

11

of

1.

SOME POINTED REASONS WHY THEY ARE STILL HESITATING.

3

r

F

I

C

i d

d

C

t F

C

n

a

d N

S t

A

a

CONTENTS OF THIS NUMBER.

Safety First. (Cartoon)	49
Canadian Patriotic Fund—His Loving Friends	50
Sir Wilfrid Laurier at Montreal	53
The National Liberal Advisory Committee	55
Federation	56
Extravagance-Deficit-Taxes. (Post Office Department)	57
Australia and War Munitions	58
Government Finance	59
Diary of the Month	60

CANADIAN PATRIOTIC FUND.

His Royal Highness, The Governor General. whose arduous and invaluable services for Canada and the Empire, especially since the War, have included active labors in connection with the Canadian Patriotic Fund, of which he is President, issued a second appeal on behalf of this fund on New Year's Day. The response to this appeal should be in full keeping with its importance as one of the foremost duties of the citizens of Canada, especially those who are unable to serve their country in the field. The text of the message was as follows:

"Somewhat over a year ago, as President of the Canadian Patriotic Fund, I made an appeal to the people of the Dominion for funds to assist the families of the gallant men who were going to the front. Though anticipating a generous response, I was hardly prepared for the magnificent manner in which the call was met. Monies have poured into the treasury of the Fund until the total contributions have reached and exceeded six million dollars.

"Large, however, as this sum appears, it has not greatly exceeded current demands and, if peace were declared in the immediate future, the entire surplus on hand would be required before all the men of the Expeditionary Force could again return home.

"To-day there are 25,000 families, comprising, it is estimated, 80,000 individuals dependent upon the Patriotic Fund.

With further recruiting the demands upon the Fund will, with each succeeding month, continue to grow, so that it is estimated that, should the War continue during 1916, a sum amounting to some \$8,000,000 and probably more will be required. This would, however, only mean \$1 per head of the population for the people of Canada, and it is little indeed to ask of those who remain at home in comparison with the sacrifice in life and limb of those who are fighting in defence of the Nation.

"In spite of all the various calls that have been made for funds to aid our soldiers and sailors and the magnificent response that has been made in each and every case, I still feel assured that the warm hearts of all Canadians will respond to this further appeal to enable the Patriotic Fund to continue its splendid work during 1916 and take care of the families of those who are fighting for their Sovereign, the Empire, and the Dominion, on the battle-fields of Europe and on the High Seas.

(Signed) ARTHUR

President, Canadian Patriotic Fund.

Government House, Ottawa, 1st January, 1916.

HIS LOVING FRIENDS

Tributes to the Minister of Militia from some leading Conservative Journals.

MONTREAL DAILY NEWS:

For spectacular stupidity it would be difficult to match the exploits of General Sir Sam Hughes.

TORONTO TELEGRAM:

The pomp and splendor in which the Minister of Militia and other civilian politicians travel might be reduced by the workings of that law of economy which surrounds sick and wounded soldiers with the rugged simplicity of a steerage passage home."

TORONTO NEWS:

Sir Sam denies the statement in a Toronto despatch, but that does not alter the fact that he referred to the London Home Guard company as "a lot of old boobs," and said "I am not going to have them hanging around," and "let them get out and fight."

WINNIPEG SATURDAY POST:

Hughes is fully convinced that the War was got up solely with the idea of giving him a chance to pose. The man is stark raving mad, and that is not an exaggerated figure of speech but a plain statement of fact. He struts and shouts and rants and imitates all those legendary manners of famous military characters, and he thinks that is war."

REGINA EVENING PROVINCE AND STANDARD:

We will not descend to the level of Billingsgate customarily employed by that gentleman himself. Suffice it to say that he is lacking in the instincts of a gentleman; that he is temperamentally unfit for any position of responsibility; that his vagaries are past all accounting and that his further retention of his position constitutes a menace to the country and his position His lesser offences against decency, his disregard for truth and his lack of honor, speak for themselves.

TORONTO TELEGRAM:

Major General Sam Hughes says he will lead the Canadians to Berlin but it is to be hopefully feared that he will be seconded if General Election has anything to say about it. . .

