven or eight cents. It is likely that the railway would raise the rate to Portland some two or three cents, and bring down the rate to St. John and Halifax two, three or four cents. Now what position is our shipper in? He realizes that if his grain goes to Montreal he cannot escape that penalty of two or three cents. There is no possible way out. That grain must pay that penalty of two or three cents. What will he do? Instead of sending it to Montreal he will send it to Buffalo and it will go to New York.

Mr. GRAHAM: My hon. friend is basing that statement on the other assumption, that the Portland rate would be raised and the Halifax rate be lowered.

Mr. MILLAR: Yes.

Mr. GRAHAM: Is that a fact?

Mr. MILLAR: I cannot say positively. But if it is not a fact, if the railways are carrying grain to St. John and Halifax for what is only a reasonable rate to Portland, what position are the railways in? They are compelled by this order to carry the grain 500 miles for nothing, which makes the situation a little bit worse. I think it is a fair assumption that they must raise the rates above the Portland rates, and they probably will lower them and carry the grain for less than what is a reasonable rate to Halifax and St. John. If that assumption is correct—and I think it is—the effect of the order will be to drive the grain from Canadian channels. Instead of having the benefit of carrying the grain through Canadian channels and handling it through Montreal and sending it to Portland, the effect will be to drive it into Buffalo, we will lose it, and it will not go through the Welland canal at all.

Item agreed to.

Ontario—St. Lawrence canals, improvements, $114,000.

Mr. GRAHAM: That is a contract.

Item agreed to.

Board of Railway Commissioners for Canada, maintenance and operation of, $235,929.

Mr. SHAW: Why do you increase this vote?

Mr. GRAHAM: Statutory increase.

Item agreed to.

Canals—staff and repairs, $2,232,000.

Mr. GRAHAM: That is for the entire staff of all the canals.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 12.08 a.m. (Friday).

Friday, July 18, 1924

The House met at eleven o'clock.

REPORTS

Mr. H. B. McGIVERIN (Ottawa) presented the twelfth report of the select standing committee on Miscellaneous Private Bills.

Mr. JEAN J. DENIS (Joliette) presented the sixth report of the special committee appointed to consider questions relating to pensions, insurance and re-establishment of returned soldiers.

PENSIONS AND RE-ESTABLISHMENT

ROYAL COMMISSION REPORT

Hon. H. S. BELAND (Minister of Soldiers Civil Re-establishment): I beg to present the fourth and final report on the second part of the investigation of the royal commission on Pensions and Re-establishment. I have already informed the House that I have received an advance report of this final report from the royal commission, that is the part which deals with canteen funds, and in this connection legislation has been introduced in this House. I beg to move:

That the fourth and final report of the royal commission on Pensions and Re-establishment be printed for bound sessional papers; and 1,000 copies in the English language and 250 copies in the French language for distribution, and that Rule 74 be suspended in relation thereto.

Motion agreed to.

INDUSTRIAL AND INTERNATIONAL RELATIONS

THE EIGHT HOUR DAY

Mr. D. M. KENNEDY (West Edmonton): I beg to move:

That the second and final report of the select standing committee on Industrial and International Relations be concurred in.

Mr. J. S. WOODSWORTH (Centre Winnipeg): I move in amendment:

That the report be referred back to the committee with instructions to add the following words to the said report:

"It is further recommended that the government should limit the hours on Dominion works and undertakings to eight in the day and forty-eight in the week.

And further, that the government should submit to the House legislation declaring that such works as may be advisable should be for the general advantage of Canada pursuant to the power by the British North America Act in that behalf provided and thus bring such works within the control of the Dominion for the purpose of limiting the hours of work to eight in the day and forty-eight in the week."

The eight hour day is a matter concerning which labour has had very strong convictions for many years. It has been one of the great objectives of the organized labour movement. Few people realize that the Peace Treaty of Versailles deals, not merely with questions of boundaries, armaments and finance, but with principles that should underlie our industrial life. The labour sections of the Peace treaty open with a general statement in the following terms:

Whereas the League of Nations has for its object the establishment of universal peace, and such a peace can be established only if it is based on social justice.

[Mr. Denis.]

And whereas conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled; and an improvement of these conditions is urgently required; as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, etc.

Here there follow an enumeration of most of the ameliorative measures after which labour has been striving for many years.

In view of the high contracting parties, as of special and urgent importance, there are enumerated for the guidance of the International Labour Organization certain general principles among which is included "the adoption of an eight hour day, or a forty-eight hour week as the standard to be aimed at where it has not already been obtained."

We in the labour movement thought that when the treaty was signed we were assured that the eight hour day had been secured, and we were confirmed in this view by what took place at the Washington conference. Among the draft conventions and recommendations adopted at the first session of the international conference held at Washington in 1919 and concurred in by Canada's representatives, the first is that which limits the hours of work in industrial undertakings to eight in a day and forty-eight in a week. The convention was not concerned with agricultural labour; it confined itself to industrial undertakings.

One difficulty in securing legislation in Canada in accordance with this Washington convention lies in the fact that we have a federal constitution. According to the Treaty of Peace,

In the case of a federal state, the power of which to enter into conventions on labour matters is subject to limitations, it shall be in the discretion of that government to treat the draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case.

On this point the Minister of Justice in a report confirmed by order in council passed on November 6, 1920, made the following statement:

The government's obligation will, in the opinion of the minister, be fully carried out if the different conventions and recommendations are brought before the competent authority, dominion or provincial, according as it may appear, having regard to the scope and objects, the true nature and character of the legislation required to give effect to the proposals of the conventions and recommendations respectively that they fall within legislative competence of the one or the other.

Of these draft conventions adopted at the Washington conference, five, including the eight hour day, are declared by the law officers

of the Crown to fall within provincial authority. Notwithstanding this fact it was felt that the Dominion government was not altogether clear in the matter and that something further should be done to give effect to these conventions. Hence there was called in 1923 a conference of the representatives of the Dominion and provincial governments to consider the obligations of Canada arising out of the labour section of the Treaty of Peace. The Minister of Labour (Mr. Murdock), stated that one of the objects of the conference was:

> To assist the provinces, by consultative conference, in determining their attitude towards the labour principles of the Peace Treaty to which the parliament of Canada has already given its assent, and to which our country is plighted in agreement with the other nations.

The House will note that we have here a frank admission that our country is plighted to the eight hour day in agreement with the other nations. No resolution was adopted in regard to the eight hour day at this conference but it was agreed that the federal Department of Labour should proceed as promptly as possible to ascertain the present position of the eight hour day movement in industrial undertakings in Canada, the information obtained by inquiry to be submitted to all the provincial governments for their consideration. This I understand has been largely carried out and the information in so far as it has been secured to date, has been submitted to the various provincial governments.

Now we come to the question of the report before the House. The Minister of Labour Mr. Murdock, two weeks ago made the following reference to the newly constituted parliamentary committee on Industrial and International Relations:

> That it is expedient that a certain draft convention which was adopted at the first session of the International Labour Conference of the League of Nations in 1919, limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week be referred to the Select Standing Committee on Industrial and International Relations for examination and report, having regard to the labour provisions of the treaties of peace and to the order in council of November 6, 1920 dealing with the jurisdiction of the provincial parliament and the provincial legislature.

After holding a number of sessions the committee recommended "that measures be taken to refer the draft convention"

> —to the Supreme Court of Canada for hearing and consideration under section 60 of the Supreme Court, together with such questions as will serve to secure an advisory judgment from the court on the jurisdiction of the Dominion parliament and of the provincial legislature respectively.

Some of us tried to have some definte action taken by the committee, and the report actually incorporated something of this kind. But notwithstanding the fact that the report was to have been presented to the House in that form the chairman of the committee left the city without having submitted it, although he had an opportunity to do so, having been in the House the day after the report was agreed upon. Then the committee was called together and the whole matter reconsidered, the report was adopted concerning which the motion of concurrence has been moved today. This would seem to indicate that the government is not very serious in its efforts to give effect to the eight hour day in Canada. We have had the Washington conference; we have had orders in council; we have had the findings of the law officers of the Crown; and we have had a joint conference of federal and provincial representatives. And we have now had the investigation by the committee on Industrial Relations. Surely all this should have been sufficient. But we find that the matter is to be referred to the Supreme court, so that we are no further ahead than we were five years ago. There are certain classes of workers in Canada who are still toiling away eleven and thirteen hours a day and seven days of the week. In this House I have repeatedly called attention to the conditions that prevail in the steel works in Nova Scotia and elsewhere in Canada. There was an excuse advanced during a good many years that as in the United States they had the long hour shifts, the men in that country working a twelve hour day, that if we reduced the hours of labour in this country our steel manufacturers could not cope with the Americans. That excuse is gone as they have adopted the eight hour day in the steel works of the United States, whereas the steel companies of Canada continue to maintain the twelve hour day and seven day week.

We have had trouble especially in Nova Scotia year after year. In this connection the Robertson commission in its report presented a few months ago urged that as one of the grievances of the men was the eleven and thirteen hour day and the seven day week there should be a reduction made to an eight hour day and a six day week. Notwithstanding that recommendation the government has taken no action, and, as I have suggested, it would seem as if there is a general desire to shirk responsibility. Several years ago the world protested because an important treaty was reduced to "a scrap of paper." I would call attention to the fact that in this case we are concerned with the Treaty of Versailles, to which Canada with the other nations party to that treaty is definitely committed. Are we

to reduce that treaty to a "scrap of paper?" Already other countries are embodying this convention in legislation, and we have the edifying spectacle that having adopted this advanced legislation they must compete with Canada which maintains a lower standard of working conditions.

In the evidence presented to the committee we have the following statement made by an official of the Labour Department:

> As to the action taken on this subject in other countries, it has been ratified by Bulgaria, Czecho-Slovakia, Greece, India, Roumania. Ratification, as we know, of course means a formal acceptance of the agreement as a matter of treaty,—the convention being identical with the treaty. Bulgaria, Czecho-Slovakia, Greece, India, and Roumania have signed the convention. In addition to that Great Britain has intimated its intention of taking steps looking to ratification at once and the matter was understood to be under way. Great Britain has probably led the world in the adoption of the eight hour day.

Again:

> These other countries have adopted legislation dealing with the subject matter: Belgium, Spain, India, Sweden, Italy and the Kingdom of the Serbs, Croats, and Slavs.

And still again:

> These countries I have just read, in reply to your inquiry, have adopted legislation carrying out the provisions of the Washington Convention and have not yet in all cases ratified the convention. France and a number of other countries have also been moving in the same direction. As to the trades that are referred to in the draft convention, industrial undertakings, Bolivia, Norway, Germany, Denmark, Chili and the Argentine have already bills before them.

Now, it does seem as if in view of the action which is being taken by other nations to carry out the draft convention which embodies the principles of the Peace Treaty, Canada is recreant to her duty if she does not take action at this time. The government is inclined to say that nothing can be done, that this is a matter for the provinces, and to shift its responsibility. But I would point out that the government is not doing what is clearly within its power to do at the present moment. In my amendment I suggest that the government might limit the hours on Dominion works and undertakings to the eight hour day and the forty-eight hour week. This requires no further legislation. We may easily insert such a clause in every contract which we make. It does not need a reference to the Supreme court to decide that, it does not even need any further legislation; it is already within the jurisdiction and power of the Dominion government. At the present time the confessed policy of the government with regard to such Dominion works as are undertaken, in so far as the hours of labour are concerned, is to conform with the conditions from time to time prevailing in the district where the particular work is being carried on. I submit that the least the government could do would be to act as a model employer on its own works. Let me repeat, no one questions the jurisdiction or power of the government in this regard.

I should like to direct attention for a moment to the second clause of this amendment:

> That the government should submit to the House legislation declaring that such works as may be advisable should be for the general advantage of Canada.

The British North America Act is quoted as being the stumbling block: "We cannot do anything because of the British North America Act." While the provincial legislatures have exclusive power in local works and undertakings, the following classes, among others, are specifically exempt by section 92, subsection 10 (c):

> Such works as, although wholly situated within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada, or for the advantage of two or more provinces.

The evidence submitted to the committee shows that frequently railways, although wholly situated within one province, have for certain reasons been declared to be for the general advantage of Canada. Last year we had a case of certain water-powers connected with the Lake of the Woods level being declared to be for the general advantage of Canada. I submit there is no reason why other works should not be similarly declared to be for the general advantage of Canada. In fact the law officers who were present to give evidence admitted that this procedure might be taken. Mr. Edwards, the Assistant Deputy Minister of Justice, in referring to this matter answered several questions which I put to him. Part of these questions and answers I shall now quote:

> Q. All that would be necessary to secure an eight hour day under those circumstances would be to have such a clause inserted in the contract. Further, with regard to any subsidized undertakings, railways, steamships or anything of that kind, I presume that too could be arranged directly in the agreement?—A. I think it could be made a condition of the subsidy.
>
> Q. In a case where the government is under contract for the delivery of any goods from any firm, I presume the government might insist that these goods should be produced under fair conditions, including the eight hour day.—A. I think that again is a provision which, if properly drawn, could be made a part of the contract.
>
> Q. Then coming to this question, which we have been discussing, Dominion works and undertakings. As far as you know, are there any actual cases which have come before the courts, other than the one you mentioned, which would seem to indicate any limitations of the powers of Canada to declare any work of general advantage to Canada?—A. My attention has not been directed to anything specific on that subject.

Then I went on to speak of certain manufacturing works, mining, and so on, and the witness said that he saw nothing in the act to prevent any such work being declared to be for the general advantage of Canada. Why could not the steel works, which have been so very heavily subsidized in the past by the government of this country, and which are receiving contracts from the Canadian National Railways,—why could not they be declared to be for the general advantage of Canada and so be brought within the control of the Dominion for the purposes of the eight hour day convention.

One further suggestion. A large number of manufacturing industries in this country are receiving protection from the country. Surely it is presumed that they are for the general advantage of Canada. If they are not for the general advantage of Canada, why should we give them protection? If they are for the general advantage of Canada, then they may be so declared by this parliament, and if so declared by this parliament the eight-hour day can be enforced in such undertakings.

It is not my intention to do anything more than to state this case. I do not purpose to plead the eight-hour day. I do not propose to show the disabilities under which the men are working because of the lack of the eight-hour day. I take it for granted that the principle of the eight-hour day was settled once for all by the Peace Treaty of Versailles. But I do ask that the government no longer continue to allow this question to be made a football and to be kicked or thrown backward and forward between the provincial and the federal authorities, the workers being allowed to suffer in the meantime. It seems to me that a case for definite action on the part of the government is clear. There are means indicated by which this convention may be enacted into law and whereby the eight-hour day may become effective. I venture to quote the old proverb: "Where there's a will there's a way"; and I may add, where there is no will there is no way.

Hon. JAMES MURDOCK (Minister of Labour): Mr. Speaker, the arguments just made by the hon. member for Centre Winnipeg (Mr. Woodsworth) were before the committee on Industrial and International Relations at each meeting. On the 23rd of May the committee had referred to it the draft convention emanating from the Washington conference dealing with the eight hour day in industrial undertakings, for examination and report having regard to the labour provisions of the Treaty of Peace and to the order in council of November 6, 1920, with regard to the jurisdiction of the Dominion parliament and the provincial legislatures. That order in council indicates the view of the Justice Department that the provincial legislatures have power to enact and apply generally and comprehensively the eight hour day in industrial undertakings. The hon. member for Centre Winnipeg is aware that the Labour Department has undertaken to press this question upon the attention of those competent to deal with it, that is, the provincial governments. Last September a conference was held of representatives of all the provinces and the federal government, and this question was exhaustively discussed. We found material objection on the part of the representatives of some of the provinces to any action by the federal government that might be prejudicial to what they regarded as their right to deal with this matter. While I might personally be in hearty accord with my hon. friend's proposal that we should here and now determine that on federal works and undertakings the eight hour day should apply, I am not sure that to do so would be consistent or would involve a recognition of the proper partnership which should exist as between the federal authorities and the provincial governments. For example, in connection with the Welland ship canal, where work has been proceeding for a number of years. Some two years ago it was necessary for the Minister of Labour under the fair wages policy to determine the length of the day that should be applicable to the workers on that undertaking. In dealing with that question we were required by the fair wages policy to recognize the wages and the hours current in the district, and in that connection we had to take into consideration the somewhat similar work that was progressing on the Hydro-Electric power ditch. The Labour Department believed it was proper to keep abreast of the wages and conditions then prevailing rather than to prejudice the rights of the provinces by fixing better wages or better hours of labour than were in general effect in the territory. I have not found on the part of any labourers on the Welland ship canal a desire to be held down to the eight hour day; I have rather found that their chief desire in many cases was to have the eight hour day fixed in order that they might get overtime or time and a half for working nine, ten, eleven, or twelve hours. I do not for a moment hold that that is the general view, or that is uppermost in the minds of those who are speaking for labour. For many years I have been personally com-

mitted to the principle of the eight hour day and know something of the battles that have been necessary in order to secure its recognition. But in connection with the application of the eight hour day to public works and undertakings in Canada I am bound to say that the adoption of the principle is only too often demanded—and this can be proved by a review of the files—in order to obtain time and a half for working longer than eight hours.

My hon. friend intimates that the government is not serious. That "listens well" to labour generally throughout Canada, but it is untrue; it is not in accordance with the facts. The government is distinctly serious in its desire so to handle this question as not to encroach upon the rights of the provinces or upon the rights of industry—and I think hon. members will agree that each have some rights. The government wants to deal with it in an orderly way and with due regard to the rights and interests of all concerned. We have had before us for several years a ruling of the Justice department that the question of applying the eight hour day to industry must be dealt with by the provinces. The government is serious in its desire to ascertain through a Supreme court ruling if that is or is not the case. The government believes that is the case, but the hon. member for Centre Winnipeg and others in various parts of Canada who want to present something that will listen well to the uninitiated labouring man hold otherwise. They know it is popular to hammer the government about this, that or the other thing. The government is serious in wanting to get from the Supreme Court of Canada, or from some further tribunal, if necessary, something that will be final and conclusive upon this important question, and so it was unfortunate that when this question came up before the Industrial and International Relations committee, at almost every meeting of the committee, there was a bare quorum. It is true, as my hon. friend has said, that at a meeting held some days ago—at which only ten members were present out of thirty-three, a bare quorum of ten including the chairman—a report was adopted which partially carried with it the proposal that my hon. friend has moved this morning. It was believed, though, by many of those connected with the committee that it might not be consistent to adopt and press that resolution on the attention of the House. It was the desire of the members of the committee that the question should be submitted to the Supreme Court of Canada, so that in that way the government would be placed in a position to know prior to the next session of parliament just what its rights were.

Mr. LAPOINTE: Would my hon. friend state by what majority that report was adopted by the committee at the meeting at which only ten members were present?

Mr. MURDOCK: The vote was five to four, with the chairman not voting. At the most recent meeting, held the day before yesterday, the committee, I think, were unanimously of the view, including my hon. friend from Centre Winnipeg, that the Supreme court should pass upon this important question. But my hon. friend wants to go further; he wants to have this parliament declare that any work or undertaking, any industry in Canada, may be held to be for the general advantage of Canada.

Mr. WOODSWORTH: Just as a matter of accuracy, may I say, that is not what is incorporated in my resolution.

Mr. MURDOCK: I realize that is not what the hon. gentleman has moved in his amendment, but that claim was repeatedly made—as I am sure my hon. friend will admit—before the committee. And I am sure too that he argued that way before the committee; in other words, he proposes that this federal government should pick out this industry in Nova Scotia, that industry in British Columbia, or as many industries as you like in Nova Scotia, British Columbia, Ontario, Quebec, or in other provinces, and declare them by the action of this parliament, to be, for the general advantage of Canada, and then apply the eight hour day to such industries in disregard of any provincial rights, and regardless of the evident intent and language of the British North America Act. That might be all right from the viewpoint of my hon. friend, but such action would be held by many others in this country as altogether selfish and unfair. So, Mr. Speaker, my earnest desire in the matter would be that the report which was placed before the House the other day be adopted, in which it is recommended that measures be taken to refer the "Draft Convention limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week" to the Supreme Court of Canada for hearing and consideration under section 60 of the Supreme Court Act together with such questions as will serve to secure an advisory judgment from the court on the jurisdiction of the Dominion parliament and of the provincial legislatures, respectively.

The language of that last clause was purposely prepared and placed there, so that in numbered and proper order the questions in which my hon. friend is interested could be placed before the Supreme court and a ruling secured on each and every one of them, so that the parliament of Canada would be in a position to know just what were our rights and what were the rights of the provinces.

If the views of my hon. friend from Centre Winnipeg were to prevail here this morning, it would simplify materially the work of the Minister of Labour while he occupies his present position. It would be very much easier for him to say: The eight hour day applies at Edmonton; it applies on the Welland ship canal, and everywhere else. At the present time we have to carefully inquire as to what are the current hours and conditions of labour in the area where the work is to be performed, and then we have to be very careful to see that as nearly as possible we arrive at the current wage and the current hours. Personally I think that under our constitutional rights, yes, and in view of our constitutional restrictions, the action which is now being taken is the proper one if we are going to play the game fairly with our partners, who are the provinces in this confederation. So, regardless of how much I might personally desire to see the amendment proposed by my hon. friend prevail, I do not think that it would be fair at this particular time to go to that extent, and I hope the House will finally adopt the report which was submitted to it by the committee on Industrial and International Relations.

Hon. HUGH GUTHRIE (South Wellington): As a declaration in favour of the eight hour day as applied to Dominion government works, I am unqualifiedly in favour of the first proposal of the amendment. I have taken that stand before, repeatedly, in this House and on the platform in this country. If I understand the amendment aright, its application is limited to government works, or works constructed or carried on by the Dominion of Canada.

It is all right for my hon. friend the Minister of Labour to say that this amendment of the hon. member for Centre Winnipeg may be used before the uninitiated in Winnipeg as a vote catcher at elections, but I can tell the Minister of Labour that this motion will appeal very deeply to the initiated in the city of Guelph where I live. I am satisfied that labour throughout Canada is in sympathy with this proposal, and the proposal in my judgment is right. I do not think there is any doubt as to the jurisdiction of this parliament in regard to Dominion labour. But there is more than a doubt in regard to our jurisdiction to apply the eight hour day principle generally throughout the Dominion. I have not a doubt upon the subject; I am satisfied that the ruling of the Department of Justice is right in that respect, and that the provincial legislatures have jurisdiction in such matters; but I am just as sure that this parliament has jurisdiction in regard to Dominion works, and if parliament or the government is in sympathy with the proposal of the eight hour day as applicable to Dominion operations and Dominion works, there is no reason why this proposal should not be supported. I do not see the difficulties which the Minister of Labour fears in the application of this principle. We take upon ourselves now to insert in our contracts a fair wage clause and our right to do so has always remained unchallenged. We disregard provincial law and provincial conditions in this respect and in contracts made by this government for the construction of works in any part of this Dominion we always insist—

Mr. MURDOCK: May I interrupt? Do we disregard provincial rights and provincial hours and wages when we say in that fair wage clause that the current wages and hours shall govern?

Mr. GUTHRIE: Yes we do, we take it upon ourselves to say what the wages shall be in that respect.

Mr. MURDOCK: The current wages.

Mr. GUTHRIE: Whether current or otherwise we make a declaration as to the scale of wages in our contracts. If we can validly make that declaration in our contracts in respect of wages we can do the same thing in respect of the hours of labour. I only support the amendment on the ground that as regard to Dominion works, it proposes to apply the eight hour principle which I believe to be the correct and proper principle. I would not support the amendment if it proposed to extend that principle into provincial jurisdictions over which I am satisfied we have no control. But as the amendment is purely applicable to Dominion works I think it is in the right direction and I shall support it.

Mr. R. J. WOODS (Dufferin): I want to voice my opposition to the amendment as it has been presented. I know a little about labour because as a young man I did a lot of manual labour on different public works and other undertakings, and I never found that working even ten hours a day was detrimental to my physical energies and powers. Since I discontinued working for other concerns I

have been engaged in farming. In that occupation there is no restriction on the hours of labour, which usually run from ten to twelve or fifteen or sixteen hours. Still we manage to pull through, and some of us attain to a fair age without much diminution of physical strength and energy. I believe the labouring class should be paid a fair wage, but I also believe that they should do a fair day's work for that wage. From what I read and hear in connection with the labour movement I am afraid there is a tendency on the part of organized labour to get labour into such a condition that it will not do a fair day's work for fair wages. Now, I have watched the attitude and the demeanour of labouring men on public works and I am forced to the conclusion that in a great many cases men do not want to earn their wages; they want to get paid for a minimum amount of work. It would seem as though they tried to do as little work as possible while they were on the job. For that reason I am opposed to the amendment. Another cause of objection is this: In this country to-day we are suffering from the high cost of living; we are also suffering from the cost of agricultural implements, high transportation rates on our railroads, and other conditions. We believe that the high cost of labour—possibly because a lot of
12 noon labourers are not doing a fair day's work for the money they get—is largely responsible for the high cost of living, the high cost of implements and the high railroad rates. If we are going to get any reduction in these costs the first point we must strike at is the cost of labour. We must have a reduction of prices in some way, either in the wages paid or in an extension of the hours of labour, so that we may get better returns for the money that is spent.

Another question to be considered is this: The farmers are up against a serious problem in connection with labour. They have to engage a good deal of labour, and if their needs cannot be supplied in that respect they cannot produce. Now, if the hours of labour in the cities are to be restricted to eight hours a day it will be impossible for the farmer to get labourers to work for ten or twelve hours on the farm. And yet these hours are indispensable, otherwise farming cannot be carried on profitably. I am opposed to the amendment and shall support the adoption of the report.

Mr. A. W. NEILL (Comox-Alberni): I congratulate the mover of the amendment upon having, even if only on the last day of the session, got away from the expression of vague, academic theories, and having at last brought forward a subject of some practical concern to Canada. This is not a question as to what some government should do in the Ruhr or in Bulgaria, or in Mesopotamia, this is something that is actually, for once, at least, a question of importance to this country. At the same time I consider that the introduction of the amendment at this day and at this hour is particularly ill-advised. There is every reason to believe, in view of the opinion of the Justice department, that the matter of the control of the hours of labour, rests with the provinces and not with the Dominion. We have evidence that the provinces in great part have accepted that view. I might point to my own province of British Columbia which, in the consideration of that fact, went ahead by itself and passed an eight hour law, and I am proud to think that we gave the rest of the Dominion a lead in that regard which I hope will be followed. Moreover I understand that the main recommendation in the report of the committee is to refer this matter to the Supreme court for a further and final decision. Therefore it would seem wise to go slowly in this matter in the meantime.

I particularly object to the second feature of the hon. gentleman's amendment, I refer to his proposition to give power to this government to go out into the industrial field all over Canada and say "This industry over here is for the general benefit of Canada and therefore its employees shall only work eight hours a day", but that another industry perhaps a competing industry, should not be interfered with at all. Look at the tremendous opportunities for the abuse of political power such a provision would give the government, either this government or any future administration. For this reason and for other complications which would result, I would be strongly against that feature of the amendment.

At the same time, I was elected on a platform containing an eight-hour-day plank, and therefore I shall express my sympathy with the general principle of that policy by voting for the amendment. But I must reserve to myself the right to oppose at any future stage the suggestion to enter any man's private business, or industry of any kind, and declare such industries to be works for the general advantage of Canada.

Hon. CHARLES MARCIL (Bonaventure): I only have a word to say on this subject. I had the honour of presiding at the last meeting of the committee in the absence of

the chairman, the hon. member for Cape Breton South and Richmond (Mr. Carroll). In my constituency the people do not limit themselves to eight hours a day; the majority do not work less than eight hours, and quite a number of them much longer than that. However, the proposition here is to apply the eight hour day to public works which I understand will add twenty-five per cent to the cost of such work. It is largely a question of economy. Are the finances of Canada in such a condition as to justify the payment of an additional twenty-five per cent? It is up to parliament to decide what shall be done.

Another phase of this matter which is more likely to affect Quebec at the present time, is that a large number of industries, chiefly in pulp manufacturing in Quebec, do not observe the Sabbath day. These works continue in operation in districts where the observance of the Sabbath is very general. The violation of the Lord's Day Act is fairly general by these mills, and municipalities in the province have adopted resolutions at public meetings, township meetings and so on, protesting strongly against this want of respect for the Sabbath day, a day which should be generally observed throughout the whole of Canada. Some years ago I had the honour of doing my share in having legislation passed to enforce the observance of the Sabbath day; but when the Senate dealt with the measure, they placed an amendment at the tail end of it, in two lines, stating that the enforcement of the act would rest with the provincial authorities. Therefore, the enforcement of the act rests with each province. I am glad, however, to see in this reference to the Supreme court, there is also included the question of the forty-eight hour week which means six days a week and not seven. For that reason I am glad to say a word in favour of this report, everything that the Minister of Labour (Mr. Murdock) has said, and the action being taken now in referring the question to the Supreme Court of Canada. When we have their decision on this point and when we know exactly the powers of this Dominion and the powers of the provinces as well, we shall be able to deal with the matter fairly and as it should be dealt with in the interest of the labouring classes and of a Christian country such as Canada is.

Mr. J. L. STANSELL (East Elgin): Mr. Speaker, before being called upon to vote on this question, not having had an opportunity of studying the amendment, I should like to ask the Prime Minister or some other member of the government qualified to give a legal opinion, if, in the event of this amendment carrying applying the eight hour day to Dominion public works and undertakings, it will apply to hours of labour in this parliament.

Mr. T. L. CHURCH (North Toronto): Mr. Speaker, we are not going to get an eight-hour day by legislation, or by appointing a committee on industrial relations, or by getting an opinion from the Supreme Court of Canada, or by sending delegates to Geneva to discuss labour questions and to pacify Europe. We are certainly not going to get it by placing it on the bill of fare two or three hours before the close of a five months' session. The only way to secure an eight hour day is by educating the public. I may point out an example and I would ask the government to follow it. There are 12,000 employees in the city of Toronto, from which I come, who are working an eight hour day. That applies to the street railway, all public departments, including the police and fire departments, and public utilities. The eight hour day will come by education first of all, and not by legislation.

We have a department presided over by the Minister of Labour (Mr. Murdock), who has been to Geneva assisting in pacifying Europe and the world. If the government want to get a national eight hour day, in which I am a believer, let them do something in a practical way: let them, before they pacify Europe, first of all pacify their own employees and give them an eight hour day, fair wages, proper working conditions and proper salaries —a fair day's pay for a fair day's work—and all this without any reference to the Supreme court. The Minister of Labour should work to pacify the employees in his own department and in all the government departments, and let the good work continue. Let him get his colleague the Acting Postmaster General (Mr. Stewart) to assist him in giving a square deal to a few postmen. In that way something will be done to educate public opinion in advance for a general eight hour day. The government should let charity begin at home in this matter by beginning this amongst their own government employees who are badly in need of it, and they can carry out this pacification and fair dealing themselves along these lines in the recess of parliament if they want to assist in bringing into effect the eight hour day throughout Canada. Let them stop preaching and practise what they preach. While the question is one for education, and while it may be all right to get the opinion

of the Supreme court, still no eight hour day for Canada will come until the government help their own employees and are fair to them.

Mr. JOS. T. SHAW (West Calgary): Mr. Speaker, the amendment proposed by the hon. member for Centre Winnipeg (Mr. Woodsworth) has two parts. First of all, he proposes to apply the eight hour day to Dominion public works. As the hon. member for South Wellington (Mr. Guthrie) has said, there surely cannot be any question of the power of this parliament to decree that, in the carrying on of public works, the eight hour day shall apply. The eight hour day has been an election cry for many years; this is a good opportunity for the friends of labour to pass judgment in this parliament at this time whether or not they favour an eight hour day. An hon. gentleman to my left says that he is going to vote against the eight hour day because some men do not work enough, because they do not give sufficient value for their money. Moreover, he wants to reduce the cost of labour. He thinks the cost of labour is the cause of all our troubles, although he brings forward not a single fact or circumstance to justify his opinion. He gives the high cost of labour as the reason for the high cost of living, for the high transportation costs, for all the difficulties from which we suffer. He must have been absent from the House the other evening when, I think, the hon. member for Centre Winnipeg presented facts and figures to show exactly what relationship wages have to the high cost of living. Certainly those figures are far from establishing the imaginative statements of the hon. member for Dufferin (Mr. Woods).

The second part of the resolution does not ask this parliament to do anything. It asks the government to introduce legislation for the purpose of picking out from the industries of Canada those which are for the general advantage of Canada and which will, therefore, automatically come under the provisions of the eight hour day, if effect is given to the first part of this resolution. That as I understand it, is all that the amendment calls for. It simply says that the government shall introduce legislation, I presume at the next session of parliament, fixing these particular industries, and therefore, automatically, as I say an eight hour day shall then apply. I think both parts of this amendment are highly desirable and commendable, and labour in this country will be able on reading the vote in this matter to determine who their real friends are.

Mr. WILLIAM IRVINE (East Calgary): Mr. Speaker, the amendment is in itself a very small concession to the demands of labour throughout Canada. I have been amazed at some of the things that have been said by some hon. members in objecting to this amendment, and much more amazed at the attitude of the Minister of Labour (Mr. Murdock). The Minister of Labour has had, I think, thirty-six years of training in the front line of labour struggles, as he says, and there he has been initiated and understands their movement very well. Now when he gets to be a cabinet minister, he promptly forgets all about that; contents himself with telling labour how much he used to fight for them. The labour people of this country are sick of that kind of thing and they are looking for some definite little bit of action. Verbose promises do not get us anywhere. The Minister of Labour has here an opportunity to put into practical effect all the splendid ideals and the enthusiasm and inspiration of thirty years in the Labour movement. But when that opportunity presents itself to him what does he do? He begins to make excuses. Excuses of the Minister of Labour are many, and seemingly one is always ready. In the one instance we have the Privy Council; he cannot do anything because the Privy Council stops him. The next time he cannot do anything because the Supreme Court of Canada might say something about the question. Then he cannot do anything because the provinces have to be protected and there is certain provincial jurisdiction. The next time he cannot do anything because Moses, some 4,000 years ago, fixed the laws and, therefore, nothing can be done in the parliament of Canada. That is not a caricature, that is in reality what the Minister of Labour is saying. One of the reasons given by the minister for inaction on the part of this government is that if we do anything we may interfere with provincial jurisdiction, and so on. But as pointed out by the hon. member for West Calgary (Mr. Shaw), one of the things which the amendment seeks is to have the government put into practice the principle of the eight-hour day in the case of any undertaking that falls entirely within the federal jurisdiction. The Supreme Court could have nothing to do with any such matter and no provincial rights would be encroached upon.

Mr. HUGHES: Does the hon. member advocate that there shall be privileged classes in this country?

Mr. IRVINE: We have already endorsed the principle of the eight-hour day inasmuch as our signature has been appended to the Treaty of Versailles. This being the case there is no reason whatever why the Dominion

government should not apply that principle in all cases that come within its own jurisdiction. If the provincial governments do not wish to adopt the principle that is their business, and they must assume the responsibility for whatever course they pursue. But the Minister of Labour cannot advance, as an argument to justify failure on the part of the Dominion government to observe the very principle which this Dominion has adopted, the fact that the provinces have not seen fit to ratify it. That is no excuse at all. I was surprised—not very much but somewhat surprised—to hear gentlemen who claim to be farmers opposing the amendment on the ground that they themselves have to work sixteen hours a day. Well, any man who boasts of working sixteen hours a day may have a mighty strong back but I would not say the same for his upper end.

An hon. MEMBER: They are forced to.

Mr. IRVINE: No man should be forced to work sixteen hours a day for the benefit of the big interests. And as to the agrarian population, if they will bring some organizing genius into play they ought to do away with the necessity for working sixteen hours a day.

Mr. VIEN: Does my hon. friend not think that we should make hay while the sun shines?

Mr. IRVINE: That is what I am trying to do right now as well as I can. Now, it is not the principle of the eight-hour day that is under discussion, for that principle has already been adopted; there is no question about that. All that we want is to have the Dominion government apply that principle to labour which is engaged in its own works and over which it has absolute jurisdiction.

Mr. VIEN: What warranty has the hon. member for assuming that the provincial government has no rights, so far as the eight hour day is concerned, jointly with the federal government in Dominion works and undertakings?

Mr. IRVINE: I will answer with another question: What reason has the hon. gentleman for even entertaining the idea that the provincial government has any such rights?

Mr. VIEN: That is not an answer.

Mr. IRVINE: It is an answer to the question which the hon. gentleman asked.

Mr. MURDOCK: When speaking I indicated in what way the provincial government had some right. Does my hon. friend think that my view in that respect was right or wrong? If it was wrong, will he tell us in what way?

Mr. IRVINE: Does the Minister of Labour mean to say that the Dominion government has not the absolute right to say what shall be done in relation to its own contracts.

Mr. MURDOCK: I did not say that.

Mr. IRVINE: I am not saying that the provincial governments have no rights, but I do say most emphatically that they have not the right to dictate in regard to what is distinctly a federal affair.

Mr. MURDOCK: That is not the point.

Mr. IRVINE: It may not be the minister's point, but it is the point I have raised myself.

Mr. MURDOCK: The question is this. Should the Dominion government, in disregard of certain provincial rights, decide that an eight hour day shall apply in connection with public works and undertakings even though the adoption of that principle should seriously prejudice certain constitutional rights of the provincial government?

Mr. IRVINE: What are those rights? It is all very well to make a bold, bald statement of that kind, but it does not mean a thing.

Mr. MURDOCK: The question is a simple one if the hon. member wants to answer it.

Mr. IRVINE: I am prepared to give the minister an opportunity to show what obligation the federal government has in relation to the provinces in this matter. Does he say that the federal government has no authority at all? If it has any authority in regard to the eight-hour-day principle, then let that principle be applied in so far as the federal jurisdiction will allow. I am not so foolish as to suggest that the Dominion government should try to exercise any power which it does not possess, but I certainly do not think that the Minister of Labour and his government are going to the extent that they might go in this regard.

Mr. VIEN: Does the hon. gentleman wish the federal government to do anything that would disturb the prevailing conditions in a province?

Mr. IRVINE: I am not advocating anything of the kind.

Mr. VIEN: Surely.

Mr. IRVINE: All I ask is that the present government shall exercise the power which unquestionably it has and apply the principle to works that come under its own jurisdiction exclusively.

Mr. VIEN: Even though that may create a disturbance in local conditions?

Mr. IRVINE: If it were a matter of upsetting the equilibrium of the universe I should hesitate—

Mr. VIEN: Nobody is talking about the universe.

Mr. IRVINE: It is as reasonable to suggest that anything we might do would upset the equilibrium of the universe as it is to suggest that the exercise by this government of its jurisdiction in this matter would disturb provincial jurisdiction. The provincial governments are quite capable of looking after themselves and will very soon let this government know when it infringes on their rights. Why scream before you are hurt? Why should the Minister of Labour be so zealous about provincial rights, and send this matter to the Supreme court? Let the provincial governments go to the Supreme court if they want to. The minister says that the government are serious. If he means by that that they are in a serious condition I agree with him; but certainly they are not serious in their professions in regard to this particular matter.

I hope that the hon. member for Brandon (Mr. Forke) the leader of the Progressive party, who told us the other day that he represented Labour equally as well as does the hon. member for Centre Winnipeg (Mr. Woodsworth), will add his voice on this occasion in support of the view which has been advanced in behalf of Labour.

Mr. JEAN J. DENIS (Joliette): This question, for the time being at least, is a very simple one, however acute it might become later on. What was the submission to the committee? It was a draft convention limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week; that is the question which was submitted for consideration. The first duty of the committee was to inquire as to what power it had in the matter; and parliament must consider the same question. We are governed in this country by the British North America Act and the first question to be settled on this subject is as to whether or not, under that act, legislation giving effect to this draft convention could be enacted by the parliament of Canada. Would such legislation be within the powers of this parliament or would it constitute an encroachment upon the rights of the provinces?

[Mr. Vien.]

Now, we have the necessary machinery to determine this question—the Supreme Court of Canada. It is the most competent body, I take it, to determine whether or not this legislation can be passed under the British North America Act.

Mr. WOODSWORTH: Is the hon. member not aware that I am in favour of passing the resolution referring certain matters to the Supreme court? My amendment does not affect that point. It is simply requesting the government to use what powers it already possesses.

Mr. DENIS (Joliette): I will answer that point in a minute. Therefore the committee, very rightly in my opinion, declared that this question should be submitted to the Supreme Court of Canada under section 60 of the Supreme Court Act, which provides:

> Important questions of law or fact, touching (b) the constitutionality or interpretation of any Dominion or provincial legislation; or (d) powers of the parliament of Canada or of the legislatures of the provinces or of the respective governments thereof, whether or not the particular power in question has been or is proposed to be executed.

This case is exactly covered by (d). Therefore the committee very properly said, "We cannot take that matter into our hands, but we will leave it to be determined by the Supreme Court of Canada under section 60 of the Supreme Court Act." And they passed a resolution to that effect, in these words:

> It is accordingly recommended that measures be taken to refer the "Draft Convention limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week" to the Supreme Court of Canada for hearing and consideration under section 60 of the Supreme Court Act together with such questions as will serve to secure an advisory judgment from the court on the jurisdiction of the Dominion parliament and of the provincial legislatures, respectively.

This was absolutely correct and logical on the part of the committee; but not so the last paragraph in the report, wherein they say in effect, "Now, having referred the whole matter to the Supreme Court of Canada, we will take into our hands and decide a part of the same matter." I repeat, this action was entirely illogical. Consequently, at the final meeting of the committee that paragraph was struck out. Now, my hon. friend tries to revive that paragraph and to add something to it. I have not had time to study what is new in his amendment, in fact I have had no opportunity to read it carefully, but what in his amendment tends to revive the paragraph struck out by the committee is to my mind inconsistent with the decision of the committee to refer the whole matter to the Supreme court for adjudication, and therefore I shall vote against the amendment.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The House has before it at the present time the report of the committee and an amendment to that report. The report, I take it, has been drafted in such form as in the opinion of the members of the committee will in some way further the principle of the eight hour day, and to my mind any hon. member who supports the report will be supporting the broad principle that an eight hour day is a desirable condition to have prevailing in industry throughout the country, in so far as it relates to any matters with which this parliament may have to do. I make that statement because I hope hon. members will not feel that with respect to the principle the amendment does something other than the report itself does.

The League of Nations, which has considered this matter very carefully, has never thought it advisable to do other than indicate that, while the principle is most important, it should be applied by the parties concerned in the light of conditions as they may exist in the different countries, having regard for differences of conditions in different countries, in different industries, and in relation to varying situations. The broad principle of the application of the eight-hour day is embodied in the report of the committee, and it is to enable this parliament to appreciate more clearly exactly where its jurisdiction begins and ends in the matter that the committee are taking the first step necessary to have that settled once for all in the only manner in which these matters can be settled, namely, by judicial determination in the last analysis.

Mr. WOODSWORTH: Does the Prime Minister suggest that the federal parliament has not jurisdiction in respect to its own undertakings?

Mr. MACKENZIE KING: Not for one minute. I say to my hon. friend that it has the fullest jurisdiction.

Mr. WOODSWORTH: Then, why cannot we exercise that jurisdiction? That is all the amendment asks for.

Mr. MACKENZIE KING: No, the amendment goes very much further. If that were all the amendment sought to accomplish I would be prepared to discuss it much more fully. But the exception I take to the amendment is that it asks for the exercise of a control which no government in this country would for one moment think of permitting itself to be committed to. The amendment proceeds:

> And further, that the government should submit to the House legislation declaring that such works as may be advisable should be for the general advantage of Canada.

Will my hon. friend name one class of works that he would bring within the scope of his own resolution and that to-day lie outside that scope which this government should declare to be for the general advantage of Canada?

Mr. WOODSWORTH: Yes, I have already mentioned one. Men are toiling, as I have said, on eleven and thirteen hour shifts down in the steel works of Nova Scotia. This government is quite free to send troops down to quell any trouble that arises, but it will not lift one little finger to relieve those men. Now, I say with regard to that, Mr. Prime Minister, if the government wishes to help those men, there is a way by which the British Empire Steel Company could be threatened and forced to give the eight hour day.

Mr. MACKENZIE KING: I am very glad my hon. friend has given the statement in the language he has used because I think it helps to illustrate his method of reasoning. He says that this government is free to send troops down to deal with industrial problems in the steel works, but is not free to extend relief. I wish to say that this government is not free to send troops down to Nova Scotia. When tropps have gone there it has been at the instance of the municipality and the provincial government, not at the instance of this government at all. My hon. friend is entirely wrong when before the labouring people of this country he endeavours to hold this government responsible for something with which it has nothing whatever to do. That is exactly the method of proceeding he asks us to commit ourselves to in this amendment. He is saying that we should go into the provincial jurisdiction, take works that under the British North America Act are controlled according to the factory laws of a particular province, wrest those industries away from the province, declare them to be works for the general advantage of Canada and put into application respecting them whatever laws this parliament see fit to pass. Do hon. members think that the friends of labour are going to assist the cause of labour by provoking that kind of controversy between the provinces and the Dominion in these matters? That is what my hon. friend suggests in his amendment. I asked him to name one set of works to which he would apply that principle, and he mentioned the Sydney works. The Sydney works may be doing some work for the federal government. They are doing work for large numbers of private industries, for the province of Nova Scotia and for other provinces and

concerns with which this government has nothing whatever to do. Yet my hon. friend says: Let this government, in virtue of its might, regardless altogether of its jurisdiction, ask parliament to legislate that these works, which are provincial works, be declared to be for the general advantage of Canada and thus be brought under the general jurisdiction of this parliament and this government. I say that any friend of labour who wishes to proceed in that way is taking a mistaken course, a course that is going to make far more difficult in the long run the general application of the principle of the eight-hour day. It is because I wish to see the principle of the eight-hour day made as widely applicable as possible that I should like to see this parliament proceed along a line that will meet with approval, along a line that can be defended every step of the way and which is not open to the kind of exception which can be taken to the amendment of my hon. friend.

Mr. WOODSWORTH: Would the Prime Minister be willing to accept the first clause in my amendment, where there is not the slightest doubt that the Dominion government has jurisdiction?

Mr. MACKENZIE KING: I have already said that I favour the application of the principle to works which are controlled by this government, but the principle must be applied in the light of conditions as they are. If I wanted to make a literal application I would have to start with the eight-hour day and the forty-eight hour week in relation to the employees of the Government Printing Bureau, who would then work four hours longer than they do now, because they work an eight-hour day and a forty-four hour week. The men working now on this very building are working an eight-hour day and a forty-four hour week. Does my hon. friend say that this government should make them work a forty-eight hour week, which would be along the line of his resolution?

Mr. WOODSWORTH: I think it is very generally recognized that what is aimed at is the maximum—

Mr. SPEAKER: Is the hon. gentleman asking a question?

Mr. WOODSWORTH: Yes. I would like to know whether the Prime Minister does not understand that what is aimed at is simply a maximum week?

Mr. MACKENZIE KING: The point I am making is that in the application of the principle you have to have some regard to the conditions that exist where you are trying to apply it. Here in Ottawa the civil servants generally get a forty-four hour week and the labourers and employees of the Printing Bureau therefore get a forty-four hour week. There may be some other places where a different condition prevails, and the government, seeking to protect its own employees, must have some regard to the relation of their work to other work in the communities in which they are located. All I am asking is that in the application of this principle we should be as reasonable in one direction as we are prepared to be in another. As a matter of fact, by the first clause of this amendment, as it will be read throughout this country, my hon. friend would create the impression that the direct employees of the government, or most of them, were not already on an eight-hour day basis. I think my hon. friend will find that all through this country those directly in the employ of the government, those in the government departments, are on an eight-hour day basis.

Mr. WOODSWORTH: How about the engineers in this building, who are working much longer hours and seven days in the week?

Mr. MACKENZIE KING: I have stated that there are individual trades that have practices that are in some respects different from those of others. There are considerations that relate to the nature of the occupation; there are seasonal occupations and the like, and what may be a good principle to apply at one time or to one class of employment or in one place may not be an equally good principle to apply at another time, to another class of employment or in another place. Would my hon. friend say, for example, that farm labour should be restricted to eight hours a day in the summer and during the winter as well? Or does he recognize that with respect to certain occupations, depending upon the seasons, upon the weather, upon geographical location, it is only reasonable that there must sometimes be a longer period of work and at other times a shorter period where you are trying to apply the one principle?

Mr. WOODSWORTH: Mr. Speaker—

Mr. SPEAKER: Is the House ready for the question?

Some hon. MEMBERS: Question.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I would

like to oblige hon. members by voting silently on this matter, but I do not think I would be doing my duty so to do. The question of the merits of the eight hour day is not now before parliament; indeed, it is not before this country. The eight hour day, as an objective to be worked for not by mere words but by acts and legislation, has been recognized in the Geneva convention, to which Canada is a party, to which Canada must be loyal and in respect to which she must show her loyalty by earnest efforts to reach the goal. Were the question of the merit of the eight hour day before us I would say this: I am not an advocate of short hours in general; I think we are overdone with short hours in many classes of occupations. But so far as the hard labour, the physical toil of the world is concerned, the effort of legislation should be to reduce the hours of labour there rather than the hours of labour in those clerical and lighter occupations where now it most prevails. I stated that we were bound to be loyal to the convention, bound to move as rapidly as we reasonably can be called upon to do. We did not bind ourselves in the convention to enforce the eight hour day without regard to what other countries did, without regard to special conditions of our own. But we did bind ourselves not merely to accept it as a vague principle and by words of loyalty to the principle to claim we are doing our duty, we bound ourselves to take every practical step we reasonably could to fix the eight hour day as a standard of living. I think the world's physical work can be done if an eight hour day should prevail throughout the universe. The advantages of machine production are such that this surely is possible, and it surely is the due of those who earn their living by the sweat of their brow. Now we have to decide whether we are doing our full duty or not, or, can we, by accepting what this amendment calls for, make a definite move to do more?

The amendment consists of two parts. But perhaps before speaking of the amendment I should speak of the motion, of the report itself. This report calls for submission of the question to the courts. I am not going to say there is not something to be submitted, although really I do not know myself what it is. I was not on the committee; there may be some twilight zone where there is doubt as to jurisdiction. But I really think the question of jurisdiction is very well determined. I would have been content to accept the Justice department's view as to where our jurisdiction ends and where that of the provinces commences. I have my own opinions and I do not know that they differ from those of others on this subject. However, if there is something still in doubt, if particularly the Justice department has doubt, I have no objection to the submission to the Supreme court. But the submission itself is not really any progress. It cannot be stated that by the submission we are taking any very effective step to carry out our undertaking.

Mr. MARTELL: May I ask my right hon. friend a question, not for the purpose of interrupting him, but as a lawyer? Where does he think the power rests to enact an eight hour day, in the provinces or in the federal authorities?

Mr. MEIGHEN: It rests certainly with the federal authorities so far as federal works are concerned. I do not know myself of any sphere where else it rests. I think the rest of the spheres are the provinces, and I never knew there was any real question of doubt in the matter. But there may be some clause as to which there is doubt, and if the Justice department so holds, the submission is right, but if the submission is merely for the purpose of delay, it is wrong.

The amendment then calls first, for the immediate enforcement without qualification of the eight hour day in all public works of the Dominion of Canada. I do not think we can immediately enforce the eight hour day in all public works. I do not know that I am convinced we are enforcing it where we should. We certainly are bound by our obligations under the Geneva convention to enforce it everywhere we reasonably can. Now then, are we doing so, for example, on the Welland canal? The minister says he does not dispute at all that we have jurisdiction there. We certainly have the legal power in this parliament, indeed, the government itself has the power to limit the hours of the work on the Welland canal to eight hours a day. But the minister says that would upset the equilibrium in the district, and especially, he cites, the Chippewa canal, which is being constructed indirectly under provincial control. He states that if we were to enforce the eight hour day on the Welland canal the effect on the labourers on the Chippewa canal would be such that it would be unfair to the province.

Mr. MURDOCK: If my right hon. friend will pardon me, he is mistaken in making any such statement, and just to clear his mind I will repeat what I did say. Under the fair wage resolution which his government had in effect, and under which the contracts on the Weddanl ship canal were let,—contracts Nos. 1, 2 and 3,—at least, the provision was that the current wages and hours of labour should govern in the employment of workmen. In the application of that principle on the Wel-

land canal I stated that you must, of necessity, take into consideration the wage rate and hours of service for the various classes of employees working on the Chippewa or Hydro-Electric ditch, in order to arrive at what would be the current wages and hours to be applied on the Welland ship canal.

Mr. MEIGHEN: I quite agree the minister said that, but I understood him to go further. If he went no further than he states now, he merely says that because the contract of the company enables them to observe only current hours and current wages, consequently by the contractor's contractual right, the government has no right to interfere and reduce the hours. I quite agree. If contracts are let under which the terms are that the contractor is bound only by what prevail in the district as to wages and hours, than we must certainly yield him his rights under his contract. But this government has let contracts since, and they have inserted the same old clause, so if they wanted the eight hour day in those contracts they could have provided for it. Do not understand me as saying they should have done so, but the minister cannot get away from his responsibility by saying we are bound by contracts we did not give.

Mr. MURDOCK: I have never undertaken to do so.

Mr. MEIGHEN: The minister has taken the ground that he would not be justified in enforcing the eight hour day in new contracts which this government has made on the Welland canal, and I understood his reasons to be that if he enforced the eight hour day, then, having regard to other conditions prevailing in the neighbourhood, it would be unfair to those who wanted to have their workmen work longer.

Mr. MURDOCK: I said it might be so held.

Mr. MEIGHEN: It would never be so held legally.

Mr. MACKENZIE KING: Does my right hon. friend suggest that it would be in the interests of the application of the eight hour day to have two sets of workmen on government contracts, one working on one scale of hours, and another on another scale?

Mr. MEIGHEN: I have not said so. I have only tried to say that that is the minister's defence, but he interrupted me and tried to say that he was bound by contracts to yield the contractor's right to the eight hour day. The real reason this clause is in the contract is, as intimated finally by the minister, and again by the Prime Minister, that the government does not feel they would be justified, not in law, but as a matter of policy—for the law certainly would never interfere—in inserting in their contracts provision for the eight hour day while on provincial and private works in the neighhbourhood longer hours prevail. Now I think the House will see I was pretty fair in my statement of the matter in the first place. This is the real basis: Whether, as a matter of policy, we ought to do it. We are certainly under no restraint at law, and nobody would suggest it.

Mr. MURDOCK: Nobody has, on this side of the House.

Mr. MEIGHEN: Well, I hope not. We are certainly under no restraint at law; it is merely a matter of policy; we have the right to it if we will. I do not know but that we ought to review the subject and see if it is possible to go further than we have gone. I know we went just the distance that this government has gone: I am not arguing that we took any different course at all, but I do not think we will be able permanently to stand behind those ramparts and argue that though we have committed ourselves to the eight-hour-day principle ourselves, and bound ourselves to work toward it, we cannot work toward it on our own works for the sole reason that it is likely to disturb other works. It seems to me we have to consider very seriously in the not distant future whether we should either get from under the Labour Convention to which we are now bound, or go some further distance in regard to our own public works.

But the first clause of this amendment is not the only one. The last clause makes it utterly impossible for me to support the amendment, utterly impossible to consider supporting it. The last clause calls for a policy of declaring, under the British North America Act, certain works to be for the general advantage of Canada, describing them as "such as may be advisable," and so declaring them for one definite purpose, the purpose of enabling us to dictate the hours of work which such works and undertakings shall adopt. I do not think this second part has been very fully considered. We have power, it is true, under the British North America Act, to look at any work in this Dominion and declare it to be for the general advantage of Canada, but our only right to exercise that power is because parliament is of the view that Dominion jurisdiction for the good of the whole people is essential. We have no right to so decide because we think our opinion on the eight hour day is better than the opinion of the province. We have no right in the world to

invade jurisdiction where provincial jurisdiction is clear, and do so under the guise of declaring this work or that for the general advantage of Canada. To do so would be the grossest abuse of the powers of this House, and I would not for one moment consider any such suggestion, no matter from what side of the House it emanated. This expresses my general idea of a most embarrassing question, and I give it, not in any spirit of criticism, but merely as my understanding of what this country is pledged to under the Geneva convention, and as well of what we are pledged to keep away from under our obligations as a party to the contract of confederation.

Mr. R. A. HOEY (Springfield): I have not read the amendment nor have I heard it read; consequently I am speaking under a disadvantage. I took the position in the committee, and moved an amendment to the effect, that inasmuch as we had been a party to the Treaty of Versailles and had re-endorsed the principle of the eight hour day at Washington, we ought, if we would escape the charge of evasion and hypocrisy, to carry out that principle with respect to our own undertakings. That amendment was carried in committee, but at a later meeting it was deleted.

Mr. McDONALD (Timiskaming): By how many votes was the amendment of the hon. member carried in the committee?