CALGARY HERALD:

The Herald is ready to give credit to Sir Sam for the worth that he has shown in his position since the War began, but it is not blind to the fact that in many ways the Minister is a terribly broken reed, largely for the reason that he is a victim of exaggerated ego.

TORONTO TELEGRAM:

Canada's Militia Department seems to spend money like a drunken sailor-everywhere but in the dealings of that department with the soldiers.

WINNIPEG SATURDAY POST:

Sir Robert Borden might as well understand sooner or later that the Canadian people are becoming thoroughly disgusted with the Department of Militia. They are also becoming uneasy over his silence in matters of vital interest. Sir Robert is in plain need of a candid friend who will tell him these truths bluntly.

WINNIPEG TELEGRAM:

It would be a stroke of statesmanship that would arouse Canadians to the highest enthusiasm for Sir Robert Borden to ask His Royal Highness the Governor General to assume active as well as nominal command of the Canadian Military forces. such active participation put an end once and for all to the doubts, the hesitation, the suspicions and charges of political intrigue and favoritism, all of which have contributed to deter the nation at a time when it should be exercising its supreme powers to save itself.

SIR WILFRID LAURIER AT MONTREAL

Speech at Monument National, December 9, 1915

MONTREAL accorded to Sir Wilfrid Laurier one of the most notable and enthusiastic receptions in his long and illustrious public career when the Leader appeared at the Monument National on the evening of December 9th under the auspices of the Young Liberals' Association of Montreal. Few meetings in that city in recent years have attracted so much general attention and interest and it is doubtful if any utterance by any public man in that time has created so profound an impression. Sir Wilfrid, quite recovered from his recent illness, spoke with his oldtime vigor and directness and his nearness to the heart and the understanding of the people was never better illustrated than by the close attention with which he was followed throughout and the unbounded enthusiasm which his speech, breathing as it did the highest spirit of patriotism and fervent loyalty, evoked. The big auditorium was packed to its capacity and literally thousands of people were disappointed in their effort to gain admission. Among the other speakers of the evening were Hon. Geo. P. Graham, Hon. Rodolphe Lemieux, Hon. Charles Marcil, Sir Lomer Gouin, Senator Dandurand and Mr. J. Demers, M.P. (St. John and Iberville).

Sir Wilfrid eschewed controversial politics, devoting himself to a vigorous defence of the cause of the Allies, an outlining of the attitude of the Liberal Party towards participation in the War and a clear propounding of some foundation principles of Canadian duty and patriotism. The main portions of Sir Wilfrid's notable speech are reproduced herewith:

Principles of Liberalism

"It may be asked: what are the doctrines of the Liberal party? What do they represent? To many of you, such a question may seem idle, but it is always well to go to the root of things. Liberal doctrines need no definition. They will be found defined in the words and the acts of such men as O'Connell, Bright and Gladstone in England, in the words and deeds of the Liberals of France, of Baldwin, Dorion, Blake and Lafontaine in our own country. These men were among those who in the nineteenth century, in their different spheres, yet always guided by the same stars, proclaimed the doctrine of the hatred of absolutism, of arbitrariness wherever it may be found, upheld justice and liberty, stood for the cause of the weak and the oppressed, the lowly and the humble.

"These principles are immortal and they were the constant inspiration of these men. And I claim for myself, and I do not think anyone will challenge my claim, that I have always tried to lead and to keep the Liberal party within the scope of the ideals set forth by these men. During the twenty-five years I have been at the head of the Liberal party, those ideals have always been the guide of my conduct and they are the ideals too which still dictate the conduct of the Liberal party.—(Cheers)

"At the commencement of hostilities, in August, 1914, Sir Robert Borden, the Prime Minister, declared to the world that he had offered to Great Britain to put at its disposition all the forces of which Canada could dispose. This policy gave rise to no surprise in coming from the Prime Minister. He had always foreseen that in case of war Canada would not only have to defend her own territory, but would fight where Great Britain should be called upon to fight. But if this policy did not cause surprise as coming from the Prime Minister, it certainly caused surprise as coming from those members of the Government whose words in the Drummond-Arthabaska election of 1910 and the general elections of 1911 are preserved in their echoes.

"Rebels," Unworthy the Name.