Mr. HOEY: I do not remember the numbers of the vote; it is not of particular importance at this time. As to the second section of the amendment, I opposed it in committee. Apart altogether from the legal objections to which the leader of the opposition has referred, to me it seems a most vicious demand. If we declared certain works to be for the general advantage of Canada we should be showing discrimination. That is to say, if we declared the British Empire Steel Corporation a work for the general advantage of Canada the eight hour day would apply there. On the other hand if an industry immediately adjoining it were not so declared, the latter could work ten or twelve hours. That would appear to me to be discrimination. Now, let us suppose that owing to the application of the eight-hour-day law the British Empire Steel Corporation became financially embarrassed. Or let us suppose the farm implement industry, being declared a work for the general advantage of Canada, became financially embarrassed for a similar reason. Look at the position we are placing ourselves in. Could these industries not come to parliament and say?—"We were declared to be works for the general advantage of Canada, consequently we have a peculiar claim upon parliament for protection for subsidies". Or the claim might be advanced in a thousand and one ways. I think if the hon. member for Centre Winnipeg (Mr. Woodsworth) had been really anxious, after his experience in the committee, to further the principle of the eight hour day he would have dropped the second part of the amendment and submitted only the first part to parliament for consideration and endorsation.

Mr. MEIGHEN: Let me add something which I overlooked in my early remarks. The mere fact that a work was declared a work for the general advantage of Canada would not give jurisdiction to fix the hours of labour on that work.

Mr. HOEY: No, not necessarily.

Mr. WOODSWORTH: In order that it may be rendered possible to take some action on this matter I ask that my amendment should be withdrawn.

Some hon. MEMBERS: No.

Some hon. MEMBERS: Question.

Mr. SPEAKER: Is it the pleasure of the House that the hon. gentleman shall have leave to withdraw his amendment?

Some hon. MEMBERS Carried.

Mr. SPEAKER: The question now is on the main motion.

Mr. CALDWELL: Do I understand that the hon. member for Centre Winnipeg has withdrawn the whole amendment?

Mr. SPEAKER: Yes.

Mr. WILLIAM IRVINE (East Calgary): I move that the report be referred back to the committee with instructions to add the following words:

It is further recommended that the government should limit the hours on Dominion works and undertakings to eight in the day and forty-eight in the week.

Mr. SPEAKER: The hon. member having already spoken cannot move this amendment. The question is on the main motion.

Mr. E. J. GARLAND (Bow River): As I have not yet spoken, and as I believe the application of the principle laid down in the first clause of the amendment of the hon. member for Centre Winnipeg would be an excellent one and would be an incentive to other provinces to adopt the principle which has been sanctioned by the Geneva convention and by many other states in the world, I have pleasure in moving the amendment

which Mr. Speaker has just received. In support thereof may I quote from a report issued by the Labour Department in 1923, page 17. Where I find the following in reference to the action of the United States in this matter:

By a law passed in 1868, the United States Congress provided that eight hours should constitute a day's work for all labourers, workmen and mechanics who might be employed by or on behalf of the government of the United States. This act failed to prohibit agreements for overtime work and was ineffective in actually reducing the hours of any considerable number of government employees.

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

At one o'clock the House took recess.

AFTER RECESS

The House resumed at three o'clock.

Mr. GARLAND: Mr. Speaker, when the House rose at one o'clock, I had proposed an amendment. I wish at the outset to say that I am going to take only one or two moments in this matter as there was the fullest discussion this forenoon. I was referring to the fact that in the United States the whole principle as suggested in this amendment had already been adopted. I had quoted the legislation of 1868, which was improved in 1892 and the law made more effective. I will not go on and quote the entire extract, but I will refer simply to the various ways in which it gradually evolved. In 1912 an act was passed requiring that provision for an eight hour day be inserted in all contracts which might involve the employment of labourers and clerks when made by, for or an behalf of the federal government in the territories or the District of Columbia. Exception was made to contracts for transportation by land or water, for the transmission of intelligence, or for the purchase of supplies which could be bought in the open market, except armour and armour plate. Provision was also made for "emergencies caused by fire, famine or flood, by danger to life or property or by any other extraordinary event or condition." In 1913, apparently the whole circle was completed by the inclusion of dredging and rock-excavating in rivers and harbours, these works being brought under the operation of the new law. The act was suspended temporarily during the war. With some exceptions, all employees engaged on federal public works have an eight hour day and also all persons employed on public printing. That policy has been adopted in that great country to the south of us where industrial conditions are said by some hon. members to my right and, indeed, by some opposite, to be such as to result in serious competition with this country. Without any further delay in the matter, as the principle of the first portion of the amendment of the hon. member for Centre Winnipeg, (Mr. Woodsworth) this morning appeared to me to meet with fairly general approval in this House, the hon. member for South Wellington (Mr. Guthrie), speaking in favour of it, I have pleasure in repeating the amendment that I moved:

That the report be referred back to the committee with instructions to add the following words to the said report:

"It is further recommended that the government should limit the hours on Dominion works and undertakings to eight in the day and forty-eight in the week."

Mr. SPEAKER: In my opinion, the amendment of the hon. member is out of order. Beauchesne's Parliamentary Rules and Forms, paragraph 428, on page 113, reads:

Occasionally a motion or amendment is, by leave, withdrawn—

As was done this morning.

—and another motion or amendment substituted, in order to meet the views of the House, as expressed in debate: But that course can only be taken with the general assent of the House.

The amendment now moved is an exact reproduction, with the exception of the last paragraph of the amendment which was moved this morning by the hon. member for Centre Winnipeg (Mr. Woodsworth), and which was withdrawn by leave of the House. The amendment should have been drafted in this way that the last part of the former amendment be struck out. This amendment could be put only by leave of the House.

Some hon. MEMBERS: No.

Mr. JOS. T. SHAW (West Calgary): Mr. Speaker, you will notice that according to paragraph 428, to which you have referred, it is intended to withdraw a motion or an amendment for the purpose of substituting another one, and if you are going to substitute another one, of course you must get the consent of the House. I would, however, direct Your Honour's attention to the fact that paragraph 430 reads:

An amendment which has been withdrawn, or which, for want of a seconder, has not been put, can be moved again. For this reason, leave to withdraw is frequently refused.

Again, paragraph 431 reads:

In case a motion has been withdrawn it may be again proposed as the House has not previously determined the question, and it is only in the latter event that the same question may not be revised.

In other words, where you want to substitute a motion for an existing motion, or an amendment for an existing amendment, of course the consent of the House must be secured; but when an amendment has been withdrawn, it has not been disposed of by the House and, consequently, the motion or amendment may in that event be moved again.

Mr. SPEAKER: If the amendment had been moved in full, it might have been so moved again by leave of the House, but in the present instance it is a repetition of the first part of the amendment; there is no leave of the House and this is attempting to do indirectly what could not be done directly. Under these circumstances, I rule the amendment out of order. The question is now on the main motion.

Motion (Mr. Kennedy, Edmonton) agreed to.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): Mr. Speaker, in order to clarify the record I wish to move:

That the motion adopted by this House on the seventeenth instant with respect to the message to the Senate disagreeing to the amendments made by the Senate to the Bill No. 64, an act respecting the construction of a Canadian National Railway line from the end of China Clay Branch to St. Rémi d'Amherst, in the province of Quebec, be rescinded, and the following substituted therefor:

"Resolved, that a message be sent to the Senate to acquaint their Honours that this House agrees to the first and second of their amendments to the Bill No. 64, an act respecting the construction of a Canadian National Railway line from the end of China Clay branch to St. Rémi d'Amherst, in the province of Quebec, but disagrees to the third of their amendments to the said bill, for the following reasons:

That the reduction from $105,000 to $59,500 of the amount to be expended on the total mileage and from $52,500 to $29,750 per mile renders it impossible to proceed with this work as the estimate in detail will show, and that the Clerk do carry the said message to the Senate."

Mr. MEIGHEN: Will the minister tell us the effect of the two amendments that we now adopt?

Mr. GRAHAM: In making the objection to the amendment passed by the Senate the matter was wrongly stated in the motion adopted yesterday. The Senate has dealt with it as if it were the description that was intended to be made, and this is merely to correct the record of the House of Commons.

Mr. MEIGHEN: The minister has missed my question, I think, or I have missed his reply. The previous motion was a motion to reject the amendments; now we accept two and reject the third. I asked the effect of the two we accept.

Mr. GRAHAM: The effect of the two we accept is really to prevent the construction of the road until such time as assurance is received that the subsidy that was granted by the Quebec legislature to another company would become due on account of the construction of this line.

Motion agreed to.

PENSIONS

REPORTS OF SPECIAL COMMITTEE

Mr. J. J. DENIS (Joliette): I beg to move:

That the second report of the special committee appointed to consider questions relating to pensions, insurance and re-establishment of returned soldiers be now concurred in.

He said: Before the motion is disposed of I desire to bring to the attention of the House some general considerations regarding the work of the committee, of which I had the honour to be chairman. On the 15th day of April of the present year this House resolved:

That a special committee be appointed to consider questions relating to pensions, insurance and re-establishment of returned soldiers, and any amendments to existing laws in relation thereto which may be proposed or considered necessary by the committee, with power to send for persons, papers and records, etc.

This committee comprising 29 members commenced its sittings in the beginning of May. It held 29 sittings and the evidence which it heard covers more than 500 pages. During the month of May the first report of the committee was submitted to parliament asking that the quorum of the committee be reduced to 9 members. That first report was concurred in by the House and thereafter the quorum consisted of 9. In the course of its deliberations the committee received several deputations and heard a good many witnesses. The first deputation which waited upon the committee represented the Amputations Association of Canada and they were heard on the 8th. The committee was exceedingly pleased to receive these gentlemen and assured them that whatever lay in its power would be done to meet the just and equitable demands which they made. Twenty-five witnesses were heard, and among the subjects which were considered the Soldier Settlement Act of 1919 was examined in all its various aspects. The chairman of the Soldier Settlement Board, Major Barnett appeared before the committee and was ex-

amined extensively regarding the activities of the board. He was invited to offer suggestions and in this respect he was assisted by Mr. S. Maber, the acting chairman. On June 5 a motion was made by the hon. member for Red Deer (Mr. Speakman) with a view to providing for relief to soldiers who had settled on the land, and on June 13 another motion to the same effect was brought forward by the hon. member for West Calgary (Mr. Shaw). I shall not comment on these motions at the present time inasmuch as the determination of the committee concerning them will be under review by the House later on when concurrence is moved in the fourth report of the committee.

The committee examined into the Pension Act and amendments proposed thereto and in that connection received evidence from Col. Thompson, the chairman of the Board of Pension Commissioners. Mr. Newcombe, the Deputy Minister of Justice, was examined regarding the drafting of the "meritorious" clause, and other witnesses whose evidence was taken included Dr. Kee, the Assistant Chief Medical Adviser to the Board of Pension Commissioners, and Mr. J. A. Paton, the secretary. I need not tell the House that the activities of the pension board are quite numerous and a good many people are given pensions under the Pension Act. The amount spent under that act is enormous and for that reason the committee deemed it wise to give every possible consideration to the amendments which were proposed.

Last year as a result of complaints on the part of returned soldiers an act was passed creating what is known as the Federal Appeal Board, whose function it is to revise the judgments of the Board of Pension Commissioners. Major Topp, the secretary of the Appeal Board, Colonel Belton, the chairman, and Mr. C. B. Reilly, the vice-chairman, were invited to appear before the committee. They did so and gave evidence regarding the activities of the Appeal Board, offering at the same time suggestions as to how the law might be amended to advantage. The committee then inquired into the general activities of the Department of Soldiers' Civil Re-establishment and evidence was heard from Mr. N. F. Parkinson, the Deputy Minister and Mr. S. H. Scammell, the Assistant Deputy Minister.

So much for the officials who were asked to appear before the committee. The returned soldiers themselves were not lost sight of; the committee saw to it that they were represented from among their own number and they submitted certain suggestions for consideration. As I said a moment ago, we were happy to receive a deputation from the Amputations Association; that body was represented by Messrs, Myers, Dobbs, Lyons, Lambert and Miss Joffrey, and stated their case quite clearly. I must not forget to mention that certain members of parliament and senators also appeared before the committee. We had the pleasure of hearing from Senator Major-General Griesbach, Mr. W. G. McQuarrie, the member for New Westminster and Mr. T. L. Church, the member for North Toronto, who all made suggestions which in their opinion were likely to afford relief to the returned men. The returned soldiers were more particularly represented by Mr. C. Grant MacNeil, the secretary of the Great War Veterans' Association, who gave evidence at considerable length, touching upon the various subjects regarding the welfare of returned soldiers. He made numerous suggestions some of which were gone into; the committee did not consider it necessary however to investigate certain others in view of the fact that the same or similar suggestions had been brought forward from other sources in connection with other phases of the investigation.

Regarding the Land Settlement Act, the committee heard the evidence of Major McPherson, representing the Great War Veterans of Regina, Mr. Alexander Walker, representing the Great War Veterans of Calgary, and Mr. A. E. Moore, representing the Veterans of Winnipeg. These gentlemen gave valuable information which assisted the committee to a large extent in reaching its conclusions. In the interests of the Tuberculous Veterans' Association, Mr. E. S. B. Hind, Dominion Secretary Treasurer of that organization appeared before the committee and was examined.

The activities of the Board of Pension Commissioners were inquired into and on July 3 the hon. member for West Kootenay (Mr. Humphrey), a member of the committee, made a motion for the purpose of removing the Board of Pension Commissioners. To that motion there was an amendment moved by the hon. member for Burrard (Mr. Black) and a third amendment was brought forward by the hon. member for Red Deer (Mr. Speakman).

All the witnesses were reecived by the committee most sympathetically. One can hardly realize the situation of our returned soldiers unless one has the advantage of sitting on this committee and learning at first hand many details which never reach the public.

The committee dealt with the various matters brought before it—all relating to returned soldiers but dealing with different phases—in separate reports, six of which are now before the House. I am moving concurrence in the second report. In preparing material for these divers reports the committee has been impressed with the magnitude of the undertaking involved in carrying out the re-establishment provisions as laid down from time to time by the government. It has also been impressed with the large volume of work entailed in continuing this re-establishment six years after the conclusion of the war. These two features are of such importance and of such general interest as to warrant a statement concerning them.

The work of re-establishment of ex-members of the Canadian military and naval forces is carried on by two main agencies of the government—the Department of Soldiers' Civil Re-establishment, and the Soldier Settlement Board. The Board of Pensions Commissioners and the Federal Appeal Board are entirely judicial bodies. The number of loans now being issued by the Soldier Settlement Board is practically negligible. In order to present to the House within a small compass the activities of these boards I have had prepared a summary of the detailed accounts. For instance, the Department of Soldiers' Civil Re-establishment expended on pensions to March 31, 1924, including pensions paid by the Board of Pension Commissioners prior to the date of amalgamation, $336,810,014.20; on war service gratuities approximately $165,000,000; on loans issued under the land settlement $100,025,851.34; on the return of dependents from overseas approximately $2,960,000. These various expenditures give a grand total of $604,795,865.54.

I wish to thank the members of the committee for according me the honour of the chairmanship. When the committee sat two years ago its chairman was the hon. member for St. Lawrence-St. George (Mr. Marler), who discharged the onerous duties very ably indeed, and it was a matter of regret to us all that he was unable to continue to act as chairman because of the enormous amount of work which the position involved and which he had not the time to give attention to. As his successor I have had an opportunity to appreciate the magnitude of the work which the hon. gentleman imposed upon himself. I have also to thank the members of the committee for their very generous support. Our transactions have been most cordial and absolutely free from political feeling; in fact every one of us apparently forgot his party affiliations and had but one object in view, to do his best to give the returned soldier full justice and to present to this House amendments to legislation dealing with returned soldiers which would be commensurate with their needs and with the capacity of the country to pay. I wish to thank the officials of the different departments who gave generous help, and particularly do I wish to do that as chairman of the committee. I wish to pay a special tribute to the Deputy Minister of the Department of Soldiers' Civil Re-establishment, Mr. Parkinson. His department is being conducted in a businesslike and intelligent manner. I have heard no complaints about the way that work is done and I cannot speak too highly of his ability and devotion to duty.

In conclusion I wish to say a word with regard to the returned men. If I should say that what they have done cannot be estimated in figures, my voice would be but the feeble echo of many other voices which have expressed the same feeling but much more eloquently than I can. The returned soldiers have the gratitude of this country and they deserve it. True, the country is passing through a financial crisis and this we only share with all other countries which were involved in the Great War. Nevertheless the returned soldier is also passing through a crisis and it is all the more serious to him because of the fact that his ability to earn his living has in a great many cases been considerably diminished. We must not forget that the man who left this country for four or five years and returned after the war was tremendously handicapped so far as earning power is concerned, and for that reason he deserves the very best consideration on the part of the government. Those who were disabled are receiving pensions which I hope are reasonable and commensurate with their needs and with the capacity of the country to pay.

Questions of very great importance were brought before the committee. Sweeping recommendations were made. We have not adopted all those recommendations but we have adopted those which we thought could be carried without inflicting too heavy a burden upon the country. If I were to summarize in two or three words the action of the committee, particularly as to the recommendations made with regard to the returned men, I might be allowed to quote the words of one who was a great soldier and a great statesman in the republic to the south of us: I refer to Theodore Roosevelt. He was a man of

eloquence and he had the facility of coining phrases. One phrase that he coined and that will always remain part of the English language was the expression "a square deal". When Theodore Roosevelt said that men had received a square deal he meant that they had been done justice. To him a square deal meant justice in the fullest sense of the word. So I say to the returned soldiers, to parliament and to the country that our committee have done their best to give the returned men a square deal and I do not think the returned men themselves are asking for more than that.

Motion agreed to.

Mr. DENIS (Joliette): Mr. Speaker, I wish to move, seconded by Mr. Humphrey, that the third report of the special Committee on Pensions, Insurance and Re-establishment of Returned Soldiers be concurred in. This report simply has reference to school taxes on salvaged lands. It is not a very important matter.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I have already entered my objection to this rapid-fire acceptation of reports. Really it is making a burlesque of parliament. We are not doing our duties. We cannot decide on courses in just a few minutes, and we have not time now, I know, to discuss the matter fully. It seems to me that the practice of having committees and reports has been overdone. But, aside from that question, any reports that are brought in now, seeing that the close of parliament is virtually fixed, should not be submitted for acceptance. I say this without taking any exception to this special report, because really I do not know what it means; I do not know the whole effect of others that have gone before.

Mr. DENIS (Joliette): This report was tabled on Tuesday, and the motion for concurrence was then made. The report is regularly before the House now.

Mr. MEIGHEN: Tuesday is not very long ago. The report was tabled on Tuesday, it is true, but how do we know what reports are going to be moved adoption of, and what not? What I object to is the practice of having policies initiated and determined in this House by the one single act of the motion to adopt a report.

Mr. LAPOINTE: It is not a peculiarity of mine to agree with my right hon. friend in many instances, but I must say that I endorse his remarks in this regard to the fullest extent.

[Mr. J. J. Denis.]

Mr. MACKENZIE KING: I think probably as a rule, I am even less inclined than my colleague to agree with my right hon. friend opposite, but in this particular instance I am entirely in accord with his point of view.

Mr. L. W. HUMPHREY (West Kootenay): I believe we should have another point of view presented with respect to the committee's report. I am thoroughly in accord with the views that have been expressed by the right hon. leader of the opposition (Mr. Meighen) and others, but I would like to say that the chairman of the committee on Pensions, Insurance and Re-establishment of returned soldiers, and the members of that committee, have endeavoured to do the very best they could under the circumstances. There were very many important questions to be discussed before a report could be made, and in the time at the committee's disposal practically the only way open to them was to bring in separate reports. I believe that if this committee had been appointed earlier in the session, which would have given them more time to hear and analyze the evidence presented, we could have had a more full discussion. If there is any fault to be found with the bringing in of different reports, it is due to the fact that the committee was not appointed and therefore could not get busy until late in the session. It was not until May that the committee was able to hear evidence, and the reason why the committee's reports have been coming in separately is the shortness of time at their disposal, and the need, as the committee believed of getting the reports down to the House as early as possible.

Mr. MEIGHEN: I hope the House will permit me to make myself clear. I am not criticising the conduct of the committee, nor am I criticising the report; at the moment, I am not criticising the lateness of its being brought before the House. The principle I am trying to state is this; that reports foreshadowing legislation should be used in this House for the information and guidance of the government in determining what legislation it shall introduce, and, as well, by hon. members in the treatment of that legislation after it is introduced. These reports should not be flung into the forum of parliament and asked to be accepted holus-bolus after one debate. And this is doubly true as the end of session approaches.

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishmentt): As regards the appointment of the committee, it was not

asked for until about the end of March, and the committee was appointed before Easter, which may be considered quite an early date in the present session. So much for the appointment of the committee.

As far as the presenting of reports from committees to the House is concerned I am inclined to agree with the right hon. leader of the opposition. In one particular instance, in the case of the second report of this committee, its recommendations involve very considerable and very important legislation, and it seems to me that we cannot expect the House to accept, without a very extended discussion and careful consideration, a report which involves a financial liability to the extent of millions of dollars. When the motion was made on Tuesday last to concur in the second report of this committee which had to do mainly with amendments to the Pension Act, the right hon. leader of the opposition suggested that we lay aside the report for the time being, and that the government consider what legislation they were in a position to bring down, and then introduce it, when it could be discussed completely and the judgment of the House be passed upon it. That course I readily decided to accept, and the second report of the committee, which deals mainly with pensions, was laid aside. The legislation was prepared and introduced, and was discussed and passed in due course. This, I think, should be done in every case where the exchequer of the country is to be committed to a substantial expenditure. As far as this report is concerned, I do not know whether it involves what some hon. members have said, as it does not come under my department, but the principle ought to be accepted by this House that no report of a committee should be concurred in without the fullest consideration and an extended discussion in all cases where the treasury of the country is to be committed to a large expenditure.

Motion agreed to.

Mr. DENIS (Joliette): I move that the fourth report of the special committee on Pensions, Insurance and Re-establishment of returned soldiers be now concurred in. I shall not speak on this motion, leaving the explanation to the hon. member for West Calgary (Mr. Shaw).

Hon. CHARLES STEWART (Argenteuil) (Acting Minister of Immigration and Colonization): This report involves the expenditure of a very considerable amount of money.

Mr. MACKENZIE KING: How much?

Mr. STEWART (Argenteuil): It is very difficult to say just how much, but I think in the neighbourhood of $38,000,000. I have every confidence in the members of the committee who have been entrusted with the arduous task of hearing and analyzing the evidence presented by the returned men, and bring in a report. This report applies only to soldier settlers. I know the committee have given the matter a great deal of consideration, and that they have heard a great deal of evidence with respect to it. I also know that a very serious situation exists in so far as the soldier settlers are concerned. But what I wish to state before I go further is this: I regret that I did not become acquainted with what was to be the report of the committee until I accepted the position of Acting Minister of Immigration on the departure of Hon. Mr. Robb for the Old Country. So that I came upon the scene at a very late date. Perhaps I had better read, for the sake of clarity the recommendations of the committee, which are to be found in the Votes and Proceedings of July 15. They are as follows:

Your committee recommends as follows:—

1. That the Soldier Settlement Board shall immediately make provision for reduction on the price of all live stock advanced to soldier settlers and purchased prior to the 1st of October, 1921, as follows:—

(a) If such live stock was purchased previous to **the 1st October, 1920, a reduction of 60 per cent of** the purchase price thereof.

(b) If the said live stock was purchased after the 1st of October, 1920, and previous to the 1st of October, 1921, a reduction of 40 per cent of the purchase price thereof.

2. That the period of interest exemption provided **in section 1 of the amendments to the soldiers' Settle**ment Act of 28th June, 1922, be extended until the 1st of October, 1934.

3. Your committee further recommends that, in the event of any prepayment of principal the soldier settlers shall be entitled to and shall receive a discount at the rate of 5 per cent per annum from the date of such prepayment to the due date of same, but this discount privilege shall not extend beyond the 1st of October, 1934.

4. Your committee further recommends that the Soldier Settlement Board shall have discretionary power to relocate bona fide soldier settlers who are found to be located upon manifestly unsuitable farms; such relocation to be made without financial loss to the settlers.

5. If after the interest exemption period provided for herein expires, a capital loss is clearly indicated, the question as to whether the government shall bear the whole or part of the loss can then be determined and if decided affirmatively appropriate action can then be taken for a readjustment on any instalment remaining unpaid.

Now, I have a statement from Mr. Maber that clause 1 involves—

Mr. BELAND: Who is Mr. Maber?

Mr. STEWART (Argenteuil): The secretary; I believe at the moment he is acting chairman. I have a statement from him that clause 1 of the recommendations will involve a capital reduction of $7,700,000; that the extension of the interest payment period which is now in effect will involve a further amount of some twenty odd millions—I have not the exact figures at hand but that is about what it will amount to—and that the removal of the settlers, in which I heartily concur, will involve an expenditure of three or four hundred thousand dollars. I do not want to go into an involved discussion of the matter, but having talked it over with the committee and with Mr. Maber, it is pointed out to me that the evidence all goes to establish that in so far as the live stock is concerned—purchased and given to the soldiers within the period mentioned—there is an actual reduction of sixty per cent over the prices prevailing as against those established in 1921. That being the fact I am not disposed to take serious objection to that adjustment, I believe, however, from what I have been able to gather—and I must confess that it has only been from the committee and the Soldier Settlement Board itself with whom I have not been associated for over a year—that a serious state of affairs seems to exist with respect to the extension of the interest payment period; but notwithstanding the fact that the ample evidence taken seems to establish the fact that something will have to be done to maintain these men on the land if they are to remain there—and 81 per cent of them are still on the land—and to render them more assistance in this direction—I do not believe that at this time we should undertake to accept the finding of the committee with respect to the extension of the interest payment period as suggested in clause 2 of the recommendation we are discussing. If I felt that the effect would be serious for the present year I would recommend that the soldiers concerned be given some relief, but the amendment to the act of 1922 provides that interest payments are suspended on all three classes: On the first class up to October 1, 1924 of this year; on the second class up to October, 1925; and on the third class up to October, 1926. All I am proposing now is that the report of the committee be amended. Next year when this matter has been fully dealt with, and when the government has had a chance to make an examination into the situation—we can take the necessary action. I wish to say that so far as I have been able to ascertain the committee have ably dealt with matters appertaining to the soldier up to date, and it is not my intention on behalf of the government to interfere with that committee. But I do think, particularly in view of the fact that in a former report there was a reduction of interest amounting to some $11,000,000 all told; that under the bill of Hon. Mr. Béland we have made certain pensions permanent which will involve adding to the pension list $6,000,000; and have made further provision,—we might well take the recess to thoroughly study this matter and prepare to give it further consideration at the next session of parliament. I urge this particularly in view of the fact that the soldiers themselves, even if these recommendations were adopted, would not be any more advantageously situated than they will be by the provisions in force under the amendment of 1922. For that reason I move:

4 p.m.

That the following words be added to the motion: "With the exception of paragraph 2 thereof."

That means the acceptance of the balance of the report.

Mr. MEIGHEN: It will be recalled that this session, certainly last session, and I think the session previous, I raised a point of order before this House as to motions initiated by private members which, if adopted, really bound the House to the expenditure of money. I felt it was necessary for me to do this for the protection of parliament from just such a condition of affairs as now faces us. It will also be recalled that Your Honour ruled that if the motion took the form of a pious aspiration and not a motion by direct words to spend the money, it might be tolerated, at least, in parliament. It seems to me that this course which we then launched upon has brought us into the morass in which we find ourselves now. I take exception again, and I raise the point, that the motion before the House is out of order and that, consequently, there can be no amendment to it. The motion before the House is to adopt the report, and if after adopting the report, the will of parliament as expressed in accepting the motion is carried out, it will involve this country in an expenditure of $38,000,000 or the whole amount of our revenue not many years ago. The government alone can be responsible for initiating in this House anything which, if accepted, involves expenditure.

Mr. SHAW: The right hon. member says that this will involve an expenditure. It really does not involve an expenditure; it involves a loss; the expenditure has already been made.

Mr. MEIGHEN: It is the same thing. It makes it a money transaction. The same effect is produced and the same principle applies. Let me make my position very clear. I took the action I did a year ago, two years ago, out of regard for a principle which I consider important in the conduct of public affairs. I take it now for the same reason, and certainly not in hostility to any single line of the whole report. No one knows more acutely, indeed more distressingly, than I do how the difficult times into which agriculture has come have reacted upon the returned soldiers upon the land. I do not think they have suffered more than others; the only fact is that they started further back than others and, consequently, the agricultural depression has come most heavily upon them. Nevertheless, we are not going to remedy their situation by the adoption of this report. We can remedy their situation, if it is one that calls for remedy and to which remedy is applicable, only by legislation initiated by the government. I think the Speaker would be well advised to have the motion ruled out or order. That does not in any way dispose of the question, but it leaves the matter in such shape that the government can review the report, and having regard for the whole general condition of the country, initiate in a constitutional way such reforms as may be advisable.

Mr. SPEAKER: I hold very strong views equally on the question raised by the leader of the opposition (Mr. Meighen). I even took notes the other day on a similar point which did not come up because the question was left in abeyance. I have not them by me just now. If the motion is allowed to stand, a little later on I shall be able to give a decision.

Motion stands.

Mr. DENIS (Joliette): I hope there will be no opposition to the motion which I will now make. This morning I tabled the last report of this committee, the report asking simply that the proceedings be printed and be made part of the papers of the House. I therefore move that the sixth report of this committee be now concurred in.

Motion agreed to.

BANQUE CANADIENNE NATIONALE

BANK ACT AMENDMENT

Hon. GEORGE P. GRAHAM (Acting Minister of Finance) moved the first reading of Bill No. 263 (from the Senate) to amend the Bank Act by changing the name of La Banque D'Hochelaga to "Banque Canadienne Nationale".

Motion agreed to, bill read the first and second time, considered in committee, reported, read the third time and passed.

HOME BANK

On the Orders of the Day:

Mr. T. L. CHURCH (North Toronto): What action, if any, does the government propose to take regarding the resolution passed by this House last night in reference to some aid to the Home Bank depositors on compassionate grounds.

Right Hon. W. L. MACKENZIE KING (Prime Minister): As the House is aware the report of the Banking committee which deals with the matter just referred to was passed unanimously last night. There are two significant clauses in that report. One reads:

> Your committee consider that the facts therein brought out and the evidence therein referred to clearly establish that the depositors of the Home Bank have no claim under the law of the land for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

The concluding paragraph reads:

> Your committee consider that the facts brought out in the interim report submitted by Mr. Chief Justice McKeown, and the evidence therein referred to, establish that the depositors of the Home Bank have a moral claim in equity for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

The government will take into very careful consideration the report which has been accepted unanimously by this House, and at the opening of next session will make an immediate announcement to the House as to the extent to which in their opinion parliament should be asked to recognize the moral claim which in the report it is stated the depositors of the bank have in the circumstances. I think it is desirable, before the government makes a final statement on the matter, that it should be in a position to give to parliament in very full detail and as nearly in a final form as possible what amount will be involved in any recognition of the claims of the depositors. The report, as will be observed, states that the claim is a moral claim in equity for compensation by the country on account of any loss the depositors may suffer by reason of the failure of the Home Bank. I should hope that by the opening of another session the liquidator would be in a position to indicate more clearly than is possible just

now to what extent the present assets are likely to be realized upon, so that the government may have before it sufficient information upon which to give parliament a full statement not only of the motives which may have governed it in its action, but of all that its action may necessarily involve.

Mr. CHURCH: Is it the intention of the government to introduce during this present session any legislation in the matter?

Mr. MACKENZIE KING: My hon. friend will have gathered from my remarks, if he heard them, that it is not the intention of the government at this session to introduce any legislation.

Mr. ANDERSON: In the opinion of the Prime Minister is the double liability of the stock regarded as part of the assets of the Home Bank?

Mr. MACKENZIE KING: I have no opinion to express at the moment regarding the question; I shall have to consider all that is involved before undertaking to reply.

Mr. ANDERSON: Will the Prime Minister give any consideration to a measure to be brought down at the next session of parliament to provide for compensation to depositors of the defunct Farmers' Bank who lost money in the same way?

Mr. IRVINE: In view of the fact that the question of the Home Bank depositors is one of urgent public importance I would move the adjournment of the House for the purpose of discussing the necessity for immediate action by the government with a view to reimbursing those who have lost their money.

Mr. SPEAKER: Ample opportunity was afforded last evening for the discussion of the subject. The report of the committee having been laid upon the Table, a motion was made for concurrence and was carried unanimously. I am afraid I should have to rule the motion out of order.

Mr. SHAW: A moral responsibility on the government or on parliament must I think be considered in the light of a legal responsibility on any one else, and on this principle I would ask the Prime Minister whether it would not be possible for him to devise some means by which he could provide a partial compensation to the depositors of the Home Bank, or otherwise give some assurance before the end of the session that something will be done.

Mr. MACKENZIE KING: It seems to me that in deciding what moral responsibility involves, the government is assuming, in that decision itself, a grave responsibility. The government will wish to consider the matter very carefully before making any final statement to parliament concerning it. There is no opportunity at the present time for the government to weigh the situation sufficiently in order to be in a position to make any definite pronouncement, but I have made it clear that as soon as parliament reassembles a statement will be made. In saying that, I think I am going as far as the government should be expected to go in the circumstances.

Mr. MEIGHEN: I do not want to be taken as agreeing with all that has been said with respect to the motion of last night. I am one of those who feel with the hon. member for West Calgary (Mr. Shaw) that a moral obligation, if such exists, has the same binding force on parliament, and to the same extent, as a legal obligation. But I hope, in view of the protests I have made repeatedly this week, that it will not be held that any one who does not speak on a motion to adopt any of these many reports is necessarily acquiescing in every finding of the report. This I think is the only frank stand to take before the House. It must not be interpreted as opposition to any relief which parliament in the future, or now for that matter, may consider it advisable to make.

FOOT AND MOUTH DISEASE

On the Orders of the Day:

Mr. J. A. CLARK (Burrard): In view of the fact that foot and mouth disease does not exist and has not existed in the states of Oregon and Washington, is it the intention of the Minister of Agriculture to permit the entry from those states of horses for exhibition purposes into Canada this year?

Hon. W. R. MOTHERWELL (Minister of Agriculture): It is not our intention to permit the importation of animals from any country until the 60 days have expired after the last outbreak of foot and mouth disease.

Mr. CLARK: I do not think the minister heard my question. I want to know whether from certain states where the disease has not existed it is the intention of the minister to permit the entry for exhibition purposes of horses into Canada.

Mr. MOTHERWELL: There are two buffer states we must recognize—Oregon and Nevada. The same regulations hold good in respect to them as in respect of California.

REDISTRIBUTION

TYPOGRAPHICAL ERROR IN BILL

On the Orders of the Day:

Mr. J. L. STANSELL (East Elgin): I wish to call to the attention of the House an evident error in the printing of Bill No. 2 relating to the readjustment of the representation in the House of Commons. It will be remembered that when the bill was before the House in committee I offered an amendment having reference to the names of certain constituencies, which amendment was passed. I observe in the printing of the bill that so far as it applies to the west portion of the county of Elgin the amendment has been made effective; but in the case of Norfolk, to which was to be added a portion of the county of Elgin and which was to be designated Norfolk-Elgin the word "Elgin" has been dropped. I understand that the clause as amended by this House in accordance with my motion has been adopted by the Senate and therefore, I take it, this error in the bill is purely typographical. I should like to have an assurance from the government that this will be corrected.

Hon. E. M. MACDONALD (Minister of National Defence): The committee the other day adopted the resolution of my hon. friend changing the title of the constituency of Norfolk to "Norfolk-Elgin." The error is, as the hon. gentleman says, only typographical and can easily be corrected in the final editing of the bill.

INCOME TAX BRANCH EMPLOYEES

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): I would ask the Acting Minister of Finance whether it is the intention of the government to consider the question of the revision of salaries of civil servants who are employed in connection with the income tax. I believe some four years have elapsed since anything was done and many of these employees are receiving unfair treatment. In British Columbia particularly where five per cent of the population pays income tax as compared with three per cent in the other provinces the work of the staff is considerable and we have had many complaints.

Mr. GRAHAM: Mr. Speaker, the matter to which the hon. gentleman refers is now before the Treasury Board.

CANADIAN NATIONAL RAILWAYS—BRANCH LINES

CHINA CLAY BRANCH

Mr. SPEAKER: Before I call the Orders of the Day, I have the honour to inform the House that a message has been received from the Senate acquainting this House that the Senate doth no longer insist upon its third amendment to Bill No. 64 respecting the construction of a Canadian National Railway Line from the end of the China Clay branch to St. Rémi d'Amherst, in the province of Quebec, and doth now propose the following amendment instead thereof:

In the Schedule: Under the heading "Mileage including existing grading" for "2" substitute "2.3".

Under the heading "Average Expenditure per mile" for "$52,500' substitute "$45,652".

PRIVILEGE—Mr. BOIVIN

On the Orders of the Day:

Mr. G. H. BOIVIN (Shefford): Mr. Speaker, I have a word to say upon a question of privilege. I read in Le Devoir, published at Montreal on Wednesday night, an article signed by its parliamentary correspondent, Mr. Leo Paul Desrosiers, entitled:

M. Boivin se signale de nouveau—
Mr. Boivin again in the limelight

With the following sub titles:

He tries to explain, in his quality of chairman of the Redistribution committee, that it is as a measure of justice that an extra English seat is added to Montreal.

The French Canadians are robbed of their influence as a reward for their broad-mindedness.

These statements are repeated and amplified in the body of the article, which concludes with an attack upon the government for having abolished the position of assistant statistician formerly held by a French Canadian.

If the young correspondent of Le Devoir would follow the good example of his confreres in the press gallery and base his articles upon what actually takes place in the House instead of drawing their subject matter from his own imagination, he would know that his statements concerning any injustice to the French Canadians of Montreal are absolutely and positively untrue. If the article was only an attack upon myself I would read it with the silent contempt with which I have treated previous articles of the same kind from the same venomous pen, but as the article reflects upon the honesty and integrity of the entire Redistribution committee and, indirectly, upon every member of this parliament, I want to nail the falsehood here and now.

According to the last census the island of Montreal had a population of 724,205. The French Canadians numbered 439,653, and persons of other origins 284,652. Each of the eight French Canadian members will represent 54,955 persons, and each of the other five will represent 56,830 persons, a difference of 1,875 per member in favour of the French Canadians. In other words, the French Canadians are strictly entitled to 7.8 members out of 13, and they have 8 under the new law.

In case Mr. Desrosiers should contend that the French Canadian members are better entitled to represent the Chinese and Italian population than the hon. members within whose constituencies these people reside, let me make another comparison, leaving out those citizens of all origins who are not directly represented in this House. The last census, as I stated during the course of my remarks on the Redistribution bill, shows that there were then in Montreal:

Persons of French origin..	439,653
Persons of British origin..	197,912
Persons of Hebrew origin..	45,792

With twelve electoral districts on the island of Montreal, the proportion should have been as follows:

Persons of French origin..	7.7
Persons of British origin..	3.5
Persons of Hebrew origin..	.8
	12.0

The seats were divided as follows:

Persons of French origin..	8
Persons of British origin..	3
Persons of Hebrew origin..	1
	12

With the additional seat provided for by the recently adopted Redistribution bill, the exact proportion should be:

Persons of French origin..	8.3
Persons of British origin..	3.8
Persons of Hebrew origin..	.9
	13.0

The seats have been so arranged that they will in all probability return:

Persons of French origin..	8
Persons of British origin..	4
Persons of Hebrew origin..	1
	13

I cannot imagine how a more equitable division could possibly be arrived at, and I resent the accusation that I have in any way been a traitor to the race to which I belong or that this parliament or this government has been unfair to any race or group in the country. It has been said in certain quarters that the article referred to is only part of a campaign which is being waged to stir up racial prejudice. I desire to be more charitable, Mr. Speaker. I prefer to attribute the article to the youth, inexperience and narrow-mindedness of Mr. Desrosiers, and I am sure that his youth and inexperience will gradually diminish as the years roll by.

PRIVILEGE—MR. STEWART (Humboldt)

On the Orders of the Day:

Mr. C. WALLACE STEWART (Humboldt): Mr. Speaker I rise to a question of privilege. On Wednesday last when the House divided on the amendment moved by the hon. member for Prince Albert (Mr. Knox), known as the Hudson Bay amendment, I was present and voted yea. The report of Hansard for Wednesday, July 16, and also the official record in Votes and Proceedings for the same date do not contain my name among those who voted. I have conferred with the Assistant Clerk of the House, and he confirmed my assertion that I was present and voted for the amendment. I ask you, Sir, to use your authority to have the report corrected in the revised Hansard, and also to have a correction inserted in the Votes and Proceedings.

Mr SPEAKER: The remarks of the hon. member will doubtless serve his purpose. I would remind him, however, that the vote was taken in the morning, at the end of a long, protracted debate, after which the result was transmitted to the Printing Bureau, and it is not surprising if under the circumstances a slight mistake was made. This morning's Votes and Proceedings contains the following correction:

> The name of Mr. Stewart (Humboldt) should have appeared in the division list at page 575 among the yeas instead of the name of Mr. Stewart (Hamilton).

Therefore this erratum having been published, the attention of the country and of the House has been called to the mistake.

HOME BANK

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Mr. Speaker, arising naturally out of the declaration made a moment ago regarding the policy of the government in the matter of the Home Bank, the government is doubtless aware, the Prime Minister is certainly aware, that in the West particularly there are a very large number of practically destitute persons—widows, children, minors and old men—who will now be left helpless in the face of the coming winter. Will the government not consider—

Mr. SPEAKER: Order.

Mr. GARLAND: I am asking the government a question.

Mr. SPEAKER: The hon. gentleman is reviewing a debate which was concluded yesterday; and, besides on the orders of the day questions can only be put on matters of public importance. I would ask the hon. member not to argue but to put his question.

Mr. GARLAND (Bow River): Certainly, Mr. Speaker, I am just about to put my question. Will the Prime Minister in view of these facts not take into consideration the possibility of bringing in a supplementary estimate to provide relief, as is done now in the case of agricultural people?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I think on reflection my hon. friend will agree that if this House is to be asked to vote any money for the purpose which he mentions, it will want to know pretty fully the extent of the obligations proposed by the government. I do not think it would be in the interests of the very persons to whom my hon. friend refers for the government to ask parliament at this stage to vote a sum of money without being able to give to parliament the basis on which the government had arrived at its opinion in the matter. This is a very serious responsibility and it has to be met in the light of its importance. I think the government is taking a course which will commend itself to the people of this country.

On the Orders of the Day:

Mr. H. E. SPENCER (Battle River): I would like to ask the government if they have been given any figures with regard to the amounts that the Home Bank depositors are asking for and also if they have any statistics as to the number of depositors of the Home Bank who are on relief in Fernie, Toronto and other cities?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am unable to speak offhand with reference to my hon. friend's question. I think he will have as good an idea as I have with regard to the information the government has on these matters. The government has all the information that has been placed before the commission and before the committees of the House. He will realize that that is rather an extensive amount of data.

CANADIAN NATIONAL RAILWAYS—RETIRING GRATUITIES

On the Orders of the Day:

Mr. W. J. WARD (Dauphin): A year ago this session I asked the following question of the government:

1. Did Mr. D. B. Hanna, former President of the Canadian National Railways, receive on his retirement, a bonus, grant or gratuity of $35,000 in addition to his salary to date of retirement?
2. If so, why, and on whose authority?
3. Did Mr. A. J. Mitchell, former vice-president of the Canadian National Railways, receive a similar gratuity of $20,000?
4. If so, why, and on whose authority?
5. Did any other retiring official or director of the Canadian National Railways receive any such gratuity or bonus on retirement?

In the closing days of the session the government promised a commission to investigate this matter. I think the reply indicated that some $400,000 was involved, having been voted these men on retirement. I desire to ask the government if that appointment was made; if so has the report been submitted to the government, and if the report has been submitted what was the result?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): My hon. friend is incorrect; there was no suggestion of a commission or committee to investigate the payment of retirement allowances to the gentlemen he has named. There was question as to the legal right of the Grand Trunk to give gratuities to its employees who were retiring or who in some other cases were not retiring. The government promised to appoint a commission to investigate this. The commission was appointed and made its report, and that report was laid on the Table of the House in the early days of this session.

Mr. MEIGHEN: With what result?

INTER-ALLIED CONFERENCE

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): I would like to communicate to the House an announcement which was made this afternoon in the House of Commons of Great Britain by the Secretary of State for the Colonies regarding the representation of the dominions at the Inter-Allied Conference. The statement made by the Right Hon. Mr. Thomas was as follows:

There have been several communications with the various Dominion governments concerned and it was found impossible to arrive at definite arrangements before the Inter-Allied Conference opened. I have now the great pleasure of announcing that it has been

settled that representatives of any of the Dominions so desiring and of India shall become members of the British Empire delegation at the conference on the panel system and it has also been arranged for the representatives so appointed to be present at the meetings of the conference on the days when it is not their turn to sit as members of the British Empire delegation. This will ensure that they are fully acquainted with all that goes on in conference.

The plan adopted is a special one for this particular conference and is not to be regarded or quoted as a precedent.

That is the end of the statement. His Majesty's government have consented to our laying on the Table of the House the correspondence which has passed between His Majesty's government and ours on the subject of the representation of Canada at the Inter-Allied Conference, and with the permission of the House I will place this record on the Table.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It will appear, of course, from the correspondence, but in order that hon. members may get the right idea now I would like to know what is meant by the statement of the Secretary of State for the Colonies that the Dominion representatives shall have the right of attendance at the conference on the days when they are not sitting as members of the British delegation. That is the way I heard it read and to me it does not seem to mean anything.

Mr. MACKENZIE KING: The British Empire delegation will consist not only of representatives of His Majesty's government but also of such Dominion representatives as are in attendance at the conference. The entire British delegation will therefore consist of seven or eight and from that number there will be selected for each day's session three persons to represent the British Empire delegation. Two of these will be members of His Majesty's government and one will be chosen from the Dominion representatives who are members of the British Empire delegation. They will be the active members, but representatives of any dominions not of the three who participate in the business of the conference from day to day will have opportunity to be present and hear the general discussion.

Mr. MEIGHEN: The arrangement seems to me to be quite satisfactory. I am very glad indeed that the matter has been settled.

BRITISH NORTH AMERICA ACT, 1867 AMENDMENT

CONCURRENCE IN SENATE AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of and concurrence in the amendment made by the Senate to the following resolution:

That it is expedient that section ninety-one of the British North America Act, 1867, be amended by adding thereto the following subsection in lieu of that set forth in the Address of the Senate and House of Commons to His Majesty the King, adopted by the House and Senate, respectively, on the 24th and the 26th June, 1920:—

"2. An enactment of the parliament of Canada, if expressed to operate extra-territorially, shall have and be deemed to have had, that operation, if and in so far as it is a law for or ancillary to the peace, order and good government of Canada."

He said: The language of the resolution adopted by this parliament in 1920 was to the effect that an enactment of the parliament of Canada otherwise intra vires should have extra-territorial effect in the same manner and to the same extent as if enacted by the Imperial parliament. Those last words were objected to in certain quarters as having too wide a meaning and after agreement the language of the present resolution was accepted for the purpose of limiting the matters to which extra-territorial effect would be granted to matters evidently within the legislative authority of the parliament of Canada. That is why the words "otherwise intra vires" were eliminated as superfluous. During the discussion of this resolution in the House the hon. member for St. John and Albert (Mr. Baxter) suggested that the same words or words to the same effect should still be inserted. This opinion has been endorsed by the Attorney General of Ontario in a letter which he addressed to me a few days ago. I do not subscribe to this interpretation and the officers of the Department of Justice share my opinion in that regard. I do not see that by the present language of this resolution the powers of this parliament could in any way be extended or the powers of the provinces be restricted. However, as it can do no harm to add superfluous words I do not object, and I even suggested to our representative in the Senate that he agree to the insertion of the words "intra vires" after the word enactment." It will now read:

An enactment intra-vires of the parliament of Canada, if expressed to operate extra-territorially, shall have and be deemed to have had, that operation, if and in so far as it is a law for or ancillary to the peace, order and good government of Canada.

I now desire to refer to a statement which has been made concerning this matter by the hon. the Premier of Ontario, at a meeting held at Prescott on the 12th of July last. He stated that the adoption of this resolution was a blow to the constitution and an infringement of the rights of the provinces, which ought to be consulted every time

an amendment to the British North America Act was sought. The charge is not justified, and is not altogether fair. My only answer is that the provinces were in no way interested and in no way concerned in our demand of the Imperial parliament to recognize that our purely federal legislation has an extra-territorial effect. I might add that the protest, if it had any value, has been registered three years too late, because the resolution I wished to amend was fathered and introduced by the government of which that distinguished gentleman was a strong supporter, and his voice has remained silent on the matter until the present Minister of Justice assumed some responsibility.

Motion agreed to; amendment read the second time and concurred in.

REDISTRIBUTION

CONCURRENCE IN SENATE AMENDMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the second reading of and concurrence in an amendment made by the Senate to Bill No 2, to readjust the representation in the House of Commons.

He said: The amendment made by the Senate is to change the name of the constituency of Missisquoi-Brome to read Brome-Missisquoi. Knowing how keenly hon. gentlemen of the Senate feel in matters of this kind, the government have decided it would not be advisable to ask for a conference over the matter and thereby possibly delay prorogation, and have therefore thought it well to let the amendment pass. But in doing so, I think it ought to be pointed out that we feel so far as the House of Commons is concerned that questions relating to representation in the House of Commons are our matter entirely, and should not be interfered with by the other Chamber.

Some hon. MEMBERS: Hear, hear.

Motion agreed to; amendment read the second time and concurred in.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH—SENATE AMENDMENTS

Hon. GEORGE P. GRAHAM (Minister of Railways) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 64, respecting the construction of a Canadian National Railway line from the end of China Clay branch to St. Remi d'Amherst in the province of Quebec.

Motion agreed to; amendments read the second time and concurred in.

CRIMINAL CODE AMENDMENT

On the Order:

Second reading of Bill No. 259 (from the Senate), to amend the Criminal Code (evidence as to games of chance).

Mr. MACKENZIE KING: The Minister of Justice (Mr. Lapointe) who is not in his seat at the moment, wished me to explain in his absence that this bill should not be in his name, but in that of the hon. member for West Calgary (Mr. Shaw).

Mr. STEVENS: Has this bill been distributed?

Mr. SHAW: Yes, it is on the file. I move the second reading of the bill. This bill is one that I am sure will commend itself to the House. It originated in the Senate, and is now before this House for consideration. Hon. members will undoubtedly be aware that in various parts of Canada we have a machine called a gum vending machine. It has been decided in the appeal courts of at least two provinces, Ontario and Quebec, that this is an illegal device, but unfortunately in the province of Alberta is has been held, in a case in which judgment was given in the year 1915, that it was not an illegal device. The result is that while it is perfectly proper to use this machine in the province of Alberta, its use is entirely illegal not only in Ontario and Quebec, but in some other provinces. An effort was made last year to secure an amendment to the Criminal Code, providing that an appeal should be taken to the Supreme Court of Canada where there was a difference between the appeal courts of any provinces, in the event of an acquittal, but the Senate took objection to that particular means, and so an effort is now being made by this bill to amend section 986 of the code, so that this particular gum vending machine shall be prima facie evidence of a gambling device, and consequently it will allow the courts of Alberta and any other province that may be interested to eliminate this machine. I think this amendment must meet the judgment of the House.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Certain automatic machines to be deemed means or contrivance for playing games of chance.

Mr. SHAW: I beg to move the following amendment, to be added after section 1:

This act shall come into force on the 1st day of October, 1924.

The reason is that this gambling device is legal now in the province of Alberta, and this will give those who are interested an opportunity to save themselves in some part.

Amendment agreed to.

Section agreed to.

Bill reported, read the third time and passed.

MILITIA ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. E. M. MACDONALD (Minister of National Defence) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 169, to amend the Militia Act.

Motion agreed to, amendments read the second time and concurred in.

SUPPLY

SOLDIER SETTLEMENT

The House in committee of Supply, Mr. Gordon in the chair.

Advances to soldiers settling upon the land, and cost of administering the Soldier Settlement Act, including salaries, $6,000,000.

Hon. CHARLES STEWART (Minister of the Interior): This is the vote for the purpose of carrying on the work of the Soldier Settlement Board. We have discussed it pretty thoroughly this afternoon. If any further information is desired I shall be glad to afford it.

Mr. MEIGHEN: This afternoon?

Mr. STEWART (Argenteuil): We have been discussing soldier settlement this afternoon.

Mr. MEIGHEN: I have been here all the afternoon and I did not hear it discussed. The amount this year is $6,000,000 as against $8,400,000 last year. Can the minister tell us how many men were settled in the last fiscal year?

Mr. STEWART (Argenteuil): Loans were approved on account of 1,038 new settlers.

Mr. MEIGHEN: How many are there altogether now?

Mr. STEWART (Argenteuil): The number is 23,700.

Mr. MEIGHEN: Oh, more than that?

Mr. STEWART (Argenteuil): The total number of soldier settlers is 23,743.

Mr. MEIGHEN: The total number was 27,000 three years ago. I presume this is the total on private lands?

[Mr. Shaw.]

Mr. STEWART (Argenteuil): That would be about the number we assisted. A great many settlers have been added to the list who have not been assisted financially; I am speaking from memory now.

Mr. MEIGHEN: I fancy the minister has not included homesteaders.

Mr. STEWART (Argenteuil): The total number of settlers who received loans is 23,743. The number of soldier grant entries without loans is 6,435.

Mr. MEIGHEN: But the soldier grant entries get assistance too? A man is entitled to assistance even though he is a soldier grant entry.

Mr. STEWART (Argenteuil): He is entitled, that is quite true, but the six thousand odd I have mentioned have not received any.

Mr. CAMPBELL: What is the prevailing salary for a field supervisor under the Soldier Settlement scheme?

Mr. STEWART (Argenteuil): The average salary is $1,832.66.

Mr. CAMPBELL: I believe that low salary is responsible for a good deal of the trouble that the Soldier Settlement Board have. No loan company can secure a good appraiser, a qualified land valuator, for such a price as that. The most of these field supervisors are young and more or less inexperienced men, with very little knowledge of the quality of soils or of general farming conditions. Those men are placed in positions of great responsibility. Yet they not only have to pass on the quality of the soil and its productive capacity, but they also have to appraise machinery, cattle, horses, material for building, fencing and so on. That is a very important responsibility, and you cannot get qualified men for any such salary as that mentioned. Such a position needs the very best man that can possibly be secured. He should have had some farming experience in the first place, and possibly, a considerable amount of business experience. He should be a good judge of soil, live stock and machinery and be in a position to advise the soldiers. He should not only be able to locate them in the first place, but come to their assistance afterwards, and give them advice. A great many of these young men, I repeat, are more or less inexperienced yet are supposed to act in a supervisory capacity. If the blunders and mistakes of the past are to be avoided in the future it is necessary

5 p.m.

that a better class of men be employed, and to that end larger salaries will have to be paid, certainly not less than $2,500 a year.

I believe the general plan of the Land Settlement Board has been an excellent one on the whole. I can say without fear of successful contradiction that in my own constituency to-day the average soldier settler is making better headway and is in a better position than the average farmer. I know that is not in accordance with the sentiment usually expressed here, but I attribute it in the first place to the fact that very few soldiers were settled in my constituency up to the time of the depreciation of land values in 1920. Those who were settled before that naturally paid more than the land was worth. Most of the men that I know of were placed after the fall in the value of land. I consider that men placed at the low values of land, the lower values of machinery, horses, cattle and so on, have a better chance to make headway to-day than the average farmer, because they have only one-quarter section each, they are held down to the limit as regards machinery, cattle, horses, and equipment, and their interest rate is only 5 per cent spread over many years. If this government wanted to assist the farmers in the West to-day in the financial position they are in, there is no way by which they could do that more effectively than by substituting some such plan as that, I do not care whether it is called a rural credit system or not. That system is working well. I know many hon. gentlemen have pointed out that the soldiers in their particular districts are in a deplorable condition. We have heard many tales of woe in connection with soldier settlers. But this may be attributed to two other reasons, one of them being that the particular districts are not very good farming districts, where, perhaps, they have suffered from drought, hail, grasshoppers and various other troubles that affect the farmers in the West. That is not the case in the really good farming districts, and my district of Mackenzie is an excellent farming district with good soil and abundant rainfall. Under conditions of that kind the average farmer, if his debts are not too great and are spread over a term of years, and if the interest rate is reduced, has a better opportunity to make good than in most of the other parts of the province. I would heartily recommend to the minister that he consider carefully my suggestion to him regarding the salaries of appraisers. That is very important. I see men located on land that is hardly worth anything, land on which it was most difficult to make a living at all and land that was bought, perhaps, at considerably more than it was worth. It was not the natural value of the land at the time, but the value placed upon it was simply an error of judgment on the part of the man who appraised it. The appraisers did as well as they could under the circumstances, but on the whole—they were not qualified men and it is impossible to secure qualified men for $1,800 a year.