"It is true that these men, Ministers to-day, have endeavored to give explanations. They compare themselves with Sir George Etienne Cartier and William Lyon Mackenzie. But when these Ministers compare themselves with such 'rebels' as William Lyon Mackenzie and Cartier, they aspire too high. They aspire to heights which eyes cannot reach. They aspire after sacrifices which they should not accept. (Laughter.) Cartier and Mackenzie were rebels for what?—Beacuse, as Lord Durham said in his report, the Government had crushed under foot those rights which men respect the most. They were rebels for what? Rebels in a personal sense?— No. They were rebels for their rights and for justice. They wanted a change in the constitution and they got it. They wanted to breathe the air of liberty under the British flag. But these 'rebels,' they only want to breathe the air of the Government departments at Ottawa.

The Liberal Position.

"When the Prime Minister announced his intention of placing all available forces at the disposal of the British Government, what was the policy of the Liberal party? There were three currents of opinion at the time. There was first of all the Imperialist who would have Canada take part in all the wars of the Empire. There was the Nationalist who would not have Canada take part in any war of the Empire at all and there was the Liberal position. What was our position? We stood for Canadian autonomy. We upheld the sovereignty of Canada. I have several times on the floor of the House sustained that position. I claimed for the Parliament of Canada the right which John Bright claimed in the Imperial Parliament in the Crimean War. I claimed that for my part I would never participate in such a war as the Crimean War. John Bright made one of his most eloquent speeches in an attack on that war and time has shown that he was right. It has been established that the Crimean War was without result and had no cause. So I claimed for the Parliament of Canada the same right that John Bright claimed in the Imperial Parliament. And I should add that by doing so I scandalized both the Imperialists and the Nationalists.

Liberty of Decision.

"Neither of them challenged the position. No one denied that the Canadian Parliament had the right of pronouncement on the question of participation or non-participation. But the Imperialist wanted Parliament to close its eyes and to fight in any war. The Nationalist wanted Parliament to close its eyes and to fight in no wars. We Liberals asked for nothing more than the liberty which had been guaranteed to us.

"If I state our position now, it is not because I wish to raise a discussion on these questions. So long as the War continues, so long as the soil of Belgium is occupied, so long as the last German has not been kicked out of France, so long is this not the time to discuss these questions. All our attention should be directed to the prosecution of the War and to the bringing about of that final victory which we hope to secure. But when the War is over, we shall have to take up these questions again. And the people of Canada will be called upon to decide between the opposing parties. If I mention the questions now, it is merely because I wish to indicate the motives of our actions.

Navy Promises Not Kept.

"You have heard in Montreal a singular reasoning. Or perhaps it would be better to call it a statement rather than a reasoning. It has been asked, why should the Liberals not do as Conservatives have done. In 1910 and 1911, the Conservative party was composed of all shades. You hear it said that the Conservatives then condemned the Navy Act and you are asked why Liberals should not fight the Government in the same way now.

The Conservatives condemned the Navy Act and made promises. But those promises they did not keep. Why, it is asked, should Liberals not do the same? Why?—Because I am leader of the Liberal party and because so long as I have the honor to preside over the destinies of the Liberal party, the Liberal party will never triumph by such methods. If there is one spectacle more demoralizing than another, it is to see a party making promises to the electorate, and then disavowing those promises once it is elected to office. Never will the Liberal party triumph by such methods and when I remember that it was in Montreal that I last defended the Navy Act-when I remember that in spite of Conservative promises that Act is still in force and is being administered by those who denounced it-if I had desire for vengeance, I might say that I am avenged.—(Cheers)

War for Justice.

"England to-day," Sir Wilfrid continued, "is

fighting in Europe for the triumph of justice of liberty. England might have avoided the fight had she been willing to consent to the infamous bargain proposed by Germany. England is fighting to-day for the independence of Belgium, for the integrity of the people of France and to save civilization. That is why I declared that I should support the policy of the Government.

"On this point, I find my ideas reproduced, or rather the same ideas expressed in a letter written to the Minister of Militia by Oliver Asselin (one of the founders of the Quebec Nationalist party). Mr. Asselin is not one of my personal friends. Nor is he one of my political enemies. But I welcome the sentiment expressed by Mr. Asselin in his letter to the Minister of Militia accepting an invitation to help in the raising of a battalion. Mr. Asselin says: Without abandoning my well-known political principles, I think I am serving the cause of humanity in helping the Allies. I think it the individual duty of every man to contribute to that end.' Mr. Asselin says that to fight for the Allies is to fight for civilization. Mr. Asselin declares that he does not depart from his political ideas. I know what those ideas are. I have learned them to my cost— (laughter)—but when Mr. Asselin writes as he has written in that letter, I welcome his words."

Mere Duty is not Enough.

"People in Montreal have said that Canada should not take part in this War, and should only defend its own soil. But there is no merit in that. Any man who would not defend his own soil would be worthy of the indignation of everyone. That is the most elemental of duties. For a noble cause, we must do more than our duty. (Cheers.)

"I have heard it said that it is a crime for our Canadians to offer our arms to battle in Europe. When the Turks besieged Vienna a long time ago, did the the King of Poland hesitate? No, he came with his armies, and in the great battle drove back the Turks, saved the city, and Christianity. "If Germany is victorious in this War, all

Europe will be at her feet. If we need another example, let us look at the example of Lafayette, who left France to help America. If we need another example, we can look at the United States who went to Cuba to save the people there from Spanish tyranny.

What is Canada's Part?

"I hear another objection-what would it serve Canada to send a few thousand men to the front? What can they do, those 150,000 or 200,000 men that Canada can send amidst the millions of men of all nations now in the struggle on the soil of old Europe? It is held that the result would be small, it would be useless, while the sacrifice is enormous. I am not ready to admit that all we can do will be useless, without result on the final victory. But how is it that we in Canada hear such language? Is it necessary to say that we carry in our hearts. remembrances of Desormaux. He could only diebut he saved the colony.

"We have the testimony of Sir John French that the Canadian troops have lost nothing of the bravery of their ancestors, that they know how to fight and die. We know that at Langemarck—and this is a fact I call specially to your notice—when the day was desperate, the guns were lost, those who re-took them, re-established the fight, repulsed the Germans to their own trenches and brought victory were our compatriots, the Canadian troops. (Cheers.)

troops. (Cheers.) "That day Canadians proved that they know not only how to fight but how to conquer. It is not only from the material point of view that we can help. The moral effect has to be considered.

"Liberty Alone Can Educate."

"It is an undisputed fact that the aim of the Teuton hordes was domination of the world. We have the evidence of official books published by the French Government at the beginning of the War on the immediate causes of the War, which showed that official Germany, even before the War, con-templated the needs of the War and the uses to be made of victory—the object was Teutonic domination of the entire world. There is the German theory; there is the French, also there is the British theory, the theory of liberty, the theory that the only government possible is that which exists by consent of the governed. It is the basis on which stands the British Empire of which we are a part. The German mentality can only find one theory, and the Germans figured that if Britain was attacked, the British Empire would crack, that civil war would imperil the people in some parts and break the unity of the dominions, proving the decadence of the British Empire. What did they see? They saw arrive from all parts of the world British subjects coming to the aid of the mother country, ready to lend their arms and give their lives. They came to protect their cause, the liberty and justice they enjoy. If we were not enjoying this we should not be as loyal as we are. It is a lesson which the Germans should take to heart; they know now that violence can destroy but liberty alone can educate.

The Effect on Canada.

"These are the principal reasons which guided me to take the position I have in regard to this War. You will see that up to now I have spoken of the War merely from the point of view of civilization. What will be the effect for Canada?

"Canada cannot disinterest herself from this. I will go further. I will say this War interests not only the combatants but neutrals without exception. I have said what is the object of Germanic war. I am not of opinion that if Germany were to triumph in this War we should pass under Germanic domination at once. Whatever results from the War, even if Germany were to win, it would not mean immediate subjugation, but it would mean a prolongation, a recrudescence of militarism that now desolates Europe.

"Germany proposed to govern the world. To triumph in this War she must crush Britain, France, Italy and Russia. If that arrived, if that impossible task were achieved Germany would have her hands on all Europe. Only one power would rest in Europe, Germany; only two powers would remain in the world, Germany and the United States. The two would be face to face, and on what basis? On a peace basis, after the War. Undoubtedly Germany, exhausted by even victory would not be ready to commence a new war, but as in 1870 she would revive the military spirit from which springs desire for domination of the entire world and the United States herself would be subjected to become a military people, even if all other states of the American continent, Canada included, did not.