Mr. COOTE: In view of the report which was brought down and in which concurrence was moved to-day, which the minister said would entail a loss to the country of approximately $38,000,000 if it were adopted, does the government feel justified in investing more money in this soldier settlement scheme by placing more soldiers on the land? The scheme has been in operation now for about six years, and any returned man who wishes to go farming has had plenty of opportunity to do so. The scheme has cost the country about all that we can afford to spend in this particular manner, and I think the committee is entitled to a statement from the minister as to the policy of the government and why they should bring down an estimate to carry on this soldier settlement any longer.

Mr. STEWART (Argenteuil): Land appraisers receive a larger salary than I mentioned. I mentioned the lowest paid officer. They get $2,400 a year. In the locality with which I am familiar I think the selections, of late years at all events, have been very carefully made and that fair value has been received. Inasmuch as the payment was a cash one, a great deal of land was offered for sale and it was bought at pretty good figures. Of course that was not the case in the early stages of the settlement and it was then that we had the difficulty.

In reply to the hon. member for Macleod (Mr. Coote), I may say that no relief is offered or suggested by the committee for settlers established since 1921. The report of the committee which we were discussing, applies to settlers established prior to 1921. Last year we decided to take up no more applications and no more have been taken up since then. We are carrying out simply the obligations which we entered into with men who trained for the purpose of being established in this way.

Mr. COOTE: What training do they undergo and where are they trained?

Mr. STEWART (Argenteuil): They first make application to the board, and they are

trained usually with practical farmers. But by far the larger number of these men were young men who had practical experience in farming. They were not newcomers to the country; they were farmers' sons, young men raised on the farms. Many of them owned farms on which they had mortgages and they were farmers. If this scheme fails, I would have grave doubts of any scheme being a success in establishing people upon the land. I have no brief to say that this is the best scheme in the world, but I make that statement because of the large number of these men who have been farmers all their lives, so that, if they could not succeed, the newcomer would be doubly handicapped. This is simply cleaning up those whom the board had deemed eligible if they took further training. I know there was a large number on the list last year. A large number, of course, did not turn up. I do not know how many turned up to be established, but I presume not more than 50 per cent of them. To those who are desirous of being established on the land, the board feel they are under some obligation, and those are the cases which the board are dealing with.

Mr. COOTE: How many are on the list and how many were established last year, so that we can get an idea how much longer this is going to go on?

Mr. STEWART (Argenteuil): The number of men qualified by the board on March 31, 1924, was 48,037. Of these, 23,743 have been granted loans, leaving 24,294 qualified by the board to whom no loans have been made. There are 797 men who have completed their training under the supervision of the board, but who have not taken up land; there are 211 men at present in training, or a total of 1,008 who have already been trained or are now being trained with a view to taking up land under the board. Those are the men with whom the board will have to deal.

Mr. CAMPBELL: In the remarks I made a few moments ago, I wished to be fair to the board. I had no intention of reflecting in any way on the administration of this department, which on the whole has been excellent; there is no other department that has in my opinion been administered quite so well. I am ready to admit too that the selection has been better recently than it was some time ago. But I am merely pointing out a danger which I think should be guarded against. The type of men who are engaged in this work are no doubt sincere but they lack the necessary knowledge of farm land and farming conditions, and most of them are unable to judge stock and machinery and give advice to the soldiers. I would therefore strongly recommend to the minister that he look into this matter and pay salaries that are commensurate with the responsibilities of the employees. I am not altogether prepared to agree with my hon. friend (Mr. Coote), because I believe that this is an excellent policy. With such a policy we can resurrect tens of thousands of farmers in western Canada and retain in the country hundreds of those who are obliged to leave it. If these people were able to wipe out their debts or to pool them at a lower rate of interest they could remain on the farm and re-establish themselves. I have in mind at the moment a policy which was carried out in my former province of Prince Edward Island. I think it was in 1867 or 1869 that the provincial government there was faced with a serious situation in regard to agriculture; in fact that industry was threatened with a complete breakdown, but it was rehabilitated by means of such a policy. It was difficult to secure money and men had to be sent to England to borrow; but the provincial government bought out the title to the land and re-sold it to the present holders or to their forefathers at a low rate of interest spread over a long period of years. These men struggled for a time but they made good and the province of Prince Edward Island did not lose a dollar.

Mr. SPEAKMAN: I am inclined to agree with the member for Macleod (Mr. Coote). I realize that there is a great difference between the position of men established in the early years and that of soldiers who have been recently established. Our difficulty, as the minister has pointed out, has been due to the tremendous problem of deflation in the past which does not apply to the present settlers. There is a great difference between settlers established under this act and farmers who could come under any rural credit proposal. Any proposal for rural credits could apply only to a man who had a considerable equity in the land over and above the amount of the loan. But in this case the settler borrows practically the entire amount of the capital necessary to commence operations, and speaking frankly I doubt whether there is a business in Canada to-day that could successfully carry on if it had to commence by financing on a shoe-string and borrowing every dollar of its capital. At all events I am sure that the farming industry to-day could not do that. I am speaking now as one who comes from a fairly good district, not one that has suffered from

drought or grasshoppers or any other natural pest. The district from which I come is a fairly good farming country; my neighbours have been there for twenty-five years and some of them longer than that. Most of them came without any capital and have built up farms. But to-day I do not know one of them, although they are all fairly good farmers, who is making interest on his investment. And if these people are not making the interest at present valuations it is not to be expected that the new and inexperienced man can. I think it would be absolutely impossible for him to do so.

In making these observations I have no desire whatever to put forward any rash statements. I think I know the situation, for I studied the whole problem two years ago as chairman of a small sub-committee; and I come from a district in which there are more returned soldiers who have been settled under this act than there are in any other district, as I believe. I made it my business to investigate conditions as thoroughly as possible so that if any question came up I should be prepared with first-hand knowledge. I have come to the conclusion that the men established in those early years cannot under any circumstances make good now, and I will give my reasons. In doing so I do not want it to be considered that I am criticizing those who devised the act at that time, but I have some doubts as to the wisdom of it. Of course, we all know that it is easy to be wise after the event; but I feel that these men cannot succeed. The men went on the land in 1918, 1919 and 1920 and they purchased not only high priced land, but as well expensive machinery, stock and equipment. They began operations in the expectation of being able to meet these high prices out of the productive value of their farms, but as a matter of fact, as compared with those years, the debt redemption ability of these settlers has decreased about 75 per cent. That may sound like a rash statement but it can be proved. According to the estimate of the board itself, as stated by its chairman, farm products in general are worth to-day about 50 per cent of their value at that time, and that statement can be borne out by any man in the House who is familiar with the conditions. But that does not mean that the ability of the settlers to pay their debts has been reduced only 50 per cent, because the operating costs on the farms have not fallen in proportion. Consequently after paying overhead expenses and cost of living the surplus available is less by at least 50 per cent than it was in those years, and that surplus is so reduced in value as to be worth about one half. Therefore the actual ability of the settler to meet his indebtedness is about 25 per cent of his ability at the time the act was passed. That is a fair statement which can stand analysis.

Under these circumstances it is obviously impossible for the settler to succeed and when the committee studied the matter it went into it from two points of view. The first—and I mention it first advisedly—was this: The committee realized the responsibility to the men who came under the act, partly as a means of colonization,—because the cry was for greater production and we wanted more men on the land. It was therefore a measure partly of colonization and partly of re-establishment, to assist these men to regain their civilian status and become valuable citizens. We approached it first of all from that point of view, because it was only fair that we should make some provision to relieve these men from the disability which they had incurred. But from the other point of view we had to remember that we were trustees of the people's money and we had to consider the effect of any possible action upon the finances of an already overburdened country. Had it been proved to us that the men could eventually pay their indebtedness, even if it involved a hardship, I would have hesitated to make drastic recommendations. But it is because I believe that the treasury will not receive the money that, in common with other members, I impressed my views on the committee.

I believe, Mr. Chairman, that a drastic cut, whether it takes the form of revaluation or of interest exemption or of capital cut—I am not wedded to any one method so long as we obtain the best results—will not only retain in their holdings and assist these men, but it will actually bring better returns to the country than if the men are allowed to leave the country altogether or drift to the urban centres. This would be simply acknowledging a loss which already exists, the wiping out of an uncollectable indebtedness—nothing more, nothing less. The statements produced to the committee showed that in many cases resales after salvage show no appreciable loss. This is accounted for by reason of the fact that while the purchases were made for cash the resales were made on twenty-five years' time, and if any one contends that the country is at no loss on such a resale I think his contention is based on a pure assumption. That every dollar of the twenty-five year indebtedness will be paid in full is not a fact on which a sound argument can be built. A

disturbing feature of these resales is that they are usually to farmers in the vicinity who have unencumbered property so that they can offer better security for the loan. This means that the resales are made at the expense of a gradual transfer of the land from the original soldier settlers to other men in the district. And during the course of that transfer much of the land would lie unsold for a term of years. This has already happened, and in my opinion will continue to happen if, as I believe is the fact, the resales so far have been of the best and choicest parcels of land, and much of the remaining land can never be sold at any remunerative price.

As one familiar with the lives of these men—I know hundreds of them personally—and realizing his responsibility to the country as well as to the men themselves, I would impress upon the committee the seriousness of the situation and the absolute necessity of the government accepting as far as possible the recommendation and making a careful study of the situation with a view to dealing with it next session. I appreciate the statement of the minister that it is perhaps unfair to ask the government to accept such a drastic proposition without having had time to give it due consideration, but I appreciate also the fact that unless these men know they can look forward with hope to a final satisfactory adjustment, we will lose them by thousands. I have been reading letters from home these days and accounts in the local newspapers, and it is evident that the coming fall is going to be one of the hardest we have had for many years, for the crop returns are very disheartening, and in the face of these depressing circumstances I am afraid the men will be leaving the land by thousands. These are good, able and industrious men—the idle and inefficient were weeded out long ago. These excellent men will either have to go out of the country, to be replaced by immigrants, or else they will flock to our cities, and from what I hear the problem in our urban centres this winter is going to be sufficiently serious without adding one jot or tittle to it. Therefore I would urge that the minister take action, not to give immediate relief, because I realize that no immediate action can be expected, but I should like him to assure these men that the matter will be carefully considered and dealt with upon its merits in legislation to be brought down next session. I hope that it will be possible to provide such a satisfactory adjustment as will enable these settlers to continue upon the land as self-supporting men and women, who will be an asset to the country and will contribute to the success of our transportation system by the tonnage which they will supply.

[Mr. Speakman.]

Mr. WARD: I congratulate the minister on the partial diminution of the policy of settling soldiers on the land. I was disappointed with the report of the special committee which was submitted to-day. I had hoped that they would see their way clear to recommend the establishment of some machinery for the revaluation of the soldiers' land. I have urged that for the last three years. Under the conditions that prevail in my constituency I am sure this will be a bone of contention with the department until revaluation does take place.

In the early part of this session a number of western members got together and prepared a questionnaire. I propose to place on Hansard the answers returned by a soldier in my constituency to the questions submitted to him in this way. I know this man very well and he is a good average settler. This is the questionnaire as returned by him:

Date of location? April 1920.
Distance from town? Twenty-five miles.

Those who are familiar with the Soldier Settlement Act will remember that it is quite contrary to that legislation to settle a returned soldier more than fifteen miles from a railway. I do not blame this House, but we know that the people of many sections in the West have been deprived of railway facilities for many years. The people went into the section in which this returned soldier was settled under the distinct understanding that a certain railway line would be built, but owing to the action of the second Chamber they were deprived of this privilege.

What price did you pay for your land? $3,000.
What do you consider the value of your land in a raw state? $500.

This particular quarter-section—I know it well—was purchased in its raw state at $3,000 and I know that he fully values his land when he says it is worth $500. The purchase price, therefore, was six times its real value, and this soldier has a $3,000 obligation facing him, to say nothing of the likelihood of accrued interest, and a $500 proposition with which to pay for it. This is only typical of hundreds of cases in the northern part of the province, and I contend that revaluation is the only possible means by which we can save these people and keep them in the country. This same settler has a loan for live stock and equipment of $1,100 making a total

of $4,100 to be paid for out of a $500 proposition. The questionnaire proceeds:

Amount paid to the Soldier Settlement Board to date? $175.

Mark you, this loan was made in 1920 and he has paid $175. I am sure he has paid all he was able to pay.

Amount of yearly payment to the board? $173.

One hundred and seventy-three dollars a year after he has provided for his family out of a $500 proposition.

Total amount owing on your yearly payments to date? $250.
Total amount of your yearly taxes? Average $65.
What do you at this date owe for taxes? $75.

You can understand my disappointment at the report of the special committee not providing for revaluation. At the commencement of this session I introduced a resolution asking the government to appoint this special committee and urging upon them the necessity for revaluation in order that we might save these men. Over 500 settlers, about 25 per cent of them returned men, have moved out of the east half of my constituency in the last twenty-four months. The honourable member (Mr. Campbell) has said that the returned soldiers in his constituency are really in better shape than the average farmer. Well, that is not so in my constituency and I do not think it is the condition that generally prevails throughout Manitoba. The settlers moved into Manitoba about a year earlier than they did into the other western provinces, and they became victims of land inflation, of high priced stock, high priced implements, lumber and other things going into the development of the farm. This is what they are carrying to-day and this is what is driving them out of the country. During the parliamentary recess following the last session I visited this district, spent nearly a month there and personally inspected over 100 of these farms. The thought that was uppermost in my mind when I was passing through there was this: "I wish I had the Minister of the Interior with me." I am sure he would have wiped the Soldier Settlement Board right off the slate and have cancelled every loan in the district. Had he visited there he would have found homes with three or four children, many of them with not half enough clothes to keep them warm. There are mothers in that district who have not seen a railway station for over twenty-four months. I hesitate to think how many of these people lived last winter, yet we ask that soldier to meet a loan of $4,100 from a $500 proposition. The thing is so impossible that I do hope the Soldier Settlement Board will in the near future, be advised by the minister to see that revaluation takes place. I know the minister cannot do all these things, but he has subordinates who will do it, and he should advise those subordinates to have a revaluation made not only of stock and equipment but also of the land. It would relieve me a great deal if some such action was taken, because the greatest problem I have in my constituency is that of dealing with the returned soldiers who are settled on the land.

Mr. BROWN: I wish to support very strongly those who have already urged the necessity of very radical measures in dealing with this question. I do not want to offer any criticism, nor have I ever done so, of those who initiated the scheme, but there is no question that many of the soldiers were led into accepting propositions involving obligations that it was utterly impossible for them to meet. As has been indicated, early in the session a number of us got together and prepared a questionnaire to be sent out to the returned soldiers. I have in my hand a very large number of these questionnaires filled in by the men themselves, and I would like to place them in the hands of the minister in order that he may see the hopeless situation by which they are confronted. This is not a question of spending money; it is a question of saving money, of how we can salvage the most for the country from this scheme and at the same time keep the men upon the land. It is generally conceded in the statements that have come to me as contained in these reports that at the very least the men paid a double price for their land. In some instances they paid more. I can endorse what has been said by the hon. member (Mr. Ward) in regard to his own district. I visited that district in order to satisfy myself in regard to reports that came from there. I am sure that many of the men in that district will never be able to carry on unless they get the land for nothing; their whole indebtedness as regards the land will need to be wiped out. I know something about the conditions of farming and how impossible it has been for these men to pay anything on the capital value of their land. I want to read a few remarks made by one of these settlers—because at the close of our questionnaire we asked the men to make some statements in a general way. Here is what he says:

I kept my payments up until last fall, although I have had to let other debts incurred on the farm go. Last fall I was only able to pay $100 out of the payment of $261.16. Next year my payments under

the consolidated loan will be raised to $427.85, and I feel that I shall never be able to make such a payment, even under the most favourable conditions. If the land was revalued at its present day value and the amount paid in already by the settler deducted from it and the balance divided into twenty equal payments, I think that the soldier settler would be able to stay with his work. There are seventeen quarter-sections in the next municipality left by soldier settlers and not paying taxes.

The municipality he refers to is my own municipality. I took occasion to make inquiries from the municipal secretary before coming away, and seventeen is the figure he gave me. Remember, there were only thirty-five left. That means one-third of these settlers are already gone from the land, and after getting word from the municipal secretary I find four or five more are leaving, and by this time I am quite satisfied that half the men in that municipality are already gone. In company with one of the inspectors I visited one of these farms last fall. I admit that this particular district is the worst in our municipality. On that farm the soldier has a liability for land amounting, I think, to $4,200. I am making no exaggerated statement when I say that I would not take that land and live on it if they gave it to me as a homestead. It is an old worn-out farm, the best part of it, and half of it is lying along the Pembina hills. It is an absolutely impossible proposition for that man to pay $4,200 on that land. I have no doubt that those who are uninitiated will think the committee made a very radical proposal when it brought in a recommendation involving $38,000,000, but I say, Mr. Chairman, they were very conservative, and if I were to state the plan which in my judgment will be necessary to solve this question, it would be an infinitely more radical one than that, a much more radical one I know than this House would adopt.

Another man writes to me:

As to my remarks I will make it brief. If I was free to start again there would be no land deal for me. There is no hopes of ever paying for this farm with the crops we get and the high cost of living. I have done all anybody could do to make ends meet, but they seem to be as far apart as ever, but I am, like a good soldier, still carrying on.

I recognize the necessity, Mr. Chairman, of dealing with this matter calmly and judiciously, and yet the thing that seems to me necessary is that there should immediately go forth a statement from the government that will at least strengthen the morale of these men who are on the land. I know, as I have said, that we have made a proposal in the report of the committee that seems to be very radical, but there should go forth immediately an assurance from the government that whatever conditions will be necessary to keep these men on the land will be granted. I am quite satisfied that this country has to take a tremendous loss, and we may just as well face the fact now as in the future; but if a statement can be made to the men that will give them some courage and put some heart into them, I believe that a great many of them will say, like this man whose letter I have quoted, "Like a good soldier, I am still carrying on."

There is another letter here that I shall read in part for the purpose of calling the attention of the House to just one sentence, and perhaps it will make some hon. gentlemen elsewhere reflect upon their conduct. I believe this man comes from the constituency of Dauphin. I might say that the hon. member for Dauphin and I collaborated in the preparation of this questionnaire. This man writes:

The homestead upon which I now reside was taken by me previous to the war. A small amount of improvement was done, but went back during the war, as I was away four and a half years. I would not have started in this country again after the war if we had not been given to understand we would have a railroad to haul out our produce.

I shall not read any further. "If we had not been given to understand we would have a railroad to haul out our produce," he says, and remember, in some of these districts that have been denied branch lines there are hundreds of returned soldiers, situated 25 miles and more from a railway, and yet hon. gentlemen in some quarters have seen fit to deny these men the right to that necessary railway accommodation, and have imposed upon them this additional burden; and with that additional burden, it will simply not be possible for them to carry on under the circumstances. They lived in hopes they would get these railroads, and now that the railroads are denied to them, the only result will be that these men will have to leave their farms, and they will be thrown back on the country. And here is the thing these men feel: When they give up their land the government will, of necessity, be compelled to sell it to others, who will buy it at a reduced price, and these soldier settlers will lose not only the four or five years of labour they have put in on those lands, but they will feel, as they will have a right to feel, that not only were their war years sacrificed in the service of their country, but that six or seven of the best years of their later life have also been sacrificed. I would like the government to take these questionnaires and look into them, and just allow the men to speak for themselves.

Mr. ROSS (Kingston): We have listened to a very blue picture of the men who have taken up the work of land settlement. I want to say that I am in sympathy with any assistance that can be given to them, but at the same time I would like to draw the attention of the hon. gentleman who has just spoken to the luxurious condition in which some people very close to the minister are living. While you have absolute poverty on the one hand, it looks to me as if you have positive luxury on the other. I do not know whether these gentlemen were preparing for Wembley Exhibition or not, but it certainly looks to me as if they were prepared to take a very comfortable trip. In the public accounts of last year you will find, under the heading, "Expenses at Ottawa" the following: One gentleman in this department is given a wardrobe trunk costing $85; kit bag, $65; commercial trunk, $34.50; steamer trunk, $15; attache case, $10. The second gentleman on this board gets a wardrobe trunk costing $42; kit bag, $38; attache case, $11.75, and then he asked the government to put his initials on, and that cost $3. The next gentleman gets a wardrobe trunk costing $45, and kit bag, $28. The next gets a brown bag, $25, and two cases, $39. The next gets a wardrobe trunk costing $42, folio, $15, and his lettering costs $1. The next gets a suitcase costing $21.50; folio, $11.50, and he must have a long name because his lettering costs $2. The next gets a suitcase costing $21.50, and a folio costing $11.50, and the last gets a suit case costing $18.54. I do not know whether the government representatives who are going to Wembley are going to be any more bountifully supplied than this.

Mr. STEWART (Argenteuil): Are these members of the board

Mr. ROSS (Kingston): That is your board; that is in your expenses.

Mr. POWER: What are the names of these gentlemen?

Mr. ROSS (Kingston): If you turn to page Z-8 you can read them all; it is most interesting. It is almost six o'clock.

Mr. POWER: Read the names.

Mr. ROSS (Kingston): The names are as follows: R. Innes, E. J. Ashton, B. E. Dabson, R. G. Barclay, W. M. Jones, T. B. Mallace, Thos. Smith, and A. E. Smythe. Now when these poor soldiers on the land are living in such poverty, I think it is an absolute waste for the gentlemen close up to the board to run up an expenditure like this in the administration of the department.

Mr. POWER: If the hon. gentleman will ask the minister to dismiss all these men I will agree with him, and should he make a motion I will second it. They are all appointments of the former government.

Mr. STEWART (Argenteuil): May I say in reply to the statements made by some of the hon. gentlemen who are deeply interested, as I am interested, in the success of the soldiers who are on the land, that since relinquishing the Department of Immigration I have not been actively in touch with the work of the Soldier Settlement Board, which is being administered through that department. The Hon. Mr. Robb, of course, has been extremely busy owing to the illness of Mr. Fielding, but the board undoubtedly have been given a free hand in this matter. As I pointed out this afternoon it was hoped to keep politics out of the administration of the Soldier Settlement Board. That is one reason why I am so intensely interested in the report of the committee; whatever we do we do not want political bias to creep into the administration of the Soldier Settlement Board, into the work of establishing soldier settlers, or in any way into soldiers' civil re-establishment. I confess that when I was in charge of this work, although of course I had some personal knowledge of matters in the province of Alberta, I did not, as minister, interfere very much with it. I may say that I have had some doubt, always had doubts, as to whether or not the soldier settlers in the early periods would be able to make good in view of the conditions which then prevailed. Any man who is engaged in agriculture knows the difficulties we have all had to undergo as a result of the deflation which took place in the after-the-war period, and naturally these men—many of them starting new, I fear on lands that at the moment perhaps were worth or were deemed to be worth money but have since depreciated very considerably in value—had many problems to contend with. I want to say this to the committee: Whether I am entrusted with the continuing of the work of this department or not I have a very vital interest in soldier settlement—or in the welfare of the soldier anywhere in Canada no matter what avocation he may be engaged in—and I propose to recommend to the board, and to the minister as well that a very careful analysis

be made of the complaints registered by the settlers themselves, as contained in letters such as have been presented by the hon. member for Lisgar (Mr. Brown), and of the report of the committee. I shall recommend that the situation be carefully studied, that in the light of whatever recommendations are made by the committee or the board and that whatever suggestions are brought down next year should be submitted early in the session and go to the committee, to be carefully considered. Afterwards when the recommendations come back to the House they can be thoroughly discussed by every member. Then we can act with a full knowledge of what the situation demands. I am saying this largely for the purpose of encouraging the men who are on the land and in the hope that they will remain there. I am glad to say that 81 per cent of them are still there. I know that many of them are having difficulties, but I also know that no inconsiderable number have made a splendid success of their undertaking. The great majority of those who settled on the land in the early stages of the scheme are undoubtedly having a very serious time for the reasons which I have explained.

Mr. FORKE: "Hope deferred maketh the heart sick."

Mr. STEWART (Argenteuil): Yes, but let me point out to my hon. friend that no proposition now made by the committee would have an effect on the soldier settler this year except the psychological effect of knowing that in future his case would be taken care of. No proposition made by the committee would better the existing conditions because there is at present a cessation of the interest payments as regards the men whom the committee had in mind, and this will continue until the next session of parliament. Let me say that the board have very complete control of the money voted, and have always had control. The minister has never interfered in that regard. As to the statement of my hon. friend from Kingston (Mr. Ross), in regard to trunks, I say very frankly to my hon. friend I do not believe in that sort of thing at all.

Mr. ROSS (Kingston): I think it is a shame that there should be any expenditure for any such purpose.

Mr. STEWART (Argenteuil): Personally, I heartily concur in any reflections which my hon. friend cares to make in that connection.

[Mr. C. A. Stewart.]

Mr. POWER: There is time before six o'clock to make the remarks which I wish to offer. I think that of all the extravagant, costly and pernicious schemes invented by the late government the Soldier Settlement Board was the worst. From its inception it never had a chance. I do not wish to say "I told you so" but from the time the estimates for the board were first brought down, until the present, I have opposed the expenditure. I was of the opinion then, and I think it has since been shown to be true, that too much money was being loaned to the soldier settlers for them to be ever able to repay it. As for those who went on purchased land we only took that land away from a real farmer and placed somebody on it who knew nothing at all about farming. We have lost I do not know how many millions of dollars, and we are going to lose more yet. If the government would take my advice they would wind up the whole thing as fast as they could, and endeavour to extricate the soldiers now on the land from the hole in which they find themselves.

Mr. COOTE: My reasons for objecting to the continuation of this scheme and putting more soldiers on the land are first, that it is not a kindness to the soldier; it is rather doing him an unkindness and subjecting him to a lot of misery. Secondly it is going to saddle this country with the expense of the Soldier Settlement Board for years to come. I may remark in passing that in speaking to one official of the board last year he said to me "I consider this is a life job." I do hope that the Soldier Settlement Board is not going to be kept up by this government as long as that man lives—that is if he lives as long as might naturally be expected judging by his looks.

Mr. HOEY: Is he a very young man?

Mr. COOTE: Yes, he is a comparatively young man. I could disclose some facts regarding the actions of certain officials of the board causing undue hardship to the settlers. Surely we should not go on any longer putting soldiers on the land. Do not let us deceive ourselves and think this is a fine scheme. As it is working to-day I think it is the poorest scheme this country has ever invested in, worse than the mercantile marine in fact. Judging from the minister's remarks the soldier settler will have to live on hope for another year and in that respect will be in the same position as the Home Bank depositors.

Mr. POWER: Branch lines.

Mr. COOTE: And as the farmers who are wishing for some amendment to the Bankruptcy Act will also have to live in hope until another year. May the interval until the next session be very short.

Mr. SHAW: Personally I am convinced that the chairman of the Soldier Settlement Board is a very competent and able person. I think he is thoroughly familiar with this work and renders good service to the country; I do not know about the administrative details to which my hon. friend from Macleod (Mr. Coote) refers. I rose particularly to draw the attention of the minister to a plan for revaluation of soldier lands which I, after much consideration, presented to the committee. I should like the minister, in the interim between now and next session, to investigate the plan carefully. I think it has the merit of cheapness, will place these lands upon a satisfactory and solid basis, and will permit cases to be dealt with individually as the minister alone can deal with them, if he wants to have permanent satisfaction. In the long run this will go a great way towards solving the difficulty.

6 p.m.

Mr. STEWART (Argenteuil): Is that contained in the committee's report?

Mr. SHAW: I was just going to say to the minister that the details of it, because I worked it out in detail in order that it might have some appeal to the members of the committee, appear in the proceedings of the committee and are available to the members.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 250, for the relief of Florence Ethel Armstrong.—Mr. Garland (Carleton).

Bill No. 260, for the relief of Elgin Caughey. —Mr. Martell.

Bill No. 265, for the relief of Charles Dawson Carlyle. —Mr. Duncan.

ALMA DUCHARME MULLINS

The House in committee on Bill No. 261, for the relief of Alma Ducharme Mullins, Mr. Gordon in the chair.

On section 1—Marriage dissolved.

Mr. McBRIDE: I am opposed to this bill. I may state for the information of the committee that when this matter was under consideration before the Senate committee the vote was 3 to 3. When it came before the Private Bills committee the vote was again even, being 12 to 12 and the casting vote of the chairman carried it. Now, I have nothing to say against the character of Mrs. Mullins who is applying for this divorce, but I do not think it is right and just that she should be able to blacken her husband's name when there is not one iota of evidence to prove that he has been guilty of any misconduct.

Mr. PUTNAM: What do you call proof?

Mr. McBRIDE: If this divorce is granted it will not only blacken the character of Mr. Mullins, this woman's husband, but it will cast a blot on her own son. Furthermore, it will injure the reputation of the other woman who has been looking after the boy and keeping house for the husband; if this divorce is granted it will ruin the character of all parties concerned. There is nothing whatever in the evidence to substantiate the assertion that this man committed adultery and I think this House would be derelict in its duty if it did not turn this bill down.

The CHAIRMAN: Shall the section carry?

Some hon. MEMBERS: Yes.

Some hon. MEMBERS: No.

Section agreed to: Yeas, 27; nays, 24.

Bill reported.

Mr. GORDON moved the third reading of the bill.

Mr. SPEAKER: When shall said bill be read a third time?

Some hon. MEMBERS: Next sitting of the House.

Mr. J. S. WOODSWORTH (Centre Winnipeg): Mr. Speaker, I move that this bill be not now read a third time but that it be read a third time this day six months hence. As a member of the Private Bills committee I have read the evidence with some care. Personally I have no objection to the granting of divorce on the ground of incompatibility, desertion or something of that kind; but, as I understand, the usual practice has been to grant divorce only on the ground of adultery. As adultery is alleged in this case, I do not think it is fair to grant a divorce, for there is not the

slightest definite evidence to show that the man was guilty of adultery. He claims, and his evidence is corroborated by the woman with whom it is alleged he was living in very close relationship, that she is simply his housekeeper, and has been for some years, providing a home for his child. The mother of the woman concerned frequently visited the house. I think any one who is familiar with the manner of life of a considerable part of our population will recognize that it is quite possible for a man and woman to live together in this way without there being any improper relations whatever. Under these circumstances I do not think it is fair to the woman, to the man or to the child to grant this divorce.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I rise to a point of order. I maintain that we should not now be discussing the third reading of this bill, for when the motion was put, "When shall the bill be read a third time?" a number of us called "Next sitting of the House", and I understand that in such circumstances the third reading must go over to to-morrow.

Mr. SPEAKER: If I am informed that an hon. member said "Next sitting of the House," I cannot ignore his remark.

Mr. DUFF: That was on another bill.

Mr. SPEAKER: Rule 52 reads as follows:

> Every bill shall receive three several readings on different days previously to being passed. On urgent or extraordinary occasions a bill may be read twice or thrice or advanced two or more stages in one day.

Bourinot, in his Parliamentary Procedure, fourth edition, at page 540, comments on the rule in these words:

> It is occasionally the custom to pass bills through their different stages at one and the same sitting. That course, however, is never taken except in cases of extreme urgency and with the general assent of the House.

If it is said by some hon. members that there was objection to the third reading this day, the bill cannot be read a third time at this sitting.

Mr. NEILL: Mr. Speaker, there was distinct dissent to the bill being read a third time; a number of hon. gentlemen called "Next sitting of the House."

Mr. DUFF: That was on another bill; there was no dissent to the third reading of this bill.

Mr. MEIGHEN: I am sorry to contradict the hon. member. I was sitting near the hon. member for Comox-Alberni (Mr. Neill) and I heard both him and the hon. member for Kent, N.B. (Mr. Doucet) object to the third reading of this bill.

Mr. SPEAKER: Next sitting of the House.

SUPPLY

The House in committee of Supply, Mr. Gordon in the chair.

The CHAIRMAN: Vote 291, Soldiers' land settlement.

Mr. MILNE: Mr. Chairman, I agree with all that has been said in connection with the condition of the returned soldiers, and I think the recommendation made by the committee is not at all too drastic. There is another phase however, that has not been mentioned—the effect which the abandonment of the land by the soldier settlers has on a settlement. I have one settlement in mind where about fifty per cent of the settlers are returned soldiers. On account of their coming into that district schools were built and roads constructed; in fact a municipality was organized. I agree that they were perhaps a little energetic in their desire to make progress. Nevertheless that is the condition; at least fifty per cent of the returned soldiers, perhaps more, have vacated lands in those districts. The maintenance of schools and roads bears heavily on the remaining portion of the settlement, so much so that in many cases they are unable to carry the burden. Some of the settlers who were there before the soldier settlers came in have such a load on their shoulders to-day that I am afraid the whole municipality will go bankrupt. When the soldier leaves and the land reverts to the Crown the municipality cannot collect taxes, so that the extra load placed upon those who remain, and who in many cases were fairly well established before the soldiers came in, is almost unbearable. I simply wish to impress upon the minister the fact that the people remaining in those districts are suffering equally with the soldiers.

Mr. GARLAND (Bow River): I am not going to keep the committee at any length in this matter, but I do wish to express in a few words my views on the general question of the report of the committee. It is with deep regret that I find the government unable, in any more definite form than indicated by the acting minister, to carry out the apparent desires of the committee. I regret that no definite assurance is to be given to these men that they will be relieved of the

tremendous burden that presses upon them. With the session so close to its end I shall not take it upon myself to read extracts from a very large number, somewhere between fifty and sixty, questionnaires that I personally sent to soldiers in my district to ascertain their actual condition. Two years ago I urged upon the government the revaluation of the land as well as of stock and equipment. I am still of the opinion that land revaluation will be of greater importance than the removal merely of interest.

There is more in this matter than simply the removal of interest. In the general reduction or remission of interest everyone is affected equally, whether or not he desires or deserves the assistance thus given. There are a large number of soldier settlers in parts of this country who are not doing too badly at all; indeed, in some districts I understand they have done very well. These men do not require revaluation; it would be an excessive burden upon the taxpayer to make either a revaluation or a rebate of interest. I had in mind a suggestion that I understand was made to the committee by the hon. member for West Calgary (Mr. Shaw), namely, the appointment of a revaluation appeal board to whom requests could be made by individual soldiers who believed they had just claims, a board which on inspection would have power to revalue or otherwise. In this manner the difficulties now existing, would, I hope be largely met, and there would not be nearly so great a burden upon the people. That would be the most equitable manner of carrying out what I at least have in view. I say, therefore, that I regret exceedingly that no more definite position has been taken by the government with regard to the report of this committee.

There is one other matter I desire to draw to the attention of the minister. At present if a soldier abandons his land and it is taken up by the board and sold, together with his stock and equipment, and the result of the sale still leaves a balance due the board, that man's property, that man's future, are mortgaged by the board. Under the act they may take possession of land that he might then or subsequently hold. I regard that as a most iniquitous piece of legislation. Some members of the committee had hoped that the passage of an amendment to the Bankruptcy Act this year would obviate the necessity of any reference to this matter, but as these amendments are not to be introduced I wish to urge upon the minister that if an amendment to the Soldier Settlement Act is not feasible at this session he at least instruct the board to deal in the most lenient and patient fashion with men who may be in this position. In order to give the minister a specific instance I would like to quote part of a letter which I have received. The writer says:

> My husband, Albert Lewis, bought a quarter section of land from the S.S.B. He farmed it for four years with no returns. Bills accumulated, my health gave way and in the fall of 1922, with everything dried out and no money, we threw up the place and went to Vegreville for the winter. Previous to this, in 1921, we had taken up a quarter near by as a homestead, which has not yet been patented. The S.S.B. sold the equipment and horses at about one-seventh of their original value, holding us responsible for the other six-sevenths of the debt. Their quarter has not as yet been resold. However it will bring perhaps about one-quarter as much as we are charged with it, leaving us responsible for the other three-quarters. Now in order to protect themselves they are claiming our homestead to make good the balance of the debt. It seems to me this talk of balance is very one-sided. What about our balance? What about our years of work with no returns, only bills piling up against us and which my husband and I are both at work trying to pay up now. Besides our work, I went out to teach while on the place in order to buy feed for our horse and food for ourselves while living there. What about other settlers who owe a far greater sum than ours, yet who go out free, with no debt to make up because they have nothing for them to grab? Why make exceptions?

Now, this is what I wish particularly to call to the minister's attention:

> We want that homestead. We are no longer young, being both past forty. We could make a home on it and live quietly and comfortably after a few more years of working out, as we are doing. It is a good hay quarter and this fall we want the hay on it to pay up our back taxes, amounting to $200. It is near my school and I could live at home and teach; The money would buy us cows, etc. I thought a homestead could not be taken for debt. Can the S.S.B. in this high-handed way take over our homestead for this debt? Do you think it is right?

And so on. The letter is signed by Mrs. Bert Lewis. I have no doubt that there is a full record of this case on the files of the department. That is a painful case, but it is only one of many wherein the board have gone in upon a man's private property or subsequent land holdings and seized them to make up the debt he has incurred to the board, a debt which he has been unable to pay, usually through no fault of his own. I ask that the minister give sympathetic attention to this case and to similar cases.

Mr. STEWART (Argenteuil): Will my hon. friend give me a memorandum of the quarter section? I notice it is unpatented.

Mr. GARLAND (Bow River): I shall be glad to do that.

Mr. STEWART (Argenteuil): In reply to the hon. member (Mr. Milne) I would say

that the question of taxation is a very serious one as applied to lands that are under salvage. The matter is a very important one from the point of view of the municipality as well as of the school districts. It is also a serious matter for the government of Canada, because if taxes were to be collected on these lands it would create the precedent of Crown lands being under taxation by provincial or municipal authorities. That has never been agreed to by the government, and I doubt if it could be agreed to. This matter was pretty thoroughly discussed last year, and it is one to which the government and the board will have to give very serious consideration. I know that in some cases in the province of Alberta it has got to the stage where it is beyond being a hardship. One cheering evidence of a revival that I am furnished with is a memorandum of sales; I think 193 sales have taken place since the first of the year. There appears to be a considerable number of salvage sales going through, which, of course, would afford relief as soon as the land was sold. I think possibly some relief might be given by way of getting it from the renter, because most of these lands are under rental. Not many farms have been abandoned completely where improvements have been made.

With respect to what my hon. friend has said regarding a revaluation, or an assumption of interest, which is proposed in the report of the committee, as perhaps he was not in the House this afternoon, let me repeat what I said then. So far as I am concerned, as one member of this government, I am going to urge on the minister, or if I am in control and acting as minister, I will see that a valuation is made of as many of these localities in which there are abandonments and the settlers are having difficulty, as it is possible to have done during the summer, and then when we come back next session the government should be in possession of first-hand information. I have an absolutely open mind on the question of what is the best course to pursue, and I want to gather as much information as possible, that information to be obtained, not by the officers of the board, but through some outside source, probably in the manner suggested by my hon. friend. I can quite well conceive that in the same locality we might have very many cases in which there would be no necessity of rendering assistance at all, where the settler was making a success. Scattered throughout Canada there are a number of cases where perhaps with a little encouragement and assistance the settler would stay on the land and make good. I cannot go further than that. I am prepared to say that so far as I am concerned, and presumably I will have something to do with the matter, I shall endeavour to do what I have outlined during the recess and be prepared to discuss the matter in an intelligent way when we come back next session.

Mr. GARLAND (Bow River): I am delighted to hear these sympathetic expressions on the part of the minister. With reference to section 4 of the committee's report reading:

> Your committee further recommends that the Soldier Settlement Board shall have discretionary power to relocate bona fide soldier settlers who are found to be located upon manifestly unsuitable farms; such relocation to be made without financial loss to the settlers.

Mr. STEWART (Argenteuil): I accept that at once. Just as it is good business to move settlers from a bad location, so it is also good business in the case of the soldier settler.

Mr. GARLAND (Bow River): I am glad to hear the minister say that. I wish specifically to call his attention, and I shall be glad to give him a memorandum later, to the Slade lease. I think possibly he is acquainted with the details. I know that Major Barnett in a conversation with me said that that was one set of units that should never have been taken up for soldier settlement. He said to me: "There is one real place where revaluation is justified if it is anywhere in the country." I shall be glad if the minister will give us his assurance that he will deal with these people during the year.

Mr. STEWART (Argenteuil): May I just say for the benefit of the committee that if members who are interested in soldier settlement in any of these localities will be good enough to write me or send me a copy of the particulars, I shall be glad as far as possible to give attention to these cases.

Mr. CAMPBELL: I understood the minister to say that no further applications were being accepted. I know a great many young men who, anticipating taking up land under the Soldier Settlement Board, and finding they had to serve a couple of years, or something like that, on a farm, are now preparing themselves with a view to taking up land under this scheme. The board may have no record of them, but would the minister tell us if cases of that kind will receive sympathetic attention?

Mr. STEWART (Argenteuil): I would not like to hold out any promise. I took very strong ground a year ago on this matter. I

told the board then that I thought it would be well to close out this scheme, that there were a great many applicants to be dealt with at that time, and we were putting a tremendous sum of money into this settlement scheme, and I said that until we had had eight or ten years' experience and saw how it was going to turn out, I thought it would be well to curtail the board's activities. I may say frankly that I am still of that opinion. We have a lot of serious difficulties in connection with soldier settlement yet to face, and we must try to keep the men we have on the land rather than accept new settlers. That was my feeling a year ago, and I must confess that it has not changed. I would hate to hold out hopes to any young men to train with the object in view of settling under this scheme until we have dealt with the men already promised, and have had some further experience with the scheme.

Mr. CAMPBELL: I sympathize with the attitude of the minister, but I would ask him not to forget this fact: Most of the difficulties in the past have been attributable to deflation in 1920 and the drop in the value of land, not through the machinery of the board. I think the machinery and the system itself should be judged in the light of those facts.

Mr. MILNE: What proportion of this grant is for administration?

Mr. STEWART (Argenteuil): $1,400,000.

Item agreed to.

NATIONAL DEFENCE

National Defence—administration, $301,000.

Mr. MEWBURN: I have looked over the estimates for the national defence pretty carefully, and the only criticism I can make is that they are inadequate to carry on the proper training of the force. It seems to me that the government are wiping out the whole department by a process of strangulation, and for the life of me I cannot see why they do not take the bull by the horns and put it out of business entirely. I cannot see how they can properly carry on any effective training by means of the militia vote which is now before the House. I should like to see this vote increased rather than decreased as it is under these estimates.

Item agreed to.

Cadet Services $400,000.

Mr. CLARK: I heartily endorse the remarks of my hon. friend from East Hamilton. I would also remind the government that the first duty of any country, the first duty of the government, and consequently the first duty of members of parliament, is to look after the defence of the state, and I wish to voice the strongest protest of which I am capable at the fact that these estimates have been left over, without any consideration whatever, until the dying hours of the session. There is no question whatever that the defence of this country, from the point of view of equipment, is on a much lower plane than it has ever been at any time in the history of Canada. Even in 1812 the defence forces of Canada were better equipped than the defence forces of to-day could be equipped in comparison wtih the forces of other countries, if they had to go to war. Instead of a bona fide attempt to improve the situation we are neglecting it. As my hon. friend (Mr. Mewburn) said, the process now going on is one of strangulation and the force is in a moribund state. Those members of the militia who could be of use to the defence forces of Canada have been obliged to quit in disgust for the lack of encouragement. I will admit that in some of the larger cities there are some efficient units, but that is because the members of those units are themselves putting up the money for their training.

Mr. POWER: Before the item carries I wish to make a few very general observations. The item we are considering at present—

Mr. MACDONALD (Pictou): Cadet services.

Mr. POWER: I do not wish to speak on the cadet services but if you will give me permission, Mr. Chairman, I will discuss the whole subject, and then will not bother you for the rest of the evening. With regard to the administration I think we have too many generals in the service and too many at headquarters. We have too many in the position of general who should be drawing captain's pay, too many in the position of colonel who should be drawing lieutenant's pay; and too many in the position of captain who should be buck privates in the rear ranks. So much for that. I also think there are too many superior officers both at headquarters and on the district staffs. On the other hand I agree to a great extent with what has been said by the hon. member for East Hamilton and the hon. member for Burrard, that we are cutting down our permanent militia to the extent that it passes the absolute danger mark. I quite agree with the hon. member for Burrard that we need this force for defence. I am not under the impression that there is any enemy near or remote who is likely to attack.

Mr. CLARK: Were you in 1914?

Mr. POWER: Yes I think there was more danger in 1914.

Mr. CLARK: Before August 4?

Mr. POWER: If my hon. friend takes that ground I must reply that history proves that preparedness for war is of no avail in preventing it. What we need is some kind of a police force. I think there will be no denial that we need some kind of a permanent militia force in case of trouble, civil commotion or riot. I submit the non-permanent militia is of no use under those circumstances. If you call out the non-permanent militia in the locality where the riot occurs you are almost sure to have trouble. Either the local inhabitants are friendly to the rioters or they are not. If they are they will not perform their duty, and if they are not there is likely to be trouble. But we do need some sort of a permanent force. Unfortunately the pay of the permanent force has been reduced to such an extent that good men will not join it any more. I know a case where the pay of a married soldier has been reduced from $100 to $60 per month. Out of that sum, residing as he does outside the barracks, he has to pay rent and bring up a family. The good, steady, sober, respectable man such as we would need in case of riot or civil commotion no longer will remain in the force. The result will be that we will have to get a much lower class of citizen, a man who cannot be depended on at a critical time when we need him. The same remarks applies to the junior officers who used to be paid from $2,500 to $3,000 a year, but whose salaries have been substantially reduced. Some of these men possess highly technical knowledge, having been obliged to spend a considerable time in obtaining that knowledge. But they are unable now to live on the salaries they get and will be compelled to leave the force. One more point, a large portion of the grant of money is spent on the non-permanent militia for training which, I cannot help but repeat again this year, is absolutely of no avail. It should be handed over to the permanent militia in order to bring up the salaries paid that force to a living wage. I do not wish to go into the question of training camps. Nothing has transpired in the last few years to convince me that these training camps are any more useful now than they were before. I still contend that seven days' training for infantry does not do them any good, it does not teach them anything. In my opinion the money spent on these training camps is wasted, is no good to the country, and will be of no avail if ever Canada should get into trouble.

Mr. WOODSWORTH: The people whom I represent have expressed themselves in the very strongest terms against these military expenditures. I could read were it necessary to do so resolutions passed by the labour unions in Canada, and by the labour organizations in other parts of the world, with regard to votes of this character. There is not the slightest doubt as to where labour stands. It seems to me that looking at the matter from the standpoint of our citizenship at large we must recognize the seriousness of the huge expenditures caused by war. We are bowed to-day struggling beneath the load of an enormous debt, we are wrestling with the question of pensions; even the Home Bank itself is to a certain extent a war casualty—the failure was caused indirectly by the war. On every side we have burdens imposed by the last war and yet in the face of this situation we are asked to continue military preparations. There are two statements I should like to read from the last report of the Department of National Defence. The first is this:

> Over and above their functions as instructional corps to the non-permanent active militia, the permanent force units are liable to be called upon by the civil authorities to maintain order in strike areas. This duty —which is naturally repugnant to the instincts of a soldier but has nevertheless to be cheerfully borne— necessitates a larger permanent force than at present exists if the regular functions of the corps are also to be maintained.

There is here very clearly indicated the opinion of the military authorities that one of their chief functions in Canada is to interfere in industrial disputes. As a representative of labour, I desire to protest against this point of view. Let me read another statement of the report:

> Lack of funds has unfortunately not permitted of the purchase of tanks and no training in that necessary branch of warfare has therefore been possible. For the same reason no equipment is available for training in chemical warfare (use of gas) either offensive or defensive. While the Washington treaty debars the use of noxious gases as between the signatories thereto no such restriction applies to other nations, and in future wars, in which such other nations are engaged, chemical means of crippling the opposing forces are certain to be employed.

Some of us can remember the horror which went over the whole civilized world when gas was first used. Now our authorities are deliberately preparing for the use of gas.

Mr. MACDONALD (Pictou): It is not fair to say that we are preparing for the use of gas. The report points out that we are not doing anything in that way in Canada.

Mr. WOODSWORTH: I accept the correction. The wish is expressed that we might have the funds in order that we could carry on our preparations for war with gas.

Mr. ROSS (Kingston): Might that not mean just as much preparation for defence against gas?

Mr. WOODSWORTH: It might possibly mean that. But if I understand the English language aright, it means without doubt that if another war breaks out, gas will be used, and I have not the slightest doubt that those who advocate this policy would advocate that gas should be used in offensive operations. Although we have the Washington treaty which, presumably, was to make war more humane, if that is possible, at the same time we do not ourselves propose to keep the spirit of the Washington treaty.

A word with regard to the organization itself. The army has been demobilized and I believe the time has come for demobilizing the officers. I am not going into the question in detail. I have some memoranda under my hand with regard to the large number of officers there are to-day as compared with the comparatively small number of men. The expense is altogether unwarranted, I am so informed by military men, who speak from the standpoint of the army.

We are told again and again that military preparations and armaments are an insurance against war. Without attempting to argue the point, I submit that the world war demonstrates the futility of wars as a means of settling international disputes. The world is bankrupt and yet we are to-day no nearer peace than we were in 1913. In all fairness we should ask our government in this case as in any other matter, the purpose of the expenditure. Against whom are we really preparing? We have the Atlantic to the east; we have the Pacific to the west; we have a friendly republic to the south of us, and we have a not unfriendly Arctic to the north of us. Against whom are we preparing? I do not think for a moment that the people of Canada, of this generation at least, would sanction our troops being sent over to Europe into another European squabble. If that is true, then against whom in this country are we preparing?

Mr. MURDOCK: One necessity for preparation is that in this Canada of ours there are certain organizations composed of so-called labour men whose principles and policies are directed towards their rising up and taking possession of the industries and of the people of Canada. It is necessary to be prepared, in case of certain eventualities, to cope with those.

Mr. WOODSWORTH: I am glad, indeed, that the Minister of Labour (Mr. Murdock) has stated the case so very clearly, and the applause which has come from, at least, the Conservative section of this House, indicates that there is approval of his position. It is most significant that this statement should come from the man who is supposed to be Minister of Labour. Evidently his function is to curb labour. I have never made such a statement before. Now I point out that it is very significant that this statement should come from the Minister of Labour. He himself must know that many of these bogies which he is trying to call up again have ceased to frighten people. Some of us know very well the labour movement from coast to coast. There is no doubt a good deal of dissatisfaction; but this idea that there is to be one class that very largely owns and controls things and that other people must be kept down by force, is the kind of thing against which I protest. Apparently, if the statement of the Minister of Labour is to be taken as the statement of the government, we are maintaining an army primarily, not to repel foreign foes, but to repress certain classes at home. I am glad that we have the situation set so clearly before us.

9 p.m.

If we are to prepare for war and if war is to remain the means of settling international disputes, there is only one logical course that we can adopt, and that is to conscript, not merely men alone, but the whole of the resources of the country. We should not delay doing that until war has come upon us. We should begin at once. I should like to see a law placed upon the statute books—and I think some of us are prepared to introduce that at another session—that immediately, without waiting for the outbreak of war we should provide that when war breaks out and the man-power of this country is mobilized to repel a foreign foe or for any other reason, at the same time there would be mobilized every dollar, every foot of land, every factory in this country. Surely life is worth more than property. We had thousands hurled to their deaths overseas, and

yet we had men who remained at home and profiteered. Although I do not agree with the reasoning of some of the men who went overseas, I have every respect for those who sacrificed themselves for what they thought to be the welfare of their country. Some of them to-day are carrying enormous loads, while at the same time there are men who have directly or indirectly made profits out of that war. I have suggested the only logical course if we are in earnest and we desire to be fair to all sections of the country. But I urge that there is a more excellent way. Throughout the centuries undoubtedly men have fought. But have we not left behind at least some phases of the brute life? After all the experiences that have come to us in the past ten years has it not begun to dawn on some of us that there are other ways than force of settling difficulties? The acknowledged cause of modern wars is that there are economic injustices and rivalries. Surely there is a way by which we may make such alterations in the economic system as will largely remove these injustices and so do away with future wars. I admit that war is caused in part by prejudices, national and racial. But as we are coming to know one another better racially and nationally these causes of war may be overcome. I admit too that there has been difficulty because of having antiquated machinery for settling international troubles. We have had secret diplomacy and all that sort of thing. This too might be done away with. Further we have had interested parties who have always been ready to profit by war. If the making of munitions were a government monopoly that might do away with this incentive to war.

I plead that we in Canada, instead of continuing in the old way which has been demonstrated to be false and ineffective, should spend these large sums in discovering new ways of settling international disputes. We in Canada are in a favourable position; I do not think that any nation is better situated to essay the new task. We are comparatively small in population and could not hope to dominate the world as some of the larger nations might aspire to do. We are on friendly terms with the inhabitants of the great republic to the south of us, people of the same speech and blood and traditions. Surely we can live at peace with that nation. Then I for one am not ashamed of our great British connection, and through that connection, and our relationships with the rest of the world, there is no reason why we cannot establish ties which will bind the world together in a way which hitherto has been impossible. The world to-day is facing its supreme task.

[Mr. Woodsworth.]

Switzerland and Holland and some of the neutral nations have in the past been more prosperous than some of their neighbours and have been able to occupy the unique position of an asylum for the people of warring countries. They have also been able to assist in settling disputes between these countries. Why cannot we in Canada adopt some such role and spend in these other ways this money which it is proposed to devote to military purposes? I fancy that every thoughtful man in this country must look forward to some other way of settling international disputes than the present antiquated and disastrous method. I think I am voicing the sentiment not merely of labour but of a very large majority of the people when I say that the time has come for a change in our national policy with regard to military affairs. I would therefore urge the government to reduce these estimates steadily year after year, so that without any undue hardship we could get rid of armaments entirely and work out a new and better policy.

Mr. LAVIGUEUR: Is it the intention of the government to dispose of the Valcartier camp?

Mr. MACDONALD (Pictou): A proposition has been made for the purchase of a portion of the camp and the matter is under consideration.

Miss MACPHAIL: I am not in favour of cadet training, and while I do not intend to make a speech I wish to make a few remarks on this subject. I want to read first a part of a poem which appeared in Outlook, entitled "The Unknown Soldier."

> You cried across the worlds, and called us sons!
> We came as sons, but what you made of us
> Were bleeding shapes upon an altar, slain
> To appease your god Inertia where he sits
> Muttering dead words and chewing at old bones.
> Because you would not think, we had to die!
> Weep not for us, but for your own trapped selves.
> We died. And there you stand, no step advanced!

That really is quite true, for we do stand where the war left us, "no step advanced." The fact that many men in high places declare that the last war could have been prevented by open and above-board methods, the slowing down of the industrial machine since the war, and the realization that scientific discoveries will leave no part of the world safe

in future wars, has led many groups of people to seek the causes of war and to strive to remove them. That is to say, they are trying to advance past the place where the last war found us. Possibly one who has not been reading this sort of thing can scarcely believe the tremendous strides which the peace movement of the world has made. It belongs to all countries of the world and comes under many different heads. And possibly the chief movements which have peace as their aim are the educational movement, the youth movement, the labour movement, the woman's world movement, the co-operative movement, the farmers' movement and social movements generally, embracing such clubs as the Kiwanis, for example.

The youth of the world are accepting the challenge of Sir James Barrie when he said that it was time for them to begin to think seriously and to find out the truth about war, that while their elders played for stakes the youth played for his life. Youth has nothing to gain by war and everything to lose. War is not glorious. The object has been to associate in childish minds these three things—soldiering and honour and glory. Those who have inculcated this idea have carefully kept out of sight the waste of human life, the lowering of moral standards, the increase in disease, the assertion of brutality, and the general falling-away from the high standards of the Prince of Peace—in short, the retrogression rather than the progress that results from war. All that has been carefully kept out of the childish mind while three things have been associated and stressed, namely, soldiers, glory and war. Recently I read a book which I found extremely interesting and which I think it would do every member of this House good to read. It was written by Private Peat, a Canadian soldier, and is called "The Inexcusable Lie." The effect of it is that we have not been fair to children in making them think of war as something which as a matter of fact it is not. It cannot be emphasized too greatly that war is not glorious. While it is true that men, through all the filth and mire and degradation and suffering and death that are inevitable in war, show their bravery, it is nevertheless true that there is nothing glorious nor desirable in war itself; it is something which is to be deplored and disliked and looked upon with anything but approval by every right-thinking person.

Cadets, to me, is the most terrible part of all this business of national defence. We are spending on national defence $11,000,000, and yet I hear to-day that the pensions bill has again been spoiled by the Upper House. We build monuments to glorify war and to encourage young men to emulate the deeds of those who died in order, as we are told, that we might have liberty; but when it comes to something worth while that we might commemorate, parliament fails to measure up to the occasion. Eleven million dollars is a great deal of money. It is much too much money to spend on teaching Canadians to fear and dislike and distrust humanity in other parts of the world. The rest of humanity is just the same as we are; just as good; no better, no worse. If you read history, as I am sure all of you do—and I feel I am at a disadvantage because I do not know as much about it as a great many of you do—you know that the superiority of nations is really the sole excuse for war. In 1914 every schoolboy thought that his nation was unconquerable. We are all national egotists. Everybody thought his own country was right and the other fellow's wrong. That, you know, is bunk. Sometimes I feel inclined to ask the Minister of National Defence in the words of one of Harry Lauder's songs, "Who are you expecting?" You spend $11,000,000 on building up a defence against someone. But who in this world is any worse than ourselves, who is any more foolish, who has any more nonsense going on in his country? We are spending $11,000,000 to prepare for another war, and at the same time we have failed to look after the poor fellows who are maimed in the last war.

And this cadet vote of $450,000 is a larger amount than England votes for her cadets, much larger; I believe England's vote is only about $150,000. We should be teaching our young boys to see the vision of what humanity really is, to think that the world is one, for we have made it by invention and by commerce. Instead of that we are teaching them the idea of war. This war thing is something that has been left over from the past ages, and we must get rid of it if humanity is to climb higher. But instead of teaching our youth the ideal of service to humanity we are, quite unknown to the youth, putting them down in the rut where this generation has been. Do you know that every one of us in this chamber has no right to ask young minds to stultify themselves and go down into the rut where older minds have been and still are in regard to this thing called war. Sir James Barrie sent forth the challenge to form a League of Youth. Certainly they are doing it, and doing it very rapidly. As he said, "The youth of all lands have more in common than youth and age can ever have

with each other." I think that is perfectly true. Why should we take young boys, dress them in uniforms and teach them to strut along to martial strains with their foolish little guns and swords at their sides until they think they are manly? We are teaching them to get ready to kill some fellow in another country, some fellow who loves the same games and who is just as clean and just as mean as they are themselves.

What causes us to do this is a foolish, a cowardly, fear. We, older than they and better able to take care of ourselves, teach these poor boys to get ready to defend us at some future time. It is a cowardly thing, it is not a brave thing at all. There is no use in saying that the cadets are not a military body; they are indeed. You have only to read of the parades that took place this year in our different cities where these young boys in their uniforms and with their bands and all the paraphernalia of war were taught all the silly nonsense about the romance and glamour of war that never did exist and which they will find is a mere fable after they get into active service. Let me read from the Toronto Globe of the morning after Empire Day. Its account of the cadets' parade states:

> Youths that marched thousands strong with rifles in even windrows, swelled with a common feeling of patriotism.
>
> Patriotism!
>
> The parade of public and high school cadets—
>
> Public school, too.
>
> —was, by common consent, the biggest and best ever held in the city.

If it was the biggest it was the worst, and if it was the best it was the smallest. If the getting ready to kill somebody in some other country, on account of some misunderstanding that may occur between rulers, be patriotism. I want to say quite frankly that I am no patriot. If living each day cleanly and striving to the very last ounce of our ability to help our community, our province and our Dominion, to help youth see a vision of service to humanity,—if that is patriotism, then I want to be a patriot. The Germans were the greatest patriots we had in 1914, because after all patriotism is only over-confidence in one's own foolish, weak strength, depending on arms instead of depending on goodwill towards others. Germany was going to be a great nation, and we went overseas to overcome them, to kill Prussianism, and, like smallpox, we caught it, until to-day all over the world even young countries like the United States and Canada have been warlike. In the United States next September they are going to turn the nation loose, just as much as if war was on. I do not know whether they are looking for us or not.

[Miss Macphail.]

That was not really all that took place in Toronto on Empire Day. I want to go into this because the reports deal with cadets only. They did not stop at having boys in the parade, they had some 700 girls to walk with them. These girls carried flowers and were put through a certain amount of drill. The Globe says it was a very impressive sight and it thrilled hundreds of spectators who gathered to see these youths in scarlet march to the martial blare of cadet bands. I have witnessed the cadets drill in front of this building, and I have seen that this training, this stultifying of youth, has the sanction of the church, the state and the school. That only goes to prove that the church, the state and the school are very much behind the thinking of some people—the thinking of a large minority of people, thinking that will before long be the thought of the majority of the people. Military drill for boys—cadet training—is increasing. In 1912 there were only 12,000 cadets in Canada; in 1922 there were 105,000. So we are getting on very well. We will soon be ready to go to war with somebody, and I suppose when we are ready we will go.

This idea of being perpared and so avoiding war is just as sensible as on a very warm day to make a fire to cool yourself.

Mr. GRAHAM: Or wear furs.

Miss MACPHAIL: Exactly the same thing. Anyone who wishes to keep cool that way is welcome to do so; I do not. The United Farmers in convention assembled last year passed this resolution.

> That we disapprove of military training in schools and positively repudiate the expenditure of every dollar spent by the government for such purposes.

I stand by the resolution. The teachers, however, are waking up to the fact that they must not let the youth they teach continue to think that war is right. Last year the first world conference of educators was held in San Francisco, and the delegates present represented five million teachers. This paragraph from the report of the conference gives quite clearly and succinctly the aim of that great gathering which represented about fifty nations of the world:

> The greatest task which lies ahead of the school in all lands is that of preparing the way for a new order of international justice, frendship, and good will. Upon the instruction of the youth of the nations lies the responsibility of enlarging the national conceptions and promoting good will among the nations of the earth. Entirely new values and standards of judging need to be created. The emphasis must be placed upon the valor and patriotism of peace.

If it is possible to set up a series of ideals such as a nation should and to teach them to the rising generation, these ideals could eventually be realized.

I think there is no doubt about that. It is true that what the schools are to-day the nations will be to-morrow. There is a definition of citizenship here which I want to give as my own:

Citizenship to-day must be broader than nationalism. There must be an international consciousness; there must be an "international heart" and a "world mind." This "world mind" is largely an attitude or habit of thinking in the larger units of the world and the habit of regarding the nations as co-operating parts of the great whole.

They go on to say that the world is one. Science, invention, industry, commerce, communication, transportation, have made the world one. They claimed at this conference that the only hope of saving civilization was the school. The school is the place where you can make children into just about what you want them to be. If you want to fill them with distrust and suspicion of other countries, you can do that. If you want to teach them that other countries are much like ourselves, then the thing for us to do is to set about improving ourselves rather than to watch for all the faults of other nations. So I wish to move, seconded by the hon. member for Bow River (Mr. Garland) that item 85 of the National Defence estimates be reduced by the sum of $400,000.

The CHAIRMAN: This amendment is out of order, because we are on vote 89 at present, not 85.

Miss MACPHAIL: I will change it, then. It should be 89.

Mr. MACDONALD (Pictou): I have no objection to the hon. member amending the motion; it was simply an error in the figure.

The CHAIRMAN: If there is no objection, the motion is amended to read vote 89.

Mr. MACDONALD (Pictou): I am sure everyone who has listened to the hon. member (Miss Macphail) must realize that this subject of cadet training is one of her pet aversions, and must realize also that the hon. member is a very great idealist. When she said that the church, the school and the state were behind this cadet movement, she said exactly what was true. The government pay simply for the instruction of the cadets who come from the schools and from institutions organized by the people interested in them. My hon. friend therefore runs counter to the judgment of the people of this country who are interested in education, who are interested in the church.

Mr. BIRD: Did I understand the minister to say that the churches were behind this movement?

Mr. MACDONALD (Pictou): My hon. friend (Miss Macphail) said so.

Mr. BIRD: I understood the minister to say that was true?

Mr. MACDONALD (Pictou): Yes.

Mr. BIRD: Does he believe it to be true?

Mr. MACDONALD (Pictou): Well I do not speak for the churches, but I notice that a great many boys' institutions throughout the country which are supported by the churches are very anxious to have cadet instructors sent there. They supply the boys with clothing and with all that is necessary to permit their training; these things are not supplied by the department but by the people of the country. It is all very fine to talk about internationalism and to advocate that we do away with nationalism. That is to suggest that we in this country have reached the stage that our people should no longer declare that they are proud to be Canadians, proud to be sons of the Empire, but should express themselves as willing to be mixed up with the soviets from Russia and people in various other parts of the earth. That is the kernel of the idea of this talk about internationalism. That is what internationalism means—the destruction of all the ideals, the ambitions and the traditions of a people. So far as I am concerned I do not believe the people of Canada will accept any such nonsense. I do not believe that is the way they want their young people to be instructed.

Miss MACPHAIL: How does the minister reconcile what the churches preach on Sunday with the fact that they lend their collective responsibility to this cadet training?

Mr. MARTELL: You had better go to Russia.

Miss MACPHAIL: It might be better than Canada, at that.

Mr. MACDONALD (Pictou): My hon. friend is an idealist. I suggest that she interview the churches, that she discuss the

matter with the religious instructors of this country. There is no use in talking abstract socialism in this House, but that is what my hon. friend is doing.

Mr. WOODSWORTH: Is the minister aware that at the last session of the Alberta conference of the Methodist church a resolution was passed protesting against the training of cadets in this country and pledging themselves to do all in their power to oppose the practice?

Mr. MACDONALD (Pictou): I am not aware of the adoption of any such resolution; it has not been communicated to me as minister. The hon. member for Southeast Grey (Miss Macphail) is quite right in the statement she has made about the interest that is being taken in this matter by the churches and by the educational institutions. It is not purely a military training that is given to the military cadets. One of the reasons why the churches and other institutions are in favour of cadet training is that it is the only way in which proper physical training can be given to the youth of the country in the schools.

Miss MACPHAIL: Is it the carrying of the gun or the sword, or whatever it is they carry, that helps them in physical training?

Mr. MACDONALD (Pictou): It improves the carriage, trains the youth to walk properly instead of slouching along the street without any regard to his personal appearance. That inevitably results from cadet training, and the instructors recognize it. So far as the country generally is concerned with regard to this vote, I think the hon. gentleman who preceded me in this department will agree that of all the votes included within this department no other is regarded more favourably by the people. It is all very well for my hon. friend to say that the time is coming when flags will no longer be flourished and when the sound of drums will cease. But I would point out that there are 4,000,000 men in arms at this time across in Europe. However much we would like to see the reign of peace inaugurated in this world—and we all desire it—should we forfeit all the lessons of history in regard to maintaining those institutions which every self-respecting nation has always valued and which must be maintained, at least until the millenium comes, which my hon. friend thinks is very near but of which no signs are at present visible? The information coming to the department with regard to the situation in the Orient indicates that aggressiveness and activity mark the attitude of the people of Japan in connection with their military operations.

Miss MACPHAIL: Does the minister know that Japan has discarded all her old school books and that in the new ones nothing of a warlike nature appears?

Mr. MACDONALD (Pictou): I know nothing of the kind. All the information that comes to my department shows the aggressive military attitude of Japan to-day. This country would occupy a very humiliating position if it did not have a proper regard in maintaining the status quo. My hon. friend from Southeast Grey has entirely forgotten that with due regard to economy we have reduced the estimate for national defence by $1,444,000. She forgets that Canada is the most economical in military expenditure of any nation in the British Empire, or in the world. Our expenditure per capita is $1.46; New Zealand, $2.33; South Africa, $2.92; Australia, $3.30; Great Britain, $15.32, and the expenditure of the other European nations is far in excess of Great Britain's. Look at the large standing army the Mother Country maintains at home, and the army she maintains in the occupied territory in Germany.

Mr. CLARK: What are the figures for the United States?

Mr. MACDONALD (Pictou): I have not the per capita figure for the United States, but it is very much more. There is no cessation of expenditure on the army and navy of the United States; on the contrary, they are being maintained on much more expensive lines than ever before, especially the navy, which it is the boast of the American people to-day is the greatest navy in the world. Not only that, but nearly all the countries of the world are making large expenditures in military aviation. France is spending enormous sums for that purpose, and it is causing the gravest concern in the Mother Country, in view of the position she would be in, in the event of any difficulty arising.

Mr. MARTELL: I want to offer one or two observations. As far as I have read the political history of this country, and from what I know of the administration of the old Militia department, now called the Department of National Defence, I must say that my old preceptor, the present hon. Minister of National Defence, is doing what I believe

is in the true interest of Canadianism in this country. We are not prepared to sponge upon Great Britain. We are prepared to look after ourselves, and we want to meet all obligations that are placed upon Canada in a fair and equitable spirit, but we are not prepared to let soviet Russia either in this House or outside of this House give expression to that which is not in consonance with the true spirit of British citizens resident in Canada and represented in the Canadian parliament.

Miss MACPHAIL: I want to ask if I am the representative of soviet Russia. Were you referring to me?

Mr. MARTELL: I am not referring to you, but if the hat fits—not the Cap—you had better wear it.

Mis MACPHAIL: I just want to say if the speaker who is on his feet is a good sample of Canadianism, I have no objection.

Mr. MARTELL: If you are an example of Canadian womanhood, then I say—

Some hon. MEMBERS: Order, order.

Mr. MARTELL: I say that if my hon. friend from Southeast Grey is a fair sample of Canadian womanhood—

Miss MACPHAIL: I think I am.

Mr. MARTELL: I do not think so.

Some hon. MEMBERS: Order.

The CHAIRMAN: Order.

Mr. MARTELL: But, Mr. Chairman, I have on divers occasions disagreed with the Minister of National Defence. I do not know whether he is to blame for it, but I am absolutely opposed to the cutting down of the salaries of lieutenants in the permanent Canadian force. I believe that if the salaries of the Canadian permanent force are made too low, it becomes a place only for the sons of Canadian millionaires or people with a great deal of money, and it is not then made a career by the sons of people of small means, who have sacrificed in order to educate their sons and have them trained as army officers. I do not believe in militarism. The average person in this country does not believe in it, but it is absolutely necessary. If you examine the whole organization of our society, you will realize that we have to have police in our towns and villages for protection, and if you follow that along in absolute sequence you will see that it is absolutely necessary for us to have army officers and other people to protect us when our local police are not able to carry out that duty thoroughly. I believe the Minister of National Defence in that respect is acting in the true interests of the country. I am one of his old students, though probably he is not very proud of that fact, and I say that the people of Canada are sick and tired of being spongers on Great Britain. We want to take our proper place in the Empire, and we want to pay what is necessary for the purpose of carrying on the affairs of this country, and so long as we are a portion of the British Empire it is incumbent upon us to see that we bear our proper share of the expenditure for the protection of the British Empire. I want to congratulate my old preceptor upon his courage in not being carried away by those who want to make Canada a soviet Russia.

Mr. SPEAKMAN: Mr. Chairman, the only reason I want to say just one or two words to-night is because of two or three statements that have been made by hon. gentlemen opposite. I am not commonly in sympathy with all that has been said by the hon. member for Southeast Grey; I am not always in sympathy with the attitude she assumed. But when I hear statements made and motives implied, such statements as the hon. gentleman opposite has made and such motives as have been imputed from the other side of the House, I, as a man, resent it. I am a Canadian, and I am intensely national from that point of view; that is, I want to be a good Canadian. I am proud of my country, but does any hon. gentleman mean to say that because I am proud of my own country, because I am a good patriot within my country, therefore I am not in a position mentally to internationalize myself and think of other countries also? Does the hon. member mean to say, for instance, that because he loves his own family, therefore he cannot be a good member of a community, or that because he serves his community loyally he cannot be a good citizen in his province, or because he is a good citizen of his province therefore he cannot be interprovincial in his aspect and love his nation also? I say it is the most arrant nonsense when hon. members get up and talk about soviet Russianism, when members on this side of the House speak of the international aspect of affairs. It is the most arrant nonsense.

The CHAIRMAN: That expression is out of order.

Mr. SPEAKMAN: It expresses my feeling, but if it is out of order, Mr. Chairman, I shall be glad to substitute any other word that means the same thing. That is pretty nearly all I have to say, except this: I have two pictures in my mind's eye at the moment.

When those boy cadets were on that front lawn I went out to see them, and I must say that I felt a natural pride in looking upon them. I looked at those boys and I thought of their concept of what war meant. They knew nothing of what it really meant, but were looking forward to a sort of romantic, gilded impression of what it might be. I went back into the House to attend a sitting of the committee on Soldiers' Civil Re-establishment, where we were endeavouring to bind up the broken fragments that had come back from France.

Mr MARTELL: If those fragments had not been broken up, my hon. friend would not have been able to sit in this House to-day.

Mr. SPEAKMAN: I think that is rather an unworthy statement. I was unable to go overseas but I was trying to do my best for our cause at home.

Mr. MARTELL: I did not refer to my hon. friend personally.

Mr. SPEAKMAN: I am as proud of the gallant fellows who went to the front, and as anxious to do the right thing by them, as any hon. member here can be. I appreciate what they have done. But seeing the other side of war, and how we have been labouring to bind up their broken bodies, I said to myself "This is the other side of war." It is something those boys did not realize when they went forth in such high spirits to serve their country. There is something I want to say in conclusion. I must say it before I get ruled out of order, and it is this: After all our efforts to care for the broken victims of the war we see the child of our labour butchered to make a Senate holiday.

The CHAIRMAN: There has been a motion that this vote for cadet services be reduced by the sum of $400,000. But the vote is for that identical sum. In rule 338 of Beauchesne's Parliamentary Rules and Forms I find the following:

An amendment that is merely an expanded negative cannot be proposed by the Chair.

A vote in supply may be reduced but some amount must be left. I therefore declare this amendment to be out of order.

Mr. GARLAND (Bow River): I must confess that a feeling of helplessness comes over me when I gather the attitude of mind of hon. gentlemen opposite, as expressed by their voices. My only answer to them shall be to quote the words of General Sir Ian Hamilton whose loyalty and patriotism cannot be questioned even by the hon. member for Hants (Mr. Martell). Here is what he said:

Do not listen to the men who made the war.
General Sir Ian Hamilton's warning

General Sir Ian Hamilton, unveiling the war memorial at Crewe recently, said the tears and blood of the old wars left no trace upon their memories. The late war itself was passing away from the minds of the new generation. Unless something entirely unprecedented entered quickly into the hearts of mankind the orphans they were now bringing up in their turn would go to war as if it were a game, and find it, as they have found it, a grave.

There was no getting over the fact that tragedies made good "copy" and that goodness made bad "copy". Therefore, a feeling of hopelessness came over the man who wished to point out to his fellows the wonders and beauty of peace.

After the splendid remarks of the hon. member for Southeast Grey (Miss Macphail) I shall support the elimination of this vote for cadets. It is not necessary, not by any means necessary, in order to develop the physical fitness of the youth of the country, in order to straighten their backs and stiffen their muscles, that they should be arrayed in glittering uniforms and carry guns. I think it is a crime against the youth of the country that the Minister of National Defence should continue to train these boys of Canada in the carrying of guns and that they should be instructed how to shoot their fellow men, when they should be taught to develop the mind of peace, a love of their fellow beings, and a spirit such as would bring about friendly co-operation between the nations. I am not one of those stolid, unimaginative realists who cannot look into the future, who cannot see those ideals of peace to which we can, at least, aspire. When we hear the expressions we have heard from hon. gentlemen opposite it indicates how hard this movement for the encouragement of international peace is going to be. If only hon. members would co-operate with us in inculcating sentiments of peace and good will what progress we might make. By all means let us have a police force, but let us keep the youth of Canada away from uniforms and from guns.

Mr. MARTELL: I wish to say to my hon. friend who attacks the Minister of National Defence that the minister sent his only son overseas and he came back a cripple. He is a living monument to the loyalty of Canadians to the British Empire. That is more than the hon. gentleman opposite did.

Mr. FORKE: I do not want to criticise any of the remarks that have been made by any hon. member because probably hon. gentlemen are speaking exactly as they feel. However, I want to compliment the hon.

member for Southeast Grey (Miss Macphail) on the address she gave to-night. She may be right or she may be wrong, but we were proud to hear many of the sentiments which she uttered. No one wants war. I think even the military men we have in this chamber do not want it; we are all agreed upon that. But there is some difference of opinion as to just how to prevent war from breaking out again. We hear a lot about preparedness, we hear a lot about educating and drilling soldiers. I want hon. members here to cast their minds back and think of what the result of drilling and preparing for war has been. It resulted in a calamity, in one of the most horrible wars the world has ever seen. That proves conclusively, to my mind that preparing for war does not prevent war. Is it not time we began to think about devising some other method of preventing war? Why should members be criticised so severely because they want to offer some suggestions as to other means to adopt than military preparedness? Certainly we cannot be very proud of what has happened in the years that have gone. I must confess that I have never been very much attracted by cadet training. I am a believer in the boy scout movement which fulfils every requirement as to physical training, obedience, and service. There may be necessity for some military training. We may need in this Canada of ours some school of training where officers can be trained.

An hon. MEMBER: Oh, oh.

Mr. FORKE: Hon. members to my right may laugh.

Mr. MEIGHEN: I was laughing at something opposite.

Mr. FORKE: Excuse me; I am afraid the joke is on me.

Some hon. MEMBERS: Go on.

Mr. FORKE: I was just remarking that I thought some school of training might be necessary. I want to be practical. And if we had officers trained in this country who were available for drilling soldiers if ever the necessity arose that might be advisable. Then we could soon have an army sufficiently trained to go into the field and do all the fighting that might be required. We had the experience of the last war when a great body of untrained men after six weeks' training became the wonder of the world by what they accomplished on the field of battle.

Mr. CLARK: When the hon. member says that a body of men went to the front six weeks after the outbreak of the war what force does he allude to.

Mr. FORKE: I am not going to enter into particulars. I will say six months if it makes any difference.

Mr. CLARK: I only suggest that my hon. friend should be accurate. Let him tell us who they were.

Mr. FORKE: I am not posing as an authority on war anyway.

Mr. MARTELL: Had not the first men who went over been trained by the permanent force?

Mr. FORKE: I think I made some small concession. I admitted it might be necessary to have trained officers. If the hon. member to my right finds fault with my statement when I say six weeks, I will make it six months.

Mr. CLARK: What force was trained in six months? Tell us that.

Mr. FORKE: The fact remains that a great number of civilians went over to France and Flanders and made a name for Canada, and they never knew anything about drill until a short time before they went overseas. We all know that.

Mr. CLARK: We do not.

Mr. MARTELL: Who trained them?

Mr. FORKE: I should like to ask hon. gentlemen if they have any other solution for war to offer the people at the present time than military preparedness.

Mr. MARTELL: I wish to tell my hon. friend, for whom I have the greatest respect, that the men who went overseas were taught by the permanent force. They might have done a lot better work than some men who were in the permanent force had they got longer training. But they did get some training and the expense was borne by Canada. They got the training as a result of the expenditure made by Canada.

Mr. FORKE: My hon. friend has missed the point of my argument. I have never denied the necessity of having men who are capable of giving training. At the same time I think you can train some soldiers until they

get stale. You can overtrain them. Canada has no earthly use for a standing army of any large dimensions. We talk about being ready to defend ourselves. Where is the enemy coming from?

As regards patriotism, I am like the hon. member for Red Deer (Mr. Speakman). When I looked upon those young fellows in front of this building the other day, I could not help feeling a thrill and feeling proud of them. I am not going to criticise them at all severely, but, perhaps, money could be spent in a better way. I am not attempting to set myself up as a critic; I am merely expressing my opinion. How has war been brought about in the past? If hon. gentlemen would post themselves as to how the last war came about, they would not be so proud of how things happened. I think with sympathy and feeling of those whose sons went overseas and the great sacrifice they made in the war, but there are many things in connection with the war that we do not like to think about when we know all the facts of the case, and no one should dare to get up and criticise hon. members because they find fault with some of the military systems in the world during the last generation.

What is patriotism? Some of the people who stayed at home, who never saw the battlefield, for instance, mothers who had sons overseas, carried on a much higher style of patriotism than any man who went on the battlefield. Patriotism does not consist in shouldering a musket and fighting and giving up your life. It is sometimes harder to live your life out than to give it up. Sometimes the burden of life is heavier than the supreme sacrifice. I know what patriotism is as we were taught it at school and I do not know that it is as bad as we think it is. When I was living in Scotland, we were always taught that whenever the Scotch appeared on the battlefield, everybody ran immediately. That is the kind of patriotism we were taught, and I do not know, that it does as much harm as we think. I have no use for those who do not love their country. For myself, I am prepared to say that I am a good Canadian; I love this country of Canada, and I love the Canadian people; but I have a pretty warm spot in my heart for the land that gave me birth. I never forget that.

What is internationalism? An hon. member says that it is Russianism. I deny that imputation absolutely. One of the great evils of the world is national hatred that teaches the people of a country to look with

[Mr. Forke.]

hatred and a certain amount of jealousy towards a neighbouring nation. If we could know something about the joys and sorrows, the trials and troubles of the common people of other countries, the people who carry the burden of war, we would never have war; war would be an impossibility, and the more we can teach each other, the closer we can get together, nation to nation, the less desire there will be for war. I wish I could quote the words of Sir James Barrie in his rectorial address at St. Andrews University as the hon. member for East Grey (Miss Macphail) quoted it to-night. It was one of the grandest speeches I have ever read and one of the greatest condemnations of war. He made the statement that the old men made war and they sent the young men to fight. That is patriotism, bravery, great nationalism—the older men to sit at home around a table and create war, and then the young men who have nothing to do with it, to go out and sacrifice their lives! I do not know if I am in sympathy with cutting out the whole item, but I feel I shall have to vote against it.

Mr. McBRIDE: I rise, not to make a speech on this subject, but to say that I am fully in sympathy with a certain amount of cadet training and indeed military training. That does not necessarily mean that we must go to war but rather that if the time ever came when we had to defend ourselves we should be able to do so. Why should we be slackers hanging on to the British Empire and expecting it to defend us as we are doing at the present time? Supposing the orientals came over with their fleet and landed on the Pacific coast, what have we to defend ourselves out there? Absolutely nothing. We have to realize that fact, and as regards this vote the only thing I am sorry for is that the minister has seen his way to reduce it. I think it should have been the same as last year.

Mr. HUMPHREY: It is seldom that I cannot agree with the hon. member (Mr. McBride), but on this particular occasion, I must disagree with him. For fear that this committee may take it for granted that every part of British Columbia is in thorough accord with the remarks that have just fallen from the lips of the hon. member, I should like to state the position of one part of British Columbia. I do so with every respect to everything that has been said particularly as regards military training. Some remarks that have been made in this chamber to-night I really think should not have been made. The

question of defence in this country is governed to a large extent by the way in which we look upon these matters ourselves within our country. If we look upon these questions in a cool and sane manner, I believe we can meet the war situation.

I should like to put my views upon record so that I shall not be accused of remaining silent in regard to this particular appropriation. I am whole-heartedly in favour of some means being taken to prevent war. Just what means we should take is a matter of opinion and thorough investigation and consideration. If we can do away with war by cutting down our military expenditure in respect of training, so much the better. Let me illustrate that point in respect of a short period of war service. On the 11th November, 1918, an armistice was entered into. I am quite sure —and I think I can voice the sentiments of many returned soldiers—that hundreds in the war area were sorry to see that war come to a close on account of the different positions they were in.

10 p.m.

As regards the attitude of the district which I have the honour and privilege of representing, an endeavour has been made in the last four years to form some kind of a nucleus for a military unit, and there is no point within the West Kootenay area where public opinion will support the formation of a military unit. Therefore, in that respect I believe I am voicing the opinion of the district which I represent, which is a district in British Columbia, in supporting any measure that will reduce our military expenditures. The people of that particular district have declared themselves as not being in accord with the formation of military units which cause expenditure for training. In that respect I am thoroughly in accord with a reduction of military expenditure, with a certain reservation as to how the reduction should be made. I am in favour of some reduction in the vote, and while I do not think we can undertake to say how far we should go at any one particular time, I certainly am thoroughly in accord with the principle.

Item agreed to on division: Yeas, 73; Nays, 33.

Non-Permanent Active Militia, $1,600,000.

Mr. BRETHEN: What is the standard of physical fitness for members of the non-permanent force?

Mr. MACDONALD (Pictou): They are subject to medical examination.

Mr. BRETHEN: Are they supposed to be fit for active service?

Mr. MACDONALD (Pictou): They are not fit for active service inasmuch as they come to the militia to be trained. This year the training of militia in the country has been cut down materially and as compared with what it was ten years ago the organization is a mere skeleton.

Mr. BRETHEN: I do not know when the change if there has been any, was made, but I do know that until very recently there have been admitted to training on the non-permanent force men and boys who could not possibly be taken on the permanent active force, and it does seem strange that we should spend money training such persons.

Mr. WOODSWORTH: What is meant by the Canadian Railway Corps? I would refer the minister to the following paragraph which appears in the report of the Department of National Defence for the fiscal year ending March 31, 1923:

> The authorization of the Canadian Railway Corps makes provision for a very necessary branch in any future military operations, should such ever unhappily occur. It is true that the organization exists practically only on paper and that for the present no more than the posting of officers can be carried out, but the fact that an organization based on an approved establishment is in being, with officers appointed and mobilization store tables worked out, is a considerable step towards improving our preparations for defence. Hurried improvization on war occurring may be fatal to success and plans must be prepared in advance. The work of the personnel of a railway corps in war will follow the lines of their work in peace and military training is therefore not so essential in such a unit as in a purely military formation.

Mr. MACDONALD (Pictou): This is what might be called an emergency organization which, should the necessity arise, could render expeditious assistance in the transporting of troops.

Mr. WOODSWORTH: Does it mean that the superintendents of shops might become colonels and the foremen elevated into captains?

Mr. MACDONALD (Pictou): Nothing of the kind.

Mr. WOODSWORTH: Well, how is the corps organized?

Mr. MACDONALD (Pictou): It is merely a skeleton organization; it is not operative, but in any case of emergency it is available for co-operation with the military force in the matter of transportation.

Mr. WOODSWORTH: Do the heads of the shops become the heads of any military organizations?

Mr. MACDONALD (Pictou): No. Let me illustrate. Everyone has heard of the services of General Jack Stewart of Vancouver in connection with the movement of troops behind the lines, and this organization is intended to serve a similar purpose.

Mr. CALDWELL: With regard to the question raised by my hon. friend (Mr. Brethen), concerning the standard of physical fitness required of men in the non-permanent force, I know that there is a tendency to abuse in this direction. In our own province in some cases it is hard to get men to fill up the camps and very often men are taken on the force who should never be admitted. I am not one of those who think that there should be no military training in this country but I do know that in order to get sufficient men to fill up the temporary camps the officers in command have taken on men of over sixty and boys who are barely out of school. I have in mind the case of an aged man who was seized with an epileptic fit on the parade ground. I do not know whether or not he was retained in the camp for the season but certainly he was unfit when he was taken on. There is little medical examination and in some cases little attention is paid to the fitness of the men. I should like to see the money spent on men who, in the event of military necessity, would be of actual service. I think the minister might very well direct the attention of the officers of his department to this very point.

Mr. MACDONALD (Pictou): I shall be very glad to make inquiries. This year and last year there was no necessity to take men who were not physically fit, because the few men taken were so far below the number of those anxious to come.

Mr. CLARK: Is it a fact that on and after August 1 next the pay of all officers above the rank of lieutenant is to be increased, whereas the pay of lieutenants and private soldiers is to be decreased?

Mr. MACDONALD (Pictou): There is no truth in the statement. The pay of every man from colonel down to private is to be reduced on August 1.

Mr. CLARK: What about allowances of those above the rank of lieutenant; are they to be increased or reduced?

Mr. MACDONALD (Pictou): My hon. friend is speaking about the vote for the permanent force.

[Mr. Woodsworth.]

Mr. GOULD: Does the $283,000 decrease in the vote represent less men in the non-permanent force or less training?

Mr. MACDONALD (Pictou): Both.

Mr. GOULD: The same answer applies to the next item?

Mr. MACDONALD (Pictou): Yes.

Mr. BLACK (Yukon): What proportion of the non-permanent militia is contained under this vote?

Mr. MACDONALD (Pictou): The money is divided between each military district, and the training varies according to the corps that may be in the district.

Mr. BLACK (Yukon): Is it a third or a quarter or 75 per cent of the establishment?

Mr. MACDONALD (Pictou): About one-third.

Mr. CALDWELL: I am sorry to hear that there is to be a shorter period of training in the summer camps. I think it is better to train a smaller number for a longer period.

Mr. MACDONALD (Pictou): It is both ways.

Mr. CALDWELL: Eight or nine days' training does not amount to anything. You would get better results by training fewer men for a longer period.

Mr. GRAHAM: The more men you take the nearer you come to keeping up the organization.

Mr. CALDWELL: We can never hope to have a trained force in Canada big enough to form an army, and I do not think it is necessary, but I do think it is important to have men trained in the technique of training other men. I favour the training of men who desire to become soldiers, but I object to cadet training because I think it is wrong to instil military ideas in the youth of this country.

Item agreed to.

Permanent force $4,800,000.

Mr. WOODSWORTH: In this connection I beg to quote a short paragraph from the Quebec Chronicle of April 29, 1924.

> The military authorities seem to forget that the war is over and that cadres that were absolutely necessary in war time are now perfectly useless. The objects of a war force and a peace organization are entirely different, for one is a fighting and the other an educational institution. It must be apparent that the ways and means of achieving the desired end should be different if they are to be effective.

And again:

By cutting down the staffs, both at headquarters and in the districts, an economy of over $200,000 of pay and allowances could be made without hampering in any way the administration of the force. At the present time we are paying and keeping a staff sufficient to administer an army of 300,000 men in any continental military force.

Mr. MACDONALD (Pictou): The Quebec Chronicle does not know what it is talking about, for the percentage of officers to men has not changed for years. I quite agree with the criticism as regards pay, and that is one of the reasons why the vote is being reduced—we are reducing the pay of all men in the permanent force, from the higher ranks down to the private. I shall be very glad to give to Hansard a statement showing the change of pay which my hon. friend would desire to have.

Mr. ROSS (Kingston): I place myself on record against the action of the department in reducing the pay of the men in the permanent service. These men were enlisted at certain rates of pay for a certain period of time. Instead of living up to the contract the government is breaking faith with the men. It will be absolutely impossible to keep up a permanent force if this practice is continued. It would be altogether different if the reduction was applied to new enlistments, but, it is poor policy to cut the pay of men already engaged.

Mr. BLACK (Yukon): Under general order No. 89 appearing in the Canada Gazette of July 5 by what percentage is the pay of a private soldier and that of a colonel cut?

Mr. MACDONALD (Pictou): My hon. friend will see it in the list which I will give to Hansard. With regard to the suggestion of my hon. friend from Kingston (Mr. Ross) there are men in the service who came in at a low rate of pay, which later on was increased. We are merely reducing their pay which was increased.

Mr. ROSS (Kingston): Did you not enlist these men under a certain contract? If so, it should be adhered to.

Mr. MACDONALD (Pictou): In cases where these men had the advantage of an increase over what they were to get when they signed on they have very little ground for complaint in the ultimate result.

Mr. ROSS (Kingston): That does not justify the action. The private and the lieutenant have suffered reductions whereas those of very high rank have been increased from $500 to $1,300 a year.

Mr. MACDONALD (Pictou): I am anxious that the permanent force in Canada shall be in proper shape and I am desirous of encouraging military training. But the people of Canada to-day are being taxed as never before in their history and I felt it my duty to come to parliament with a reduced estimate. Accordingly I am asking parliament for $1,078,000 less than was asked last year. In order to make economies and save that million dollars we had to make some of these reductions.

Mr. BLACK (Yukon): I have no quarrel with the minister or the government in reducing the total amount, but what is the reason for increasing the pay of the higher ranks while decreasing that of the lower ranks, who are the real soldiers, who do the fighting and who, when war comes on, have the unpleasant task of going out and getting killed? The pay of the private soldier and of the lieutenant has been reduced by about 25 per cent by an order which will come into effect on the first of August, and the pay of the higher ranks has been increased up to about 25 per cent—in the case of the general up to about $1,300 a year.

Mr. MACDONALD (Pictou): My hon. friend is not correct in that. I have not been able, on account of parliamentary duties, to give close attention to all the details of this schedule. My direction to the officers of the department was that there should be a reduction of pay in order to meet this reduction of the estimates. I do not think there is any such inequality, but if there is I shall look into it.

Mr. BLACK (Yukon): Does the minister say that it is not correct that the pay and allowances of lieutenants and private soldiers has been reduced by order 89 now running in the Canada Gazette, and that the pay of officers above the rank of lieutenant has been increased?

Mr. MACDONALD (Pictou): That is my information.

Mr. BLACK (Yukon): I have no desire to see the pay of the higher ranks reduced. I think they are being paid too little now, and the force is too small. But I do say that all ranks should be treated equitably and alike.

Mr. MACDONALD (Pictou): I shall undertake that any inequalities such as those to which my hon. friend refers will be carefull looked into.

Mr. CLARK: What is the present strength of the Princess Patricia Canadian Light Infantry and the 22nd Royal Regiment?

Mr. MACDONALD (Pictou): Princess Pats, 276 of all ranks; 22nd, 190.

Mr. CLARK: That is an instance of the policy pursued by this government with regard to our defence affairs. Both these units should have at least 1,000 men, four companies. It was represented to these men when they agreed to become part of the permanent force that there would be a certain establishment, but that representation has been ignored, although these are two of the finest units in the Canadian corps. Moreover, it is a further evidence of the lack of attention to the question of the defence of the country.

Mr. ROSS (Kingston): What are the royal schools of instruction?

Mr. MACDONALD Pictou): There are schools of instruction in the different military districts where courses are given to militia officers and men. They include one at Winnipeg, one at Ottawa, one in Nova Scotia.

Mr. ROSS (Kingston): Who is at the head of the school in Ottawa?

Mr. MACDONALD (Pictou): Colonel Walker.

Mr. ROSS (Kingston): What instruction does he give?

Mr. ARTHURS: How many officers have been instructed by these various schools during the past year?

Mr. MACDONALD (Pictou): Colonel Walker is in charge of machine gun instruction. I will look up the other information my two hon. friends have asked for and will give it to them later.

Mr. ROSS (Kingston): I do not wish to hold the vote up.

Item agreed to.

Royal Military College, $365,000.

Mr. SHAW: Would the minister tell us if the fracas that took place at the college has yet been adjusted?

Mr. MACDONALD (Pictou): I think a good deal of unnecessary publicity was given to an incident that occurred at the military college last winter. It attracted a good deal of attention, but really did not amount to much. I am glad that my hon. friend has brought the matter up, because it will give me an opportunity of putting a report on Hansard with reference to this matter. I asked a committee from the Advisory Board of the Royal Military College to personally visit the college, and go into the whole matter. This they did, and they have given to me a report which, with the permission of the House, I will place on Hansard, unless my hon. friend wishes me to read it.

Mr. SHAW: Oh, no.

Mr. MACDONALD (Pictou): The committee that inquired into this matter was composed of General Sir Arthur Currie, the Hon. Senator Bostock, Mr. E. W. Beatty, the president of the Canadian Pacific Railway, Bishop Roper, General MacBrien and R. McColl. The report is as follows:

Advisory Board of Royal Military College
Report of Sub-Committee
on
Administration of Discipline
Constitution of Sub-Committee

President
General Sir Arthur W. Currie, G.C.M.G., K.C.B.

Members
The Honourable Senator H. Bostock,
The Right Reverend Bishop J. C. Roper, D.D.,
E. W. Beatty, Esquire B.A., K.C.,
R. McColl, Esquire,
Major-General J. H. MacBrien, C.B., C.M.G., D.S.O. (ex officio).

Secretary
Captain J. F. Cummings.

1. The sub-committee of the Advisory Board of the Royal Military College assembled at Kingston at 3 p.m. 2nd April 1924, on the instructions of the Honourable the Minister of National Defence "to inquire into and report upon the administration of discipline at the Royal Military College, with particular reference to the circumstances existing at the college immediately prior to the recent case of gentleman Cadet F.L.M. Arnold, and to report upon the action, if any, which has been taken by the commandant since the said case; and to make such recommendations as the sub-committee of the Advisory Board may see fit".

2. The sub-committee examined the standing orders of the college and the instructions to the cadets as disclosed in the address to the non-commissioned officers given at the beginning of the term by the adjutant on behalf of the commandant. They also examined the records of all correspondence and the proceedings of the several Courts of Inquiry arising from the charges preferred by Major Arnold D.S.O. Further, they examined the commandant and the Chief of the Staff, Department of National Defence, on various points which arose. As the result of their deliberations and in view of the evidence supplied from these sources and the other investigations which have taken place they concluded that the calling of additional witnesses was unnecessary.

3. Regarding the administration of discipline at the Royal Military College the sub-committee found this generally satisfactory. Any irregularities were in direct violation of the standing orders of the college and belonged to the life of the cadets when not in class and off parade. They arose from the practice of leaving the administration of discipline largely to the senior cadets. This principle of cadet self-government is one that has prevailed at the college to a greater or lesser extent ever since its inception. It is one which prevails generally in military colleges and has been found to work satisfactorily except when carried to extreme limits.

4. It is the view of the sub-commtitee that the practice known as "recruiting" or "fagging" as en-

forced by the senior Cadets was due to the mistaken idea they held that it would improve the smartness of and discipline among the junior Cadets and that they believed they were acting in the interests of the college.

5. The sub-committee find that the senior cadets carried on fagging and recruiting to such an extent as to endanger the health of some of the recruits and also enforced menial and objectionable duties and discipline by corporal punishment contrary to the regulations of the college, but that while these practices are to be regretted and condemned and should be completely prevented the sub-committee find that there was nothing personally vicious in the actions or the conduct of the senior cadets.

6. The sub-committee further find that the length to which the sense of loyalty to their fellow-cadets was carried led in many cases to deception which was inconsistent with the high standard of honour instilled and maintained by the Cadets in general and particularly in all branches of athletics.

7. The sub-committee considers that the commandant has always sought to inculcate a high standard of honour among the Cadets and that his faith in their honour was so strong that too much reliance was placed upon the cadet-officers, with the result that the practices referred to developed to an undesirable extent without the knowledge of the college authorities.

8. Several years ago it was brought to the notice of the commandant that recruiting and fagging were prevalent. At that time the commandant took steps to stop these practices and thought that he had established such regulations and put into effect such measures as were calculated to eliminate or reduce to a minimum the possibility of recurrence.

9. Regarding the measures for improvement of discipline which have been taken by the commandant since the Arnold case the sub-committee find that the charges of irregularities have been thoroughly and impartially investigated and all the facts completely disclosed and punishment awarded in all cases where the orders of the college have been violated. The standing orders of the college have been changed, revised and supplemented to deal adequately with possible future breaches of discipline. Certain changes in the administration of the college have been made which should result in the requisite supervision and control of cadet life.

10. After a careful examination of the regulations and orders as now existing the sub-committee do not consider it necessary to suggest any measures beyond those already taken by the college authorities, with the exception that special steps should be taken to ensure that the cadets are left free to obtain the fullest benefit from the period of the hours of study.

11. The sub-committee desires to emphasize the debt which the country as a whole owes to the Royal Military College for the part it has taken in the training of citizens as well as of soldiers and trusts this will not be forgotten by those who may give this matter their consideration.

A. W. CURRIE, GENERAL.
President.
E. W. BEATTY.
JOHN CHARLES ROPER.
HEWITT BOSTOCK.
J. H. MACBRIEN, M.G.
ROD MCCOLL.
Members.

Signed this third day of April, 1924.

Miss MACPHAIL: I wish to give the committee some facts regarding the cost of maintaining students at the Royal Military College. The cadets at the Royal Military College cost the college about $1,750 each per year and that is not taking into account the interest on the capital cost. The Royal Military College cadet is there at a cost to himself or his parents of less than $400 per year. He receives his military clothes, maintenance and recreation as well, for that sum. The government cuts his hair, washes his laundry, pays his dentist and doctor bills, gives him horses, boats, canoes, skis and a swagger stick, but not a motor car. All told, it seems true, as a Kingston resident told the Star—I am quoting from the Toronto Star of March 22, 1924—that the Royal Military College is the cheapest college in Canada and yet the most exclusive. Each cadet, unless he lives too near the institution, or unless he takes French leave, gets his railway fare paid. So also do his parents when they bring him to college, or come to see him graduate and the board of visitors when they go their rounds. A recent academic statistician gave the cost of the cheapest of all university courses, the theological at about $800 a year. Canada makes the military calling more easy than the ministerial. There is more state aid for soldiers of the king than for the soldiers of the cross.

In view of the fact, Mr. Chairman, that we are suffering from great economic stress, in view of the further fact that the chief object of the Royal Military College, with some exceptions, is to produce a class of snobs, and first-class snobs, whose chief duty it is to carry the swagger stick with which the state provides them, in view of the further fact that the vote on tuberculosis has been cut, and there is a threat of cutting out altogether the vote for venereal disease, in view of the further fact that the question of rural credits has not been taken up this year on account of the cost, and that the Home Bank depositors have not been reimbursed, and it looks to me as if they would not be, in view of the further fact that the Pensions bill was killed by the Senate, or at least spoiled, I move, seconded by the hon. member for Medicine Hat, that item No. 96 be reduced by the sum of $100,000.

Mr. WOODSWORTH: How many boys or young men have graduated from this institution since the beginning?

Mr. MACDONALD (Pictou): 1,387 have attended the college since it was instituted.

Mr. ARTHURS: What proportion went to the front in the late war?

Mr. MACDONALD (Pictou): My hon. friend from Centre Winnipeg and my hon. friend from Southeast Grey must not run

away with the idea that all the boys who attend the Royal Military College become soldiers. It is true they receive a military training, in addition to a good education, but a large number of the best engineers who have been produced in Canada have come from that college. Men are to be found in every walk of life in Canada who have been trained at the Kingston Military College, and they all make good citizens.

Replying to my hon. friend from Parry Sound, I have forgotten for the moment the exact number who enlisted from the college, though I had occasion to attend at Kingston about a month ago at the unveiling of a memorial arch to the sons of the college who had fallen overseas, and my recollection is that seventy-five or eighty per cent of the graduates of the college went overseas and fought in the war.

Mr. WOODSWORTH: Has the minister any idea of the number of officers of the Canadian army to-day who are graduates of that college?

Mr. MACDONALD (Pictou): We do not keep data of that kind. I do not think there would be a very great percentage, although there would be a considerable number. The total number of officers of all grades in the Canadian army does not amount to more than three hundred.

Mr. WOODSWORTH: I asked that in view of the statement that was made to me by one of the officers of the board some years ago that a considerable number of the graduates of the college applied for commissions in the British army, and that we received very little benefit indeed, if you call it a benefit, so far as the Canadian forces are concerned.

Mr. GRAHAM: I have kept out of this military discussion although it has been hard work. If there is an institution in this country that ought to have the unanimous support of hon. members it is the Royal Military College. Should there be any members here who have got the idea that there is something repulsive about the military college, or that it is an institution that should not be supported by the Canadian people, I would advise them to pay a visit to it. To my mind there is no institution in this country that develops an all round manhood like the Royal Military College does; it develops young Canadians mentally, physically and morally. The knots are knocked off the boys who join in a few weeks. It is true that sometimes the treatment is a little rough, but any lad who goes to the Royal Military College and stays there comes out a real man. You will find throughout this country men in different walks of life who have been trained at the military college, and they are fit to take their places anywhere.

Mr. MARTELL: They are well equipped for civil life as well as for a military career.

Mr. GOULD: I am afraid they would not be of much use in stooking grain.

Mr. GRAHAM: The physique of the graduates is such that they will easily match a man at stooking grain or anything else.

Mr. GOULD: I will accept that challenge.

Mr. GRAHAM: I have always been strongly in favour of the Royal Military College ever since I visited it. Before that time I did not believe in it. I met boys there who had gone in ungainly youths and had been converted into perfect gentlemen. At the Royal Military College they have a severer physical test than at any other institution in Canada, and there is no other place where they get such an all round training. I have a strong and abiding faith in the belief that a man to be mentally strong must be physically fit, otherwise he is top heavy and not of much use.

Mr. IRVINE: How long has the Royal Military College been in existence?

Mr. MARTELL: Before you came to this country.

Mr. GRAHAM: I do not know; I suppose it was established nearly fifty years ago.

Mr. ROSS (Kingston): During the time of Alexander Mackenzie.

Mr. IRVINE: If it has been in existence for fifty years and has produced such great mentalities why is it the graduates are not to be found occupying positions of eminence in this country?

Mr. GRAHAM: But they are. They are occupying some of the highest positions in Canada. I do not carry a list of the graduates in my pocket, but I will guarantee to my hon. friend that if he obtains a list of the men who have passed through the college he will find that a great many of them are occupying high positions not only in Canada but in other countries. I met several of them in the Old Land, men who had taken positions that were a credit to Canada and a credit to themselves. I must not mention war because there will be trouble. I hate war as much as any person

else does, but let me tell my hon. friend this: Such is the training given at the Royal Military College that when the war broke out hundreds of men engaged in engineering and other walks of civil life throughout Canada were the first to say "We are ready"; and if you follow their record, either in the engineering corps or other branches during the war you will find that the deeds of the graduates of the Royal Military College are emblazoned in letters of gold upon the banners of their country. I know something about the college and what it does and I say this, as a man who has had years of experience: If I had to cut all these items but two, the votes I should retain would be those for the Royal Military College and the cadet service.

Mr. ROSS (Kingston): Do not imagine that the Royal Military College is in my constituency because it is not.

Mr. GRAHAM: It is close.

Mr. ROSS (Kingston): Yes it is close. But I know something about the college and I can say about it that those who criticise and decry, live to praise. One only needs to visit that institution to ascertain its value to Canada. Some 1,300 graduates have come from that college and 900 of them served in the great war. No other institution has such a splendid record as that.

Mr. WARD: I understood the minister to say that some 1,300 had graduated from this college since its establishment?

Mr. MACDONALD (Pictou): My deputy tells me that is incorrect. Those are the graduates for a period of ten years.

Mr. WARD: Even at the reduced period it seems like a lot of money to be spent on it.

Mr. ROSS (Kingston): I think that record is good enough.

Mr. MACDONALD (Pictou): That is 135 graduates a year. It is a pretty good record, I think, for the college.

Mr. ROSS (Kingston): It is not altogether a military institution; it is not for the purpose of training for military service altogether. The students graduating from the military college now have the privilege of entering Canadian universities and they are doing so. But they have all had a military training so that at any time they are capable of serving as officers either in the Canadian forces or in the forces of the Old Country. Some hon. member said they did not go into the Canadian force. A large number do. A great many of the artillery officers throughout this country are graduates of the military college.

Mr. SHAW: I want to ask this question for information. My hon. friend suggested that the graduates of this college go into Canadian universities. Do I understand that if a student graduates from the Royal Military College, I will say in engineering, he can go into one of the universities?

Mr. ROSS (Kingston): Yes.

Mr. SHAW: Is their training comparable to that of a high school?

Mr. ROSS (Kingston): The Military College graduate is allowed three years off the university training, that is his standing. Most of them take up scientific and engineering courses in the university and they get a three years' standing as a result of graduating from the military college. Now, I want to draw attention to a certain number of men who have graduated from this institution in order to show that they are not all going into military life and that the training has been of value to Canada. I went over a number of the names myself. First there is Colonel Bishop. He took up training in the flying corps, and to-day he is in charge of our aviation force. That is not altogether doing military work but it is going to do a great deal of work which this country will have to do if it is going to keep up. Flying is a work that is of great service in our forestry development and in many other ways.

There is another family, known as Carr-Harris, every boy of which has entered the military college and has graduated. There are doctors—and I want to draw the attention of the committee to this—there are missionaries and there are military men. There are members of that family in every walk in life.

Mr. MARTELL: Lawyers?

Mr. ROSS (Kingston): No, they escaped that affliction. There is Lieut.-Colonel Cassels —and this will be of some benefit to the hon. member for Hants (Mr. Martell)—who is a man who did get away from the ordinary work of the military college and who is a barrister and solicitor in Toronto. In the Great War there is no profession so marked as the legal profession. Many sons of lawyers and sons of judges took part in the Great War.

I do not think, of the outstanding graduates of the military college any one has brought so much credit to Canada as Sir Percy

Girouard, the bridge builder. What is this man doing and what has he done? He is managing director, Sir W. G. Armstrong, Whitworth Co., Ltd., Elswick Works, Newcastle-on-Tyne, England; president, Armstrong Whitworth of Canada; director, Armstrong and A. J. Main, Glasgow. He began as a lieutenant in the Royal Engineers. He was traffic manager of the Royal Arsenal at Woolwich. He was director of railways in the Soudan expedition. He was president of the Egyptian State railway. He was director of railways in South Africa. He was Commissioner of Railways in the Transvaal and Orange River Colony. He was High Commissioner and Governor of Northern Nigeria. He was Governor of British East Africa. During the late war he was Director General of Munitions' Supplies.

Another graduate who is not in military life is Captain William Harty, who is to-day connected with the Canadian Locomotive Company at Kingston. He also served in France and he received not one, but two decorations.

Another name is that of Lieutenant-Colonel Kingsmill. Again this may give a little comfort to my hon. friend to know that, as a graduate of the military college, he afterwards was called to the bar.

Other names are Kirkpatrick and Lackie. Still another name that will appeal to many people in Canada is that of Colonel Leonard who had so much to do with maintaining industries in Canada. A name that is well known to the people of Montreal is that of Lieutenant-Colonel Bartlett McLennan, who was killed in action in France. Another name that has made Canada famous is that of General Nanton, a graduate of the military college.

These are only a few names that I have picked out, and I think they will serve to give the committee some idea of the development of men, great men that Canada has produced and who have become famous through their training in connection with the military college. I did not take part in the discussion on the question of military service and training, but it is easy to get up and read a clipping out of the paper written by some man who has some particular object in view of calling "snobs" and talking about people going around with canes and so on. Every university has a certain amount of hazing; a military college is not the only one. Ladies' colleges have the same thing. The boys go through a certain amount of training, and those who come out of that training, who live to carry out the discipline, are men of some qualities, who have some stuff in them, and who will become famous. I was at the military college a few weeks ago when the minister was there at the unveiling of a monument, and I listened to some of the remarks. One man—I do not know who he was—came along and said to one of the officers of that institute: "Before I go away, I want to thank you for what you have done for my boy. I have two more boys and both are going through the military college." I am not going to justify anything in connection with the sarcasm that has been heaped upon the military college. I have given names that are worth a great deal to Canada of persons who have put Canada very high on the map as compared with other countries in the world. I am a believer in training. I am a believer even in the old military camps that we have had and I have, perhaps, had more experience in the training of troops than any one else in this chamber. I have seen the results more than any one else, and I have a very different idea of what fitness means. I have seen in the first division men over sixty years of age who gave excellent service to this country. I have seen men who got through examinations with great disabilities and who performed many months of service in France. Therefore my idea of fitness differs from that of other men. My idea of fitness is the courage, the spirit and the will that is in a man, no matter what his age may be. If I were going to put down what fitness meant again, it would be the spirit, the courage, the willingness to serve. Rather than have members pour criticism upon this institution, I should like them to visit it, and I should be glad if the hon. member for Southeast Grey (Miss Macphail) would visit the military college at some time and go through it. Some day that she, I hope may have a boy, I trust she will be willing to see him in that institute rather than any other institute in Canada.

11 p.m.

Mr. GARDINER: I do not know very much about this military college and, therefore, I should like to get a little information from the minister, because we have received very little to-night. Are the expenses of students in this college met by the government? Do they enter the college after competitive examination? Once they have received this training and passed through the college, are they at the disposal of the country and do they enter the forces?

Mr. MACDONALD (Pictou): The government maintain the buildings, the quarters generally and the instructors, the same as any other institution is maintained. The students who enter do so wholly on the strength of competitive examination and there is no such thing as discrimination against any one no matter in what station of life he may be. The boy passes his entrance examination and whether he be the son of a poor man in any walk of life or a rich man's son he receives the same education. The poorest boy gets the same treatment as does the son of the wealthiest man in the land. The object of the institution is to teach the boys to be true men and there is no such idea as snobbery about it at all. And I can speak from personal acquaintance with some of the graduates. One, a contemporary of mine and a relative, attended the college thirty years ago and although he was a poor boy he received the excellent education and training which the college affords, and received it because he was able to pass his examination. He attained great distinction as an engineer and was employed in a very important capacity in connection with the construction of railways in the Andes in South America. And he is typical of the men who leave the institution. The boy who comes from any home in the country and can pass his examination receives a splendid education and a training which is calculated to fit him for his lifework.

Mr. HOEY: They pay their tuition fees?

Mr. MACDONALD (Pictou): Yes; every boy has to pay his fees and pay for his board just the same as in any other institution. And as regards the utilization of the men who graduate from the college, any man who leaves the college is qualified to become and may become an officer in the militia; but no further demand is made upon him. In past years at various times graduates of the college have entered the English army by reason of some special distinction, and reference has been made to such men as Sir Percy Girouard, who was a great engineer and who in public life became governor of Nigeria. The record of the college is one of the most remarkable in the country and, as I say, its graduates include men from the humblest homes as well as from the mansion.