Entente Not Yet Complete.

"For a long time," Sir Wilfrid said, "I thought, I hoped, that one day these two great nations, Great Britain and France, would understand one another and that one by its idealism, the other by its practical spirit would join for the common good; and I glory in the fact that I have lived to see the entente cordiale. That entente is not complete; it is perhaps less complete in Canada than in Europe. I am obliged to say that many checks, many misunderstandings, many collisions of interest and sentiment here might be avoided. They who have real patriotism are they who are working for reconciliation, who are helping to sweep away the old divisions, who are working to restore harmony among the people on a basis acceptable by all.

"When our soldiers return from the front, they will possess sovereign authority, more than we have here, to cause the disappearance of discord and to correct differences and to secure recognition of legitimate aims and aspirations.

Call from the Living Dead.

"In this horrible war, thousands of our compatriots have died—in the awful carnage as at Ypres, La Bassee, St. Julien and Langemarck. They fell one by the side of the other and now they are resting locked in eternal embrace under the old soil of France. If these differences are to continue, the dead will arise from their graves and cry aloud for truce, exclaiming 'Live as we have died, for liberty, justice and truth.'

died, for liberty, justice and truth." "I have given you the reasons which made me take the attitude I took in this War and though I am free to admit that I preferred to fight rather than support the Government, in a case of this kind all other considerations should disappear. To complete my thoughts, so that no one may misunderstand me I will declare that had I been in power I should have followed the same policy myself, though in details of administration, I should have tried to do better. Had we been in power we should not be reproached with faults, errors and the frauds which now hang everywhere. But I will not talk of that in this discussion. I did not come here tonight for that reason. It is not the time to discuss these questions; they will be discussed later, do not fear.

Duties of Liberals.

"What are the rights and duties of the Liberal party? In my opinion, the party should stand for one thing alone, for public good and general interest; its spirit should be such that it can approve or condemn accordingly as the public good and general interest demand condemnation or approbation.

"We maintained that spirit in power, and we maintain it now. When we lost, we were beaten, but we were not subdued."

THE NATIONAL LIBERAL ADVISORY COMMITTEE

A NOTABLE advance in the history of progressive Liberalism in Canada was recorded at Ottawa on Monday, December 20th. On the initiative of Sir Wilfrid Laurier and in accordance with preliminary plans which will be explained in recording the proceedings, representative Liberals from all parts of Canada met in the Leader's office in the House of Commons, for the purpose of constituting a general advisory committee of the Liberal Party of Canada.

The spirit of the movement, essentially democratic in its inception, was explained by Sir Wilfrid and a broad outline of suggested procedure, equally democratic in plan and working, as it would provide for proper representation of every Liberal organization and body in the Dominion on the proposed Central Committee, was also offered by the Leader. The decision to adopt the proposal was immediate and unanimous and the meeting proceeded at once to business.

Aims Outlined by Sir Wilfrid.

Sir Wilfrid, who occupied the chair, opened the meeting by explaining at length the purport and meaning of the movement. Briefly stated, he said that being convinced that the conditions resulting from the War would bring about a new political and economic era in Canada, he felt it to be necessary that the Liberal Party should direct its special attention towards a profound study of the very serious and important problems with which the country will be faced. Apart too from the great problems created by the War, reforms of many long standing abuses were necessary. There never was a time in the history of Canada when it was more imperative that the best minds of the community should give the most serious thought to political and financial conditions and problems, and in this respect Liberalism must be in the van. Liberalism would be derelict in its duty to the country if it did not look into the future and be prepared for a solution of the grave difficulties which now confront and will confront Canada.

There was necessity also, he said, for more aggressive and earnest work in spreading the doctrines and principles of Liberalism, in bringing about proper cohesion of the interests of the party in the various provinces, and generally in welding Liberalism into a strong, effective fighting force for the good of the country. The attainment of these objects, he considered, would be greatly facilitated, if not best accomplished, by the appointment of a committee of able Liberals to act as an Advisory body, which would be representative of Liberalism throughout Canada, both outside and inside of Parliament. He emphasized the point that one of the underlying principles of the plan was to give Liberals outside of Parliament a voice in the active councils and direction of the Party, which he thought was very much to be desired.