Mr. MEIGHEN: I should feel ashamed if I let this vote, and some of the comment which has been made upon the college, pass without a word on the question. I have given some attention to the character of training given at the military college. The purpose as I have always conceived it has been to lay a foundation of training such as will primarily equip the lad for military service, should it become essential, but at the same time to use that period of training which necessarily must cover some years, to the best possible advantage to equip the lad generally for the work of the world. Military training is of course paramount, otherwise we should not be justified in entering the field of education at all, for that would be the work of the provinces. But from what I have observed, the training of the boys, and the central purpose is the most efficient and general training to make a man of him, is just about all that the fondest parent could desire. The arts education is naturally not quite so wide nor varied as it is in a university. In the classics there is virtually none; in the English classics the training is very fair; in French it is now better than it was, I think I should say it is very good; in the engineering phases of the education it is of course excellent. Speaking particularly of the mathematical branch I can say that the military college curriculum is well on a level with the honours mathematical work of our best universities. Indeed, it is little below the highest standard achieved by the best universities of Canada. Hon. gentlemen will see then that from the point of view of mental training the curriculum is excellently designed. I myself was surprised at the standard demanded particularly in mathematics.

Now, the main purpose to which all this converges is of course to develop in the lad those principles of conduct and that outlook on life and as well to develop that physical equipment which will form the foundation upon which he can serve his country should the necessity of service in the military field be demanded of him. If there is in a boy, when he goes to the college, anything of innate manliness that quality is going to come to the surface and be developed. And few there are who ever enter it who come out without such qualifications and such elements of manhood pre-eminent and manifest. The sense of discipline is impressed so indelibly that no one ever can lose it; and what is better still, the sense of honour is so implanted that he is bound to carry it through his life. So highly is the boy trained to realize the value of time and to realize what duty means that I can well conceive that the graduate of that college would be more in demand in the business world than perhaps the graduate of any other institution. I may say that the head of one of the

largest institutions in this Dominion told me some years ago, before I had any personal acquaintance with the institution, that there was always room in his organization for a graduate of the Royal Military College; they could always find room for him.

I have given an idea of what the college is for; and I do not see how any country can have a military organization at all unless there is some such institution as this. And because we have a military organization it is not to be assumed that we are looking for military trouble. I cannot get the attitude of mind of a man who, because he is convinced that he does not want any war, argues himself into the belief that he does not want any militia nor any fortification against war. And just as difficult is it for me to understand those who are continually saying—"Preparation for war has not avoided war, therefore why prepare?" Well, preparation against the burglar has not stopped burglary, but I do not hear anyone suggesting that we should abandon our police. I do not know of any country on earth which has not some preparations for its own defence and at least some preparations for maintaining the law of the land at home. Let me remind hon. gentlemen to my left, in all kindness, of this fact: There was in England many years ago a party which indulged in language very similar to what I hear from some hon. gentlemen to my left to-night, indulgence in very much the same class of argument and the same statement of principle as to what ought to prevail and what would prevail if they attained the reins of power. That party is now in office, and I notice one of their principal characteristics is a very frank acknowledgement that in all these things they were wrong, and I observe as well that when they come to face the realities of this world in posts of responsibility one of their greatest difficulties is to devise a course of conduct in this respect that is in the least degree distinguishable from that of all their predecessors of the other parties.

Mr. GOULD: Is the right hon. gentleman aware that this same government in Great Britain has reduced the estimates for the permanent forces by £11,000,000?

Mr. MEIGHEN: Yes; and many a government before has reduced estimates. But you do not alter a principle by reducing estimates, and I venture to say that if they are there much longer, like every other government, they will be able to show they have increased the estimates, too, in just this respect. The best feature I can see in them is the frankness with which they acknowledge that in the irresponsible post of opposition, when they did not see realities face to face, they committed themselves to a course of conduct which later they found was entirely without defence. These things we have to realize, and I agree with the former Minister of Militia, the present Minister of Railways (Mr. Graham), that if every other dollar of all our military vote were cancelled—and I would vote against every cancellation myself—the last two votes to be done away with would be just the votes that have been most bitterly condemned in the debate to-night.

Mr. POWER: Much as I wish to congratulate the hon. member for Southeast Grey (Miss Macphail) and to admire her courageous attitude, I am sorry that I have to differ from her in this case. If there is one agency for democratizing our Canadian army it is the Royal Military College. As the Minister of Militia has said, boys from every walk of life on passing their examinations may enter the college, and when they complete their course they go into the army, and there they do much to destroy that feeling which, if I am to believe the hon. member for Centre Winnipeg (Mr. Woodsworth), exists,—that the officer class is a special class in this Dominion. Another reason is that graduates from the Royal Military College have done perhaps more than any other class of citizens to develop the country; in every great public undertaking there have been engineer graduates of the college. Anybody who is at all familiar with the construction of the Transcontinental railway will remember that in almost every survey party there was a graduate of the Royal Military College. So far the reason that they have helped to develop this country, and for the reason that, in the eloquent words of the right hon. leader of the opposition, the college turns out graduates to be men, strong men, noble men, and in every sense of the word but the snobbish sense gentlemen, I shall support the vote.

Amendment (Miss Macphail) negatived.

Item agreed to.

Transport and freight, $160,000.

Mr. GOULD: Are the automobiles in the various military districts kept for the use of the men at other times than when they are in training?

Mr. MACDONALD (Pictou): There is one automobile at the disposal of the District Officer Commanding in each military district.

Mr. GOULD: The information which I have before me, and which I do not quote as disputing the hon. minister, shows a total of twenty automobiles. Are these for the use of the men except when in training?

Mr. MACDONALD (Pictou): Among the twenty must be included motor trucks used for the transportation of supplies.

Item agreed to.

Naval Service—to provide for the maintenance of the ships and establishments of the Naval Service, including the Royal Canadian Navy, the Royal Canadian Naval Reserve and the Royal Canadian Naval Volunteer Reserve, $1,400,000.

Mr. IRVINE: Will the minister state briefly what is included in this item?

Mr. MACDONALD (Pictou): It is for the upkeep of the various vessels which belong to the Canadian government—the torpedo destroyers, Patriot and Patricia; the minesweepers Ypres, Armentieres and Thiepval; the light cruiser Aurora, which is not in commission; and the submarines which are laid up in reserve at Halifax; the officers and men forming the complements of the above fleet; the naval executive staff at headquarters, Ottawa; the naval barracks and training establishments at Halifax and Esquimalt; the naval dockyards at Halifax and Esquimalt; officers and men of the Royal Canadian Naval Reserve, and of the Royal Canadian Naval Volunteer Reserve.

Mr. SPENCER: How much of the vote was used last year?

Mr. MACDONALD (Pictou): We used $1,354,527.

Mr. IRVINE: In looking over the report of last year it seems to me that we paid pretty high for what appears to be a very small service. Apparently the two ships in commission last year were used as sort of jolly boats trading between Lunenburg and Pictou, carrying picinc parties, receiving visitors, and that sort of thing. It reminds me of Jerome K. Jerome's "Three Men in a Boat." I will give an extract or two from the report. It states that the Patriot and Patricia were the only two ships in commission. Then it proceeds:

On September 19 Patriot was sent to Lunenburg to take part in the celebration of Fishermen's Day. From Lunenburg the ship proceeded to Halifax for refit.

I do not know what they did at Lunenburg to necessitate this refit

During October the ship was placed at the disposal of the Fishing Schooner Race Committee to assist in the elimination races in preparation for the international schooner race. The vessel rendered valuable assistance in the regulating of the race, generally, and continual use of her services was made.

That is the second stage of the naval service rendered by this vessel—the superintending of a sort of picnic on the water.

The ship was opened to visitors at each of the Canadian ports at which she called and was on such occasions continually crowded with visitors. The visitors, particularly those following the sea, were very interested in the ship's appliances and in many instances requested to be taken on cruises.

That is the next step. It does not say whether or not these requests were complied with. The report goes on:

Upon returning from the international schooner race the Patriot remained at Halifax, while her ship's company took their summer's leave.

So much for ship No. 1. Now let us look at ship No. 2.

Mr. MACDONALD (Pictou): My hon. friend, in order to be fair, should at once proceed to state that the Patriot sailed for Bermuda and remained there in training and working generally with the North American squadron of the British navy for a considerable period.

Mr. IRVINE: Yes; I did not intend to read the whole report. I said I was going to read only excerpts from it. I have read the report of that ship from September 19 until December, and that is a considerable period of the year. Now we will take the Patricia.

Mr. MACDONALD (Pictou): My hon. friend is not fair there. He admits the cruise of this vessel all along the various ports in the Maritime provinces. When he speaks of her participating in the arrangements for the fishermen's races I may tell him that the United States government sent a destroyer, and that is why this vessel was sent there.

Mr. IRVINE: The Patricia accompanied the Patriot in all these jaunts. I quote:

The Patricia also acompanied Patriot to Pictou on September 13, for the celebrations there—

Another picnic.

—and then proceeded to Lunenburg for the fishermen's day celebration on September 20.

Another picnic.

She then returned to Halifax to prepare for her voyage to Esquimalt, on which station she has been placed.

Continuing:

On December 5 she proceeded on a cruise to Prince Rupert. This cruise gave the officers and men an opportunity of obtaining local knowledge of the west

coast. The distance covered was approximately 1,100 miles. The inland shipping route was followed and valuable knowledge obtained, as the currents and tides of this route are intricate.

That is rather jocular to anyone who knows anything about the sea.

Stops of one day were made at each of the following places.

Mr. McBRIDE: Has my hon. friend ever been up to Prince Rupert?

Mr. IRVINE: Yes, but this is rather a peculiar task for a man-of-war, to be examining inland routes of that character.

Mr. McBRIDE: Has my hon. friend ever been through the Yonkatar rapids?

Mr. IRVINE: I am quite certain my hon. friend has not been through anything that is very rapid. I have not been through this particular rapid to which he refers. Does he mean to suggest that the Patricia was in the Yonkatar rapid?

Mr. McBRIDE: That indicates what my hon. friend knows about the cruise along the coast. She would pass through these rapids.

Mr. IRVINE: If my hon. friend will undertake to defend the voyage of the Patricia on the ground of naval service, he will be able to tell us just what valuable service to navigation was rendered as referred to in this report. However, he may do so when I am through. I have just quoted excerpts from the report, which hon. members may read for themselves. I want to give the cost of these trips to Canada. In the case of the Patriot the cost was $180,904.21 and in the case of the Patricia $203,693.17; pay and allowances, $633,493.17. I do not have to say to the committee that this has nothing to do with naval service; it can scarcely be called a naval jaunt. At a time when we are cautioned to practise economy and when the government refuses even to consider seriously the urgent demand of 60,000 Home Bank depositors, we can spend lavishly on picnic jaunts for a few individuals. I am not speaking against the navy; that is not the navy. These are a couple of jolly-boats used for picnic purposes and to receive visitors. I do not think it will make for the training of very brilliant seamen to receive visitors at Pictou or any of these other ports. This is really humorous as the report of a naval service for which we have spent so much.

Item agreed to.

[Mr. Irvine.]

Air services—purchase of aircraft, technical equipment and provision of ground services, $300,000.

Mr. SPENCER: Will the minister give us some information respecting this item?

Mr. MACDONALD (Pictou): The aircraft service is hardly military in its character; it performs services for all the departments. The planes belonging to the department have grown very old and some of them have been out of commission. In addition 12 airplanes were burned at Camp Borden some three months ago, which almost paralyzed the service. It is necessary to purchase some additional airplanes and provide for their equipment. There is a vote also in the supplementary estimates for the carrying out of an arrangement made with the Department of the Interior, who are extending their service in regard to air patrol. Only last week very valuable service was rendered in connection with the fires that took place in British Columbia. It is for the purpose of putting the service in proper shape that this vote is provided.

Mr. SPENCER: What was the cause of the fire at Camp Borden?

Mr. MACDONALD (Pictou): The circumstances in that connection are of a peculiar character. We have had two fires there, one earlier in the winter and another about two months ago. It is imagined that some firebug living in the vicinity is responsible, but we have not been able to locate him. A close investigation has been held and we have engaged the services of outside detectives with a view to discovering the offender.

Item agreed to.

Contingencies—Additional amount required to provide for legal fees and expenses in connection with litigation re Dead Man's island and Stanley Park, Vancouver, B.C., etc., $5,000.

Mr. SPENCER: What are the particulars of this item?

Mr. MACDONALD (Pictou): This is some litigation which was started quite a number of years ago when General Sir Sam Hughes was minister of this department, to set aside a lease that had been granted of Dead Man's Island in British Columbia. The proceedings went to the Privy Council and the case was decided in favour of the government, but notwithstanding the decision, the men who were on the island would not give up possession, and suit was brought some three years ago to eject them. This suit was decided in favour of the government, and these

men have appealed to the Court of Appeal in British Columbia. They represent, I think, in this litigation some banks who advanced money to the original holder of the lease, and that is the cause of the protracted litigation. The government have succeeded in every step so far. This island is regarded as of very great importance by the people of Vancouver, and it is most desirable that the title should once more be vested in the government, having regard to future development.

Mr. SPENCER: Can any court in British Columbia set aside a verdict of the Privy Council?

Mr. MACDONALD (Pictou): The point is this: The Privy Council decided that the lease which had been granted by the government was void. That was one proceeding, but the people who had got possession of the island through some claim from the original lessees refused to give up possession and the present proceedings are to eject them. They are asserting, I think with absolute futility, the right to still remain there.

Item agreed to.

Non-permanent active militia training—Additional amount required for training non-permanent active militia, $10,000.

Mr. SPENCER: What are the particulars of this item?

Mr. MACDONALD (Pictou): It was found in view of the big cut we had made in the main vote, that a small additional amount would be required in order to make both ends meet. This was estimated at $5,000. Then there was another expenditure in connection with the celebration that was held at Belleville a month ago to celebrate the coming to Ontario of the United Empire Loyalists. One of the features of that celebration was a military display, and the militia of eastern Ontario were mobilized for that purpose.

Item agreed to.

Naval Services—Grant to Florence Walker, widow of the late Franklin Walker, formerly labourer, Fort Clarence, Halifax harbour, $1,200.

Mr. MACDONALD (Pictou): There is a connection between this item and item No. 429. A large amount of ammunition has been stored at Fort Clarence in the harbour of Halifax, and some years ago there was built in its immediate proximity a refinery of the Imperial Oil Company. In October last year an explosion took place and this man, who was an employee of the government engaged in rehandling the ammunition, was unfortunately killed. This is the usual vote for compensation.

Item agreed to.

General services—Amount required towards the construction of a magazine, other buildings and services in connection therewith at or near Halifax, N.S., for the joint use of Militia and Naval Services, $50,000.

Mr. SHAW: Will this work be done by contract or otherwise?

Mr. MACDONALD (Pictou): By tender and contract. It is represented to me by the officials of the department that on account of the proximity of the refinery, which I mentioned a moment ago, a similar explosion may take place at any time unless this magazine is constructed.

Item agreed to.

Civil government—National Defence—salaries, $694,555; contingencies, $50,000.

Mr. SUTHERLAND: We have heard a good deal of criticism to-night of the items which have been before the House, partciularly of those relating to military training. The minister has made it quite clear that he is anxious to reduce the amount for militia purposes. So far as the item under civil government is concerned, there is little or no reduction, and it is quite evident that large items have been provided in the estimates for services that cannot very well come under the head of national defence. For instance, I do not think it is fair to include the air service as at present constituted under national defence. It may be part of national defence to put out a fire, but the air service of this country to-day has been degraded to the position of being hired out to the provinces for fire ranging purposes. As it is it really should not come under national defence at all. If this service is going to be absolutely ruined by reducing it by such an amount that it will not be of any service whatever, I would suggest that the whole department be abolished. To reduce the services in this way is to make them non-effective, and if the government are going to continue catering to an element in this House who apparently have not backbone enough to stand up and admit that they are going to defend themselves when necessary, I think we should know it. I believe the minister, and the ex-minister, and others know that the proper thing to do is to increase the amount rather than decrease it in the way in which it is continually being decreased. There are items here which should not come under national defence at all. The air service in this

country does not come under that head at all to-day, and there are other services as well. If you will look back, you will see that the item under the head of Civil Government has remained the same as it was about two years ago.

Mr. GRAHAM: If my hon. friend will permit me, there were three staffs amalgamated, and if he will turn back and compare the amounts for these three services with the total amount provided now for national defence, he will find there is a larger reduction.

Mr. SUTHERLAND: I have just been pointing out that the air service should no longer be a branch of the Department of National Defence if it is to be utilized for the work which it is now doing. In so far as the Canadian navy is concerned I do not think the minister will seriously contend that it is of any service as at present constituted. The naval college has been abolished and the Canadian navy—if it can be dignified by that term—has been utilized in protecting trawlers, or something of that kind, in connection with fishing. Surely if the service is going to be degraded in this way then the civil branch should also be reduced; we should not keep a staff of officials who cannot render any effective service owing to impairment of the means of service. I have sat here to-night and have heard things said that are a disgrace to the people of this Dominion. I have heard branches of the service criticised in a way that the people of this country, upon serious reflection will live to regret. I was glad when the ex-Minister of Militia (Mr. Graham) rose and spoke in defence of the cadet service and the Royal Military College. Personally I cannot imagine where any money could be spent so effectively as it is in connection with the cadet service in Canada. Hon. members may sneer at national defence, they may sneer at anything of a military nature, but the day eventually comes in the history of every country when the nation will look to the men who have had military training to stand between them and ruin. It has been so throughout the world's history. Human nature has not changed; it is just the same in that respect as it was a thousand years ago. There will be war as long as there are human beings dwelling on this sphere. Human nature will have to undergo a complete change before you will eliminate war. I must protest here—late as it is and much as I regret its necessity—against crippling everything in the nature of national defence in this country, and then making the pretence that we have a branch of the government which merits the dignity of such a title. It is not national defence at all. Everything in the nature of national defence in this country has been absolutely ruined, yet we have a Minister of National Defence, we have deputy ministers, and we have the whole paraphernalia in connection with the department. If the government are sincere in their efforts to reduce expenditures why do they not cut down the cost of civil government? The cost is increasing in every branch of the service. I see ministers here who have estimates yet to pass to-night. They have been increasing their departmental expenses by hundreds of thousands of dollars. Officials are being appointed by the hundreds in various branches. But when it comes down to something that may mean preserving the very life of the nation there is a tendency to say "Oh, there is a big element in this country who do not believe that we should defend ourselves even though the enemy might be at our gates. What is the use of training men to wear the uniform and to be able to handle a rifle they say. That is something that should be removed from the minds of the people of this country." Speaking personally, and on behalf of those I represent, I protest against the policy which has been enunciated by hon. gentlemen to my left. As I saw them standing up here to-night and voting as they did for the reduction of some of these items I could not believe it was possible that you could find so many men in any assembly who would get up and advocate any such policy.

[Mr. Sutherland.]

Item agreed to.

Health—Pollution of boundary waters, $5,400.

Mr. SPENCER: We would like to have some further particulars about this?

Mr. BELAND: This appropriation is for the enforcement of the regulations concerning water for drinking and culinary purposes on vessels navigating the great lakes and inland waters, approved by order in council on June 19, 1923. The details are as follows:

Salary of one sanitary engineer, $3,600 per year. Travelling expenses and sundries, $1,800.

We are carrying out an agreement we have with the United States in connection with navigation on the great lakes.

Mr. SPENCER: Why is there an increase of a hundred per cent in this item over last year?

Mr. BELAND: Last year the sanitary engineer served only for six months. He was appointed about the middle of the year.

Item agreed to.

Venereal diseases, $150,000.

Mr. SHAW: I notice there is a reduction of $50,000 in this vote. I take it that all other members in common with myself have received protests against this reduction. I would ask the minister the reason for it?

Mr. POWER: Every day we are getting better and better.

Mr. SHAW: I trust so.

Mr. SPENCER: It seems to me this vote should be increased rather than decreased. We have voted a lot of money for purposes that are not nearly so important as the present one. I think we should have an explanation from the minister as to why the amount has been reduced?

Mr. BELAND: When a grant for this purpose was first voted by parliament it was made clear that the appropriation would be only for five years at the rate of $200,000 per year. The first appropriation was only $100,000. For the second, third and fourth years $200,000 was annually voted. This vote is to complete the $1,000,000 which was intended to be appropriated in order to help the provinces in combating venereal diseases. We were only called upon to appropriate $100,000. this year but representations were made to the government—to myself in particular—from the different provinces in favour of maintaining the vote as it formerly stood. We have cut the difference in two and are making the appropriation $150,000. The object of the appropriation in the first place was to enable the provinces to establish a service to combat venereal diseases. This was a new work and the provinces were called upon to furnish of their own money an equal amount, as they did. After five years it is now found that the service is well organized throughout the country, and it is felt that the federal exchequer should not be called upon to pay as much money as it did before.

Mr. IRVINE: Will the work of this year be done as adequately under this sum as the work was done last year?

Mr. BELAND: I would expect so. The first year the work was naturally one of organization and this required a good deal more work than it will in the future. All the clinics now are established.

Mr. SPENCER: Should the duty of looking after this disease be left entirely to the provinces, or would it not be in the best interest of Canada that the Dominion government should vote a large sum each year to help the provinces in this great work?

Mr. BELAND: I am rather of opinion that this is a work for the provinces. It may be that next year we contribute to a certain extent, but that matter can be decided then, and sufficient for the day is the trouble thereof.

Mr. BROWN: I think the public sentiment of the Dominion of Canada will uphold the action of the Dominion government in continuing to help in carrying on this work.

Mr. COOTE: The Dominion government should not overlook the fact that it has a very distinct liability in assisting the provinces in carrying on this work on account of its policy in bringing immigrants into this country, because a number of people afflicted with this disease are amongst those brought in under this immigration propaganda.

Mr. WOODSWORTH: I should like to add my voice to what has been said in urging that the Dominion government should recognize its responsibilities in this matter. Whilst we are spending money on many items, we in this House are not helping to carry a load that is already too heavy for the provinces and municipalities at the present time. Public health is one of the most important things for the country at large, and we are taking a retrograde step if we cut down expenditures in this regard.

Item agreed to.

Soldiers' Civil Re-establishment—Federal Appeal Board, $150,000.

Mr. HUMPHREY: Will this appropriation provide for the increase of the personnel of the appeal board if it is seen fit to increase it?

Mr. BELAND: My impression is that it would be possible to cover one more commissioner, perhaps two. We could not increase the number by more than two. We have five at present and the statute provides that the number will not exceed seven. The idea would be, perhaps, to appoint one more so that we can have two quorum boards sit. A quorum is three.

Item agreed to.

Pensions—European war and active militia, $32,900,000.

Mr. SPENCER: Could the minister give us some particulars as this is a very large item?

Mr. BELAND: The expenditure of this money is authorized exclusively by the Board of Pension Commissioners. Whatever pen-

sions are awarded, we pay. There is nothing in this amount that goes for administration or for salaries of any kind. It re-
12 m. presents the amount of pensions paid to pensioners. We have 43,300 disability pensioners and 19,971 dependent pensioners, making a total for the whole of Canada of 63,271. The liability for that number of pensions is thirty-two million dollars odd. The amount that we propose is a little in excess of what is actually required, because sometimes pensions may be awarded in larger number and the appeal board may award new pensions which had heretofore been refused.

Mr. HUMPHREY: A royal commission was appointed a year ago to inquire into the pension question. That commission toured the Dominion and inquired into this question very thoroughly. I wish to congratulate the government on the position it took in appointing that commission to try to get at the facts in connection with circumstances and conditions that were supposed to exist throughout the country. The appointment of that commission was a step in the right direction. The results so far have been unsatisfactory. The Ralston commission, after touring the country and taking a considerable amount of evidence, submitted a report last year which a parliamentary committee during the present session has studied exhaustively. But we find now that the lateness of the day is given as a reason for no action being taken in regard to that report. The committee has gone thoroughly into the recommendations of the report and has considered various questions relating to pensions, and it is indeed unfortunate that after so much money has been spent on this commission, and after the members of this committee have inquired into conditions in an effort to reach some satisfactory conclusion, it should be found necessary to postpone action in the matter. It would have been highly desirable for parliament to have given effect to such recommendations in that report as would serve the interests of the returned men, and I respectfully urge the government to take steps to bring down at the next session of parliament, and bring down in ample time, such a measure as will give effect to the recomendations which it is considered will provide for the widows and orphans of returned men.

Mr. CLARK: Just a word in reference to the subject which the hon. gentleman has discussed.

The CHAIRMAN: I hardly think that the Ralston commission can be discussed under this item.

[Mr. Béland.]

Mr. CLARK: I have no desire to discuss the commission; I merely want to refer to the question of pensions. I understand that as a result of the action of the Senate the pensions amendments are practically nullified, and I wish to protest vigorously against that action.

The CHAIRMAN: I understand that there has come from the Senate an intimation that certain amendments have been made by the Senate to which this House may be asked to give its concurrence, or, in the alternative, to confer with the other chamber. I am very much in doubt that the matter can be debated.

Mr. CLARK: I do not intend to debate that question. I want to ask the government what it proposes to do in the premises.

The CHAIRMAN: The question relates to a subject which is on the order paper and I should have to rule such a discussion out of order as anticipating that subject.

Mr. CLARK: The leader of the government in the Senate suggested the appointment of a committee in the Senate on this matter and I should like to know what action the government proposes to take. Will anything be done at this session to give effect to the amendments which this House has passed?

The CHAIRMAN: The hon. gentleman no doubt is aware that he cannot anticipate a matter which stands on the order paper. I do not like ruling him out of order but the debate must be relevant to the question before the committee.

Item agreed to.

Pensions payable to militiamen on active service North West Rebellion, 1885, and general pensions, $45,000.

Mr. SPENCER: What is the explanation?

Mr. BELAND: There are 91 pensioners under the act, and I am not responsible for any new pensions that have been awarded.

Item agreed to.

Pension to Alice Morson Smith, $600.

Mr. SPENCER: Will the minister give us a blanket explanation of all these various pension items?

Mr. BELAND: I have never had anything to do with the fixing of these pensions which were decided upon some years ago, but I understand that they have all been awarded for special meritorious reasons. This one,

for instance, is given to the widow of a gentleman who lost his life on his way to England between the two armies, so to speak. He had taken his discharge from the Canadian army to enlist in the British army and on his way overseas he was drowned. His widow could not get a pension under any statute and it was therefore provided in this way. The other pensions are all meritorious.

Mr. SPENCER: Some time ago I brought to the attention of the minister the case of the widow of a volunteer who went overseas in 1915. In trying to work her husband's farm she lost an arm and an eye and was badly gashed in the face. The minister told me that nothing could be done; but when I see so many pensions being granted other people I wonder why such a deserving case as this is ignored.

Salaries and contingent expenses of the Board of Pension Commissioners for Canada, $85,000.

Mr. SPENCER: We have heard a great deal of criticism of the Pension Commissioners lately. Why this increase?

Mr. BELAND: This increase is to provide for three or four more clerks. We never questioned the request of the board. They have been very conservative in their expenditure—some people think too conservative.

Item agreed to.

Penitentiaries, $1,651,000.

Mr. WOODSWORTH: Are any steps being taken to carry out the recommendations that from time to time have been made to provide more work for the inmates?

Mr. LAPOINTE: Yes, all the recommendations are being considered.

Mr. WOODSWORTH: According to the reports there is still not sufficient work for the inmates. Is it not possible to provide suitable work for them?

Mr. LAPOINTE: The people whom my hon. friend is supposed to represent have at times entered objections to the inmates of penitentiaries competing with labour outside.

Mr. WOODSWORTH: I do not think it is necessary for me to answer the implication. The point of objection taken by labour is that penitentiary articles should not enter into competition with similar articles made outside. That seems to me to be a reasonable objection. But the labour people are anxious that the welfare of the inmates should be considered by at least giving them suitable work.

Mr. LAPOINTE: My hon. friend may be sure that we are giving the inmates all the work they can do without hurting the feelings of the labour people. They do necessary government work in such a way as not to enter into competition with labour.

Mr. WOODSWORTH: I am not referring to interference with labour; the minister himself introduced that objection. I am referring to the successive reports made by the wardens of penitentiaries that sufficient work is not being provided for the inmates; hence demoralizing influences are operating. I am thinking entirely in terms of the penitentiary people.

Mr. SPENCER: What is the reason for the increase of $10,000 in British Columbia?

Mr. LAPOINTE: It is on account of the construction programme and covers land, buildings and equipment for the penitentiary.

Mr. BANCROFT: Has the minister considered the advisability of utilizing the penitentiary farms for experimental and illustration work in the interests of the local community? I am thinking particularly of the penitentiary at Stoney Mountain, Manitoba. It is situated in the centre of a farming district and the farm comprises two or three sections of land, past which run a railway, an urban street car line and two trunk gravel roads. It would be an ideal spot to carry on such work in co-operation with the experimental farm branch, and it would provide healthful occupation for the inmates.

Mr. LAPOINTE: I shall be pleased to consider the suggestion of my hon. friend and discuss it with my colleague of the agricultural department.

Item agreed to.

Administration of justice—Miscellaneous expenditure—Additional amount required to provide for Eskimo trials in Northwest Territories, $16,000; Yukon—To provide gratuity to widow of late Sheriff George Brimston, $666.67.

Mr. SHAW: What was the total cost of the Eskimo trails?

Mr. LAPOINTE: This is to provide the necessary expenditure in connection with the trial of an Eskimo. The cost is estimated at $12,000.

Mr. WOODSWORTH: Is it true as reported in the press that the party that went out to try these men carried with them the equipment necessary for conducting the hanging?

Mr. LAPOINTE: I should be very much surprised if they did. I am not aware of it.

Mr. BANCROFT: I have been informed by the warden of the Stoney Mountain penitentiary that the Eskimo now imprisoned there is threatened with tuberculosis because of the change in climate. It has been requested that he be pardoned and sent back to his people, the idea being that the law has been satisfied and that no good can be served by keeping him there until he becomes a wreck. He has been there a year or more.

Mr. LAPOINTE: I will inquire into the matter and give my hon. friend the information.

Mr. SPENCER: Is that $16,000 for money already paid out, or is it for anticipated expenditure?

Mr. LAPOINTE: It is anticipated. The expedition is going to start shortly.

Mr. SPENCER: The minister a few moments ago mentioned a sum of $18,000.

Mr. LAPOINTE: There is a remaining $4,000 to cover an additional amount required in connection with a similar trip last year to Herschell island.

Item agreed to.

Miscellaneous—expenses of litigated matters—Department of Justice, $38,000.

Mr. SPENCER: Will the minister explain?

Mr. LAPOINTE: This is to cover the expense of conducting litigation by the department. The amount varies from year to year, according to the amount of business transacted. The annual vote is $13,000 but an additional sum of $20,000 is asked for to provide for the expenses of the reference to the Privy Council of the Newfoundland boundary case.

Item agreed to.

Customs and Excise—Additional amount required for Board of Customs and Inspection to provide for salaries and expenses in connection with the Advisory Board, including chairman of the board with salary at a rate not exceeding $10,000 per annum and two commissioners with salaries at a rate not exceeding $7,500 per annum each, notwithstanding anything to the contrary in the Civil Service Act, $28,800.

Mr. SINCLAIR (Queen's): I move that this item be amended by substituting the following:

Board of Customs and Inspection—Amount required for the investigation and study of various modes of taxation with a view to simplifying and improving the existing system, $28,800.

[Mr. Woodsworth.]

Mr. HOEY: How long is this investigation to continue?

Mr. BUREAU: They cannot investigate for more than a year, because that is the amount voted. The objection taken the other day when I proposed to have a board was that it might last for years and be a permanent affair. I looked over the debate, and everybody seemed to be in favour of such a board if it was not permanent. We can go on for a year, and if the results do not justify continuing the board, it will be dropped. On the other hand, if the board show results we can come to parliament and ask for the board to be continued for another year.

Mr. CHURCH: I am afraid the result will be that the board will devise new ways of taxing the people, and that instead of relieving the burden of taxation new taxes will be imposed. In the United States, congress has abolished what are called the nuisance taxes, and I hope that when this board is constituted they will make a survey of what is being done in other countries, with a view to lightening taxation in this country rather than imposing new burdens.

Mr. GARDINER: Will it be possible for the information this board gathers to be made available to the members of the House?

Mr. BUREAU: The object is to use all that information to simplify the system of taxation, and the House will certainly have the benefit of any suggestions that are made in the legislation that will be brought down as a result of the information that may be gathered and the recommendations made.

Mr. GARDINER: I take it, then that the actual information will not be made directly available to members of the House, that it will only be available through such legislation as the minister may bring down.

Mr. BUREAU: I cannot say what will be done before the board is in action. I am not going to lay down any line of conduct for them. They are experts, and have the information we want to get. It will all depend on the kind of work they are going to do. The object is to get the best informed men we can.

Mr. GARDINER: This is a new departure for the government of this country. I understand that if this board is to be kept in existence another year, the minister will have to come to parliament for the necessary appropriation. I would suggest to the minister

that if he is going to justify the expenses of this board, the members of this House should certainly have the privilege of getting the information that is gathered, either in the shape of an annual report or something of that nature.

Mr. SPENCER: The minister said these men were all capable and experts. May I ask if he has already made a choice of these officials?

Mr. BUREAU: No choice whatever has been made so far. We were not going to pick out people and engage them until we had the money voted. Now we have the money, we are going to look around for the best men available.

Mr. SPENCER: The minister stated that these men were experts, and I took it that he had already chosen them.

Mr. BUREAU: For fear I may make further mistakes in my English, Mr. Chairman, je dois dire que ceux qui seront choisis connaîtront parfaitement ces questions-là; ce seront des experts.

Mr. GARDINER: That is quite satisfactory, Mr. Chairman.

Item agreed to.

Civil government—Secretary of State—Salaries, $129,395; Contingencies, $25,000.

Mr. WOODSWORTH: What are the details of this item?

Mr. COPP: They will be found on page 75. The staff has been reduced from 88 to 85, and there is a reduction in the expenditure of both salaries and contingencies.

Item agreed to.

Miscellaneous—Expenses under the Canada Temperance Act, $10,000.

Mr. SHAW: What is this for?

Mr. COPP: This amount is voted in case there may be an election. There was one last year, and there will probably be one or two this coming year. The money is required in making preparation for a referendum when it is applied for.

Mr. SALES: Does the government pay the expenses?

Mr. COPP: Yes.

Mr. BUREAU: This is the Scott Act.

Item agreed to.

To provide for the purchase of 650 copies of the Parliamentary Guide, $1,950.

Mr. WOODSWORTH: Would it not be sufficient if this guide were published after every parliament instead of being published annually?

Mr. COPP: I might take that suggestion into consideration.

Mr. BUREAU: It has been published every year since it first came out.

Item agreed to.

To provide for the expenses in connection with the armorial bearings of Canada, $500.

Mr. SPENCER: What is this for?

Mr. COPP: This is to provide for any copies of the coat of arms that may be required by members or others for distribution among public institutions.

Item agreed to.

Civil government—Public Archives—salaries, $68,260; Contingencies, $14,000.

Mr. SPENCER: I understand that a considerable improvement is being made at the archives, and that a new building is being added. Can the minister give us any particulars of what has been done, and the cost?

Mr. COPP: This comes under Public Works. The details have already been given by the minister in charge.

Item agreed to.

Public archives, $75,500.

Mr. SPENCER: What is the total annual cost to this country of the archives?

Mr. COPP: It was $78,000 last year and we are asking for $75,500 this year.

Item agreed to.

Civil Service Commission—salaries, $195,615; contingencies, $60,000.

Mr. GARDINER: When is the increase in this department going to stop? Almost every year since I have been a member there have been increases in this department. It seems to me that instead of increase we should be looking for decreases.

Mr. COPP: There is the same number of employees as last year but there was a very large reduction last year in the number of temporary employees. The staff is now down to 137 the same as last year. The increase in the vote for salaries is due to statutory increases.

Mr. GARDINER. May I suggest the possibility of using this staff to man some other department when it may require help. If that were done a good deal of money would be saved the country.

Mr. BUREAU: You would have to apply to the Civil Service Commission first.

Mr. COPP: The Civil Service Commission is kept pretty busy and is not in a position to lend its staff to any other department. Moreover as my hon. friend (Mr. Bureau) suggests the permission of the commission itself would have to be sought first.

Mr. CHURCH: The Civil Service Commission is not performing the function for which it was appointed and in my opinion the sooner it is abolished the better it will be for good government in this country. It has fallen down all along the line.

Mr. COOTE: I suggest the minister might take into consideration the suggestion made by the hon. member for North Toronto.

Mr. SHAW: When so many suggestions are coming from other sources I suggest to the minister that if instead of abolishing the commission he would strengthen its hands and enable it to be a really efficient instrument for the elimination of patronage from the public service he would earn the grateful thanks of his countrymen.

Mr. STEWART (Argenteuil): I do not think my hon. friend's remarks should be allowed to go unchallenged. The Civil Service Commision has full authority to destroy patronage, and if the government has interfered with its action at all it has been but to a very limited degree. I have found cases where exception has been taken to some of its appointments and in some of the departments over which I have control we may yet have to deal with them. There is undoubtedly too much delay after appointments are made but I think in making the appointments the Civil Service Commission is given a pretty free hand.

Mr. COOTE: I should not like the minister to get a wrong impression from the few remarks I made. I do not want to interfere with the work of the Civil Service Commission, but I think we have enough civil servants at present without appointing any more for a couple of years.

Item agreed to.

[Mr. Copp.]

Department of Public Archives—salaries—Amount required to increase the salary of assistant keeper of public records from 1st July, 1924, owing to the rearrangement and reduction of the staff, $375.

Mr. SALES: How much did this official get before this increase?

Mr. COPP: The salary is $4,200.

Mr. SALES: But before the increase what was it.

Mr. COPP: This brings it up to that amount.

Item agreed to.

Labour—Salaries, $162,355; contingencies, $25,000.

Mr. CHURCH: An amount of $162,000 is being voted for the Labour department and yet that department could not settle a small strike among a few postmen without employing big stick methods. There was a lack of any semblance of conciliation. What is the function of the department; what is it for? The people of Canada want to know whether they are getting value for the money which is being spent on this department. The Minister of Labour may be a good pacificator at the Geneva convention in pacifying Europe but when there is a small strike on in this country of his own poorly paid employees he employs the big stick and fails to use any conciliation or diplomacy as he does over in Europe. In the case of the striking postmen in Toronto he told them "to stay out until hell freezes over." If that is a method of conciliation the Department of Labour employs in industrial disputes the quicker it is abolished the better. In my opinion this particular department, under various administrations, acts first upon the principle of what is good for the party. The interests of labour occupy a secondary place. I have had some experience with the Labour department for the past seven or eight years and when a strike occurs they simply wire to the municipal authorities and ask them to settle it. If ever the people of Canada had occasion to be disappointed in this department it was on this occasion because of the lack of tact and conciliation used in this dispute between the government and a few postmen, a number of whom were returned soldiers, some of them being amputation cases. The main body of the men was composed of veteran employees of a good type who were badly advised to strike, in spite of that they were turned adrift by the Minister of Labour and the Acting Postmaster General, the two great conciliators of all time. I should like to know of one practical instance

where the department ever rose to the occasion and did anything for the working classes of this country. Part of this vote relates to the administration of a new act passed a year ago relating to trusts and combines. If ever trusts and combines flourished anywhere it is in Canada. We asked the other day how many prosecutions there had been and we learned that not one had occurred since the act had been brought into existence by the Department of Labour. I have the utmost respect for the minister himself, he may not be altogether to blame with regard to the trusts and combines but I think the people of this country are expecting to get a little more action for their money than they got from his department in the post office strike.

Mr. MURDOCK: I am under obligation to my hon. friend for the outburst he has indulged in with respect to the postal strike in Toronto. Now, deliberately and with what I believe to be a full knowledge of the facts, I want to state that in my best judgment there would have been no postal strike in the city of Toronto if it had not been for the efforts of the hon. member for North Toronto to bring that strike about. There would I think have been no postal strike in Toronto if it had not been for the efforts exerted by the hon. member for North Toronto (Mr. Church) to bring about a strike. I would very much appreciate an investigation made by this House to ascertain if that statement can be substantiated. I think the hon. member for North Toronto is the gentleman who, unfortunately, as I think, gave the postal workers' committee advice that brought them to the point where they believed a strike should take place. If my hon. friend will look at Hansard for the second day of July, he will see certain questions asked as to what conciliation was used to prevent a postal strike. He will ascertain that this government did not get one intimation from the postal workers' federation indicating their dissatisfaction with the award brought down by the Civil Service Commission until the morning of June 17, when a telegram was received from the chairman of the federation intimating that the postal workers regarded the situation as serious. At once, within an hour, we replied to the postal workers stating that the matter would be considered by the government. At council that day the matter was taken up and the government suggested that the postal workers' committee should come to Ottawa. They came to Ottawa, arriving here on the morning of the 18th June, and they were met by four members of the cabinet who discussed the entire situation with them for several hours. Unfortunately we had to leave them and let them go out on the street alone to meet the hon. member for North Toronto between one and three p.m. of that day.

Mr. ARTHURS: Is it not a fact that for many days before this occurred, the matter was one of public comment by the press?

Mr. MURDOCK: It is a fact, as my hon. friend suggests, that on April 1 or thereabouts, notice was served upon the government that a strike was going to take place on April 15 unless certain things were done. What was done? The government undertook to suggest to the Civil Service Commission —and we have under the law no other authority than to suggest—that prompt and effective steps should be taken to investigate the claims of the postal workers. I am one of the members of the House who believe that the postal workers have had some serious grievances that may not have been adjusted even yet. All steps that could possibly be taken, were taken, to press the proper claims of the postal workers to the consideration of the Civil Service Commission. Hon. gentlemen all know that from early in April until June 9 the Civil Service Commission, the Board of Audit, the deputy ministers and others were handling the matter. The Civil Service Commission made, I think, three recommendations to the cabinet, the third one of which was no different from the first, but which was signed and approved by the Governor in Council and which, in that way, became effective under the law.

Mr. ARTHURS: What about the Board of Audit?

Mr. MURDOCK: The Board of Audit made a recommendation a few days prior to June 9, its recommendation being in fifteen or sixteen classifications of postal workers somewhat higher than the Civil Service Commission's recommendation. If the recommendation of the Board of Audit had found favour with the Civil Service Commission, it is my opinion, which is not necessarily correct, that there would have been no strike. I think the postal workers would have been satisfied if an additional rung in the ladder had been put upon their respective scales of wages which in my judgment, should have been done.

Mr. ARTHURS: Did the minister not agree with the recommendation of council?

Mr. MURDOCK: The Governor in Council agreed to it and as one of the members of the government, of course, I agreed. I am bound to agree. Had the Governor in Council not agreed to it, the hon. member for Parry Sound knows that there would have been no revised wage schedule made effective for the postal workers. There could not be under the law. So the hon. member for North Toronto, in my judgment, gave unfortunate advice to the postal workers, advice that was detrimental to their interests. I would respectfully suggest that if there is any doubt about that, this parliament should insist upon an investigation into all the facts and circumstances in order that we may ascertain all there is to the postal workers' recent strike, which I personally regret as much as any member of this House.

Mr. ARTHURS: The hon. member knows perfectly well that this is about the last night of the session. He is making in regard to the attitude taken by the hon. member for North Toronto, remarks which he knows and I know the hon. gentleman cannot reply to for various physical reasons.

Mr. MURDOCK: My hon. friend will realize that I had no opportunity to make this statement before and I certainly would not have refered to the matter now had the hon. member for North Toronto not invited it.

Mr. CHURCH: If the Minister of Labour (Mr. Murdock) thinks he can get away with a rash and untrue speech like that just at the end of the session, he is very much mistaken. I was not in Toronto the day the strike started, but in Ottawa. I did not hear of the strike until about an hour after it happened. I was never consulted by the men before they went out nor took any part in their action. This just shows how unfair the minister is to me, and, as I said before, how much use his department is to the public service in Canada. We in this
1 a.m. part of the House, this evening, have said little or nothing all night and have been trying to get the session closed up and we have taken very little part in the discussion on the Militia and other estimates. If the minister thinks he can put that kind of talk over in this House, he cannot put it over on me. I was not consulted by the postal workers in Toronto before the strike took place, and when it did occur, I immedately endeavoured to get the parties together. I found, however, that I could not do so, because of the lack of judgment and tact used, and because the Minister of Labour had told the men's secretary that as far as the government of Canada was concerned they could stay out until hell freezes over. Further, the day after the strike the men's committee sent for me to help negotiate for them. And as representing the city of Toronto I did what I could. I have known these men for many years although I was never consulted about the strike or the reason for it. I think the strike was a mistake. If the men had come to me in the first place, I would have advised very strongly against the strike. They went out in Toronto without consulting me and while I was in Ottawa I was positively never consulted before the men struck.

Mr. STEWART (Argenteuil): Did the hon. member give that advice to the committee that he went back to Toronto with from this city on the night they left here?

Mr. ARTHURS: What date was that?

Mr. MURDOCK: The 18th June.

Mr. CHURCH: The strike was on for hours before I got on the train.

Mr. STEWART (Argenteuil): Did he advise the committee not to go on strike then?

Mr. CHURCH: The strike occurred in Toronto at five o'clock. I was in Ottawa. I went back at eleven to Toronto myself, not with the men, although they were on the train. As a conciliator, the Acting Postmaster General is second best to the Minister of Labour.

Mr. STEWART (Argenteuil): That is an unfair statement, because I want to inform my hon. friend that is the information we have and I shall be very glad if he will deny it. I do not think that sort of thing should stand against him. The information that we have—we might as well have it out now—is that that night that was not the kind of advice the hon. member was giving to those men. If he was giving that advice I should be glad to know it and accept his statement.

Mr. CHURCH: I repeat that I never heard of this strike until after it had occurred. I never took any part in the committee's deliberations.

Mr. STEWART (Argenteuil): Did the hon. member not go back from this city to Toronto with the executive committee of the postal employees on the night of the 18th June, and was he not on the train with them when they were going back after interviewing the government?

Mr. CHURCH: I was on the train myself going home anyway. The men did not consult me. I did not know there was a strike on until after it had happened. I took no part in the deliberations. I was not a member of the committee. I did not attend any of the meetings. The train has nothing to do with it. I was going home anyway, was travelling alone. Many people were on the train and a lot of them were talking to the men and I asked them if a general strike was on. The strike had been on they said since five o'clock —it was then nearly twelve.

Mr. STEWART (Argenteuil): I do not want to accuse my hon. friend of this, but he has accused me of using the big stick, and I want to know from him whether or not he did go back with these men on the train that night. I may be misinformed, but I have been told that he did go back with them and that if he did not give them certain advice, at all events he led them to believe that they would have his support if they went on strike. We may just as well be fair on this matter.

Mr. CHURCH: You are most unfair and what you say is not true. I took absolutely no part in the strike, and I did not know there was going to be a strike until two hours after it happened. I never saw the men's committee until six o'clock and they will bear me out. The strike happened at five o'clock in Toronto and I was in Ottawa. I am not going to allow the minister to sidestep the issue. I was not in their confidence. I met them casually in the rotunda of the Chateau Laurier and they told me there was a strike on in Toronto and they could make no headway with the minister. I did what I could to adjust things.

Mr. STEWART (Argenteuil): I am not sidestepping it at all. Will the hon. gentleman—

Mr. CHURCH: I must protest against being interrupted at every sentence without my consent. If there is one minister of the Crown in the present government who interrupts on every and all occasions and unduly it is the Acting Postmaster General (Mr. Stewart). I did not go back with the men, I was going back home myself as I do weekly. Now, to come back to the question under discussion. I reiterate that I never knew of the strike nor took part in it, nor was I ever consulted by the men. The committee acted themselves and of their own volition without consulting me. I did not see the committee until six o'clock. The strike was on at five and I advised them against it. I went to a meeting in the city, on my return for a week end, and in the presence of thirty-five of the men's committee, Mr. Stapells of the Board of Trade being also present. On the second day of the strike—Friday—I advised them strongly to go back at once. I argued with them for an hour and tried to show them the wisdom of this course. They did not like the advice I offered and felt that the advice I was giving them was bad. I can call upon Mr. Stapells, the president of the Board of Trade, who was present at the time, to bear me out in this regard. The men from the days before the strike consulted him, not me. I was not even in Toronto the day of the strike. Let me say that during my association with the council of the city of Toronto I was faced with many a strike in almost every department of the public service and in private enterprises, and I always did everything in my power to prevent strikes and settle matters amicably. My record in the city hall, as the taxpayers of the city of Toronto can testify, has consistently been that of a conciliator, and an advocate of a fair deal for labour. I always did my best to bring about a satisfactory settlement of every strike that occurred during my term of office, and some of the larger strikes that took place in the city of Toronto were satisfactorily adjusted during my regime. The Minister of Labour and the Acting Postmaster General are very much exercised over this matter, but they need not become so heated. Of course, I realize that the Acting Postmaster General has a department of his own to look after that will keep him busy; he has merely taken charge of the Post Office Department as a sort of side line, and has had no experience in industrial disputes. But this is not very satisfactory, for we have had no consideration this session yet of postal affairs nor so far of postal estimates. So far as the strike in Toronto is concerned, it was unfortunate for the men themselves that they took the advice of certain outside leaders and went out, because I think that under the circumstances they should have waited a few days longer. When I was mayor of the city of Toronto the question came up as to the advisability of the men in the post office allying themselves with the union of the United States, and I took a firm stand against it not only in regard to the Post Office Department but in the Police Department and in the Fire Department as well. Colonel Denison, the late

Judge Winchester and I, as Police Commissioners, took strong ground against any affiliation between the police force of our city and the American union but notwithstanding our attitude the men went on strike, and after two weeks we had a hard time inducing them to come back. The same thing happened in the Street Cleaning Department and in other branches as well. But what did we do under the circumstances? We had to use a little diplomacy, because you cannot talk to labour men to-day in the same tone that you could adopt 25 years ago; high-handed measures will not go down with them. If the Acting Postmaster General were better acquainted with the work which he has under his supervision and if he knew more regarding what he is talking about, above all, if he had a little more experience in the handling of a labour situation, he would not wield the big stick as he has done in this instance. The Minister of Labour and some other ministers can take a trip over to the Geneva Labour Convention to pacify Europe, and here we see them absolutely unable to pacify a few postmen. I think it is very unfortunate indeed that some ten or fifteen amputation cases have been let go without any consideration, and something should be done to take care of these men. There is no doubt that the average citizen of Toronto is unsympathetic to men in a public utility going on strike, but we must not forget that some of the returned men among the strikers are in very needy circumstances and have been the victims of unwise advice. But I would urge the government to provide better wages for the men. The government ought to be fair in this matter. They are making $6,000,000 out of the city of Toronto in postal administration and they should certainly be able to afford the men more reasonable wages. The municipal council of Toronto employs some 12,000 men and certainly they could not afford to talk to their men in the way this government has done. We gave those men an eight hour day and fair working conditions.

The CHAIRMAN (Mr. Vien): Order. The item under discussion is No. 22 relating to salaries and contingencies and the hon. member is out of order in discussing the strike.

Mr. CHURCH: I do not intend to transgress the rules, Mr. Chairman, but as the charge has been brought against me of influencing these men I think it is only fair that I should be given an opportunity to repudiate it. Having said this, I will resume my seat.

Item agreed to.

[Mr. Church.]

Printing bureau—Plant, new, $37,500.

Mr. MURDOCK: This item is $28,500 less than the vote of last year. There is in a large plant such as the Printing bureau a permanent necessity for the renewing of certain machinery and this estimate is to meet these purposes.

Mr. MEIGHEN: The government took the vote last year to build a new bureau. Was anything done in pursuance of that?

Mr. MURDOCK: No.

Mr. MEIGHEN: Surely these men are not labouring under the dangerous conditions which the minister pictured at that time?

Mr. MURDOCK: The situation now is practically the same as it was then.

Mr. MEIGHEN: Then I take it the minister has decided that the opposition of that day was right.

Mr. MURDOCK: No, I have not so decided. Personally I think it would be better to go ahead but the desire to spend as little money as possible and try to get along under the circumstances explains the situation.

Mr. MEIGHEN: It is a case of the rest of the government coming to the point of view of the opposition and the minister being dragged along unrepentant.

Mr. MURDOCK: No; I do not expect and never have expected to have my own way.

Item agreed to.

Miscellaneous printing, $20,000.

Mr. SPENCER: Explain.

Mr. MURDOCK: This is to cover the cost of printing and binding all books or publications issued by order of either or both houses of parliament or of any department.

Item agreed to.

Miscellaneous—To provide for compassionate allowance to the widow of the late Harry G. Andrews, $1,080.

Mr. MEIGHEN: Was Andrews killed while in the government service?

Mr. MURDOCK: He had been in the department since it was established. He was suffering from tuberculosis, and before we could retire him he died. This is to give the widow the benefit of his allowance on retirement.

Mr. MEIGHEN: I understand there is no item in this year's estimates for the new Printing bureau?

Mr. MURDOCK: None whatever.

Item agreed to.

Public Works—Chargeable to income—Sorel—Reconstruction of high level wharf, $30,800.

Mr. MEIGHEN: Last year the vote was $14,500. This is a very high wharf all right.

Mr. KING (Kootenay): This is to continue the work of reconstruction in concrete. It was commenced in 1920. Last year we spent $14,345.24. The wharf is in very poor shape. The Marine department asked that it be rebuilt.

Item agreed to.

Public Works—Chargeable to collection of revenue —Telegraph and telephone lines, $921,500.

Mr. BLACK (Yukon): There is one amount of $273,500 in this item that even at this late hour, at this late date in the session concerning which I must make some remarks. The Yukon telegraph system is a hardy annual. It ought to have disappeared to a large extent from the estimates some years ago. For the year ending March 31, 1923, the item was $255,564, for the year, 1924, it was $277,000; for the year ending March 31, 1925, it is to be $273,500. Last year I pointed out to the government that by installing a couple of wireless stations, one at Dawson and another at Mayo, and abandoning the land line from the Yukon boundary south the government could save in the first year $175,000, and each succeeding year $200,000. In these hard times that is too much money to overlook. I also pointed out last session that over $150,000 of this item is charged up to Yukon that has nothing whatever to do with the Yukon service. For the year ending March 31, 1923, the cost of maintaining the lines in Yukon was $41,858, and half the cost of the line in British Columbia $65,147; there was properly chargeable to Yukon not more than $107,000 instead of $255,000. That is $148,000 was charged up to Yukon which had nothing to do with the territory whatever. Take some of the items, Ashcroft-Lillooet, $2,065; 150-mile House—Bella Coola, $5,919; Hazelton-Prince Rupert, $34,743; Terrace-Stewart, $16,598. None of this expenditure had any more to do with Yukon than if the line it covered were in Prince Edward Island.

Mr. McBRIDE: Where do you get your Yukon line connected up with the outside world?

Mr. BLACK (Yukon): With the main telegraph line. But you would not charge the telegraph line in Nova Scotia against Yukon just because we have telegraphic connection with Halifax.

Mr. McBRIDE: Was not that main line built for Yukon in the first place?

Mr. BLACK (Yukon): Yes. I say charge part of the cost of the main line to Yukon, but where you have in British Columbia branch lines with a mileage many times greater than the main line, and out of all proportion to the length of line in Yukon, why charge all the cost of the service to Yukon any more than you would charge the transcontinental telegraph line from Halifax to Dawson city to Yukon. It would be just as reasonable to charge that to Yukon as to charge the line from Prince Rupert to the main line against the Yukon Territory. Moreover the total cost of the branch lines in this item is $71,300, which branch lines have nothing whatever to do with Yukon. Last year I pointed out the absolute waste of money in the duplicate telegraph lines from Fort Fraser to Prince Rupert. There you have the old government telegraph line parelleling the Grand Trunk Pacific Railway telegraph line.

Mr. KING (Kootenay): That has been partly attended to. We have abandoned and handed over to the Canadian National a portion of these lines.

Mr. BLACK (Yukon): I hope it will show in the next year's estimates; it does not show this year. That entails a duplicate line for 159 miles and an expense of $50,000. Evidently no saving is anticipated this year. Take another item charged up to the Yukon, the superintendent's office at Vancouver, involving an expenditure of over $12,000; in the last Auditor General's report it appears as $14,470. The mileage of this line is as follows: The main line in the Yukon is 511 miles and there is a short branch line of 60 miles, a total mileage in the territory of 571, whereas the line in British Columbia is 1,226 miles long and the branch lines in British Columbia 1,491, making a total mileage in British Columbia of 2,717 as against 571 in Yukon Territory, and a total length of line in Yukon Territory and British Columbia of 3,288 miles. The mileage in Yukon is less than one-fifth of the total, yet the territory is charged with the whole cost. After all that is not the main point. The line is not self-sustaining; it is being kept up by public money. It is maintained by taxation. It is not necessary to abandon the service. The parts I advocate cutting out produce no

business and are most expensive to maintain. The government could improve the service and save money. I would suggest that the government would be well advised in combining or co-ordinating the government services of communication, that is, telegraph, telephone and radio, and getting them all under one management. At present the Departments of Public Works, National Defence, Marine and Fisheries, Interior and Railways are all in the telegraph, telephone and radio business, each running a show of its own.