War Prevented General Convention.

But for the War, Sir Wilfrid said, it had been his intention to call a general convention of the Party for last June, similar to that held in 1893, and he held the view that it would be desirable to call such a convention at which the full voice of Liberalism from the Atlantic to the Pacific would have expression, when the time is opportune after the War. In this connection, the Advisory Committee would be of great service in arranging the necessary preliminaries and in assisting in the shaping of a forward policy for discussion and approval by the convention.

Plan of Representation.

Sir Wilfrid then explained the plan suggested for the organization of the Committee, which was as follows:—

For the purpose of the composition of the Committee, which it was suggested should at first number 45, with power to add to its number, the Dominion was divided into four districts as follows:

- 1. Maritime Provinces, 10 members.
- 2. Quebec, 10 members.
- 3. Ontario, 10 members.

4. Western Provinces and Yukon, 10 members. Sir Wilfrid Laurier to have the right to nominate five members at large, and the Committee to have the right to add ten or more members at large.

How Committee was Nominated.

How thoroughly democratic was the method of selecting or nominating members to the Committee may be gathered from the following detail:

For Ontario, the ten members were selected as follows: three to be nominated by Federal Members of Parliament and Senators, one by the Liberal Provincial Leader, one each by the General Reform Association of Ontario and the Federated Liberal Clubs of Ontario, and four by Sir Wilfrid Laurier.

For Quebec, the ten members were selected as follows: three by the Federal Members of Parliament and Senators, one by the Provincial Liberal Leader, one each by the Montreal Liberal Clubs and the Quebec Liberal Clubs, and four by Sir Wilfrid Laurier.

For the Western Provinces, Manitoba, Saskatchewan, Alberta and British Columbia, one member from each province was nominated by the Federal Members of Parliament and Senators, and one each by the Liberal Leader of each Province acting in conjunction with the Provincial Liberal Association of his province, the total of ten being made up by two nominations at large from the Western Provinces by Sir Wilfrid Laurier.

For the Maritime Provinces, the ten members were selected as follows: for Nova Scotia and New Brunswick, two members each nominated by the Federal Members of Parliament and Senators and one each by the Provincial Liberal Leader acting in conjunction with the Provincial Liberal Association; for Prince Edward Island, one member nominated by the Federal Members of Parliament and Senators and one by the Provincial Liberal Leader acting in conjunction with the Provincial Liberal Leader acting in conjunction with the Provincial Liberal Association; Sir Wilfrid Laurier naming two members at large from the Maritime Provinces.

55

In closing his speech Sir Wilfrid submitted the whole question as to the appointment of the Committee and the nature of its composition to the meeting for consideration and decision.

On motion the Committee was declared to be duly constituted with the title of "The National Liberal Advisory Committee" and with the following powers:

1. To promote the spread of Liberal education.

2. To assist in shaping the policy of the party.

3. Generally to promote efficiency in the party ranks.

Membership of Committee.

It was declared and ratified that,-

(a) Regular meetings of the Committee would be held twice a year and special meetings when necessary.

(b) That the membership of the Committee shall consist of 56, with power in the Committee to add to that number, and that the original membership shall consist of the following gentlemen,—