Mr. STEWART (Argenteuil): My hon. friend is not quite correct. We did vote the money for the Yukon service, that is, for construction of the radio equipment, but it is operated by the Defence department.

Mr. BLACK (Yukon): The Department of the Interior is in the telegraph business, it is true, to a less extent than the Departments of Public Works, Defence, Marine, and Fisheries or Railways. But these departments are all in it in an extensive way and there is duplication of effort, duplication of expense and overlapping of service which results in huge unnecessary expenditure. Up in the Yukon Territory the Public Works department are running a land line, and the Department of the Interior find the money with which the Department of National Defence operates the wireless. The wireless in the Yukon is a boon to the people up there, but even it is unnecessarily expensive. A return to the House shows that to establish those two stations, one at Dawson and one at Mayo, the cost was $11,438 for the Dawson station and for the little temporary station at Mayo, $8,621. At Dawson they have four men running that little wireless station, a superintendent, two operators and an engineer, and at Mayo they have two operators and an engineer, whereas one man in each station would be quite sufficient. At present in Dawson City they are maintaining both wireless and telegraph stations and a duplicate staff. There is no reason why employees of the wireless service cannot handle the telegraph offices as well. Thousands of dollars could be saved on that one item alone. The through business could all be handled by wireless; there is no need for duplicate staffs at Dawson for the local business. They could discontinue the land line north of Forty mile in Yukon and use the wireless at Dawson for Alaska business. Turn that northern telegraph line from Dawson to Forty mile into a telephone line and hand it over to the mounted police to be used in connection with their detachment.

I understand that the Department of National Defence or the Department of Marine and Fisheries are installing a continuous wave set at Prince Rupert which can reach Dawson, and Dawson has power enough to reach Prince Rupert. If they have not, then build another wireless station at Whitehorse. The government is installing wireless stations throughout the Northwest Territories and Dawson and Mayo will be in communication with them. With wireless to Prince Rupert and through the Northwest stations to Edmonton, Calgary and Winnipeg they will have a splendid service. They do not get good service at present from the land line. For instance, on one stretch of that land line last winter, from Telegraph Creek to Hazleton, the wire was down in December for 25 whole days, which means that it was out of business continuously during that period. In January it was down 13 days and in February, 6—and that does not include the days it was down and up. The government should abandon that stretch through the wilderness which is so expensive to maintain and earns no revenue. Turn the line over, if you like, to local people for a telephone system and use the wire in the Yukon for local service, with a mileage of less than 600 miles and use the wireless for through business, thus effecting a saving of upwards of $200,000 per annum. The average cost to the country at present is $275,000. If that was done you would have more money for legitimate grants. Reduce this unnecessary expenditure on the telegraph line and put the money into roads to the mines, which are the greatest aids to development in that country.

Mr. KING (Kootenay): My hon. friend complains of the wording of this item—"Yukon system, Ashcroft-Dawson." That phraseology has been used from the time of the establishment of this line and I do not think there is anything offensive about it. It is known as the Yukon system starting from Ashcroft and going north. However, if it would please my hon. friend to have it read "British Columbia and Yukon system" next year, we could put it that way. In regard to the co-ordination of the service I may say that a committee of the Departments of Public Works, National Defence, Railways and Marine have gone very carefully into the matters of duplication and their report has been filed. With one or two exceptions it was found inadvisable to combine the services of these departments. The militia service is for militia purposes. I do not think we would be wise in handing the system over to the

National railways. The systems of telephones and telegraph services in Canada was not built with a view to making a profit but rather to give service to certain sections of country that could not be served by private interests or by those who would take the work up with a view to making a profit. We have transferred some of our lines especially along the Grand Trunk Pacific, to the Canadian National and we have been relieved of expense in that connection. The suggestions made by my hon. friend as to savings are not new; in fact, they are fairly well worked out in the department. I was in hopes that we might cut this vote this year, but that is not possible. There is a large section in between Atlin and Whitehorse that is uninhabited except in and about Atlin and that section requires to be served. Then there is a section about Mile 47 in the Yukon where the maintenance of telegraph and telephone lines and wireless would not serve the people and I am advised that a telegraph and telephone service will have to be maintained within that area. The matter is receiving the attention of the department. I had hoped we would be able to make a considerable reduction this year, but it was not possible. I hope it may be next year.

Item agreed to.

Alberta—Dominion public buildings—Improvements, repairs, etc., $17,000.

Mr. SPENCER: Has the government decided to do anything with regard to building a new post office at Calgary?

Mr. KING (Kootenay): We have not made plans for early construction.

Mr. SPENCER: What is the rent being paid for the temporary offices?

Mr. KING (Kootenay): We will come to that under the vote for rentals.

Mr. GARLAND (Bow River): Is there any prospect, in the near future, of the completion of the post office building in Calgary?

Mr. KING (Kootenay): We have consolidated our offices there, and no doubt in time the government will be required to put up a building there. It would be a rather expensive building, and we will carry on for the time being as at present.

Mr. GARLAND (Bow River): Have we not already purchased the site?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): What are the taxes paid annually on that site?

Mr. KING (Kootenay): None.

Mr. SPENCER: Have plans and specifications been prepared for the new post office?

Mr. KING (Kootenay): There were plans prepared some time ago.

Item agreed to.

Experimental Farms—new buildings, replacements, repairs and improvements, etc., $200,000.

Mr. GARLAND (Bow River): I notice an increase in this item. What is the explanation?

Mr. KING (Kootenay): This amount is required towards the construction of new buildings, additions and alterations, at the several experimental farms, at Charlottetown, Kentville, Nappan, Fredericton, Goderich, Lennoxville, Morden, Brandon, Indian Head, Rosthern, Scott, Lethbridge, Lacombe, Summerland, Agassiz, Invermere, and Sydney.

Item agreed to.

Installation of fuel saving devices for public buildings, $12,000.

Mr. GARLAND (Bow River): Is this a revote, or are we continually putting in fuel saving devices?

Mr. KING (Kootenay): We have been installing these in various places, and the reports from our janitor service are that the devices are very good. They are installed now in some forty or fifty buildings. The device is not only effective in saving fuel, but relieves the smoke nuisance to some extent.

Item agreed to.

Flags for Dominion Public Buildings, $5,000.

Mr. SPENCER: Is this a revote or an annual charge?

Mr. KING (Kootenay): This is an annual vote.

Item agreed to.

Ottawa public buildings and grounds—Water, $45,000.

Mr. GARDINER: Are we paying more for water, or using more of it?

Mr. KING (Kootenay): This amount is required to pay the corporation of the city of Ottawa. We are buying water on a meter basis. The charge is 13 cents per 1,000 gallons for the first two hundred million, and 10 cents for each 1,000 gallons over and above that. The expenditure last year was $39,335.

Item agreed to.

Yukon public buildings—Rents, repairs. fuel, light water service and caretakers' salaries, $40,000.

Mr. SPENCER: What is the explanation of this increase of $13,000?

Mr. KING (Kootenay): When the estimates were made up to the amount required $40,000, we found that the foundations of the administrative building and the post office building had gone bad and were in need of repair. Since the estimate was made up. as a result of further inquiry, we have decided not to repair the post office building, and I am asking the Acting Postmaster General to move to reduce the estimate by $5,000. After this year there will be a consolidation of the post office, telegraph, customs and administration branches in one building. It is necessary to vote $35,000 for maintenance and repairs of the administration building.

Mr. GRAHAM: I move that the vote be reduced by the sum of $5,000.

Amendment agreed to.

Item as amended agreed to.

Hull—Public building—Government's share of cost of local improvement, $2,204.

Mr. SPENCER: Would the minister inform us what the government's share of the cost of local improvements is?

Mr. KING (Kootenay): This is to provide for the government's share of the cost of local improvement by the municipal authorities in front of the public buildings on Main street, Hull.

Item agreed to.

Ottawa—Paving Connaught place, $20,000.

Mr. GARDINER: Will the minister explain this item?

Mr. KING (Kootenay): Connaught place is in a very bad condition. We cannot get any assistance from the city in making repairs. On both sides it is government property, and this is to carry out the work.

Mr. SHAW: Will it be done by contract?

Mr. KING (Kootenay): Yes, the work will be done by contract.

Item agreed to.

Port Colborne—Public building, $35,000.

Mr. HOEY: Will the minister explain this item?

[Mr. J. H. King.]

Mr. KING (Kootenay): The construction of the canal has necessitated the tearing down and removal of the post office. This vote is for the purpose of rebuilding the post office.

Item agreed to.

Pigeon River bridge—Immigration office, $3,500.

Mr. SPENCER: Is that for repairs?

Mr. KING (Kootenay): This money is required for erecting a building for immigration purposes at Pigeon River on the international boundary. It will be a one storey frame structure and will be located on property leased by the Department of Customs and Excise from the province of Ontario. The erection of this building was asked for by the Department of Immigration and Colonization.

Mr. GARDINER: Is there much immigration coming in through that port at the present time?

Mr. KING (Kootenay): I think there is a considerable movement back and forth.

Item agreed to.

Ottawa—Rideau Hall—Alterations and improvements, $13,900.

Mr. SHAW: In addition to this item in the supplementaries there are two other items for Rideau Hall in the main estimates. What is the trouble with Rideau Hall that it requires such an expenditure every year?

Mr. GRAHAM: It is an old historic building.

Mr. KING (Kootenay): This is for an improvement in the heating system by the substitution of three new self-feeding boilers for the ten existing hot-water boilers. The heating system is obsolete and very expensive. There are ten furnaces scattered through the building. It is proposed to take out the smaller furnaces and install these self-feeding boilers, and to complete improvements to the palm room.

Mr. CAMPBELL: In respect to Rideau Hall, in addition to the item of $13,900 in the supplementaries, there are two items of $60,000 and $19,000 in the main estimates, making over $90,000 for repairs of one kind and another. It hardly seems that there is any justification for such an amount of money as this to be expended.

Mr. KING (Kootenay): I have already explained to my hon. friend the items in the supplementary estimates. If he wishes a further explanation regarding the main estimate which is passed, we will look it up.

Mr. CAMPBELL: There is $92,000 altogether in the estimates for Rideau Hall this year. How much was spent on this building last year?

Mr. KING (Kootenay): One item is for fuel, $19,000. The item we passed a few minutes ago was for replacement of the furnaces. The third item is for maintenance of grounds and care of the building, fuel, light, the usual items.

Mr. CAMPBELL: Some day we shall have to face this situation and face it fairly. I know that a member is liable to be misunderstood and put in a false position in attacking these estimates. But the position of the Governor General is, after all, a purely social one, and the time is nearly here when we have to face the situation and endeavour to cut down this expenditure. I wonder if the government, when the time comes for the appointment of a new Governor General, would suggest to the Imperial authorities that they confer whatever powers go with the position of Governor General on the Chief Justice of Canada.

2 a.m.

Mr. MARTELL: I rise to a point of order. This is not the time to discuss the question whether we should have a Governor General sent over from the Old Country or whether the Chief Justice of Canada should be given those powers. This item has been already passed, and in any case every Canadian wants to see the Governor General put in a position to discharge his duties in a manner that will be in keeping with the dignity of the high office he occupies.

Mr. CAMPBELL: The hon. member is not speaking for all Canadians. I am a Canadian and I come from the same part of the country as he does. I look forward to the day when we shall not have to bear all this expense. It is not that I object to anybody being sent out from the Old Country. I simply want this position conferred on somebody who is designated here, for instance, the Chief Justice of Canada, who could fill the essential part of the position. The social end of the position could very well be done away with.

Item agreed to.

Experimental farms—new buildings, replacements, repairs, improvements, etc.—Further amount required, $24,000.

Mr. GARDINER: I thought that in the main estimates we had provided enough money for experimental farms.

The CHAIRMAN: This is Public Works.

Mr. KING (Kootenay): This is to complete the payment on three contracts at the Central Experimental Farm which could not be completed during the year 1923-24.

Mr. GARLAND (Bow River): Why could this not have been provided for in the main estimates?

Mr. KING (Kootenay): When the main estimates were made up, it was hoped that the work would proceed so rapidly that we might pay these contracts from last year's vote. That did not happen and the vote of last year lapsed.

Item agreed to.

Harbours and rivers—Nova Scotia, $233,480.

Mr. MEIGHEN: What is the explanation of the supplementaries containing, I think, even more than the main estimates? Was there a rebellion in Nova Scotia?

Mr. DUFF: Secession.

Mr. MEIGHEN: I am led to believe that, because the hon. member for Lunenburg stands very well in the front line.

Mr. DUFF: Where else would the right hon. member expect me to be?

Mr. MEIGHEN: Nowhere else when it comes to getting things done for his constituency. As regards the item "Lunenburg-dredging—further amount required, $30,000," is this for the purpose of the boat race? I notice a number of wharves in this list, many of them new. It seems to me there has been a flank attack from Nova Scotia.

Mr. KING (Kootenay): I think the supplementaries are much less than they were last year and much less than they usually are.

Mr. MEIGHEN: For Nova Scotia?

Mr. KING (Kootenay): Yes; all through. The item for Lunenburg is to continue dredging in the harbour in order to provide berthage for schooners that frequent that harbour in the fishing trade. This item will permit us to continue this work which is quite extensive, but which is essential.

Mr. SHAW: There seem to be some familiar names in this list. I notice some that are of annual recurrence apparently. What is the necessity for wharf renewals and repairs at Kingsport involving an expenditure of $18,000, and why was that not in the main estimates?

Mr. KING (Kootenay): It is a new item. This is an important wharf being the terminal of a railway system, and it is used very extensively for the shipment of apples and potatoes. It is absolutely essential to the community. It was hoped that we could carry it along for another year, but it was found dangerous for trains to go upon, and this expenditure is strongly recommended by the district engineer.

Mr. SHAW: May I ask in the words of Sir Richard Cartwright: "Is there a cove forgotten?"

Item agreed to.

Harbours and rivers—New Brunswick, $38,100.

Mr. DOUCET: The appeal I made some time ago along with a letter written to the minister on the 26th May last did not bear very much fruit. It is the only item that was asked by me in connection with my constituency. It has been under discussion for the last four years. My predecessor for three years suggested and urged that the department should build a protection at Maillet's Gully or Ruisseau des Millets, Buctouche bay. The minister has been very lavish in his expenditures on buildings, bridges and various other public works throughout the country but he has not provided even a small vote for the necessary protection in this county. and I fear that this will only convince the electors of my constituency that the threat made by the party organ in the by-election campaign has been implemented. That organ expressed the view that it was unwise to oppose the election of a supporter of the government as the defeat of the government candidate would be a notice to the federal authority to quit work in that county. And this is in keeping with the promises of the Secretary of State (Mr. Copp) who declared that if the electors of that county wanted a building from the present administration they should return my opponent, Mr. Bourgeois. The action of the government in ignoring the constituency in these estimates will only convince the people that the pork barrel system was invoked for the purpose of securing support for the government candidate. If it is to late now to include a vote in the estimates this session I hope at least that the government, at the next session, will bring down an estimate to give to the people of that county the protection that is needed. Whereas some of the neighbouring provinces are getting votes of eight and nine hundred thousand and, in the supplementary estimates, $230,000 odd, the province of New Brunswick gets only some $30,000, and a small vote of ten or twelve thousand dollars which would provide the protection necessary for the fishing industry in that section of the coast line is entirely omitted.

Item agreed to.

Quebec, Pentecost river—Dredging, $40,000.

Mr. SPENCER: Why is this not included in the main estimates?

Mr. MEIGHEN: Is this in the county of my hon. friend from Charlevoix-Montmorency (Mr. Casgrain)?

Mr. CASGRAIN: No, it is not in that county.

Mr. MEIGHEN: It will be in the hon. member's constituency after the redistribution goes into effect.

Mr. CASGRAIN: I was not consulted in regard to the item but in any case it will be so much less that I shall have to do myself.

Mr. WOODSWORTH: I notice in this vote for Quebec there is provision for river bank protection on the Gatineau. What is the policy of the government with regard to the protection of river banks?

Mr. KING (Kootenay): This is for the protection of government property. We have booms in that vicinity and the vote is recommended by the district engineer.

Mr. WOODSWORTH: What are the booms for?

Mr. MEIGHEN: I do not understand this myself. What is the government doing with booms?

Mr. KING (Kootenay): For a number of years the government has maintained a system of slides and booms in connection with the various lumbering operations. A toll is collected and goes to the maintenance of these booms. The slides under the bridge crossing the Ottawa are under the control of the department for example.

Mr. WOODSWORTH: Is this a free gift to the logging companies?

Mr. KING (Kootenay): No, a toll is charged. This policy was adopted many years ago. The charges are settled by order in council and are revised from year to year.

Mr. SALES: Are these works self-sustaining?

Mr. KING (Kootenay): Some are while others are not.

Item agreed to.

British Columbia—Harbours and rivers, $68,000.

Mr. WOODSWORTH: I want to know something about the government's policy on river bank protection. We have had considerable trouble with the erosion of the river banks on some of the prairie rivers. We have been told that the federal government could not assume responsibility, but I notice an item, "Columbia river below Burton, bank protection." Is it the policy of the government to afford protection of river banks in one province and not in another?

Mr. KING (Kootenay): No. Generally speaking, the government does not spend money unless government property is in danger. That is the first consideration; but other considerations arise from time to time, and where the public interest is affected the policy is that those people along the river bank who are primarily interested in its protection should bear the first cost within their means; where the cost is too large for the individual the municipality should step in, then the provincial government and last the Dominion. We are not doing very much bank protection work unless we have the municipality and the provincial government contributing.

Mr. WOODSWORTH: Is some government property concerned down near Burton?

Mr. KING (Kootenay): No, this is to save repeated dredging owing to the bank sliding into the river. It is in our own interests to do the work.

Item agreed to.

Public Works—Chargeable to capital—Public buildings—Canadian office in London, England—Further amount required, $289,000.

Mr. SHAW: Will the minister give the details of this vote?

Mr. KING (Kootenay): A sum of $132,000 is required in case exchange is against us; the other details are—Architects's fees, $29,000; clerk of works, $2,000; legal charges $1,946; ground rent $13,894; maintenance charges, three months $4,659; contingencies, $45,119.

Mr. CAMPBELL: What is the total capital investment?

Mr. KING (Kootenay): In sterling it amounts to £300,000. In dollars and cents at normal exchange it will be about $1,500,000.

Mr. CAMPBELL: What is the annual cost of maintenance?

Mr. KING (Kootenay): About $18,639.

Item agreed to.

Harbours and rivers—Quebec harbour improvements, $500,000; Toronto harbour improvements—Further amount required, $178,000.

Mr. SALES: May we have a little explanation of this? I was under the impression that the harbour commissioners attended to improvements.

Mr. KING (Kootenay): No. The government entered into an arrangement in 1913 or 1914 with the city of Toronto and the harbour commission to carry on certain undertakings in the harbour. We found that if we did not increase the item of $400,000 in the main estimates there would be a loss to the government of about $40,000 for rental of plant, insurance, and staff and office expenses. So I am asking for $178,000 more to carry on the work.

Mr. HOEY: Has the minister any explanation of the Quebec item?

Mr. KING (Kootenay): This amount is required toward the following work: The initial development at the Fly Bank commences at a point a little more than a mile from the Champlain market and consists of deep water berths for ships of the largest size; two additional berths for ships of 600 feet in length and a berth for lake boats for unloading grain. The situation at Quebec is changing very rapidly. It is a landing point now for large liners carrying passengers. The larger steamers of the Canadian Pacific, Cunard and other lines find that it is safer for them to land their passengers at Quebec, and there is no space for other lines desiring to make that their port of entry on this side of the Atlantic. The matter has been brought to the attention of the government throgh a letter from the Shipping Federation of Canada, from which I quote as follows:

1. Whereas the accommodation at the port of Quebec for the larger class of vessels is entirely inadequate, and the draft of water available will not permit using ports above Quebec, and

2. The berths available for ocean going vessels at the port of Quebec are now all allotted for the coming season of navigation and accommodation is unavailable for any other vessels which may desire to trade to Quebec, and

3. At the present time a large passenger liner company is seeking accommodation for its vessels at the port of Quebec and none is available, and

4. Fully two-thirds of passengers and cargo arriving at the port of Quebec is destined to other provinces in the Dominion, and

5. The St. Lawrence route is the principal artery of the trade and commerce of the Dominion, and any trade diverted to ports to the south of us through failure to provide adequate accommodation would be a national loss, and

6. The government have already spent large sums of money in improving our aids to navigation, and the increased trade which has resulted therefrom during the past twenty years has fully compensated the country for the expenditures made.

The memorandum goes on to set out the advantages of this port for the larger passenger liners and also states that other liners would come if accommodation could be secured. The Quebec Harbour Commission have been carrying on the work of developing the port of Quebec and if this further improvement is carried out legislation would eventually be brought down in order that they might be enabled to go on. For this year we are asking for this vote in order that the Department of Public Works may confer with the harbour commission and carry out certain preliminary works. The suggested improvements have the support of Sir Henry Thornton, of the Canadian National, and, Mr. Beatty of the Canadain Pacific, which are large users of this port; also of the Shipping Federation of Canada.

Mr. GARDINER: Will these improvements come under the control of the harbour board when completed?

Mr. KING (Kootenay): I think they should, yes. The vote for this year is to carry on and to come to conclusions with the harbour commission as to the nature and extent of the development. I should think that legislation would probably follow.

Mr. GARDINER: Is it going to cost this country half a million dollars to come to conclusions with the harbour board?

Mr. KING (Kootenay): No.

Mr. GARDINER: I do not think the minister has given an adequate explanation. Do the harbour board pay the interest on the loans already made by the federal authority?

Mr. KING (Kootenay): I have not that knowledge. The Public Works department have done a considerable amount of work at the port of Quebec. If we find the conditions urgent we may start certain works there this year.

Mr. CAMPBELL: We are spending money upon improvements with a view to the development of Quebec harbour and at the same time we are putting up an artificial barrier against that very development in the form of grain rates that are discriminatory against the port of Quebec. Let me quote some of the rates: From Goderich to Halifax, 1,305 miles, 12¼ cents a bushel; Armstrong, on the Transcontinental, to Quebec, 959 miles, 20.7 cents a bushel; on the prairie, from Edmonton to Port Arthur, 1,305 miles, 15.6 cents a bushel. I had intended to deal with this matter very fully, but on account of the lateness of the hour and the desire to wind up the session I shall not do so. It is my intention, however, to bring the matter up next session. Something should be done in regard to these rates. We in the West want to use the port of Quebec for shipping our cattle, because the facilities at Quebec are very much superior to those provided at Montreal. It has been figured out by representatives of the United Grain Growers who sent a trial shipment of cattle through that port last year that there was actually a saving of $5 per head on cattle shipped through Quebec. It takes less time to get there—the saving in time was about 18 hours. But we cannot use that port for our cattle unless we are able to ship some grain there and the rates in effect on grain are simply prohibitive; it is impossible to have any grain go forward under the present condition. I have given this question a good deal of study and it seems to me that there are some influences at work which are preventing us from using the port of Quebec. I am sorry the hon. member for St. Lawrence-St. George (Mr. Marler) is not here to-night; I do not like to raise this issue in his absence. I will reserve some remarks I had intended to make until some time he is here. But it seems to me that the steamship combine on the lake —because after all it is a combine—must have something to do with it. There is a considerable saving in insurance in shipping from Quebec. I understand that a large part of the insurance rate between Montreal and Liverpool is based on the risk on the St. Lawrence river, and that is overcome when you reach Quebec. We in the West are anxious to use Quebec for our cattle; it seems to be the only hope we have of developing any cattle trade in the Old Country. With the present rates, however, it is impossible for us to develop that trade. When we secured the lifting of the embargo in the Old Country we thought a considerable cattle trade with England would then develop, but we see now that it is impossible.

Mr. STEWART (Argenteuil): Why say it is impossible?

Mr. CAMPBELL: Well, it does not pay. In connection with the shipment that was sent to the Old Country last year through the

port of Quebec, the United Grain Growers had to make arrangements with a vessel leaving Montreal to stop at Quebec and pick these cattle up, and I understand that it was necessary to put up a bonus of $600 to have that vessel put in at Quebec. They have to pay the additional rate from Montreal, including insurance, and until their shipments of grain can be made from Quebec it is impossible to make up mixed carloads, and that is what we want to do. It is this discriminatory freight rate that is preventing us from using the port of Quebec. I am sorry it is so late, because I should like to quote some figures in support of my argument.

Mr. STEWART (Argenteuil): Does my hon. friend mean that a ship would have to take grain as well as cattle to make up a carload? Is that the difficulty?

Mr. CAMBPELL: Yes. It is impossible for a vessel to take a straight cargo of cattle, because the vessel needs ballast and has to be loaded below with grain. The cattle are put on the decks. But if we could make up mixed shipments at Quebec, we could use that port for our cattle, but we cannot do it so long as this discriminatory freight rate is in effect. Some may say that the railways would lose money carrying our grain to Quebec at the prevailing prairie rates, but an examination of railway statistics will prove that the railways are making money handling our grain at these rates and any fair unbiased person studying the figures must admit that.

There is also another very important factor. I secured some figures a short time ago from the Canadian National showing the tonnage out of various divisional points between Winnipeg and Port Arthur on the main line of the old Canadian Northern, and also between Winnipeg and Quebec on the transcontinental. The average tonnage from Winnipeg to Port Arthur via the old main line is 2,600 tons, while the average from Winnipeg to Quebec is 3,205 tons; in other words, the same engine and train and crew can handle 25 per cent more between Winnipeg and Quebec, and yet we have a rate which is about double that applying to Port Arthur. Is there any reason for that? The minister mentioned Sir Henry Thornton as giving his approval to this expenditure. I wonder if he would give his approval to the removal of this discriminatory rate on grain. I wrote Sir Henry Thornton early in the session and asked for an interview to discuss this matter, but I have not been able to secure an interview; I do not know why. This is a very serious matter and I would strongly impress on the government the necessity for discussing it with Sir Henry Thornton and see if something cannot be done. I am not pleading for Quebec. Many hon. members know more about it than I do, and are better qualified than I to put its claims forward, but I do say, speaking from the standpoint of the farmers of western Canada, we want to use that port, and we must use it if we are going to develop any cattle trade at all. This is the key to the whole situation. Get rid of that discriminatory rate and I will wager that inside two or three years we will be shipping three times the number of cattle to the Old Country that we are doing to-day.

Mr. LAPOINTE: I am pleased at the remarks of my hon. friend from Mackenzie. There is no doubt that the shortest distance between the West and the St. Lawrence river and ocean ports from Winnipeg to Quebec over the Transcontinental, and the very arguments which my hon. friend has just brought forward were advanced years ago by the representatives of the West in the House of Commons and in the Senate. The same arguments have been advanced also by the Quebec official bodies, but there has always seemed to be somebody or something between to prevent the wishes of both Quebec and the West being realized. I sincerely hope, and I am going to do my best, so far as I am concerned, to see that justice is done in that regard.

As far as this particular item is concerned. I must say that it is rather at the request of the Shipping Federation the big trans-Atlantic lines, including the Canadian Pacific and the Canadian National, that these preliminary works are being undertaken. The accommodation at the port of Quebec needs enlarging. New shipping lines have adopted Quebec as their terminal this summer, and one shipping line has been refused accommodation because there was not space available. The tendency is for the tonnage of vessels to increase, and the larger vessels cannot go further than Quebec on the St. Lawrence river. It is the deep water port, and it it necessary for the development of the St. Lawrence that greater accommodation should be provided for the largest vessels. It cannot hurt Montreal in any way. Quebec is rather the complement of the port of Montreal, and that is what the most of the newspapers in the city of Montreal have said in that regard. The Shipping Federation is demanding that these works should be carried on. The amount will have to be determined when all the

plans are prepared and the preliminary works are executed. That is the reason why the Department of Public Works has placed this amount in the estimates. It is in prevision of the legislation which parliament will be asked next session to enact in order to execute the works which are asked for and which are needed at the port of Quebec.

Mr. MEIGHEN: Is this to initiate a new harbour?

Mr. LAPOINTE: It is to build new piers in the harbour.

Mr. MEIGHEN: In the present harbour?

Mr. LAPOINTE: Further on.

Mr. MEIGHEN: That is the point. Is this to improve the present harbour or to initiate a new one?

Mr. LAPOINTE: The present harbour cannot be enlarged at the spot where it is. This is a little further up the river, but the government has already acquired all the shore and all the lands necessary for these works. This is not a new plan by any means. All the lands are the property of the government and were acquired for this purpose years ago.

Mr. MEIGHEN: How many years?

Mr. POWER: Years and years ago.

Mr. MEIGHEN: How many?

Mr. POWER: When the right hon. gentleman's grandfather came to this country he landed where the harbour we are trying to develop is now. After that, when the Tory party came into power in 1911, for some reason or other, on the advice of engineers who probably at that time were right, they decided to dig up the St. Charles river instead of building where God Almighty intended the harbour to be, along the St. Lawrence river. It is the same place where General Wolfe landed. We are trying to build the harbour in the natural place for it. Along the St. Charles river the extension would have had to be up a creek, instead of along the great St. Lawrence river. On the right hand, as I look to my right hon. friend—I do not know whether he can follow my gestures—there is a great big bay, from under the Chateau Frontenac—which probably my right hon. friend knows better than he knows the voters underneath—up towards Sillery. There has been since 1911, and long before, a scheme for its development. It is all deep water, and there is no necessity for dredging there year after year. It will make a perfectly safe harbour, free from wind and tide and other nautical contingencies. I would ask the right hon. leader of the opposition if he does not wish to help Quebec. I know he is sincere, it is one of the things I like him for. Even if he fights he fights in a fair manner. I want him to fight for this project because he has considerable influence in the country. If his opinion is adverse to this proposal we must seek to change his point of view. I ask the right hon. gentleman not to look at this question from a sectional point of view but to look at it from the national standpoint. We must not forget that Quebec was the original port for the whole of Canada. Some hon. members passed through Quebec when they landed in this country. Others did not, but that was their misfortune; they did not see the best city in the whole of Canada. I hope those hon. members from the material West who have materialism inscribed on their banner, and who are willing to make materialism their god, will have some sympathy left for old Quebec. I hope they will give us the credit of trying to develop the country and of being on the threshold of a new era. We ask hon. members for all the support they can give.

Mr. LAVIGUEUR: Quebec is not asking for any favour, she is asking for what is due to her under a contract entered into between the city and the federal government in 1910. The government bound themselves to carry out certain improvements at Quebec and purchased three miles of frontage on the St. Lawrence extending to Champlain market. In return for this the city handed over the Champlain market property which was valued at the time at about $2,000,000. Sir Robert Borden came to Quebec to lay the corner stone of certain work which had been commenced, and at a banquet tendered him gave an assurance that the works in question would be carried out not only in the interest of the city but also in the interest of Canada as a whole. A change of government took place in 1911. A contract had been given for the erection of a railway station on the Champlain market site and all the projected plans seemed to be in a fair way of execution. But the change of government upset all those plans and their execution was suspended. Nothing further was done for the city and to-day the various interests concerned—the Harbour Commission, the Shipping Federation, the Canadian Pacific, and the Canadian National railways—are asking that these works be proceeded with. An item of $500,000 is being

voted here, but we require a great deal more than that. I hope that the estimates next year will contain a sufficient amount to complete these works.

Item agreed to.

Public works—	
Salaries..	$631,520
Contingencies	75,000

Mr. WOODSWORTH: With respect to the large number of engineers, architects, and so on, I would ask whether any effort has been made to consolidate these services. I understand there are several distinct branches within the general department. Then we have also the Department of Railways and the Department of Marine all covering, more or less, the same class of work. Is any attempt being made to consolidate these staffs of engineers and architects and thus save expense?

Mr. KING (Kootenay): Consolidation of the architectural and engineering branches has not worked out in practice; they are different classes of work. Although there have been reductions in the staff, experience has shown it to be essential that each staff should have the kind of officers which the work calls for. Architectural work is entirely different from civil or railway engineering. There has been a gradual reduction in the inside permanent service. In 1913-14 there were 346; to-day there are 266. The total number of positions is 319 as compared with 326, a reduction of 7.

Mr. WOODSWORTH: I asked some questions with regard to this matter. I asked if it was not possible to get these grouped together and if the departments could not be consolidated. There are engineers in each of three or four departments. Is their work absolutely distinct in character?

Mr. KING (Kootenay): I thought I had answered my hon. friend. Consolidation has been and is going on now in the various departments. A careful survey is being made with a view of bringing about consolidation wherever possible.

Mr. WOODSWORTH: With regard to certain men on the staff engaged as engineers and watchmen, many of whom are working seven days in the week, and some working twelve-hour days, has the minister any plan for seeing to it that these men's hours are made reasonable?

Mr. KING (Kootenay): We have been trying to work something that would give the engineers better hours and also better conditions as regards days of employment. It is true the watchmen are on duty seven days a week. Their work is probably not very strenuous. This is a matter of cost and I have given it a good deal of consideration. It would be of advantage if we could work out some scheme that would relieve these men and give them one day off a week. We find that, as regards watchmen and firemen, this would cost probably an additional $11,000.

Mr. WOODSWORTH: I am told that there are men who work for nine months without having a single day off. There is no justification for that kind of an arrangement.

Item agreed to.

Department of Public Works—salaries—to hereby appoint A. T. Mineau, clerk-typist at $1,800.

Mr. SIMPSON: Is this a new appointment?

Mr. KING (Kootenay): This party has been in the service since 1911. Unfortunately for him he was not appointed by order in council and he is known as a temporary. When the reclassification was made, he was drawing a salary of $1,800, but because he was a temporary he could not retain that salary. It is only fair and just to him that this amount should be voted in order that he may continue to draw the salary that he had in 1917 or 1918.

Item agreed to.

Post Office—outside service, $29,586,118.94.

Mr. WOODSWORTH: What were the profits of the Post Office Department this last year?

Hon. CHARLES STEWART (Acting Postmaster General): I shall have to look that up.

Mr. MEIGHEN: The minister could assure the hon. member right now that there are no profits. A surplus may be shown, but that is without taking any account of the capital cost and interest.

Mr. IRVINE: Is there in this sum sufficient money to build the Calgary post office?

Mr. STEWART (Argenteuil): There is not. My hon. friend and I think very much alike with respect to the Calgary post office. If there were an item, it would be in the Public Works estimates.

Mr. LADNER: The other day when the Minister of Railways and Canals had his estimates under consideration, he told hon. members to turn their guns upon the Acting Postmaster General with respect to the mail services and the distribution through the

two railways. Many of us have been importuned from different sources, apparently with justice from the point of view of service to the country and the public along the lines of these railways. The Minister of Railways placed the proposition soundly and squarely before the House when he said that the basis of awarding these contracts should be primarily upon the service which these railway companies give to the people concerned in the mail services. Has the minister under consideration and does he intend to alter the distribution of contracts in such a manner as to conform with the basis of service that I have indicated and, at the same time, to give greater consideration, particularly in the western portion of Canada, to the Canadian National Railways?

Mr. STEWART (Argenteuil): There is at the moment going on in the Post Office Department a thorough investigation. It is true that the Canadian Pacific, being the first railway on the ground, enjoyed the privilege of carrying the mails across Canada. As my hon. friend knows, they have an excellent transcontinental service and naturally the older settled districts and towns are on that railway. Although they have less mileage, their mail business is greater in volume than that of the Canadian National. We have, however, our own Canadian National Railways, and just as I am anxious to build up our park system in order to encourage tourist traffic on the Canadian National, the same attention will be paid to the mail service. The departmental officials inform me that from a strictly mail service point of view, certain changes could be made, but the heavier volume of mail can be more advantageously and economically handled over the Canadian Pacific. The whole matter is under consideration with a view to making changes wherever practicable, and if the cost is not too great, in the near future to establish a transcontinental service on the Canadian National Railway line. A great agitation is going on just now. I am being inundated with telegrams from every town along the Canadian National line asking for a mail service, and I know hon. members are being treated in the same way. Every board of trade is very anxious that this service should be established. But we have to keep in mind the cost. Where practicable changes will be brought about which will to some extent give more of the business to the National line and give the service the people are asking for. Even in the short period I have been Acting Postmaster General several changes have been made in the service on the Canadian National line but that does not mean that there is a complete through service from coast to coast. I trust we shall find it not impossible to put on the through service which the people along the Canadian National lines are so desirous of obtaining.

3 a.m.

Mr. LADNER: That is, a through train from Montreal to Vancouver?

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow River): Mail taken on at Jasper may go by one of two ways; it can be taken back to Edmonton and down to Calgary and through on the Canadian Pacific, or it may be taken westward to Kamloops on the Canadian National line and then changed over to the Canadian Pacific. Why should you switch over to the Canadian Pacific a service that originates on the Canadian National?

Mr. STEWART (Argenteuil): There is no doubt that a great many seeming anomalies exist in the service, but the Jasper case seems to be the most aggravated. If so it will have to be remedied. Naturally the short route is the most advantageous and the speediest, and all these matters will have to be carefully looked into.

Mr. GARLAND (Bow River): The sentimental aspect of the thing should be forgotten; the mere fact that the Canadian Pacific was the first line and these are the oldest towns along the way is no sound argument why there should be no consideration for the residents of towns along the Canadian National line. I would urge the minister to take very much to heart the discussion that took place the other day. A delay in the delivery of mails is a most serious impediment to business and we know, from the evidence adduced before the committe on Railways and Canals, that in many cases there is a delay of some 24 hours. I would recommend that the transcontinental service be divided between the Canadian Pacific and the Canadian National at least fairly enough to give the service which is required by the residents of towns that lie along each line.

Mr. SPENCER: Confirming the statement of the hon. member for Bow River, I want to put a few figures on Hansard. Like the minister, I have been inundated with telegrams in this matter and I think it will readily be conceded that we should have as good service as possible particularly when mails can be

carried by our own railway. The delivery of eastern mail at important stations west of Winnipeg would be greatly expedited, as follows:

Rivers, Man. 24 hours.
Melville, Sask., 24 hours.
Watrous, Sask, 24 hours.
Saskatoon, Sask., Noon delivery instead of 3.4 p.m., which would enable letters to be answered and reply mailed on the day received.
Biggar, Sask., 24 hours.
Edmonton and all points west of Edmonton on C.N.R., 24 hours.
Eastbound mail from points west of Winnipeg to Ottawa, Montreal and East thereof would arrive destination in nearly all cases 24 hours earlier than at present.
Locally in western Canada the handling of all mail traffic would be greatly expedited.
Mail between Winnipeg and every important business centre west of Winnipeg and east of Edmonton and all C.N.R. local stations east of Edmonton, on the one hand, and all C.N.R. stations west of Edmonton, on the other hand, would be expedited 24 hours.
The handling of mail between Vancouver and Edmonton and the delivery at Vancouver or Edmonton as the case should be will be expedited from 8 to 24 hours, varying according to the time at which the letter is posted, all such mail now being handled via Calgary.

I hope that the minister will use his influence to give the Canadian National Railways their fair share of the contracts.

Mr. SALES: The people in my constituency have been pressing this matter on my attention ever since I was elected and the people of the town of Melville have been worried over it for a considerable time. I hope the minister will arrange for as speedy a service as possible for all the towns west of Winnipeg. It takes my mail 24 hours longer to come to Ottawa than it takes me to get here, by reason of the transfer at Winnipeg. Speed in the delivery of mail is most essential and I should like the minister to do all he can to have, as the Minister of Railways said the other night, both co-operation and co-ordination in his department.

Mr. LAPIERRE: As a representative of a district in northern Ontario which has suffered during the last 25 years from a deficient mail service, I must urge upon the minister the great importance of providing better accommodation in this regard. On our National Railways at the present time we have a three-foot unit on the baggage car with closed bags between sortation stations. The whole situation could be easily remedied if we had an apartment mail car on Nos. 1 and 2 from Montreal West and Nos. 3 and 4 from Toronto. In the older parts of the western provinces which have been served by the Canadian Pacific there has been no complaint but in northern Ontario we have the same situation to-day that existed 10 or 15 years ago. Closed mail bags are carried past their destination to a sortation station thus involving a delay in the delivery of mail. I would suggest to the Acting Postmaster General that on 1 and 2, and on 3 and 4, there be provided an apartment baggage car which could be added to the service as it is at present without any extra cost to the government. This could be done without depriving the Canadian Pacific Railway of any privileges which it has enjoyed and would give to the north country a service which the people have been crying for during the past quarter of a century. Mail is carried past the point of destination and taken on to a sortation station and then returned by an accommodation train, and this situation should be improved. This could be avoided by adopting the suggestion I made last year for an apartment car on these two transcontinental trains. There is no reason why the train from Montreal and the train from Toronto should not have the same postal facilities. All we ask from the government is that they give a postal apartment car on Canadian National trains Nos. 1, 2, 3 and 4.

Mr. LUCAS: Why should not the department divide the mail equally between the Canadian National and the Canadian Pacific? I understand that the Canadian National have these mail sorting cars and are prepared to put them on the road.

Mr. STEWART (Argenteuil): At thirty-five cents a mile.

Mr. LUCAS: Is that any more than the Canadian Pacific charge?

Mr. STEWART (Argenteuil): No, the same price.

Mr. LUCAS: I have received a number of wires from people along the National road complaining that their mail goes to the central points and is there re-sorted and sent back again, causing great delay. What is to be the future policy of the department?

Mr. STEWART (Argenteuil): A special study is being made as to what amount of mail could be diverted from the Canadian Pacific to the Canadian National without injury to the people in the localities affected. A complete postal service from Montreal to Vancouver on the transcontinental trains will cost 35 cents a mile, or about $300,000, plus the salaries of the mail clerks. This service was started on the Canadian Pacific and

grew up with them, and offshoots were made to the other line, but no definite and extensive changes have been made up to date. If this can be done within the limits of our appropriation I shall be favourable to it.

Mr. SHAW: In common, I presume, with many other members, applications have been forwarded to me for the establishment of rural mail routes that would appear to be paying routes and would furnish splendid accommodation to a great number of farming communities, but apparently this accommodation cannot be granted. What is the policy of the department, and what change is proposed in the immediate future?

Mr. STEWART (Argenteuil): I had nothing to do with the preparation of these estimates. Since I have been Acting Postmaster General nearly every member of this House has come to me and pointed out that it would be very desirable to extend the rural mail service in his constituency. But there is no item in the estimates for such extension. The Deputy Postmaster General informs me that he is anxious to get the postal business on a paying basis before he extends the rural service. Speaking purely personally, I sometimes wonder whether or not at the stage of our development it was wise to commence this service. Undoubtedly it is a great convenience to rural communities, but it is pretty expensive, although the delivery men are doing the work at very small cost. Under the mileage system in the United States the service is costing just double what it costs us under our contract system.

Mr. LAPIERRE: Until this government remedies the abuses of the previous government and gives opportunity to those who were debarred because of their political faith from the rural mail service to which they have always been entitled, we will have this trouble.

Mr. WOODS: The minister has referred to the cost of the rural mail service. I have had no complaints from our rural mail carriers in regard to the tender system, although they are serving us faithfully at very low remuneration; what they do complain of, and very strongly, is the absence of holidays.

Mr. LAPIERRE: Were they not aware of those conditions when they tendered for their contracts?

Mr. WOODS: That may be true. But there would be no complaint from the boxholders in regard to the mail carriers getting their holidays. If there is any possibility of giving these men the allotted holidays it would be a great relief for them and it would be an assistance in the matter of getting tenders for contracts in the future.

Mr. SPENCER: I realize the extra cost involved to the country in putting these rural mail delivery routes through. But where the mail carriers cover a distance of twelve to twenty miles and there is no rural delivery it is pretty hard on the people of the district to have to travel six to ten miles to the post office for their mail. How many of these rural mail delivery routes have been asked for and are at present in abeyance?

Mr. STEWART (Argenteuil): About 125.

Mr. SPENCER: Is there much difference between the cost of the services of the ordinary mail carrier who does not deliver mail into the boxes and the cost of having say the same man deliver mail into the boxes on the same route?

Mr. STEWART (Argenteuil): I am afraid I cannot answer that question. In all probability the cost would not be more than 25 to 30 per cent more. These tenders fluctuate greatly. In some localities the men will do the work for almost nothing while in others they ask a pretty fair price. Altogether it works out at about $45 a mile. The association represented to me some time ago that they were not pressing their request at this time for the $70 a mile to put them on a parity with the United States but that they would press for the holidays. They have in mind, of course, a higher price for their services. I promised to bring their representations to the attention of the Postmaster General upon his return.

Mr. ELLIOTT (Waterloo): The hon. member (Mr. Woods) pointed out that the mail carriers were not receiving any holiday. To give you an illustration of how the department treats the men in this respect I wish to read a letter which was sent to me by a mail carrier in my constituency. This man got the permission of every boxholder on his route to take Christmas Day off. He took it, and on January 23 he received the following letter:

> Dear Sir,—This is to advise you that the department has authorized a pro rata reduction for the trip missed by you on December 25, which amount will be deducted from your next cheque.
>
> Yours very truly,
>
> D. J. McLean.

That is rather harsh treatment when everyone on that route was satisfied that the man should have the holiday.

Mr. SALES: I suppose Mr. McLean got a holiday?

Mr. ELLIOTT (Waterloo): Yes, he looks out for that part of it. The department could give these men the holiday without adding a single cent to the cost of the mail service.

Mr. LAPIERRE: Do the trains stop on holidays?

Mr. ELLIOTT (Waterloo): We are not dealing with trains; we are dealing with the rural mail service at the moment. I think this is one improvement that the department might very well make. It will go a long way towards satisfying these men if they are given some consideration in this matter.

Mr. LAPIERRE: Are these mail contracts not based on a daily service?

Mr. ELLIOTT (Waterloo): The contracts are made for a year. Personally I think the tender system is wrong. The man who is willing to work for the lowest sum gets the job whether he is qualified or not. These contracts should be let on the same basis as in the case of the letter carriers in the towns and cities. Instead of calling for tenders in the first place, make certain salaries applicable to certain routes, then call for tenders and give the best man the contract. That would improve the service and bring into it a better quality of men. This matter has been repeatedly brought to the attention of the government and I would strongly urge that it be considered.

Mr. STEWART (Argenteuil): The United States government have put this plan into effect and the advice of every United States officer is that we stick to our tender system, because in the other case the costs are too great. If we are to have the service we must keep down the cost. A man's qualifications are taken into consideration as well as the amount of his tender.

Mr. ELLIOTT (Waterloo): I am aware of that. I know of instances where the man who made the lowest tender was approached by the official in charge and told that his tender was still too high and that if he would decrease it further he would get the contract. The system does not make for the most efficient service. Undoubtedly this service costs a lot of money but when you consider that these men get an average of only $45 per mile, or something in the neighbourhood of $600 or $700 each, out of which they have to maintain themselves and keep a horse and buggy, I think it will be admitted that they are getting entirely too little money, even if the service does cost a lot. I think this matter is worthy of attention and should be gone into very carefully.

Mr. MALCOLM: I want to bear out the remarks of the hon. member for South Waterloo on the question of holidays, but before supporting that contention, I want to say that I do not think there has been that reasonableness on the part of the farmers of this country who are being served by rural mail routes that there should be. I have heard complaints of couriers because they missed one service on account of a snow storm or on account of a holiday. As a matter of fact, the rural communities would be very well served if they got no mail on holidays in any part of Canada. What business house gets its mail on a holiday? Then in the winter time we have climatic conditions in Canada which make it practically impossible for a courier to maintain his six or seven hour service in deep snow. What community suffers if it gets its mail in the winter only every other day? There are times in the cities when our mail is delayed for a day on account of bad weather conditions, and it causes no suffering to anybody. I think a service of three times a week on these rural mail routes during the winter would be sufficient. While I support the tender system I think there is a hardship on these couriers on account of the daily service in winter time, and the regular service on holidays. I have always maintained this to Mr. Anderson, who is a very efficient public servant, and I would point out to the acting minister that if he wants to do something for the couriers he can easily take the stand that holidays should be granted to them, and in the stormy winter months the service should be every other day instead of daily.

Mr. CAMPBELL: With regard to discrimination against the Canadian National in the carrying of the mails the minister's remarks imply that the removal of that discrimination would perhaps mean an added cost. I am not entirely clear on that, and I would ask the minister to explain a little further. Suppose I post a letter here in Ottawa for Cochrane, and that letter goes over the Canadian Pacific to Winnipeg. It must come back from Winnipeg to Cochrane, and that means not only a considerable delay but unnecessary handling on the Canadian Pacific. I am not sure that that is true in that particular case, but it is true in many other cases.

Mr. STEWART (Argenteuil): My hon. friend is hardly correct in that statement.

Mr. CAMPBELL: Perhaps not in that particular case, but there are a great many similar cases.

Mr. STEWART (Argenteuil): I do not think so. The mails are moved locally to Cochrane.

Mr. CAMPBELL: I am not stating that it is true in that particular case, but I say there are cases where a similar condition of affairs does exist. We have to maintain the service anyhow, and I am not clear how it would mean an added cost. I have a large number of letters and telegrams here from boards of trade and various farmers' organizations, a host of them. I had intended to place them on Hansard, but I am not going to burden the House with them at this late hour. But I would strongly impress on the minister the necessity of going into this matter very thoroughly, because the people in the country are very much exercised about it. I would point out to the minister and the government that the people are taking the Canadian National very seriously to-day, and whether their suspicions are entirely founded or not, they will not stand for any discrimination against their own railway in favour of the Canadian Pacific. Their suspicions in this case may be entirely unfounded, but the state of public opinion with regard to the Canadian National Railway is something the government has to take into very serious consideration, and I hope if it is possible to do so without any added cost that some of the mail will be diverted to the Canadian National in the near future.

Mr. BRETHEN: I would like to support the hon. member for South Waterloo and the hon. member for North Bruce regarding the advisability of the minister granting the rural mail carriers holidays. I do not think it would be advisable, however, to adopt the suggestion of the hon. member for North Bruce and give only every other day service in the winter. I find in my riding that if the roads are difficult or anywhere near impossible to travel the mail carrier takes a day off, and nobody raises very much complaint; in fact, there is little or none. So I think it might be left at a daily service. I think the mail carriers themselves will see they do not suffer very much on that account. I have found people very reasonable in that respect.

Mr. MALCOLM: I have not.

[Mr. Campbell.]

Mr. BRETHEN: You are in a different riding. There is another aspect of this question. There are some mail routes where there is a mail being carried between points, say, twenty miles apart, and in that territory you will find a couple of small rural post offices where these carriers stop to deliver mail. I find the upkeep of these post offices is higher than if the rural mail service were given right along the line. In fact, I have had mail carriers tell me they would give the mail service all along the line for less money than it costs to keep up these offices. But still the department refuses to make a change, claiming that it would be a new service, which they refuse to give. I think when it does not cost the department any more money to give a better service to the people, they should be willing to do it, and they should accept a proposition like that.

Mr. STEWART (Argenteuil): I move that the item respecting J. J. Hayes be amended to read as follows:

To hereby superannuate J. J. Hayes, formerly supervisor of letter carriers, Calgary post office, as from the 14th September, 1922, under Part I of the Civil Service Superannuation and Retirement Act, and the living allowance which might have been granted to him if he had not been dismissed from the service and notwithstanding his dismissal from the service, payments to be made out of the consolidated revenue fund of Canada.

Amendment agreed to.

Mr. SPENCER: I wish to call the minister's attention to the fact that very few new rural deliveries have been allowed during the last three years so far as I know, and I would be glad if he could assure this House that the department will be a little more generous in the future, for it is a great advantage to the people in the country to have this mail delivery.

Mr. CALDWELL: I think there is no public service rendered to the people which they appreciate quite so much as rural mail delivery. While the minister says it will cost money, I think when the whole question is taken into consideration it is the very cheapest method which can be devised by which people can get their mail. Take the case of a rural community, especially in the busy season, although in farming it is always a busy season. Is it not cheaper to hire one man to cover twenty miles of route, delivering the mail, than for every farmer to drive in five or six or seven or eight or nine miles to get his individual mail? They are all driving to get the mail over this road, and I think it is a service the public will not begrudge paying for. I do not

think they could possibly get it as well in any other way. It would be like the condition when they used to have cheese factories in our country. If the farmer had to haul his own milk he could not do it at all. So they got one man to haul from the end of the route to the factory. The rural mail delivery is much on the same principle. I think, possibly, we do not all realize the difficulty of instituting the rural mail service due to the very bad surveys in a great many portions of Canada and the laying out of the roads. The trouble is that there are very many small cross roads with people living on them, and it is impossible for the carrier to reach them all. For that reason there are sections where it is almost impossible to establish a rural mail delivery and serve everybody. Hence the impossibility in some cases of cutting out the little post office. I realize the difficulty because I do not think the surveys anywhere are as bad as they are in New Brunswick. When complaints are made about not getting a rural mail service I should like the people who complain to consider this feature of it. I think possibly that we have the most efficient man in charge of the rural mail service that there is in the public employ and doubtless his troubles are endless. Probably there is no official in the employ of the government that gets as many requests for a public service as Mr. Anderson, superintendent of the rural mail service.

Mr. SALES: You must be getting some new ones.

Mr. CALDWELL: I do not get many. I believe that in a great many cases it would be possible to put on a free delivery without costing any more money than it does at present. That is where the roads are so laid out that it is possible to cut out the local post office and so effect an economy. I know that has been done in some cases in New Brunswick and a saving effected. I would also like to join in the request of other hon. members that the rural mail carriers get the legal holiday. I think last Christmas was the first holiday the rural mail carriers have had, and they appreciated it very much. With regard to delay in the mail delivery the people in our section of the country do not complain if the carrier fails to come on a stormy day or if the roads are bad. If we get a service five or six days a week we know that we are getting mail oftener than we would if the service was only three times a week.

Mr. LAPIERRE : Would you favour cutting out the trains on Christmas Day?

Mr. CALDWELL: That is a different proposition. People travel a great deal on trains then and they do not have very much time to read their mail. I do not think the two things are comparable at all. I think every rural mail carrier is entitled to have Christmas and a few of the other holidays, and I do not imagine the public would suffer very much if they were granted the privilege.

Mr. SALES: I sympathize with my fellow members who have rural mail deliveries and cannot get their mail on holidays. I come from a constituency where we have not anything—we have not a stick, nor a brick, nor as far as I know any rural mail delivery—consequently my troubles are very small compared with those of my colleague in this House.

Mr. McBRIDE: I would say I am fully in favour of the contract system in connection with mail delivery. Some ten people in my constituency asked the highest pay for mail delivery. I told some of them that if they were not satisfied with what they were being paid they had better arrange to have fresh tenders called for which was done. Mr. Anderson called for tenders and there was not one instance where he failed in getting the mail carried for less than the old rate. Indeed a number of the people who had been complaining sought my aid to try and get back the contract at the rate of the lowest tender. I believe that mail carriers should be given a holiday; I see no reason why they should not be granted the privilege. I hear some people from the prairies complaining about going ten miles for their mail. I have to go twenty-six miles for my mail. In winter I have to travel thirty-four miles by another route. I am not complaining about it I do not think the government can be expected to provide a mail delivery for every district where, perhaps, but very few people reside. I know one place where a post office was petitioned for by thirty people. I made investigation and found that while there were thirty-two names on the petition for the office it would only have served five people, and four of them were old bachelors.

Mr. CALDWELL: Perhaps that is the reason they were old bachelors.

Mr ROSS (Simcoe): Just a word or two at this late hour. Last year I took occasion to speak briefly on the subject and advocated a holiday for the mail carriers. To-night I advocate it again. Holidays are granted to the letter carriers in the urban centres, and

I know I have the endorsation of the people who are served by the rural mail delivery in my constituency in urging that the carriers should be given holidays. They were granted a holiday last year on New Years Day, it was the only holiday they had in the year, and I want to urge strongly again that the government consider granting them holidays. I said last year that I was not in favour of the proposal to change the tender system to one on a mileage basis. I endorse the tender system because I believe it is a sound practice to follow in the expenditure of public money. I believe there is very great discrimination between the mail carrier in the rural districts, and the man who delivers mail in the urban centres. The latter is not placed on the tender system at all.

Mr. LAPIERRE: How many holidays in the year would you be in favour of.

Mr ROSS (Simcoe): For the rural carrier?

Mr. LAPIERRE: Yes.

Mr. ROSS (Simcoe): All the legal holidays. I am prepared to do without my mail at such times in order that they shall get these holidays, and I know all the people in the country feel very much the same. The letter carrier in the city not only gets two weeks vacation, besides the regular holidays, but he also receives a uniform. These are privileges that are not granted the rural man at all. I understand the minister to say that 125 applications had been made for rural mail delivery and that none had been granted. I hope the time will come when further extensions will be possible. I observe an item in the post office estimates of $15,504 to provide for the payment of letter carriers in cities and towns. Is that for an extension to some place?

Mr. STEWART (Argenteuil): Yes.

Mr. ROSS (Simcoe): And it is for letter carriers?

Mr. STEWART (Argenteuil): Yes.

Mr. ROSS (Simcoe): I am not opposing it, only I feel there is discrimination all along the line. If $15,500 can be found for the letter carriers in the urban centres why cannot we get a grant for the rural districts? In the cities the people to be served live within a mile or a mile and a half of the post office, whereas in the county of Simcoe—and it is characteristic of rural Ontario—the people live from seven to eight and ten miles from the post office and cannot get an extension of mail service at all. I sincerely hope that next session further provision will be made for mail deliveries in rural districts. I have in mind a locality where they have rural mail delivery where the people are seven miles from the nearest post office. There are forty persons living in this district, and the one who is nearest to his box, which is placed where the carrier comes along, is yet a mile away from it. The others vary from that up to two and one-half and some of them three miles away from their boxes. The needs of these people should have been considered long ago. I do not favour the suggestion that was made that, in the winter time, the service should be just every other day or every third day. I am strongly in favour of keeping the service as it is, because most of the time the carriers can get along, and on days when they cannot get around, no complaints come from the rural people.

Mr. STANSELL: As regards the request for holidays, a gentleman representing himself as the secretary of the Rural Mail Carriers' Association has many times interviewed me stating that one of the things that the rural mail carriers desired was all the regular holidays, but the mail carriers themselves have not made many requests of that kind, and I am inclined to think that the mail carriers are more concerned about getting a living wage for what they do than about getting numerous holidays. This can be easily understood when one knows that the delivery of mail does not require a full day, so that the mail carrier has a part of each working day which he can use as a holiday or in such other manner as he sees fit. We have also to consider the rights of the people who are getting mail. There is a great difference between the man in the city or town and the man in the country. If the mail was not delivered daily in the city or town, the people would get their daily papers just the same. But when the rural mail carrier does not make his trip, the man in the country does not get his daily paper. If we are going to make farmers and rural dwellers generally satisfied and contented on the land, they must have some of the conveniences, and the daily mail is one thing that makes life partly worth living in the rural sections. I am not inclined to agree with the Acting Postmaster General (Mr. Stewart) when he states that this rural mail delivery was adopted too soon. I am surprised to hear that 125 applications for rural mail routes have been made and that nothing is being done to create them. I understood the hon. member for Saltcoats (Mr. Sales) to say that they have nothing of that kind in his constituency.

Mr. SALES: If there was any chance of getting them, we would have two hundred applications.

Mr. STANSELL: With the amount of money that is paid for rural mail contracts, the granting of these 125 applications would not cost over $75,000. We have passed in just a few minutes items ranging from $20,000, $40,000, $50,000 up to $500,000 for various other things, and many of those
4 a.m. large items would not be as good an investment as one in rural mail delivery. We are spending large amounts for immigration although the money might be better spent at home in this and in many other ways than in bringing foreigners in to take the place of those who are living here. We were told, in answer to a question, that as a result of $100,000 spent in an immigration scheme, to which was added another $100,000 by the railways, we got in about 35 settlers. If that had been spent in bettering conditions for farmers in outlying districts, and if in nothing else than in giving them mail deliveries, we would have done more to advance the national interests than by spending the money on immigration.

Something should be done to see that rural mail carriers have a uniform outfit that is not a disgrace to our country. Many of them, owing to the extremely low price they get for their services, have to go with a disreputable outfit, and they are working under such conditions as it would be difficult to find other men in other places willing to accept. When we remember that on from $500 to $700 the average mail carrier has to keep one or two horses and endeavour to support an average family, we can see the injustice under which he labours. He should have a living wage and he should also receive a few days holidays in the year.

There should be some examination as to fitness in connection with applicants for rural mail carriers. If this service is to be profitable, only such men should be accepted as are qualified to give satisfactory service in connection with the delivery of mail and the handling of money orders. Unless the latter is taken care of, the service cannot be profitable to the government. Where a man is not qualified for doing that work satisfactorily, he will not be entrusted with money order work which is a service that brings in money to the department. This very important work, instead of being held up, should be extended in the national interest.

The contract system is probably a good one, but the way in which it is handled by some officials of the department is not to the greatest credit of the department. There should be some provision also in the case of the man who renders satisfactory service that his contract should be extended at a reasonable rate and that he should not have to compete with others under the tender system. He is better qualified to serve the people and to extend the advantage of the service than a new man would be and, therefore, he should be given the encouragement of a renewal of his contract. Comparing the conditions in the country with those in the town and in view of the difference in the remuneration that is paid, I think our sympathies should go to the rural letter carrier as well as the letter carrier in the towns.

Mr. DOUCET: Has an appointment been made to fill the vacancy at La Tuque, Quebec?

Mr. STEWART (Argenteuil): No.

Mr DOUCET: The minister has no doubt received complaints, as I and others have done, with regard to the dismissal of Mr. Willie Juneau from the position of postmaster at the town of La Tuque, as a result of a charge brought against him on October 10, 1922 of having been guilty of active political partisanship. The charge was laid on that date and it was not until the fall of 1923 that the government decided to ask Mr. Oscar Drouin, of Quebec to make an investigation. As a result of that investigation Mr. Drouin decided that there was not sufficient evidence to warrant a decision in the case and he asked the department to make inquiries to find out whether Mr. Juneau had signed the nomination papers of a Mr. Ducharme who ran as a candidate in the election of 1921. That information could not be secured, and four or five weeks after the inquiry had concluded Mr. Drouin came to the conclusion that there was sufficient evidence on which to render a decision, which held Mr. Juneau guilty of active partisanship. Some few days later a petition signed by over 1,300 residents of the town declaring that Mr. Juneau had always performed his duties as postmaster quite satisfactorily to everyone in the locality and that he had not been guilty of any partisanship, was forwarded to the department. Unfortunately, however, by order in council this gentleman had already been dismissed. It must be apparent to the Acting Postmaster General and to everyone in the department who has followed the evidence which was adduced before the commission appointed to investigate the charge, that this man had not been guilty of any active partisanship at all, but he was dismissed nevertheless. Now, there is a pro-

vision in the Civil Service Act that no employee who is dismissed can be taken back into the service within twelve months of his discharge and I would submit to the minister that in view of the fact that this is not a position in any ordinary rural post office where the incumbent receives a compensation of $60 a year, but is a position carrying with it a salary of $4,335, the matter is of sufficient importance to justify a careful review of the circumstances and a reconsideration of the decision which has been arrived at. I challenge any hon. member to peruse as minutely as he can all the evidence that was submitted in the inquiry and he will be absolutely unable to put his finger on any piece of testimony which will support the charge that was brought against this man. I do think that under the circumstances some redress should be given and the Acting Postmaster General should certainly take the matter into the most serious consideration with a view to having justice done in this case, for there is not the slightest indication in all the evidence that this man had ever shown any political partisanship.

Mr. SHAW: The minister made an amendment to the item respecting Mr. J. J. Hayes which provides an allowance of $1,857.87. Is this intended to be annual?

Mr. STEWART (Argenteuil): The hon. gentleman raised a question concerning Mr. Hayes last year, I remember, and this is to compensate him for what was perhaps an undue prosecution. It is annual.

Item agreed to.

Supplementary Estimates—Post Office Department—to increase the salary of L. J. Gaboury, Deputy Postmaster General to $8,000 per annum, $2,000.

Mr. SHAW: How long has this gentleman been a deputy?

Mr. STEWART (Argenteuil): He has been in the service about 20 years but he has been a deputy only one year. This is to put him on a parity with those who hold similar positions in other departments.

Item agreed to.

Marine and Fisheries—lighthouse and coast service—agencies, rents and contingencies, $228,000.

Mr. SPENCER: The increase should be explained.

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): Statutory increases.

Item agreed to.

To provide for breaking ice in Thunder bay, lake Superior and other points deemed advisable in the interests of navigation, $30,000.

[Mr. Doucet.]

Mr. MEIGHEN: Will this be done by the Mikula?

Mr. CARDIN: No, under contract.

Mr. MEIGHEN: The Mikula does everything but cut ice.

Mr. LAPOINTE: She does it on the St. Lawrence; this is on Thunder bay.

Mr. MEIGHEN: She is usually in dock.

Item agreed to.

Patrol of the northern waters of Canada, $10,000.

Mr. CAMPBELL: Where does the patrol take place, and what is the nature of the work done?

Mr. CARDIN: To provide for the compilation and publication of reports of the Canadian Arctic expedition.

Mr. WOODSWORTH: The answer does not seem to bear much relationship to the item.

Mr. GARLAND (Bow River): Where does the patrol take place, and by what boat?

Mr. DUFF: The Arctic.

Mr. GARLAND: (Bow River): I am glad we have a new minister.

Mr. CARDIN: It is the Stefansson expedition.

Mr. GARLAND (Bow River): In connection with Wrangel island.

Mr. CARDIN: The whole north.

Mr. GARLAND (Bow River): This vote is for the purpose of publishing the report of the expedition?

Mr. CARDIN: Yes.

Item agreed to.

Construction of lights and aids to navigation; amount required to reimburse E. H. Shockley for extra work performed in connection with the construction of two double dwellings at Prince Rupert, B.C., $1,000.

Mr. GARLAND (Bow River): What did Mr. Shockley do?

Mr. CARDIN: He built two double dwellings for the department.

Item agreed to.

Fisheries—salaries and disbursements of fishery officers and guardians, fisheries patrol and fisheries protection service, $880,000.

Mr. CALDWELL: There is nothing more important than the protection of our fish especially on the rivers where the salmon

spawn, but the service is very poorly paid, and possibly we get service in proportion to the pay. I understand these men are paid about $2 per day, out of which they have to provide their own boat, board themselves and provide a tent and in some cases haul their supplies forty or fifty miles on the railway to where they are patrolling the stream. Notwitstanding the small pay we have a number of good men in the service; but I think it has been made clear to the minister and his department that in some cases we have not had very good protection. I think this has been remedied in some degree in particular instances; for example, people interested report to me that there has been a great improvement in the protective service on the Miramichi river. I would urge very strongly upon the minister that these men should get sufficient pay, for the protection of our fish is a very important matter.

Mr. CARDIN: This is not the first time the matter has been brought to my attention. I shall be very glad to see that the men receive wages commensurate with the work they accomplish.

Item agreed to.

To assist in the conservation and development of the deep sea fisheries, and the demand for fish, $95,000.

Mr. WOODSWORTH: What does this involve?

Mr. CARDIN: This is to provide for the operation and maintenance of a publicity and marketing division to distribute information respecting the fish of Canada, their food value, methods of cooking and so on, with a view to the creation of a wider demand and greater consumption.

Mr. WOODSWORTH: How is this wider demand stimulated?

Mr. CARDIN: By carrying on a campaign of newspaper advertising, lectures and so on.

Mr. WOODSWORTH: What newspapers are used for the purpose?

Mr. CALDWELL: It is almost impossible to get fresh fish inland from the coast. We who live near the seaboard do not relish the fish that we get in the centre of Canada; it is not carried under good conditions. Much could be done to stimulate the consumption of fish by providing better facilities on trains for shipping fresh fish from the seaboard inland.

Mr. CARDIN: Replying to the hon. member (Mr. Woodsworth) the list of newspapers includes the following: Halifax, Chronicle—

Mr. WOODSWORTH: Just there, do we need to advertise in a Halifax paper to stimulate the demand for fish?

Mr. CARDIN: We think so.

Mr. MEIGHEN: It is to stimulate the Chronicle.

Mr. CARDIN: Echo, Halifax; Herald, Mail. St. John, Globe, Telegraph-Journal, Times and Star. Montreal, Gazette, Star, Le Canada, Le Devoir, La Patrie. Quebec, Telegraph, L'Evenement, Le Soleil. Ottawa, Citizen, Journal Dailies, Le Droit. Toronto, Star, Telegram. Winnipeg, Free Press, Tribune. Regina, Leader, Post. Saskatoon, Phoenix, Star. Calgary, Herald. Edmonton, Journal. Vancouver, Province, Sun, World.

Mr. WOODSWORTH: I see no reason why one particular article of food should be picked out and advertised across this country, even at the places where that food is produced. There is no reason why ten other articles could not be picked out and advertised.

Item agreed to.

To provide for investigations into practical and economic problems connected with the fisheries, $10,000.

Mr. DOUCET: I would ask the minister if in view of a resolution adopted by the committee of the House on the 17th June the department has decided whether the fall season for the lobster fishery on the Northumberland strait will be advanced ten days as suggested by the committee?

Mr. CARDIN: No decision has yet been reached.

Mr. DOUCET: Two or three weeks ago it was decided by the department to extend the spring season by ten days, and the decision was made on the very day or the very morning on which the season was supposed to close. I have communications from my constituents as well as complaints from other constituencies —if the hon. member for Yarmouth and Clare (Mr. Hatfield) were here he would bear me out in this respect—that that extension of the spring season came rather late. I will cite an instance so as to impress the minister with the advisability of taking action immediately if any change is to be granted so that the fishermen may be able to provide for it. The extension to which I have referred was granted on the forenoon of the 25th day of June. The fishery inspector went around the coast and reaching Richibucto Cape he told the fishermen they would have to get their gear ashore on the morning of the 26th.

The 26th was an ideal summer day and all the fishermen but one, who had eight boats out fishing for him, got their gear ashore. On the morning of the 27th at about 11 o'clock the same fishery inspector came along and told the fishermen that they could have a ten day extension. All the fishermen at this time had their gear ashore except this one person. Now, as this is only an experiment, in view of the fact that the recommendation was made that officers of the department should visit that district and hold an inquiry as to the desirability of starting the season on the 8th of August instead of on the 16th, owing to the fall storms in October, I submit that if this change is granted—and I hope the minister will see his way clear to grant it—the information be given immediately so that the fishermen may be able to get their gear in shape to start fishing on the 8th of August as suggested by the committee.

Canadian representation in the United States, $60,000.

Mr. MEIGHEN: Who is the incumbent of this office?

Mr. MACKENZIE KING: At the present time Mr. M. M. Mahoney is representing Canada in the United States. As my right hon. friend knows, he was appointed during the time he was in office, and we have retained him.

Mr. MEIGHEN: He is not representing Canada.

Mr. MACKENZIE KING: He acts as an agent for us at Washington. He keeps in touch with the departments and furnishes the government with information.

Mr. MEIGHEN: What does he receive?

Mr. MACKENZIE KING: Five thousand dollars a year.

Mr. MEIGHEN: Is the Canadian representative to be appointed, or what event is that waiting on?

Mr. MACKENZIE KING: The government is giving very careful consideration to the selection of the right person. It is a little difficult to name just the one one wishes at the moment.

Mr. MEIGHEN: Three years is a pretty long moment. I would be really alarmed whether the government could stand the mental stain of careful consideration of that subject much longer.

Mr. MACKENZIE KING: We shall be glad to be relieved of it.

Item agreed to.

Salaries and expenses, Passport Office, $24,200.

[Mr. Doucet.]

Mr. NEILL: I wish to draw the attention of the Prime Minister, in whose department I presume this comes, to the weird, prehistoric rites a man has to go through in this country to get liberty to go to the land of his birth. I am not referring to the officials mentioned in this particular vote. They are the junior officers, and I wish to give them credit for carrying out the absurd system with such skill and devotion to the task as they can. I am referring rather to the gentleman at the head of the department, who is the Under Secretary of State for External Affairs. I suppose it would be more appropriate if I brought this matter up under the vote for his salary, and I intended to do so, and to move to reduce it. The passport system is objectionable in this country, and also I find by a quotation from a British paper, in the Old Country. It seems the British government desire to keep up the passport system because they wish to keep out aliens; they are not concerned with any other feature. Let us concede that we are not able to do away with the system in its entirety. The next thing to consider is the method by which we should conduct this passport system. One would suppose that common sense would lead us to ask that the regulations under which we would be governed would be such as would tend to a maximum of efficiency and a minimum of expense and inconvenience and trouble to the public. I think I shall be able to show that these regulations have failed in every one of those respects. There is no occasion to take a partisan view of this matter, because the leader of the opposition was the technical head of this department when he was in charge, just as the Prime Minister to-day, and if they ever had been made sensible of these absurd regulations I am sure they would have wiped them out very speedily. They appear to have been adopted at the whim of some individual utterly uninformed or utterly indifferent to the convenience of the general public. They form a very fine example of the extremes to which bureaucratic tyranny and autocratic, hidebound red taped and mossgrown officialism will go. I will read some of the regulations to show how unsupported in law or in sense they are, and how irritating and delaying and useless and unnecessary they are. I took this matter up with the department when I first came down here this session in an endeavour to get the regulations modified along the lines of common sense, and failing to get any satisfaction I addressed a request to the department, to which I received the following reply:

With reference to your request to be furnished with a copy of the act or regulations under which this system is carried out, I beg to say that the procedure to which you refer is not specifically covered by any act or regulations.

I draw attention to the following:

What we work under is simply the sum of our experience.

I wish I could interest the hon. leader of the opposition, with that wonderful gift he has of epitomizing a situation in one vital sentence, in describing a situation under which an official writes to a member of the public and says: "We work under the sum of our experience." In other words, we do exactly as we please, apparently owing no allegiance to God or man in the matter. It is, however, inaccurate. There are regulations he works under, and I propose to quote them. If the Prime Minister will allow me I will send over a copy of them so that he will be able to follow my remarks. I have here a large and important looking sheet entitled "Form of Application for Passport—Form A." The back of it is chock-full of regulations, and is stamped with a big stamp to the effect that the fee for a passport is now $5, and for a renewal $2; that is 250 per cent of an increase since the previous year. If they did away with a lot of red tape they might be able to reduce the charge. One of the conditions is this: Section 4 says:

Passports are granted in the case of natural-born British subjects upon the production of a declaration—

I will show it is not a declaration at all.

—by the applicant in the authorized form, verified by a declaration made by the manager of any bank or by any mayor, police magistrate, minister of religion—

And so forth. It goes on:

The applicant's certificate of birth and other evidence may also be required.

Picture yourself having complied with all these red tape conditions, and then suddenly they require you to produce your certificate of birth, which may be six thousand miles away. Another condition is found in clause 6, which reads:

A passport cannot be issued by the Department of External Affairs on behalf of a person already abroad. Passports must not be sent out of the Dominion of Canada by post.

But if you pay the expense of using a messenger, you can send it, but you must not post it. Can the human mind conceive why that regulation is inserted there? Again, I find that these regulations are dated the 17th of September, 1915, right in the middle of the war, and naturally one would suppose they would be carefully calculated to prevent the evil aimed at, which I presume was the ingress and outgo of German enemy spies or undesirable people of that character. I would undertake in half a day to formulate a scheme under these regulations by which a steady stream of aliens, Bolsheviks or people of any other character, might steadily go out, and there would be no way of checking them, and no way of punishing them, because there is not the slightest penalty provided for those who might engineer the thing improperly. There is no affidavit required from anybody at all, and there is no undertaking to do anything. If I engineered this scheme and was arrested for doing it, all they could say would be that I had been lying. They could not punish me. They could not step these men going out. It would be as easy as falling off a log as the saying is, and these regulations were framed in the middle of the war when the strictest regard should have been paid to this matter. No penalty is provided, no affidavit is required, no one has to take an oath; there is no provision for anything except signing your name.

Turning to the other side of the document, where a declaration is to be made by the applicant, the word "declaration" suggests to the legal mind, to any mind, something being declared before somebody, before a magistrate or a justice of the peace, or someone else. And there always was a clause inserted to this effect "This declaration shall have the same force and effect as if made under oath and by virtue of the Canada Evidence Act". Does he have to do that here? Not on your life.

Mr. SPENCER: Does my hon. friend know that, through a little more red tape possibly, they will not accept the signature of a justice of the peace to-day?

Mr. NEILL: I know that. This document that he is supposed to declare he does not declare. All that he does is to sign his name That is not declaring a document. All he does is to simply sign his name; he does not even have it witnessed though the document is to allow him to enter Great Britain. Then we come to the little safeguard that there is. It says "This document must be accompanied by a declaration to be made by a voucher." I always thought a voucher was a document by means of which you drew money out of the government of Canada, but in this case it is used in a sense of one who vouches. So this document has to be accompanied by some one who vouches. And what does he vouch for? That he the undersigned has personal knowledge of the said Mr. or Mrs. So-and-So and that the statements made in his or her de-

claration are true, and that he can with his personal knowledge vouch for him or her as being a proper person to receive a passport. He does not do anything more than that; he does not make an affidavit or make a declaration, he simply says that of his own personal knowledge Mr. and Mrs. So-and-So is a fit and proper person to receive a passport. It is a matter of opinion as to what constitutes a fit and proper person. For instance there are a number of very desirable and intelligent people in the district I represent who are of the opinion that I am not a fit and proper person to represent them. It is a matter of opinion. I know people who think that a man who is learning to play a violin is not a fit and proper person to stay in a vicinity. Some people think that those who fought for, or against, church union are very undesirable characters. Yet this man certifies to the person seeking the passport as being a fit and proper person. I would be quite willing to give passports to a lot of people who do not think the same way as I do. There are people who believe in giving Japs the vote. They would be eminently suitable persons to give a passport to; I would let them have a passport in order to get out of the country. You see how diversified the point of view is, and how absurd and diffuse the thing is. There again that does not have to be witnessed.

Then again if I were born abroad I would have to declare that my paternal grandfather was born in His Majesty's dominions and where I would have to get somebody to certify to that fact of his personal knowledge. I do not know exactly where my paternal grandfather was born. He died a hundred years ago and I should have considerable trouble in getting somebody to certify of his own personal knowledge where he was born. Another section says that in addition to British nationality I may possess another nationality. I thought the British nation boasted they only owned one nationality at a time, and when they ceased to be a British subject they adopted some other nationality. That dual nationality was the system invoked by the Germans, and also by the Japs, that their subjects could possess two nationalities at the same time.

I now come to another feature of this remarkable document. You have to give a description of your wife, and I presume the unhappy husband has to do the describing. These are some of the painful details. This is a case in which all married men ought to stick together. The passport just says "face." Under other passports or systems you are asked to describe the type of face or the complexion. The Chinese Immigration Act calls for "facial marks." Here it says "face." One had better not put a "sullen type" or he is liable to get into trouble. Then it says "colour" of hair." What is the use of asking women the colour of their hair now-a-days? Would it not be more to the point to require a person's height such as is demanded in the Chinese registration. In the case of a Chinese registration they make a good deal of fuss about complying with the regulations but it is not so obnoxious or humiliating as the regulations contained here.

Then we come down to special peculiarities. In almost every other passport system in the world marks of identification are called for. The Chinese system says "any physical peculiarities." This one says "special peculiarities." That, I presume, is either physical or mental; I do not know which. We will suppose, for instance, that it is my wife. Suppose the only identification mark that she has is a scar, two inches above her left knee, which she received when she was a little girl. I do not know whether I mentioned before that the principal people who can vouch for this certificate are lawyers, bankers and magistrates. Now I am on friendly terms with my lawyer, my banker and my magistrate, but I am not on such intimate terms with them as to ask them to certify of their own personal knowledge to that particular scar. Or, it might be a case of mental special peculiarity. I know some people who faint at the sight of a corpse. Will a corpse have to be packed around for the purpose of identification to see whether they do faint? That is a mental peculiarity. Take it in another light. Suppose truth compels me to admit the special peculiarity of a violent and uncontrolled temper. Where would I get off? I get a passport, what else would I get? It is like this all the way through. The whole proposition is like what was said about the beginning of the world, it is "without form and void."

Now to go back again to the back of the passport. It says here that the people who vouch for it can be "a magistrate, a minister of religion, a barrister at law, a physician, a surgeon or a solicitor." Not one of these has been put into a position of trust either by their fellow men or by the government. They are not officials in any sense of the word; they are not suitable for the convenience of the people. Bankers and doctors live in town; their number in the country is very limited. To give you an illustration. In British Columbia you must make an affidavit to get on the voters' list. That requirement has been in force for, I think, twenty years, or

fifteen years anyway. There are no less than twenty-one officials before whom you can take an oath or make an affidavit if you desire to get on the voters' list. I will just mention a few of them: Justice of the Peace, alderman, provincial constable, government agent, government assessor, mining recorder, Indian agent, postmaster, postmistress, and so on. There is a penalty if you make a false affidavit even before a postmistress. If you are found guilty of perjury the penalty is fourteen years' imprisonment. That system has worked very well indeed. Would that not be a more sensible proposition to have people like that who are always available in country districts before whom you can make these affidavits, which in the case of the passport is not an affidavit at all.

In addition to all these objectionable requirements they have a horrible system called "verification," and I will give you a sample of it. A friend of mine was going to the Old Country and he had to make out this form. He asked me to certify to it and I signed my name. I saw he did not declare it so I did not take his oath; I simply signed my name. In order to bring myself within the list of people qualified I signed my name as a notary public and that I lived in British Columbia. Along about the time this gentleman was expecting his passport back I got a letter to this effect:

Dear Sir,—

There has been presented to this department an application for a passport on behalf of .... which purports to have been signed by you as voucher. For further assurance of the department and for further reference as to your signature, when vouching for applicants, I should be pleased if you would kindly confirm the fact of your signature by filling in the accompanying card and mailing it to me.

And here is a nice little card reading: "This is to certify that I signed as voucher for So and So on his application dated so and so." They spent three weeks writing to me asking me if I were A. W. Neill. They asked: Are you a notary public, and did you sign that name? What is the sense of that? If I had not been a notary public, would I not have had wit enough to lie about it, if I were a fraud? What was the use of writing to me to ask if I was myself? They did not have the sense to look up the list of notary publics for British Columbia. They did not consult the chief of police of the town to see if there was such a man. They wrote to me and asked me if I was myself, and they spent three weeks in doing so while that man was waiting for an opportunity to get overseas. If a man wanted to deceive, all he had to do would be to rent a box in the post office and collect my mail and write back and say, Yes, I am So and So, and I am a notary public.

Mr. MACKENZIE KING: I think my hon. friend has mistaken the purport of that particular question. I understand that request is to ascertain whether someone else is guilty of fraud. The department have had numerous cases where they have written to an individual to ask if he has signed a passport and he has written back saying he has not.

Mr. NEILL: In that case, if I were the guilty party, I would be very careful not to give the name of a real notary public. I would give the name of a fictitious one and would rent a box in the post office and collect the mail. I would give the name of Tom Jones, notary public, and rent a box in the name of Tom Jones. When I received the mail I would reply: Yes, I am Tom Jones. No attempt was made to check the list of notary publics. In this case I wired stating that I was indeed myself and that I had signed this document. I said that my friend was going to lose his passage in consequence of the delay in writing to British Columbia and back, and that I would be much obliged if they would mail the passport to the office in New York from which he was sailing. They wired back that it was impossible to do that, that they could not mail the passport out of the country. That meant another delay. If I had been putting my signature as a notary public on a transfer of property worth two or three hundred thousand dollars, my signature would not have been questioned. Why should it be questioned in a case like that?

Calculated in the most ordinary and modest way, allowing only two days at each end which would be an unusually short time, for a man to start in British Columbia and apply for a passport, with no hitch occurring, it would take him thirty-five days before he got it. If they demanded that he should produce his birth certificate, as they have the power to do, it would take three months, and there is no provision that that might not happen. I understand that a number of people have protested. Amongst others I have one from Winnipeg and I should like to quote a letter which I get from British Columbia and which is really typical. This man gives three instances in the small town in which he lives. He says: Mrs. So-and-so, born, married and widowed in the Old Country came here and lived with her daughter afterwards marrying an American but the American had been a naturalized subject for fifteen years. When she applied for a passport she could not pro-

duce her husband's naturalization papers and the consequence was she was refused a passport and she has not been able to go and see her children. The second case was that of a Scotch widow born in Scotland She made application on the proper form. She lost her passage by that boat—she got it by a later one—because the minister who vouched for her was not accepted until he had, as in my case, written and said that he was indeed a minister of the gospel. The third case was that of a British woman who had married a German. Her boy had gone to the front and she had been very prominent in Red Cross work. But because she could not produce the naturalization papers of her husband, who had been dead for twenty-five years, 5 a.m she was not able to go and see her children at all and to this date she has not seen them. Of course she had been married to an alien, but he had been dead twenty-five years and she naturally could not produce his naturalization certificate. I do not think the regulations of Great Britain extend to things of that kind.

It is easy to say that you can start ahead of time and you will be all right. That is true. You can start six months ahead. But sometimes people are in a hurry; sometimes they want to run across to the Old Country to consummate a business deal or to see relations who are very sick, and it is necessary to go in a hurry. It may be easy for hon. gentlemen here who know how to do this sort of thing, to go to the Passport branch and get a passport in an hour or so, but it is different in a case of plain people in small country places who are visiting the Old Country—the event of their lives—and who find all of a sudden that these regulations come in the way and prevent them from going. It is said, with a certain amount of truth that these regulations are based upon the British ones. They resemble in some degree the British ones, but they are much more stringent in the way they are being carried out. For instance, Britain is a small country, geographically speaking, and in that country they have two passport offices where this business is transacted readily and quickly as I have occasion to know. Two members of my family who recently left Scotland decided in a hurry to come out. In one case they had only a few days, and within about thirty-six hours after the application and photograph were put in, the passport was received. There was nothing of this nonsense about verifying people, and if there had been, the short distances in that country would allow this to be readily done; it would not take thirty-five days, and I do not think the British people expect us to carry out our regulations under any such system as that. Our laws do not require it, and I do not believe the British laws require their regulations to be carried out in that foolish way. Why then should we be the victims of this unnecessary system? What makes a government unpopular is when people cannot go about their business without being harassed unnecessarily. The Prime Minister, I think, could effect an improvement immediately. If he wishes to make a change, he does not need to hire the services of a superman or an expert lawyer. Let him take one of his own officials, a man of ordinary or even mediocre ability, and so long as he is not on a pedestal of his own fatuous self-importance, he can readily devise a system whereby this can be done easily, simply and cheaply, in a way that will enable the charge to be reduced a third. Between a five-dollar charge for fees paid and five or six dollars for photographs, this means an item of ten or twelve dollars. This may not mean much to us, but to people who have to go steerage,—and there are still people who go steerage—twelve dollars on a steerage ticket is something like twenty-five per cent of the value added on for this absurd regulation.

Supposing one of ourselves were concerned in this thing and we were hurrying home to the Old Country to see a dying wife or child. What would we think of these almost criminally stupid regulations that would prevent us from getting there until it was too late?

There is nothing spectacular about this reform. It is very simple and modest, but it concerns us all as Canadians. If the government can see their way to clearing up this mess and making it easier, simpler and cheap to get passports to go to the Old Country, they will be doing something to make things easier and pleasanter for the common people of Canada.

Mr. MACKENZIE KING: The passport regulations are framed, not so much with a view to meeting any requirements of our government, as with a view to conforming with the requirements of governments of foreign countries to which persons may be going who are obliged to have passports with them in order that they may be admitted. That is the explanation of the cumbersome character of the regulations. I agree with my hon. friend that they are vexatious in their delays, but I am told that the form as drafted was based upon a form prepared and sent out by the League of Nations as a result of its careful

inquiry into conditions in countries to which persons might be travelling. They adopted what was supposed to be in the nature of a model form to be used by foreign countries to avoid the possibility of a traveller landing in a foreign country and then finding that his passport was of such a character as would not permit him to be admitted. Moreover, I should say that not only was the League of Nations' form the basis, but it was submitted to the Imperial authorities and they themselves suggested the regulations which should be put into the passport. It is the Imperial authorities who require the use of passports; we do not require it. As a matter of fact we have on several occasions drawn the attention of the British government to the fact that in our opinion it is an unfortunate obligation to be imposed on British subjects residing in Canada to have to secure passports in order to enter the British Isles. Only within the last few weeks I repeated to the British government the protest we have several times made during the past two or three years against the imposition of this obligation, but so far the British authorities have not seen their way to change the regulation and we are helpless in the matter of securing a reform. I shall have pleasure in directing the attention of the officers of the department more particularly to the subject of my hon. friend's speech this morning, and if it is at all possible to have the regulations simplified I shall be happy to see that this is done. The regulation appears to have been drafted on September 17, 1915; that was during the war when owing to the peculiar circumstances of the time it was no doubt imperative that the regulations should be rigid. But now that we are so far removed from circumstances of the kind it may be possible to secure a simplification of the regulation.

Mr. NEILL: That fact, that the regulations were made in the middle of the war was one of my complaints as they are so lacking in efficiency to prevent illegal passports. I hold in my hand a passport issued by the British authorities and it resembles those we issue; it is also similar to the standard form. It is not the passport itself that I find fault with but the cumbersome and inefficient method which is in vogue in obtaining it.

Item agreed to.

To provide for Canada's contribution towards the maintenance of the Permanent Secretariat of the League of Nations, $168,353.29.

Mr. WOODSWORTH: Will the minister state in a few words what has been accomplished by the League of Nations?

Mr. MACKENZIE KING: I am afraid I could not do it in a few words.

Mr. WOODSWORTH: I suppose we cannot do more than protest against an important item like this being left to the last few hours of the session. As a matter of fact the Prime Minister promised that there would be an opportunity to discuss this subject.

Mr. MACKENZIE KING: When the estimates of the Department of External Affairs were before the House there was ample opportunity for the discussion of these matters. The House, however, spent the greater part of the day dealing with the Lausanne treaty and there was no restriction upon any hon. member who wanted to take up any item that related to that department.

Item agreed to.

Grant to International Bee Keepers' Congress, $2,500.

Mr. SHAW: This is a new item. What have we to do with the International Bees?

Mr. MOTHERWELL: A conference is to be held at Quebec in August or September of this year and this vote is a contribution thereto.

Item agreed to.

Government contracts, supervision committee, salaries, including that of L. R. La Fleche, secretary, $6,000, and that of L. H. Beer, salvage officer, $5,000, telephones and telegrams, travelling expenses, stationery, etc., $30,000.

Mr. SHAW: This is an important item. What relation has it to the purchasing agents of the various departments?

Mr. MACKENZIE KING: The purpose of this estimate is pretty well expressed in the vote itself. There is a sub-committee of council which exercises supervision over all contracts and purchases of the government. To state the facts in a word, the committee exists for the purpose of supervising purchases and effecting economies and uniformity throughout the different branches.

Mr. WOODSWORTH: How may any firm have its name placed on the list of those eligible for orders?

Mr. MACKENZIE KING: An effort is made, in calling for tenders, to get the names of as many firms as can be obtained, and any firm can send in its name to the government.

Mr. WOODSWORTH: Is the tender principle followed?

Mr. MACKENZIE KING: Yes; the law requires that tenders shall be called for in all contracts above a certain amount.

Item agreed to.

To provide for repayments to His Majesty's government of expenses incurred in connection with the transportation of Canadian delegation to and from Geneva in connection with first assembly of League of Nations in 1920, $1,848.56.

Mr. WOODSWORTH: This dates back to 1920; what is the reason?

Mr. MACKENZIE KING: This happens to be the expenses of three Canadian ministers, my right hon. friend (Mr. Meighen) included, who forgot to pay their accounts to the British government. The British government has sent the bill to us.

Mr. MEIGHEN: It is nothing of the kind. The accounts were taken care of in the regular way by the secretaries of the respective ministers. What is the item for?

Mr. BELAND: I do not think the right hon. gentleman was one.

Mr. MACKENZIE KING: This is the statement I have on the matter:

The High Commissioner's office forwarded an account for £180, being for steamship fares for Hon. Messrs. Calder, Meighen and Rowell and their secretaries, together with the Hon. Messrs. Norris, Martin and Stewart who were at that time Premiers of Manitoba, Saskatchewan and Alberta. Enquiry was had of Messrs. Calder, Meighen and Rowell as to whether or not the amount of £20 each for steamship fares between London and New York had been paid by them and in each case the reply has been in the negative.

Mr. Christie informed me that his recollection was that the provincial premiers were invited by the Ministry of Information of His Majesty's government and that the Dominion government had nothing to do with their visit to England.

Application was accordingly made through the Secretary of State department to the provincial governments of Manitoba, Alberta and Saskatchewan for a refund of £20 in each case, and these provinces have forwarded their cheques for the amounts in question. As to the Dominion ministers, there is no doubt that they made the voyage for which a charge is made. They were on official business and the Imperial government has presented the bill.

Mr. MEIGHEN: The explanation is not correct, for I certainly never was asked.

Mr. MACKENZIE KING: That is the statement given by the deputy minister of the department.

Mr. MEIGHEN: Sir Joseph Pope?

Mr. MACKENZIE KING: Yes. I am informed the department has a letter from my right hon. friend.

Mr. MEIGHEN: There is no such letter from me, for I knew nothing about it. I can not conceive how it could have been omitted. How could they get the return tickets?

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: The British government bought the tickets from Liverpool to New York. This relates to item 356. Item 354 is a refund of a similar character to cover the expenses of Sir George Foster, Mr. Rowell and Mr. Doherty from Geneva to London. Apparently they thought they were travelling as guests of the Hospitality League in Britain or His Majesty's Hospitality Fund, but the league rendered the bill to the British government.

Mr. MEIGHEN: There might be an error in England as to who was responsible, but it could not possibly be so as to these tickets, because our secretaries purchased them. I would ask the Prime Minister to be good enough to send me a copy of that letter.

Mr. MACKENZIE KING: Yes.

Item agreed to.

Grant towards the expenses of the International Mathematical Congress to be held in Montreal in 1924. $25,000.

Mr. SHAW: What are all these congresses, and why are they subsidized by the Canadian government?

Mr. MACKENZIE KING: The British Association for Advancement of Science and the Mathematical Congress are two of the most important scientific gatherings in the world. They meet in a different country each year, and it has been the custom of all countries to help meet the expenses of the scientific men attending from all parts of the world. I think my right hon. friend opposite had intimated to the British association, and very rightly so, that if they were to meet in Canada in such and such a year, and he were in office, he would give them a grant. The government is taking the same course that my right hon. friend said he would take if in office. The province of Ontario is giving a like amount to the Mathematical Congress.

Mr. MEIGHEN: I have some recollection of being advised of the visit of the British Association for the Advancement of Science, but as to the Mathematical Congress I certainly have none.

Mr. MACKENZIE KING: My right hon. friend is correct; it was to the British scientific association that he gave the promise.

Mr. MEIGHEN: There was no promise. I recall being advised in conversation that they would probably come to Canada. But the British Association for the Advancement of Science is a well-known institution the world over, and undoubtedly its meeting

should be encouraged by the government. But I take a rather different view of the Mathematical Congress.

Mr. MACKENZIE KING: Professor J. C. Maclennan of the University of Toronto wrote my right hon. friend in this matter, and I have the correspondence.

Item agreed to.

To provide for the salary of a private secretary to the Speaker of the Senate, $600.

Mr. WOODSWORTH: Why does this salary come in this place? Is this not recommended by the Senate itself?

Mr. MACKENZIE KING: We are simply following precedent; this salary has been voted from time to time under this particular heading.

Grant to the Canadian Tuberculosis Association, $15,000.

Mr. WOODSWORTH: I notice the grants to the blind and to the Tuberculosis Association are cut down. Why do we spend such an enormous amount for a mathematical congress and cut down grants to provide for the needy here in Canada?

Mr. MACKENZIE KING: The explanation is that the Mathematical Congress meets once every twenty-five years; the other grants are annual.

Mr. WOODSWORTH: Why are they cut down in each case?

Mr. MALCOLM: I think there is a misapprehension; the grant to the blind has not been reduced at all. The grant last year was larger because it had been forgotten the previous year and the deficiency was made good. This year the grant is normal.

Mr. WOODSWORTH: How about the tuberculosis grant?

Mr. BELAND: About two hours ago we voted $5,000 in the supplementaries.

Item agreed to.

To cover Governor General's Warrants 1923-24—to provide for the expenses of investigating claim and negotiating treaty for cession of Indian title to 10,719 square miles in the province of Ontario (Governor General's warrant, 5th January 1924), $12,000.

Mr. MEIGHEN: Is this Colonel Thompson's investigation?

Mr. LAPOINTE: I think so.

Mr. MEIGHEN: A pretty barren investigation.

Item agreed to.

Unprovided items, 1922-23—to cover unprovided items 1922-23, as per Auditor General's report, part b, page 4, 1922-23, $368,783.39.

Mr. MEIGHEN: Could we get a list of all those items in not too great detail? The item seems new. Was there a corresponding item in other years?

Mr. MACKENZIE KING: Yes.

Mr. MEIGHEN: Of this magnitude?

Mr. MACKENZIE KING: I think so. It is to cover unprovided items for 1922-23.

Mr. MEIGHEN: I presume certain payments were made that were not authorized and now they are being authorized.

Mr. MACKENZIE KING: I have not got the report here.

Mr. MEIGHEN: Has the Prime Minister a list of them or any definition of their nature?

Mr. MACKENZIE KING: I have not a copy of the Auditor General's report here.

Item agreed to.

Agriculture—live stock, $1,280,000.

Mr. WALLACE: May I ask if the regulation recently issued by which no further applications would be received for record of performance tests has been rescinded?

Mr. MOTHERWELL: Just for a short time while we were getting the new inspectors appointed.

Mr. CAMPBELL: There seems to be a very considerable increase here.

Mr. MOTHERWELL: The increase of $50,000 is due to the fact that the testing of dairy cattle for butter and for production has been transferred from the Dairy branch to the Live Stock branch. The rest of the increase is due to the natural development of live stock activities throughout the country.

Mr. CAMPBELL: According to the Auditor General's report the amount spent last year was $1,057,000. Now we are asking for $1,280,000.

Mr. MEIGHEN: That would be for the year before last.

Mr. COOTE: Is there anything in this vote for a grant to the Western Stock Growers' Association, who, I understand, made a request for a grant this year?

Mr. MOTHERWELL: No. The grant this year goes to the Western Live Stock Union.

Mr. COOTE: Does the minister not think it might be a better use to make of the money than to give it to the International Beekeepers' Association?

Mr. MOTHERWELL: We did not think so.

Mr. TOLMIE: What amount is included for travelling expenses under this vote?

Mr. MOTHERWELL: A considerable part of it would consist of salaries and travelling expenses. It would be pretty hard to classify it.

Seed, feed and fertilizer control, $295,000.

Mr. HARRIS: Does this $295,000 include the cost of the publication known as Seed and Fertilizer Markets?

Mr. MOTHERWELL: Yes. We get the information through telegraph and cable despatches, and also by mail, from the various parts of the world.

Mr. HARRIS: You would hardly go outside of Canada; these would be all domestic prices. Is it not a fact that you get the prices from the Canadian Fertilizer Manufacturers' Association in the case of fertilizer?

Mr. MOTHERWELL: No.

Mr. HARRIS: What about this board that advises the minister with regard to fertilizer?

Mr. MOTHERWELL: I have no doubt that would be a natural place to get part of the information.

Mr. HARRIS: Has any attention been paid to the fact that not all manufacturers are members of this association? Is it the policy of the department to listen to the Canadian manufacturers of fertilizer and publish their results?

Mr. MOTHERWELL: If my hon. friend has any wider circle of information we shall be very glad to consider it.

Item agreed to.

Salary and expenses of agricultural produce marketing agent in Great Britain, $10,000.

Mr. MEIGHEN: Who is this gentleman?

Mr. MOTHERWELL: Mr. W. A. Wilson.

Mr. MEIGHEN: Has the minister got Mr. Preston in his employ?

Mr. MOTHERWELL: No. If my right hon. friend is suggesting that there is anything improper in his appointment he is on the wrong track.

[Mr. Motherwell.]

Mr. CAMPBELL: Does the minister think he is getting any results from the work of this agent? We are losing yearly our market in the Old Country for these products.

Mr. MOTHERWELL: We have weekly reports from Mr. Wilson with regard to cheese, butter, bacon, eggs and other such farm products.

Mr. MEIGHEN: And that ought to be ample compensation for losing the markets.

Mr. CAMPBELL: It seems to me there is something wrong in the Old Country when we are losing our markets for all these products. The minister should be able to suggest some other means for trying to re-establish that market.

Mr. MOTHERWELL: The market for cheese has improved amazingly during the last twelve months, due partly to the grading system inaugurated over a year ago and to the publicity given to it by Mr. Wilson.

Mr. IRVINE: If we are losing our markets through an agent that costs us $10,000, it might be well to reduce the item by $5,000 and save some of our markets.

Mr. MOTHERWELL: Does my hon. friend mean the producer is losing?

Mr. IRVINE: I am talking of markets.

Mr. BRETHEN: What is a live stock promoter?

Mr. MOTHERWELL: A gentleman who promotes the desire to go into live stock, and encourages the farmers to produce better live stock.

Mr. BRETHEN: In the Auditor General's report there is an item for J. C. Stewart, live stock promoter, salary $1,920 with expenses $3,536.30. In looking over these accounts I find this live stock promoter has more expenses than the minister and some of the branch heads, even those who go over to Great Britain. I would like some explanation of the expense account of this live stock promoter in the city of Ottawa.

Mr. MOTHERWELL: He spends most of his time travelling, looking into marketing difficulties and other activities connected with live stock. He is on the road nearly all the time.

Mr. BRETHEN: How far does he travel?

Mr. MOTHERWELL: Over the whole of Ontario and a portion of Quebec.

Mr. BRETHEN: From what knowledge I have, he is largely attending fairs and breed-

ers' meetings, and doing general entertainment. Compare his expenses with those of other live stock promoters, and you will find his out of all proportion.

Mr. MOTHERWELL: These accounts are all checked up very carefully. I hope my hon. friend is not suggesting that this account is padded or anything of that sort. We take every precaution against anything of that nature.

Mr. MEIGHEN: Who is this live stock promoter?

Mr. MOTHERWELL: His name is Stewart.

Mr. CAMPBELL: Can the minister give us any figures regarding the shipment of butter and eggs to the Old Country? There was a very serious falling off in both our butter and egg shipments in 1923 over 1922. I would judge from the minister's remarks that there has been an improvement this year. Can he give us any figures for this year?

Mr. MOTHERWELL: We import more eggs than we export, and the reason we do not export more butter is that Canada consumes most of her production herself. You can go on the British market to-day, or any other day, at any time of the year and you will not find Canadian butter there except on a very, very few markets, and if you find it on one market to-day, you may not find it there next week. The result is that the British buyer does not look favourably on our butter because of the non-continuity of the supply. We supply only two and a half or three per cent of their total importation.

Mr. CAMPBELL: The production of butter is steadily increasing. I have not the exact figures here, but it seems to be reflected in the price. There was not very much of a drop last year, and a considerable amount of our butter went to New York and paid the eight per cent duty. I can hardly understand that there is no surplus to ship to the Old Country market.

Mr. MOTHERWELL: A great deal of our butter fat goes out in the form of cream. While our butter production is increasing, so is the home consumption, because of the better quality.

Item agreed to.

Grant to the Department of Agriculture, province of Nova Scotia, to apply on the amortization of the debt against the Science building at the Agricultural College, Truro, N.S., $20,000.

Mr. MOTHERWELL: This item and the following one are appropriations for the purpose of making grants to two buildings, one in Nova Scotia and the other in New Brunswick. These provinces have received a grant under the Agricultural Instruction Act, for the past ten years, and these buildings were started. Then when the vote under that act was discontinued, we received representations from Nova Scotia and New Brunswick, inasmuch as they suffered more than any other province in the first year this grant was reduced from $1,100,000 to $900,000. That was last year, and it struck the Maritime provinces harder because of their population, which is not growing like it is in the West. Alberta was reduced the first year by about $2,500, and Saskatchewan by $1,300, whereas the two Maritime provinces lost $20,000 apiece because of the reduction in the grant last year, and this year it is altogether wiped out. We propose to continue these payments to these two provinces to equalize matters with the other provinces.

Mr. HOEY: Are these the final payments?

Mr. MOTHERWELL: No, they will have to continue for about four years.

Mr. HOEY: We have an agricultural college in Manitoba that is not paid for yet. I think this is a dangerous precedent.

Item agreed to.

To increase staff in connection with wheat rust investigational work and provide accommodation therefor, $25,000.

Mr. LUCAS: Would the minister explain this item?

Mr. MOTHERWELL: The committee will remember that about a month or so ago the Agricultural committee, after hearing a number of addresses on cereal diseases, recommended an expenditure of $50,000 for investigational work. It is partly due to that recommendation, and partly to the fact that we had come to the same conclusion ourselves, because Canada is losing through cereal diseases alone approximately $100,000,000 a year, that this vote was included. It was thought that nothing like proper care was being taken in the way of curative measures to eradicate these diseases. We have arranged for a conference in Winnipeg next September on the rust problem itself, and we expect to have there the best experts on the continent. After that meeting we will be able to decide where to locate the laboratory for making these investigations. It will probably be in Manitoba.

Mr. LUCAS: Is not a great deal of this work done in the universities?

Mr. MOTHERWELL: Yes, in rented buildings, and while we have done good work there, we have been hampered considerably by not having complete control over the buildings. We have some accommodation in Winnipeg, but this disease is too important to be dealt with in buildings in which we have to get the accommodation from other people; the work has to be continued.

Mr. LUCAS: It occurred to me that there has been a good deal of overlapping in very much of this work. If it could be carried on in connection with our universities attended by a great many students, then anyone who is interested in it could see it carried on and afterwards take that knowledge out into the country with him. I think the universities are very well equipped with all the facilities for carrying on such work as this. Could not these investigations be carried on in conjunction with the universities, and thus obviate the necessity of having a separate building?

Mr. MOTHERWELL: As, I think, my hon. friend knows there are about forty different varieties of rust, and we have first to discover a plant that can resist the rust. Then, after we have discovered that kind of wheat plant we have got to breed into it three or four important qualities—early maturity, quality, and prolificness. That is a tremendous amount of experimentation and it may take twenty-five years, with the facilities we have, to arrive at definite results. We do not know how far we shall get with the new facilities, but we do know that we shall get better results. It is worth while striving to get results because there is a loss of nearly $100,000,000 annually from cereal diseases of one kind and another.

Mr. LUCAS: Is it the intention of the minister to hold a conference of the several provincial bodies that are now doing certain work along this line?

Mr. MOTHERWELL: Oh, yes, all the provincial bodies including the presidents of the two universities I have referred to and the best recognized men in the United States.

Mr. MEIGHEN: What is the government holding a conference for? Is not that the work of the Scientific Research Council?

Mr. MOTHERWELL: As a matter of fact the meeting is called by Dr. Tory as one of the signers to the invitation. In fact Dr. Grisdale and Dr. Tory have both signed the invitations.

Mr. MEIGHEN: Will there be a dinner?

[Mr. Lucas.]

Mr. MOTHERWELL: Well, I presume they will dine somewhere.

Item agreed to.

Agriculture—	
Salaries	$713,585
Contingencies	135,000

Mr. DOUCET: Will the minister inform the House if it is the intention to appoint a grading inspector for eggs in the province of New Brunswick, or in all the Maritime provinces?

Mr. MOTHERWELL: I understand that in the Maritime provinces they are pretty well advanced in the matter of egg grading. They took the work up there before the other sections of Canada did. I understand that we are about to appoint an inspector.

Item agreed to.

SUPPLY—CONCURRENCE

Resolutions reported, read the second time and concurred in.

RECOMMENDATIONS BY COMMITTEES

RULING BY HIS HONOUR THE SPEAKER

Mr. SPEAKER: On the 15th of April a special committee was appointed to consider questions relating to the pensions, insurance and re-establishment of returned soldiers and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the committee.

On the 15th of July the committee presented its fourth report recommending that the Soldier Settlement Board make provision for reduction on the price of all live-stock advances to soldiers and purchased prior to the 1st of October, 1921; and, further, that in the event of any prepayment the soldier settlers shall receive a discount of five per cent per annum.

Mr. Denis (Joliette) chairman of the committee has moved concurrence in the report and Mr. Stewart (Argenteuil) has moved an amendment to strike out the portion of the report which relates to this five per cent discount. A point of order was raised by Mr. Meighen on the ground that committees have no right to recommend the expenditure of public moneys or to increase the charges upon the people. He pointed out that the House should not be called upon to approve of any expenditure which has not been proposed by a minister and recommended by the Crown. The theory that no private member may ask the House to vote public moneys is well known. An exception is often made for resolutions drafted in general terms, which are taken as pious wishes or recommenda-

tions to the government. If we are to allow committees to consider questions involving expenditures without a special reference adopted by the House, we shall open the door to what I consider an abuse of parliamentary procedure. The cabinet cannot divest itself of the duty to manage the affairs of the country and it must bear the responsibility of submitting to the House any request for public moneys which may be needed. True, May, Twelfth Edition, page 437-8 says:

> Select committees are able to consider and to report to the House resolutions recommending an outlay of public money for the purposes therein specified, without the previous signification of the royal recommendation (see p. 457), because such a resolution is classed among those abstract resolutions by the house in favour of public expenditure, which are in the nature of suggestions, and are not in themselves binding upon the action of the House.

The precedents quoted in support of this contention go to show that in England a committee is only empowered to recommend an expenditure when it has received a special reference instructing it to examine the advisability of voting a stated amount. In one of the cases cited, the committee was instructed to consider and report whether any and what redress should be afforded to William Henry Barber who had a certain claim against the government. The other instance is that of a committee having been appointed to inquire and report upon a petition of Lord Cochrane praying Her Majesty to complete the gracious act of royal justice which restored the pension of the late Lord Dundonald. It is evident that in such cases a recommendation to spend money had to be made.

In the present instance the reference to the special committee on Pensions was not instructed by the House to look into any expenditures. The most it could do would be to recommend to the consideration of the House that certain measures might be taken, and upon concurrence of that report, it would be for the government to submit money resolutions with the recommendation of the Crown.

I think it is against the spirit of British parliamentary procedure that the House should be called upon to pronounce itself on any charge upon the people before measures covering the same are brought down by a minister in due course. Such a practice would be tantamount to taking a circuitous way to bind the House without giving it the proper guarantees. I therefore rule that the report of the special committee respecting Pensions and Soldiers' Civil Re-establishments is out of order and cannot be adopted in its present form.

WAYS AND MEANS

SUPPLY BILL

Right Hon. W. L. MACKENZIE KING (for the Minister of Finance) moved that the House go into committee of Ways and Means.

Motion agreed to and the House went into committee, Mr. Gordon in the chair.

Mr. MACKENZIE KING 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 31st March, 1925, the sum of $170,064,353.08 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolutions reported and concurred in. Mr. Mackenzie King thereupon moved for leave to introduce Bill No. 266 for granting to His Majesty certain sums of money for the public service for the fiscal year ending March 31, 1925.

Motion agreed to, bill read the first and second times, considered in committee and reported.

Mr. MACKENZIE KING moved the third reading of the bill.

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I desire to ask the patience of the House—and I know I am asking a good deal—for a few moments. It is only after due consideration of the importance of the step which I am now taking that I am speaking at this time for the purpose of moving an amendment to the third reading of this bill. I do so because I am informed by those who know, that this is the proper procedure to take in order to achieve my purpose. I regret to state that, in my opinion—it is my opinion and I speak for myself alone—that a grievous action of, perhaps, I may say, error, on the part of this government has been committed in the voting of the people's money, money which is in our trust, for the purpose of sending people to the Wembley exhibition on a formal joy ride. I protested at the time this vote was under consideration and those around me protested with me. Our voices were at the moment apparently unable to resist the inclination of the government to take this step. I move:

> That this bill be not now read a third time, but be referred back to the Committee of the Whole with power to amend it by reducing item No. 62 by the sum of $20,000.

In presenting this motion, I have in mind the condition of unemployment in this country, the misery and suffering that will follow the action of this government this morning in regard to the depositors of the Home Bank. I have in mind also the depression that faces many settlers in western Canada who are again confronted with a total crop failure. I do not think this House is justified in voting money for the purpose for which it is apparently intended to be spent, namely in sending these people to Great Britain on what is frankly a junketing or joy ride.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I just wish to intimate to the House, in view of the discussion which took place on the matter when it was before the committee, that the government reconsidered its proposal, and instead of providing for a large party or a party of eight or ten members of parliament to visit the Wembley exhibition in Great Britain, it deferred to what appeared to be the wish of the House and made a much smaller representation from the parliament of Canada. We decided that it was the proper thing to have some official representation from the parliament of Canada to the British Empire Exhibition. I will not go into the reasons that actuated us in the matter, but we felt that it was a step that, everything considered, was appropriate from the Canadian and from the Imperial point of view. We decided to send two members from this side of the House. We might have stopped at that point and had a delegation of only two. We felt, however, that we would like any delegation that went abroad to represent not alone the government side, but all parties in this House, and we, therefore, included in the group of commissioners to represent this parliament the Chief Whip of the Progressive party and the Chief Whip of the Conservative party. I am not sure that all four gentlemen will go. I hope they all will. At any rate, if they all go, the total cost to the country will be, I think, in the neighbourhood of not more than $6,000, My hon. friend has suggested that the amount asked for in this bill should be reduced by $20,000. It hardly comes within the purpose that he has in view to have so large an amount. If he deducts that amount, he will be taking away from other supplies that have been voted. I wish to assure the House that the total expenditure will not exceed, I am told, $6,000 for the four representatives who are going from this House, and who, I think, will prove worthy representatives of this parliament at their great imperial exhibition.

6 a.m.

Mr. SPENCER: Is the government carrying out its plan of sending five men from the press gallery, as the Acting Minister of Finance intimated?

Mr. MACKENZIE KING: I am sorry that in the absence of the Acting Minister of Finance I cannot say. I do not think that as large a representation as that has gone from the press gallery, although I would not be positive.

Mr. MEIGHEN: Any from the Senate?

Mr. MACKENZIE KING: No.

Mr. CAMPBELL: I congratulate the Prime Minister on reducing the number of these men. I should have been better pleased had he reduced it to the vanishing point. It is simply a junketing trip at the expense of the country, and I regret that the government has seen fit to carry it out.

The House divided on the amendment (Mr. Garland, Bow River) which was negatived on the following division:

YEAS

Messrs.

Brethen,	Meighen,
Campbell,	Shaw,
Coote,	Spencer,
Doucet,	Stansell,
Elliott (Dundas),	Tolmie,
Gardiner,	Wallace,
Garland (Bow River),	Ward,
Irvine,	Woodsworth.—17.
Kennedy (Edmonton),	

NAYS

Messrs.

Baldwin,	Humphrey,
Béland,	Jelliff,
Benoit,	Kelly,
Black (Yukon),	Kennedy (Port Arthur and Kenora),
Boivin,	King (Kootenay),
Bouchard,	King, Mackenzie (York),
Boucher,	Lapierre,
Bureau,	Lapointe,
Cahill,	Lovie,
Caldwell,	Lucas,
Cardin,	McBride,
Casgrain,	McIsaac,
Chevrier,	McKay,
Clifford,	McMurray,
Copp,	McTaggart,
d'Anjou,	Malcolm,
Denis (St. Denis),	Motherwell,
Descoteaux,	Murdock,
Desrochers,	Neil,
Drummond,	Ouimet,
Duff,	Reed,
Elliott (Waterloo),	Robitaille,
Forrester,	Sinclair (Queens, P.E.I.),
Fournier,	Speakman,
Gendron,	Stewart (Argenteuil),
Gordon,	Vien,
Hammell,	Woods.—55.
Healy,	

PAIRS

(The list of pairs is furnished by the Chief Whips.)

Messrs.	
Hoey	Hudson
Brown	Good
Harris	Martell

Mr. HARRIS: I was paired with the hon. member for Hants. Had I voted I would have voted in favour of the amendment.

Mr. HOEY: I was paired with the hon. member for South Winnipeg. Had I voted I would have voted for the amendment.

Mr. BROWN: I was paired with the hon. member for Brant. Had I voted I would have voted against the amendment.

Main motion agreed to, bill read the third time and passed.

PENSION ACT AMENDMENT

NON-CONCURRENCE IN SENATE AMENDMENTS

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment) moved non-concurrence in amendments made by the Senate to Bill No. 255 to amend the Pension Act.

He said: This bill was passed by this House unanimously but I am sorry to say that it has experienced a stormy passage in the upper chamber and has come back to us so mutilated that I can hardly recognize it. No fewer than twelve clauses have been substantially amended, the majority of them being entirely deleted. I am bound to move that we send a message to the Senate asking their Honours to desist from their amendments to some sections of the bill which I consider of importance. The clauses which I shall ask the Senate to allow to stand as we have passed them I shall enumerate: Section 2 refers to the granting of pensions in cases where there has been improper conduct. Section 6 extends from five to ten years the privilege of dependents of pensioners in classes 1 to 5 who receive their pension even if the death of the returned man has no relation to war service. Section 9 refers to conditions under which pensions shall be paid to widows; section 10 extends from five to ten years the time during which widows of pensioners in classes 1 to 5 may receive a pension, under certain conditions; and section 15 deals with appeals from decisions of the Board of Pension Commissioners. I therefore beg to move, Mr. Speaker, that a message be sent to the Senate to acquaint their Honours that this House disagrees with their amendments to clauses 2, 6, 9 subsection (1a), (1b), (1b) (i), 10, 15 and 16 of Bill No. 255, an Act to amend "The Pensions Act," for the following reasons:

These clauses are the result of recommendations made by the Royal Commission on Pensions, Insurance and Re-establishment, as submitted to the House of Commons during the present session.

To clause 19 of the said bill for the following reason:

It is considered that permanency in rate of pension is indispensable to the welfare of pensioners generally.

Mr. MEIGHEN: Is it not a fact that a member of the government—the government leader in the Senate—was a member of the committee which made these amendments and concurred in all of them?

Mr. BELAND: I am informed that the hon. leader of the Senate was not a member of the committee.

Mr. MEIGHEN: My information is very distinctly that he was. Will the minister say that he did not concur in the amendments in the Senate?

Mr. BELAND: I have no information in this connection.

Motion agreed to.

On the motion of Mr. Mackenzie King the House returned to the order "Routine Proceedings."

BANKING AND COMMERCE COMMITTEE

Mr. THOMAS VIEN (Lotbiniere): Mr. Speaker, I beg to move, seconded by Mr. Boivin, that the thirteenth report of the select standing committee on Banking and Commerce be now concurred in.

Mr. MEIGHEN: What is the report?

Mr. VIEN: I beg to remind the House that on July 9 the select standing committee on Banking and Commerce presented the thirteenth report, which was pursuant to the order of reference from the House referring to the committee Dr. Tory's report on agricultural credits. The report reads as follows:

Your committee have had under consideration the report of Dr. Tory on Agricultural Credits.

Said report shows that, of the nine provinces of Canada, seven already have on their statute books laws for the purpose of establishing public systems of agricultural credit; and

Whereas a study of the systems existing in these provinces shows that there is considerable variation in the systems, both as to method and detail; and

Whereas it is the purpose of all such rural credit systems, to secure, through the better organization of security, loans for agricultural purposes at better

rates of interest than have been current heretofore; and

Whereas it is doubtful if this purpose could be best served by the establishment of a federal system operating in the above mentioned provinces in addition to and in competition with the systems already in existence or in provinces where the need has not been sufficient, in the opinion of the provincial authorities, so as to justify the establishment of such a system; and

Whereas it would seem to be wise, both from the point of view of efficiency and economy, if a federal system is to be established, that it be a common system for the whole of Canada, and that, of necessity, would entail conferences between the federal and provincial authorities;

Therefore, your committee recommend that the investigation of the subject be continued, in order to determine whether it be possible to co-ordinate the various systems of rural credit now in existence into a federal system, applicable to the whole of Canada, and that legislation be prepared based on the said further investigations and calculated to meet the credit needs of the Agricultural classes of the Dominion, and submitted to Parliament at its next Session.

Mr. MEIGHEN: I again enter my protest against a motion to adopt a report which affirms a line of policy that is very considerably involved and also commits the House to legislation of a definite form.

Mr. LAPOINTE: Only after investigation.

Motion agreed to.

INTER-ALLIED CONFERENCE

Right Hon. W. L. MACKENZIE KING: I beg to move:

That fifteen hundred copies in the English language and five hundred copies in the French language of the telegrams exchanged between the British and Canadian governments respecting the representation of the dominions at the inter-allied conference held in London on July 24 laid on the Table of the House this day be printed forthwith and bound in the sessional papers, and that rule 74 be suspended in relation thereto.

Motion agreed to.

PULPWOOD COMMISSION

Mr. MACKENZIE KING: I beg to lay on the Table of the House the report of the Royal Commission on Pulpwood. I move:

That fifteen hundred copies in the English language and seven hundred and fifty copies in the French language of the report of the Royal Commission on Pulpwood laid on the Table of the House this day be printed forthwith, and that rule 74 be suspended in relation thereto.

Mr. SPEAKER: Shall I dispense?

Mr. MEIGHEN: We might dispense also with the printing. I do not think anybody will read the report.

Motion agreed to.

PRIVATE BILL

Mr. MACKENZIE KING: I understand there is one private bill, relating to the relief of Alma Ducharme Mullins, which an hon. member would like to have disposed of. With the consent of the House I would ask that we return to the order "Private Bills".

Mr. SPEAKER: By leave of the House.

Mr. McBRIDE: No.

Mr. SPEAKER: For Mr. Martell, Mr. Duff moves, seconded by Mr. Malcolm, that Bill No. 261 (Letter X6 of the Senate), intituled: "An Act for the relief of Alma Ducharme Mullins" (without amendments) be now read a third time.

An hon. MEMBER: No.

Mr. MEIGHEN: In view of the objection which was taken at the same sitting of the House I think it is only fair that hon. members should know that this cannot be taken except unanimously.

Mr. SPEAKER: The objection is well taken.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the House. He said: I suggest that we resume to-day at half past twelve. It will be simply a formal meeting of the House and we propose to have prorogation at three o'clock in the afternoon.

Mr. MEIGHEN: I understand there will be no business except prorogation at half past twelve.

Mr. MACKENZIE KING: I am not aware of any business.

Mr. DUFF: Private bills.

Mr. MACKENZIE KING: There may be some report from the Senate.

Mr. SPEAKER: There would be any matter arising out of the motion made a moment ago by the hon. Minister of Soldiers' Civil Re-establishment to refer back to the Senate the Pensions bill.

Mr. MEIGHEN: Beyond that there will be no business?

Mr. VIEN: Private bills.

Mr. MEIGHEN: I want to get an answer whether there will or not, because if there is not to be any business, hon. members who have sat here until twenty-five minutes to seven will not likely come down for the mere

formality. I think we ought to know. I quite agree it is necessary that the Pensions bill, which is before the Senate, should come before the House, that is to say, if any business arises out of the Senate's action. But I think the government should say whether there is to be anything else.

Mr. MACKENZIE KING: I understand private bills do not appear in the regular order for to-day, so I presume it would not be possible to take up private bills. I do not know of any other legislation, so that the meeting will be purely formal, just to receive any report that may come from the Senate.

Motion agreed to and the House adjourned at 6.35 a.m. (Saturday).

Saturday, July 19, 1924

The House met at 12.30 noon.

MESSAGE FROM THE GOVERNOR GENERAL'S SECRETARY

PROROGATION OF PARLIAMENT

Mr. SPEAKER: I have the honour to inform the House that I have received the following communication from the Governor General's Secretary:

OTTAWA, July 19, 1924.

Sir: I have the honour to inform you that His Excellency the Governor General will proceed to the Senate Chamber on Saturday, July 19, at 3 p.m. for the purpose of proroguing the present session of parliament.

I have the honour to be,
Sir,
Your obedient servant,
A. F. SLADEN,
Governor General's Secretary.

The Honourable,
The Speaker of the House of Commons,
Ottawa.

INQUIRY FOR RETURNS

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Some three weeks ago I made reference to certain returns which had been brought down in answer to orders of the House and called attention to the fact that the most important features of them had been omitted. The Minister of Marine and Fisheries (Mr. Cardin), whose department was chiefly concerned, promised to have the omissions looked into as they constituted contempt of the House. I have reminded him twice of the matter and of his promise but I have had so far nothing but promises. We are now at the last moment of the session and the missing returns have not been supplied. I must offer the comment that there is some significance in bringing down returns so obviously defective in particulars that go to the heart of the matters involved, and in declining to make good the defects right up to the end of the session and even in defiance of repeated promises. Some important returns have yet to be brought down, although I may say that of those orders I mentioned the other day some were complied with yesterday, too late however, to be of the slightest value this session.

Hon. A. B. COPP (Secretary of State): My department has been in close touch with the other departments concerned and I can only say that every effort has been made to bring down all the returns that could possibly be prepared. Some fifteen returns were submitted on the first occasion and about ten or twelve have been brought down since that time.

Mr. MEIGHEN: They were not all those that I referred to. I mentioned only the returns moved for and not complied with so far as this side of the House is concerned; many of the rest asked for by hon. gentlemen to my left and hon. gentlemen opposite are still to be brought down. Of those returns brought down some were moved for by the other two parties.

Mr. COPP: I have presented all that have come from my department.

Mr. MEIGHEN: I have no explanation as to why it is we cannot get returns as ordered by the House. We may just as well cease moving and having passed orders of the House if they are only to be flouted after they have been passed.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am sorry that the Minister of Marine and Fisheries is not in his seat at the moment; I have not the least doubt he would have a satisfactory answer to give my right hon. friend. On his behalf I shall ask to have the information secured and sent to the right hon. gentleman, notwithstanding prorogation, so that he may have the material which he requires.

SUSPENSION OF SITTING

PENSIONS BILL IN THE SENATE

Right Hon. W. L. MACKENZIE KING (Prime Minister): I know of no other business which should occupy the attention of the House at the present time. I understand that a report will come from the Senate shortly

with reference to some legislation respecting pensions and I think it would be just as well for the House to suspend its sitting for ten or fifteen minutes until that report is received.

Mr. SPEAKER: The sitting is suspended for a quarter of an hour.

Mr. GOULD: If I may be permitted to ask just a brief question,—will the Prime Minister say what the probable date will be of the next meeting of parliament?

Mr. MEIGHEN: Mr. Speaker—

Mr. MACKENZIE KING: The sitting is suspended.

Mr. MEIGHEN: That is only a suggestion. With reference to the question I put this morning about 6.30 to the Minister of Soldiers' Civil Re-establishment, as to whether the government had not taken a different stand in the House of Commons to what it took in the other House regarding the Pensions bill, I would ask the minister to read as they appear recorded the utterances in the other House by the member of the Senate who represents the government and leads its forces in that chamber. This substantiates to the full what I stated yesterday, and even more. It seems strange that the government should take one stand in this House and a totally different stand in the Senate.

Mr. BELAND: I will read the debate in the Upper Chamber in due course. I am not particularly concerned about what an individual member of the Senate may say or may do.

Mr. MEIGHEN: I am referring to a member of the government.

Mr. BELAND: I am not particularly interested in what an individual member of the Senate may say; I am concerned with the action taken by the Senate as a body.

Mr. MEIGHEN: What can the hon. member expect if the government leader there virtually requests them to take it?

Mr. BELAND: The government leader may be powerless in the Senate on any question.

Mr. MEIGHEN: The trouble is he was all-powerful; he had his way.

Mr. BELAND: As I understand it, the reasons invoked by the Senate for interfering substantially with the bill that was passed by this House is that they were not aware that a special report had been presented to the House; that a prolonged inquiry had been made by a special committee of this House on the subject. However, we will see what the Senate says in regard to the message we sent to them early this morning, and then we will decide what action we should take.

[Mr. Mackenzie King.]

TRAVELLING EXPENSES OF CABINET MINISTERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): During the discussion of the estimates this morning there was an item that referred to the passage of my right hon. friend (Mr. Meighen) from Liverpool to New York, and I intimated that the government had been asked payment of the account, as it related to expenses that had been incurred but had not been paid. That was not through any neglect on the part of my right hon. friend or his secretary, but simply through the circumstances that he had evidently assumed the account had been paid by some one else. However, this bill came to us for payment. I said to my right hon. friend that we had a letter from him admitting the fact. He said he doubted that and asked to be shown the letter.

Mr. MEIGHEN: Will the right hon. gentleman read the letter? I have no objection.

Mr. MACKENZIE KING:

OTTAWA, July 6, 1923.

Sir JOSEPH POPE,
Under-Secretary of State,
Ottawa.

Dear Sir JOSEPH,—

I have your letter of May 30th regarding charges for passage from Liverpool to New York in July, 1918, for myself and private secretary.

I understand that passages were arranged through the Admiralty Board, and it was presumed that charges were being absorbed by them. Mr. Garland, who was my secretary at that time and who had charge of such details, assures me that no payment was made by him at the time, and of course the item was not included in the statement of expenses.

Yours very truly,

ARTHUR MEIGHEN.

I think that bears out what I said.

Mr. MEIGHEN: I think the letter was prepared for me by the same secretary, and I signed it. I have not even any recollection of what is in the letter. I have no doubt it is perfectly correct.

RETURNS

VOLUMINOUS, EXPENSIVE—STATEMENT BY THE SECRETARY OF STATE

Hon. A. B. COPP (Secretary of State): With reference to the bringing down of returns and the comments made in that connection, while

I realize that hon. members are entirely within their rights in asking for any returns, I suggest that they give a little consideration to the fact that much of the information they ask for could probably be got from the departments. Voluminous returns sometimes have to be brought down which I feel sure no one would ever have time to read. As an illustration I laid on the table of the House this morning a return comprising over twelve hundred typewritten pages, containing correspondence with regard to Dominion Canners, Limited. It may be that some one wants to read it all—

Mr. MEIGHEN: Who moved for that?

Mr. COPP: The hon member for Norfolk (Mr. Wallace), I think. And it is only a partial return. Hon. members will see what an amount of work and expense is entailed in preparing the many voluminous reports asked for. As I say, hon. members are within their rights in demanding this information, but I feel sure that much correspondence is included in the information sought that is not of interest and that many details requested might be readily obtained from the departments. I only throw this out as a suggestion that returns could be much more readily brought down if the information asked for was reduced to a minimum.

ASSEMBLING OF PARLIAMENT

Mr. O. R. GOULD (Assiniboia): I desire again to ask whether the government has any information to give the House as to when the next session will be called? I suggest that it should be very early in the year.

Mr. MACKENZIE KING: As I intimated when the question was asked yesterday, I am unable to say whether or not between now and the next session of parliament we will have a general election, so that I cannot answer my hon. friend's question. I do not contemplate a general election, but there is always a possibility. The meeting of the House will depend entirely upon the circumstances that arise between now and the end of the year. If nothing exceptional takes place I hope it will be possible to have the House called together in January.

At 1 p.m. the sitting was suspended until 1.15 p.m. this day.

The House resumed at 1.15 p.m.

PENSION ACT AMENDMENT

FREE CONFERENCE WITH SENATE IN VIEW OF AMENDMENTS

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

Saturday, 19th July, 1924.

A message was received from the Senate acquainting this House that the Senate doth insist on its amendments to the Bill No. 255, an Act to amend the Pension Act, to which the House of Commons hath disagreed, for the following reasons:—

That the Royal Commission on Pensions and Soldiers' Civil Re-establishment was appointed in 1922 with a view to the government submitting legislation as an outcome of its report.

That the government did not present the bill to the Senate until it had announced prorogation in the House of Commons.

That upon a perusal of the Commons Hansard it was obvious that little or no discussion or consideration took place upon the bill.

That in the short time allowed, the Senate gave its best consideration to the bill and expressed the anticipation that the government next session would again submit it at an earlier stage for further consideration.

That the amendments having been so framed, no material loss will arise to the beneficiaries between now and the next session of parliament.

I might be allowed perhaps to make a little comment on what appears to be most unusual in this paragraph of the message, reading as follows: "That upon a perusal of the Commons Hansard," and so forth. Whosoever drafted this message aparently lost sight of the well-known custom and practice, which is to be found laid down in rule No. 203 of Beauchesne's Parliamentary Rules and Forms:

Allusion to debates in the other House are out of order, and there are few orders more important than this for the conduct of debate and for observing courtesy between Houses. See May 289.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I entirely agree with Your Honour's comment, and from a desire to obey a corresponding obligation on the part of this House I refrain from making quotation. But Your Honour might have added that the government leader in the Senate similarly violated the rule by making a direct reference to the debate in this House in his speech before the Senate.

Mr. L. W. HUMPHREY (West Kootenay): Mr. Speaker, I feel I cannot let this opportunity pass without respectfully urging upon the government further action in reference to this communication with a view to a conference between the two Houses. I think the opportunity should be taken to lay the facts of this case before the Senate, and I would respectfully urge that a conference to that end be arranged. I feel the country would not approve of parliament's proroguing until every means had been exhausted to put this legislation into effect.

Hon. H. S. BELAND (Minister of Soldier's Civil Re-establishment): Mr. Speaker, the reasons which are adduced by the honourable the Senate for having refused to consider thoroughly Bill No. 255, which was passed by

this House, do not appeal to me. The House of Commons' committee sat for a number of months upon this question. The report of the royal commission, upon which the amendments have been based, has been before parliament for at least two months. Any report which is laid on the Table of the House is available not only to members of this House, but also to members of the Senate, and if this argument which is being put forward were to be entertained, what about the Canteen Funds bill which was thrown out by the Senate after due consideration?

Mr. GRAHAM: That is what did not take place.

Mr. BELAND: Though I may not be in order in referring to this particular measure, I cannot for the life of me see any reason for rejecting the Canteen Funds bill. It is not our money; it is the soldiers' money, the distribution of which was recommended by the royal commission, and we passed the legislation unanimously in perfect accord with those recommendations. But that bill was thrown out by the Senate.

Coming to this particular measure amending the Pension Act, one must bear in mind that the act as it is to-day provides that the pension bonus will lapse automatically on the 1st of September next should not a measure extending it be passed at the present session. The bonus which was provided some years ago has been extended from time to time up until the 1st of September, 1924, after which it will not be paid unless new provision is made. I have endeavoured to secure information regarding the possibility of arriving at an agreement of some kind with the Senate upon some of the amendments at least, and the information I have been able to secure is to the effect that it would be useless. Should not the bill as amended by the Senate pass to-day, I repeat, very serious consequences will result, serious for the soldiers, inasmuch as all the pensioners, or at least an immense majority of them, will be deprived of the bonus, which I understand we here are unanimously in favour of extending permanently, for a number of years still, at all events. The bill provided for making the bonus permanent, making it a part of the pension itself. However, I wish to use every possible means that can be taken advantage of, and therefore, Mr. Speaker, I beg to move:

Resolved that a message be sent to the Senate respectfully requesting a free conference with their Honours to consider certain amendments made by the Senate to Bill No. 255, an act to amend the Pension Act, to which amendments this House has not agreed, and upon which the Senate insists, and any amendments which at such conference it may be considered desirable to make to said bill or amendments thereto.

We do not know what the result of the conference may be. I hope we may obtain something, but I say frankly that should the Senate persist again in their attitude the only course left open to us will be to accept the bill as amended in order to save the bonus.

Mr. J. A. CLARK (Burrard): I have no objection whatsoever to offer to a conference between the members of this House and the members of the Senate. I regret, however, that some committee was not appointed earlier. This situation was known last night, and I attempted to draw it to the attention of the government then with a view of arriving at immediate action. I have very grave doubts whether anything can be accomplished now in view of the shortness of the time, and in view particularly of the attitude of the leader of the government in the Senate. At the same time as far as I am personally concerned I welcome the conference idea as a last resource, and am prepared to use my utmost endeavours to secure some of the amendments which are desired to this act. I agree with the minister that we must not do anything to imperil the rights of the pensioners in regard to the bonus. That principle has been agreed to by both this House and the Senate. Therefore, I urge that we do nothing that might imperil that section of the act which even the Senate agrees should pass. So far as the minister's remarks on the Canteen bill are concerned, I really think it is unfortunate that the two bills should be coupled in our remarks. After all, the Pension bill is the essential bill. No one is being hurt because the Canteen bill has not been passed. The money will lie there, and although possible benefits will be postponed for a year I do not think any returned man, or anybody at least, could suffer because that bill was not passed. I think we must concentrate our efforts on the Pension bill—that is the bill. The failure to sanction the amendments to the act is the thing that is doing the harm in the country.

Mr. MEIGHEN: I am not quite clear—

Right Hon. W. L. MACKENZIE KING (Prime Minister): If my right hon. friend will pardon me. I would like to say just one word in reply to a point mentioned by my hon. friend (Mr. Clark). He stated that he drew the attention of the government last night to the prospect that a conference could be arranged and, I think, rather left the im-

plication that the government might have proceeded with this conference a little more quickly.

Mr. CLARK (Burrard): If I am wrong in that I shall only be too willing to be corrected. But that certainly was my hope, that by bringing the matter to the attention of the government the earliest possible action might be taken.

Mr. MACKENZIE KING: Well, I think I can show my hon. friend that the government did do all that was possible under the circumstances. The Senate adjourned its sitting until eleven o'clock this morning. We adjourned ours until half past twelve in the hope that we would have a report from the Senate as soon as we reassembled which would enable us to see their position in this matter. My hon. friend has been in the House this morning and he has observed that no report came from the Senate. Even at half past twelve we were without information, in fact we suspended the business of the House to enable us to get this report, and the moment it was received we took action.

Mr. CLARK: Instead of sending the bill back could we not then have appointed a committee to confer with the Senate?

Mr. MACKENZIE KING: We could not because we did not know what the action of the Senate would be in the matter. I think this statement fully answers my hon. friend's point.

Mr. T. W. CALDWELL (Victoria and Carleton): I feel that parliament at the present time is facing a rather serious situation. I do not wish to say anything that will be considered as contrary to the rules of the House in this discussion, and I hardly know how I am going to express my feelings in the matter without doing so.

An hon. MEMBER: Suspend the rules.

Mr. CALDWELL: If you find, Mr. Speaker, that I am getting beyond the rules I shall be pleased to be called to order. An hon. member has suggested that we should suspend the rules.

Mr. SPEAKER: Suspend the sitting.

Mr. CALDWELL: With regard to these Pension Act amendments it has been stated that the reason they could not be concurred in by the Upper House was because they had gone through this House with very little discussion. I will admit at once that was a fact. As a member of the committee I did not feel it was necessary to discuss these amendments before the House because the government had appointed a royal commission.

Mr. BELAND: Two years ago.

Mr. CALDWELL: Yes, two years ago which has been considering these proposals ever since, which has held a very extended investigation, and has made a very complete report on the conditions as it found them and suggested remedies therefor. That report has been available to the members of this House and, I presume, to members of the other House as well. While the sittings of the Pension committee were going on this session the proceedings were printed from day to day. The evidence in its entirety, and even the discussion by the members of the committee, was printed up till the final sitting of the committee to prepare the report. I repeat, this evidence was available for the members of the House and, I presume, for the members of the Upper Chamber as well. Therefore, I think, Mr. Speaker, no member of this House, especially the members of the Pensions committee, felt it necessary to discuss the report of that committee as to these amendments. If legislators in this country have not seen fit to take time to read the report of the Ralston commission and the evidence given before the Pensions committee, I do not know that this House can be held responsible for that. I contend it has been available, and been available for some length of time. I will admit this, however; I think it is inadvisable that legislation should be sent to the Senate at so late a date if there is no means available for them to have information on the matter. However, I feel that the Pensions bill does not come under that head because both the Ralston report and the evidence of the committee have been at the disposal of the members of both Houses. The Pensions bill is not like a measure that is introduced in the dying days of the session and passed even with discussion. In such a case as that there is very limited time for the Upper Chamber to consider what has been said or done here. But I contend that this bill does not come under that category at all.

I should like to support the hon. member for West Kootenay (Mr. Humphrey) in the suggestion that a conference should be held over this matter. I feel that the question is so serious, the matter of the pensions amendment is so important, there is so much involved that we cannot afford to even stand on our dignity in this House in regard to taking every available means to come to some

reasonable understanding. I am sorry the argument has been advanced that there is no hope of coming to any reasonable agreement. It would indicate to me that there was reason to fear we should not come to such an agreement. Personally I think the amendments to the Pension Act are reasonable, I think they are necessary and I do not see any reason why they should not be adopted. I would say however that if no compromise is possible this House cannot do otherwise than accept the amendments of the Senate, because there is a great issue involved. If we do not accept them the bonus lapses, I understand, in September this year.

Mr. BELAND: September 1.

Mr. CALDWELL: This will mean that our pensioners who are getting the full disability pension will only receive $50 instead of $75 a month, or $600 instead of $900 per year. The royal commission considered it was advisable to extend this bonus for five years. The committee of the House recommended that the bonus be made permanent, as part of the pension. I think the thought in the minds of the royal commission was that there was no question about extending the bonus at the present time. That was indicated in their report. I think there was another thought in their minds, which was that possibly living costs might go down in five years. The reason the bonus was instituted—and I was one of the committee which recommended it—was because the cost of living had gone up, and it was not possible for a totally disabled man to live on $600 a year. I think the cost of living has gone down very little, if any, since the bonus was instituted, especially in the case of a man not able to help himself. Therefore, if there is no possibility of a compromise with the Upper House on this bill, I think the House must accept the Senate amendment. I would suggest to the government, however, if no compromise is possible, the government should consider very seriously the holding of an election this summer and asking the people of this country to decide whether there is any use in electing members to parliament to pass or amend laws for the government of the country. To my mind electing representatives has come to be more or less of a farce, due to certain conditions which have arisen in the passing of acts in this country, and I would strongly advise the government to hold an election forthwith, of course giving time enough to get the facts before the country, in order to decide who rules this country, whether it is the elected members of parliament, or whether it is a body of men who are not responsible to anybody but their God, and possibly not in very close touch with Him.

Mr. SPEAKER: The expression the hon. member has used is a very harsh one, and I would refer the hon. gentleman to rule 19.

Mr. CALDWELL: I hasten at once to withdraw the expression. Possibly my emotions ran away with my better judgment. However, I presume there is no rule of the House to prevent a man from entertaining his own thoughts, if he does not express them.

Mr. JOS. T. SHAW (West Calgary): I rise only for the purpose of saying that it is important that action be taken with a view to securing a compromise in this matter. I do not think that any good purpose can be served by approaching the members of the Senate in a belligerent and hostile attitude, with the threat of an election, for the purpose of—I do not know for what purpose, because I cannot see how an election is going to determine anything other than the membership of this House. We have to change the British North America Act first. I think the committee appointed by this House should have in mind that this is not necessarily a time for belligerency. In the first place, I think it will accomplish little; and in the second place, this House does not need to prorogue at three o'clock.

Mr. JAMES ARTHURS (Parry Sound): I desire to say a word or two in support of the remarks of the hon. member for Calgary. It is most desirable that some compromise should be arrived at. It is true this matter has been before the country, through the Ralston commission and the committee of this House for many months. It has been thoroughly threshed out. Their recommendations were made to the government and legislation was introduced in this House accordingly. I disagree with the hon. member for Victoria and Carleton (Mr. Caldwell), because he has an apprehension that perhaps the Senate was adverse to the government, but I want to point out that the men who practically killed this bill in the Senate—

Mr. SPEAKER: Order.

Mr. ARTHURS: The members of the Upper House—

Mr. LOGAN: Order.

Mr. GARLAND (Bow River): We do not like the truth sometimes.

Mr. CALDWELL: I will put the hon. gentleman right. I did not refer to any party

in the Upper House. It does not matter what party did it. It is the result we have to look at.

Mr. ARTHURS: I say the gentlemen who—

Mr. LOGAN: Order, order.

Mr. ARTHURS: What is the point of order? The gentlemen who are principally opposed to this bill in another place—

Some hon. MEMBERS: Order, order.

Mr. ARTHURS:—are not opponents of this government, they are strong supporters of this government, and probably had their instructions from the government as to their action—

Some hon. MEMBERS: Order, order.

Right Hon. W. L. MACKENZIE KING (Prime Minister): With reference to the remarks of the hon. member for West Calgary (Mr. Shaw), parliament need not necessarily prorogue at three o'clock this afternoon. I may say that I agree entirely with the hon. member that every effort should be made to accomplish what can be accomplished by conference with the Senate, and I would like their Honours to feel that when the conference takes place the hour of prorogation should not influence their deliberations in the least. I am prepared to ask His Excellency to permit us to fix a later hour for prorogation, as long as there is the slightest chance of a compromise.

Mr. SPEAKER: I would remind hon. members that it might be well to bear in mind that if we are to have a conference now there should be as little delay as possible, because time flies.

Mr. MEIGHEN: I welcome very heartily the suggestion of His Honour the Speaker that we do not waste any time, and also that we should endeavour to present the attitude of the Commons to the members of the other body in the proper light, even though it may necessitate delaying the hour of prorogation.

Mr. GEORGE BLACK (Yukon): I express my agreement with what has been said as to the lack of necessity of the House proroguing at three o'clock. Apparently there was no necessity for the Senate to have dealt with the matter as it did yesterday in such a precipitous manner.

Some hon. MEMBERS: Order, order.

Mr. BLACK (Yukon): The Senate might just as well have considered the matter today; if as has been said the bill was dealt with without proper consideration, which I do not think is the fact, because—

Mr. BELAND: It is so stated in the report of the Senate—that they had no time.

Mr. BLACK (Yukon): If it is said that the House of Commons dealt with the bill in that manner, it is not correct, because this House appointed a committee of its members which, in the opinion of the House, were best qualified to suggest amendments. On that committee there was a number of men who have served on the same committee for years, they are the men best qualified to prepare recommendations to parliament concerning pensions legislation and I say it is important that parliament should not let the hour of prorogation interfere with the proper consideration of this question. I do say, however, that the committee should have submitted its recommendations as to pension legislation amendments at an earlier date. These recommendations might very well have been presented to the House of Commons some time ago, followed perhaps by suggested amendments to the legislation, dealing with Soldiers' Civil Re-establishment, after which the complaints against the pension board might have been considered. A great deal of time was consumed in that committee in considering questions which were of comparatively little importance, compared to the importance of amending the pension legislation. As a member of the committee I must say that the chairman was warned of the danger of allowing these suggestions to remain unstated until so late in the session. Satisfactory consideration was not given last year by the Upper House to legislation passed by the House of Commons along these lines and by reason of the Senate's action last year we were aware what might happen this year. I want to read to the House a telegram which I have received from the Dominion president of the Amputations Association. I presume that other members have also received it. It is dated Toronto, this day, and reads:

> Disabled soldiers expected pensions bonus would be made permanent and are bitterly disappointed at action of Senate. All party leaders in Senate assured us of their unqualified support. Will you use every effort to prevent prorogation of House until this vital matter is settled in our favour.

I for my part am prepared to stay here as long as may be necessary to accomplish the desires of the association.

Right Hon. ARTHUR MEIGHEN: It is only right that I should put in a word. I am not in accord with the Senate's action but at the same time there is some justification for the complaint that the bill was precipitated into the Upper House at such a period of the session as did render adequate or appropriate

consideration impossible. I am in entire accord with the words of the hon. member for Victoria and Carleton (Mr. Caldwell) in this regard. My understanding is that the very late decision on the subject was unnecessary in view of the fact that on more than one occasion the members of the committee who sit behind me urged a more expeditious dealing with the question on the part of this House and of its committee. It must be said in justice to the Senate that there is some ground for the complaint in this respect.

Mr. BELAND: One word in explanation. Regarding the lateness of the action of the House of Commons, I do not think the remarks of my right hon. friend are justified. The report of the committee had not been before this House more than forty-eight hours before a notice appeared in the Votes and Proceedings under my name with respect to the same amendments which are recommended.

Mr. MEIGHEN: That is not my point, although I do not think that even forty-eight hours should have elapsed to begin with. The dilatory action on the part of this House was due to the delay in having the report in; members of the committee have said that it was unduly delayed. There were promptings on the part of hon. members behind me to make more expeditious progress in the committee, but that was not done and consequently we are in this position to-day.

Mr. BELAND: All groups in the House were represented on the committee and I must resent the suggestion that there was any delay that could have been avoided. To my own knowledge the members of the committee have been working for the last three months, having had 29 sittings in the course of which they laboured almost day and night. This is a difficult problem and friends of the right hon. gentleman sitting behind and around him who were members of the committee know with what earnestness the committee has been on the job.

Mr. ARTHURS: They were pressing for action.

Mr. BELAND: Does the hon. member think that the committee could have proceeded any faster than they did?

Mr. ARTHURS: Yes, I do.

Mr. BELAND: The hon. gentleman was a member of the committee. Why did he not assist in expediting matters?

Mr. CLARK: We did our best, absolutely.

[Mr. Meighen.]

Mr. BELAND: Of course you did, I know you did; and the legislation was introduced in this House forty-eight hours after the report had been laid upon the Table and not concurred in. I was ready to proceed the very first day but my hon. friend was one of those who objected to the report being concurred in. He was one who objected, and I remember saying to him that, if it was the desire, we should lay aside the report and proceed with the legislation.

Motion agreed to.

At 1.50 p.m. the sitting was suspended until 2.30 p.m. this day.

The House resumed at 2.30 p.m.

PENSION ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

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

SATURDAY July 19, 1924.

Resolved, that a message be sent to the House of Commons respecting their request for a free conference to consider certain amendments made by the Senate to Bill No. 255, an act to amend the Pension Act, informing that House that for the reasons already given the Senate does not see the utility of a conference at this late hour of the session.

A. E. BLOUNT,
Clerk of the Senate.

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment): Mr. Speaker, in expressing my regret that no better solution can be arrived at, and in order to save those clauses of the bill which passed the House and were not interfered with by the Senate, especially the clause which provides for the extension of the payment of the bonus for two years from the first of September next, I beg to move that this House concur in the amendments made by the Senate to the said bill.

Motion agreed to; amendments read the second time and concurred in.

HOUSE OF COMMONS AND SENATE

PROPOSED CHANGE OF RELATIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, having in mind the action of the second Chamber with respect to the measure which has just been amended and also the fate of a number of bills adopted by the Commons and defeated in the Senate, I think hon. members will agree with me that the time has come when the Commons in Canada should seek to gain rights and privileges with respect to legisla-

tion originating in this Chamber similar to those which have obtained by the House of Commons in the parliament at Westminster. I may say that the government had under consideration, prior to the opening of this session, legislation with this end in view, but we were anxious the public should feel fully convinced of the necessity before pressing it on the attention of parliament. Hon. members will recall that at the close of last session, and at the close of the preceding session, bills which were passed by this House and which touched matters that are very vital to the electorate failed of enactment owing to the action of the Senate. This year we have instances of bills that have passed this House in three separate sessions of parliament, and which have been rejected each time by the second Chamber. I think we owe it to the people of our country with respect to laws demanded by the electorate to see to the supremacy in parliament of the elective Chamber. I desire to assure the House that when parliament re-assembles steps will be taken by the government to obtain, if possible, means whereby bills may be enacted by and with the advice and consent of the House of Commons under conditions similar in principle to those which have been sanctioned for the parliament of the United Kingdom.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): May I ask the Prime Minister to be more specific as to the government's proposals? In the absence of any further statement I would presume that what the Prime Minister and the government intend is an address praying for an amendment to the British North America Act. Is it the intention of the government, on that assumption, to first confer with the provinces?

Mr. MACKENZIE KING: The government will take advantage of the recess to consider in what form this matter can best be presented to parliament. I have made the objective clear, and the government will take the means which it believes will be most effective in bringing about the result which is aimed at in the quickest possible manner.

RETURNS

STATEMENT BY HON. MR. CARDIN

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): Mr. Speaker, if the House will permit me, I would like to clear myself of the accusations which were made against me or against my department by the right hon. leader of the opposition this morning.

On the 7th of July, the right hon. leader of the opposition made a complaint that a return brought down by my department was incomplete. I referred the matter to the officers of the department, and it was found that two or three letters had been omitted from the return, but they were of no importance at all, and the substance of them was included in other letters which were brought down in the return. It was only an oversight that these letters were not included in the return which has been laid on the table of the House. They were, in fact, in the copy of the return which we have kept in the department. I am in a position to complete this return, and lay upon the table the correspondence which was missing.

In regard to an order in council making New Brunswick a separate district with respect to the enforcement of lobster fishery regulations, there is no order in council. The matter was dealt with by departmental letter, a copy of which is included in the correspondence I will lay on the table.

In regard to the correspondence with Mr. Selime Robichaud, the officers of the department thought this correspondence was not covered by the order of the House, but in order that this return may be complete, I am in a position now to lay on the table of the House this correspondence also.

Another complaint was made in regard to an order asking for the correspondence exchanged with Mr. J. B. Levesque of Trois Pistoles. The complaint was that a letter addressed to Mr. Beland, the agent of the Department of Marine and Fisheries at Quebec was not included in the return. This letter was not included in the return because Mr. Beland says he never received the letter which Mr. Levesque contends he addressed to him, but a copy of this letter has been sent to the department, and I am in a position to place a copy of it on the table of the House. I might mention that when the return was brought before the House, Mr. Doucet, who had moved for it, asked the department for a copy of this letter, and a copy was handed to him on the 5th of July. I am satisfied to have had this opportunity of clearing myself of the accusations which have been made against me, and I am glad to have been able to supply the right hon. leader of the opposition with some literature the perusal of which will, I am sure, add to the enjoyment of his holidays.

Mr. MEIGHEN: I had no intention of making anything in the nature of a personal charge against the minister. In fact, he was not minister when the transactions the letters respecting which were omitted took place. I

complained only of failure to comply with the orders of the House, which failure the minister now frankly admits, and of delay in compliance, after repeated requests. The delay could not have been very much longer and have been within the term of this session. The letters are undoubtedly important. I had sent to me subsequently a copy of one, so I know of the importance. It is not for the government to judge of the importance; that is not a matter for them to decide at all. I referred to the order in council merely because in the body of the correspondence which was brought down the document was referred to as an order in council, so I presumed such was correct.

PROROGATION OF PARLIAMENT

A message was delivered by Colonel Ernest J. Chambers, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

In the Senate chamber, His Excellency the Governor General was pleased to give, in His Majesty's name, the royal assent to the following bills:

BILLS ASSENTED TO

An Act respecting The Canadian Pacific Railway Company.

An Act respecting the Esquimalt and Nanaimo Railway Company.

An Act to amend an Act to incorporate the Burrard Inlet Tunnel and Bridge Company.

An Act respecting The T. Eaton General Insurance Company.

An Act respecting The Northern Life Assurance Company of Canada.

An Act to change the name of Imperial Underwriters Corporation of Canada to "Imperial Insurance Office".

An Act respecting The General Animals Insurance Company of Canada.

An Act respecting the Commercial Travellers Mutual Insurance Society.

An Act respecting The Montreal, Ottawa and Georgian Bay Canal Company.

An Act for the relief of Theresa Anges Sprague.

An Act of the relief of Terry Andrea Maxwell Bruce.

An Act for the relief of Rilla May Freeman.

An Act for the relief of Jessie Maria Watchorn.

An Act for the relief of Walter Scott Miller.

An Act for the relief of Harriet Bertha Wiser.

An Act for the relief of Esther Mary Edwardes St. George.

An Act for the relief of Mabel Peters.

An Act for the relief of William Thomas Trott.

An act for the relief of Lucy Elizabeth Smith.

An Act for the relief of Florence Luella Patterson Kelly.

An Act for the relief of Arthur Harold Mingay.

An Act for the relief of Isabella Guild.

An Act for the relief of Albert Lawrence.

[Mr. Meighen.]

An Act for the relief of Douglas Lewin.

An Act for the relief of Mary Quinn.

An Act for the relief of Marie Darling Irving.

An Act for the relief of Margaret De Mello.

An Act for the relief of Mary Caroline Dooley.

An Act for the relief of Barabara Gibb Duncan.

An Act for the relief of Nellie Simkins.

An Act for the relief of Catherine Jean Livingstone.

An Act for the relief of Alice Maud Knowles.

An Act for the relief of Jessie Ruth Haverson.

An Act for the relief of Arthur Foord.

An Act for the relief of Harold Gordon Hendry.

An Act for the relief of Karl Peter Hansen.

An Act for the relief of Ethel Hadden.

An Act for the relief of William James McLaughlan.

An Act for the relief of Alyce Wilson.

An Act for the relief of Lemuel Burkett.

An Act for the relief of William Ewart Gladstone Pettinger.

An Act for the relief of Anna McGeachey.

An Act for the relief of Antonio Pietranglo.

An Act for the relief of Ella Vear.

An Act for the relief of Anna Welton.

An Act for the relief of Marjorie Mahaffy Cox.

An Act for the relief of Mary Elizabeth Milne.

An Act for the relief of Georgina Myrtle Potts.

An Act for the relief of Guy Barrington Hutchings.

An Act for the relief of Amy Selain Slater Therrien.

An Act for the relief of Harold Adrian Proctor.

An Act for the relief of Harry Charles Arthur.

An Act for the relief of Tony Bazar.

An Act for the relief of Gordon Johnston Hutton.

An Act for the relief of Douglas Carlyle Bell.

An Act for the relief of Elma Catheryne Caulfield.

An Act for the relief of Alice Bertha Boyce Baker.

An Act for the relief of John Lee Williamson.

An Act for the relief of Nora Pearce.

An Act for the relief of Albert Francis Ray.

An Act for the relief of Irene Mildred Jeffrey.

An Act for the relief of Florence Mitchell.

An Act for the relief of Ruth Ethelind Jackes.

An Act for the relief of Wilfred John Mitchell.

An Act for the relief of Edward James Bentley.

An Act for the relief of Elizabeth Sylvia Cameron.

An Act for the relief of Wilhelmina Aird McKay.

An Act for the relief of Mary Ellen McClelland.

An Act for the relief of Annie Jane Bridges.

An Act for the relief of Florence Rathbun.

An Act for the relief of William Samuel Morrow.

An Act for the relief of Ethel May Macdonald.

An Act for the relief of Stanley George Harris.

An Act for the relief of Evelyn Eira Awrey.

An Act respecting Alliance Nationale.

An Act to incorporate Merchants Casualty Insurance Company.

An Act to incorporate The Laurentian Insurance Company.

An Act for the relief of Angus Martin.

An Act for the relief of Lester Ernest Greenwood.

An Act for the relief of Charles Lawson.

An Act for the relief of Margaret Hickey.

An Act for the relief of William John Chenery.

An Act for the relief of Florence Roberts.

An Act for the relief of Hugh Allan Macdonald.

An Act for the relief of Wilhelmine Christina Slater.

An Act for the relief of Emma Doris Perley.

An Act for the relief of Arthur Hill.

An Act for the relief of Emily Elizabeth Reeder.

An Act for the relief of Merlin Englehart Clubine.

An Act for the relief of Victoria Stella Haswell.

An Act for the relief of Thyrza Ewart otherwise known as Thyrza Hodgins.

An Act for the relief of Rebecca Messer.

An Act for the relief of James Henry Kirkwood.

An Act for the relief of Louis White.

An Act for the relief of Dorothy Marie Robinson.

An Act for the relief of Raymond Anderson Mashinter.

An Act for the relief of James Koniaris.

An Act to amend The Special War Revenue Act, 1915.

An Act to amend the Act to incorporate the Board of the Presbyterian College, Halifax.

An Act respecting certain patents owned by The Canadian Sumner Iron Works, Limited.

An Act respecting a patent of Thomas Williams Pritchard.

An Act for the relief of Katherine Gossage.

An Act for the relief of Alice Moore.

An Act for the relief of Alexander Cruikshank.

An Act for the relief of Francis Albert Armstrong.

An Act for the relief of Edythe Kathleen Victoria Canniff.

An Act for the relief of Helen Tuer.

An Act for the relief of Hilda Maud Ward.

An Act for the relief of Rosie Race.

An Act for the relief of Philip R. Marshall Palmer.

An Act for the relief of George Felix Simpson.

An Act to incorporate Dominion Electric Protection Company.

An Act to amend the Customs Tariff, 1907.

An Act to amend The Income War Tax Act, 1917.

An Act to amend the Judges Act.

An Act to amend the Prisons and Reformatories Act.

An Act to incorporate The Life Underwriters' Association of Canada.

An Act respecting a certain patent of The Fleischmann Company.

An Act to amend the Exchequer Court Act.

An Act to amend the Consolidated Revenue and Audit Act.

An Act to amend the Trust Companies Act, 1914.

An Act to amend the Loan Companies Act, 1914.

An Act to amend the Juvenile Delinquents Act, 1908.

An Act respecting The Interprovincial and James Bay Railway Company.

An Act to amend The Dominion Lands Act.

An Act to amend the Canadian National Railways Act, 1919.

An Act to amend the Land Titles Act.

An Act to authorize the raising by way of loan, of certain sums of money for the Public Service.

An Act respecting The Business Profits War Tax Act, 1916.

An Act to incorporate Shantung Christian University.

An Act for the relief of Gordon Allingham.

An Act for the relief of Alfred Edward Briggs.

An Act for the relief of Louisa Elizabeth Smith.

An Act for the relief of Annie Thirde.

An Act for the relief of Florence Castle.

An Act for the relief of Frances Hadenka.

An Act for the relief of Louise Powell.

An Act for the relief of Margaret Johnston.

An Act for the relief of Hilda Girdler.

An Act for the relief of Janet Ferguson.

An Act for the relief of Charles Whittaker.

An Act for the relief of Arthur Robert Ascough.

An Act for the relief of Albert Joseph Phillips.

An Act for the relief of Patience Oldfield.

An Act for the relief of Elizabeth Atkinson.

An Act respecting the Construction of a Canadian National Railway Line between Grande Fresniere and Rinfret Junction, in the Province of Quebec.

An Act respecting the Construction of a Canadian National Railway Line from Peebles southerly in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line extending the Gravelbourg Branch to Neidpath in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line extending the Ste. Rose du Lac Branch to Rorketon, in the Province of Manitoba.

An Act respecting the Construction of a Canadian National Railway Line from Prince Albert to near Paddockwood in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line between Eyre, in the Province of Saskatchewan, and Acadia Valley, in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line between Eston and White Bear in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from St. Paul, in the Province of Alberta, southeasterly 21 miles.

An Act respecting the Construction of a Canadian National Railway Line to Cowichan Bay, on Vancouver Island.

An Act respecting the Construction of a Canadian National Railway Line to Mile 100 on Vancouver Island.

An Act respecting the Construction of a Canadian National Railway Line to Pine Falls in the Province of Manitoba.

An Act respecting the Construction of a Canadian National Railway Line between Lockeport Station and the Town of Lockeport, in the Province of Nova Scotia.

An Act respecting the Construction of a Canadian National Railway Line between Hanna and Warden, in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line from Loverna westerly in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line between Dunblane and Mawer or a point west thereof, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line, being a joint section from Rosedale southeasterly in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line between Kingsclear and the St. Croix River, in the Province of New Brunswick.

An Act to amend The Insurance Act, 1917.

An Act to amend the Post Office Act.

An Act for the Settlement of certain questions between the Governments of Canada and Ontario, respecting Indian Reserve Lands.

An Act for the relief of Gerald Arthur Johnson.

An Act for the relief of Malcolm Middleton.

An Act for the relief of Clara Louise Kinnear.

An Act for the relief of Allan Thomas Easson.

An Act for the relief of Henry Irwin Claxton.

An Act for the relief of John Henry Smith.

An Act for the relief of Bertha May Roy.

An Act for the relief of Lunetta Ellmina Hay.

An Act to incorporate L'Institut des Frères de Saint-Gabriel au Canada.

An Act for the relief of Eva Laura Bell.

An Act for the relief of Peter Alexander Fawcett.

An Act for the relief of Beatrice Ella Mastron.

An Act for the relief of Herman Kleinsteuber.

An Act for the relief of Mary Ann Hastings.

An Act to authorize an Agreement between His Majesty the King and the Corporation of the City of Ottawa.

An Act respecting the Construction of a Canadian National Railway Line, Kamloops-Kelowna Division, Province of British Columbia.

An Act respecting a certain Trade Convention between His Majesty and the King of the Belgians.

An Act for the relief of William Smith Scott.

An Act for the relief of Rebecca Smolkin Koffler.

An Act for the relief of Earl James Sharpe.

An Act for the relief of Henry George Stuart Johnston.

An Act to incorporate Joliette and Northern Railway Company.

An Act incorporating The United Church of Canada.
An Act to amend the Companies Act.
An Act to provide for the Superannuation of Civil Servants.
An Act to amend the Bank Act.
An Act to amend the Immigration Act.
An Act to change the name of La Banque d'Hochelaga to "Banque Canadienne Nationale."
An Act to amend The Feeding Stuffs Act.
An Act to amend The Inland Water Freight Rates Act, 1923.
An Act to amend The Fisheries Act, 1914.
An Act to amend the Canada Shipping Act, to give effect to certain Draft Conventions adopted by the International Labour Conference of the League of Nations.
An Act to amend the Customs Act.
An Act to amend the Indian Act.
An Act respecting the Toronto Terminals Railway Company.
An Act respecting the Revised Statutes of Canada.
An Act to amend the Winding-up Act.
An Act to amend The Department of Customs and Excise Act.
The Research Council Act.
An Act to amend the Fisheries Act, 1914.
An Act to provide for further advances to the Vancouver Harbour Commissioners.
An Act to amend the Montreal Harbour Commissioners Act, 1894.
An Act to amend the Canada Shipping Act.
An Act to amend the Expropriation Act.
An Act to amend the Royal Canadian Mounted Police Act.
An Act to amend The Department of Soldiers' Civil Re-establishment Act.
An Act respecting Quartz Mining in the Yukon Territory.
An Act to amend The Bank Act by changing the name of La Banque d'Hochelaga to "Banque Canadienne Nationale."
An Act respecting the Construction of a Canadian National Railway Line from the end of the China Clay Branch to St. Rémi d'Amherst, in the Province of Quebec.
An Act to readjust the Representation in the House of Commons.
An Act to amend The Criminal Code (Evidence as to Games of Chance).
An Act for the relief of Charles Dawson Carlyle.
An Act for the relief of Elgin Caughey.
An Act for the relief of Florence Ethel Armstrong.
An Act to amend the Militia Act.
An Act to amend the Pension Act.

To these bills the royal assent was pronounced by the Clerk of the Senate in the following words:

In His Majesty's name His Excellency the Governor General doth Assent to these bills.

Then the Honourable the Speaker of the House of Commons addressed the Governor General as follows:

May it please Your Excellency:

The Commons of Canada have voted supplies required to enable the government to defray certain expenses of the public service.

In the name of the Commons I present Your Excellency the following bill:

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1924 and 31st March, 1925.

To which bill I humbly request Your Excellency's assent.

To this bill the Clerk of the Senate, by command of His Excellency the Governor General did thereupon say:

In His Majesty's name. His Excellency the Governor General thanks his loyal subjects, accepts their benevolence, and assents to these bills.

GOVERNOR GENERAL'S SPEECH

After which His Excellency the Governor General was pleased to close the third session of the fourteenth parliament of the Dominion of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

I am glad to be able to relieve you of the parliamentary duties to which, for some months past, you have given such constant and close attention. In bringing to a conclusion the proceedings of the present session, may I express my pleasure at the degree to which you have realized the hopes set forth in my address at the reassembling of parliament in February last.

It is deeply gratifying to be able to record that, for the first time since the outbreak of war, the national Budget has been balanced, and the relation between revenue and expenditure such as to justify an immediate reduction of taxation.

The lowering of the sales tax and the increase in the number of commodities exempted therefrom should serve to reduce in appreciable measure the cost of living and prove beneficial to trade.

The substantial lessening of the burdens of customs taxation effected by a downward revision of the tariff upon the instruments of production in the industries based on the natural resources of the Dominion cannot fail to aid materially in agricultural and industrial development, and, through cheapened production, also to effect a diminution in the cost of living.

The task of readjusting the representation of the people in the House of Commons, under the provisions of the British North America Act, has been accomplished with comparatively little disturbance of existing electoral divisions in most of the provinces. The readjustment will considerably increase the representation of the middle West. The desire to effect an equitable redistribution has, I believe, been realized, and the manner in which this difficult task has been accomplished will, I feel sure, meet with the approval of the electorate.

It is satisfactory to observe that, as the co-ordination of the Canadian National Railway lines and facilities becomes increasingly effective, the prospects grow brighter for the success of this great national undertaking. To facilitate the construction of much-needed branch lines, legislation has been enacted to authorize the construction of certain mileage over a term of years. This statutory provision should enable the management to plan its construction programme definitely and economically. While the programme of railroad construction contemplated by the Board of Directors of the Canadian National Railways has been curtailed, the construction of the branch lines for which provision has been made should assist in relieving in part the difficulties experienced by settlers in sections of the country which these lines will serve, and in accelerating the movement of new settlers to the land.

Among many other important measures, provision has been made for the investigation and study of tariff problems and other forms of taxation by expert

advisers of the government, and for the consolidation of the revenue-collecting services under one administrative head. These enactments should materially aid in simplifying and improving the present methods of taxation, and effect a substantial saving.

To existing safeguards for the public in banking operations has been added provision for government inspection of the chartered banks.

Important trade agreements, mutually beneficial, have been made with Belgium and the Netherlands. Other treaties, aiming at the suppression of smuggling operations, have been negotiated between Canada and the United States. To safeguard the interests of children and young persons in maritime transport, adherence has been given by Canada to certain draft conventions of the International Labour Conference of the League of Nations. At the moment our country is being represented at the Inter-Allied Conference in London by an honourable member of this parliament. We fervently share the hope of all the countries there represented that the deliberations of this important body may aid in the speedy improvement of European conditions and relations.

Members of the House of Commons:

I thank you, in His Majesty's name, for the provision you have made for the public service.

Honourable Members of the Senate:

Members of the House of Commons:

For the peace and plenty which our land to-day enjoys, and for the promise of increasing prosperity, I join with you in humble thanksgiving to Divine Providence.

This concluded the third session of the fourteenth parliament.

OTTAWA: Printed by F. A. ACLAND, Printer to the King's Most Excellent Majesty, 1924.

END OF VOL. V.