Right Honourable Sir Wilfrid Laurier, P.C., G.C.M.G., M.P. Hon. A. B. Warburton, Charlottetown, P.E.I. Hon. John Richards. Hon. W. S. Fielding, Ottawa. A. K. McLean, Esq., M.P., Halifax. G. Fred Pearson, Esq., M.P., Halifax. Hon. Wm. Pugsley, M.P., St. John, N.B. F. B. Carvell, Esq., M.P., Woodstock, N.B. O. Turgeon, Esq., M.P., Bathurst, N.B. E. M. Macdonald, M.P., Pictou, N.S. J. J. Hughes, Esq., M.P., Souris, P.E.I. Hon. R. Lemieux, M.P., Ottawa. Hon. Senator Dandurand, Montreal. E. Lapointe, Esq., M.P., Fraserville, Que. Hon. A. Taschereau, Quebec. Hon. Sydney Fisher, Knowlton, Que. Hon. Senator J. M. Wilson, Montreal. Phillippe Paradis, Esq., Quebec A. Verville, Esq., M.P., Montreal S. Letourneau, Esq., M.P.P., Montreal. Hon. Geo. P. Graham, M.P., Brockville, Ont. F. F. Pardee, Esq., M.P., Sarnia, Ont. Hon. Senator W. C. Edwards, Ottawa. Hon. W. L. MacKenzie King, Ottawa. P. C. Larkin, Esq., Toronto. C. M. Bowman, Esq., M.P.P., Southampton, Ont Gordon C. Conant, Esq., Oshawa, Ont. Thos. McMillan, Esq., Seaforth, Ont. Geo. H. Watson, Esq., K.C., Toronto. John Muir, Esq., Brantford, Ont. N. W. Rowell, Esq., M.P.P., Toronto. Hon. Walter Scott, Regina, Sask. Hon, J. A. Calder, M.P.P., Regina, Sask. J. F. Cairns, Saskatoon, Sask. Hon. Frank Oliver, M.P., Edmonton, Alberta. Dr. Michael Clarke, M.P., Olds, Alberta. J. G. Turriff, M.P., Regina, Sask. T. W. Quayle, Esq., Edmonton, Alberta. John Bain, Esq., Ottawa. Alex. Smith, Esq., Ottawa. A. R. McMaster, Esq., K.C., Montreal. F. T. Congdon, Dawson City, Y.T. Hon: Senator Bostock, Monte Creek, B.C. Fred C. Wade, Esq., Vancouver, B.C.

W. M. Martin, M.P., Regina, Sask.
J. H. Ashdown, Esq., Winnipeg.
S. W. Jacobs, K.C., Montreal.
Stewart Atkinson, Esq., Toronto
H. B. McGiverin, Esq., Ottawa.
A. K. Cameron, Esq., Montreal.
Hon. Chas. Murphy, M.P., Ottawa.
W. C. Kennedy, Esq., Windsor, Ont.
Hon. James Ross, Moose Jaw, Sask.
Hon. W. G. Mitchell, Montreal.
F. O. Fowler, Winnipeg.

(c) That Sir Wilfrid Laurier be Chairman and Convenor of the Committee and Mr. John Bain, Honorary Secretary.

(d) That the members of the Committee shall hold office until after the next General Dominion Election.

The remainder of the first day's meeting was taken up with addresses, each of the gentlemen present taking advantage of the opportunity offered to submit his views on the present and future political situation and problems and respecting the aims and objects of Liberalism with special reference to the work of the Committee.

Resolution Defines Liberal Attitude.

On Tuesday, December 21st, Sir Wilfrid opened the proceedings by introducing the following resolution which was heartily received and passed unanimously:

"This National Liberal Committee is of opinion that so long as the War lasts the Liberal Party should continue, as it has from the first, to give its chief attention to the tremendous struggle in which the Country is engaged; that to that end it should continue to give loyal support to all necessary war measures whilst exercising a vigilant supervision of the conduct of the Government both in Military and Civil matters; and that in the meantime the members of this Committee should actively apply themselves to the study of the important questions and problems which the Country will have to face when peace is restored."

Sub-Committee Appointed.

The meeting then devoted their attention to a serious discussion of various highly important matters submitted for their consideration with the result that Resolutions were adopted creating a separate Sub-Committee for each of the following purposes,—

(1) To consider the finances of Canada with special reference to the greatly increased National financial obligations, and ways and means to distribute the necessary charges or taxation among the people in the most equitable manner.

(2) To consider problems of Rural Life in Canada with a view to Federal Legislation by which Agricultural production may be promoted and our unemployed and our immigrants may be encouraged and enabled to engage in farming.

(3) To study and report upon the establishment of a Rural Credit system, and such additions to the laws affecting Banking, as may tend to make capital and loans for agricultural operations available on terms more favorable than at present obtained.

(4) To inquire into and study the welfare of our returned soldiers involving a consideration of the necessity for adequate pensions, vocational training, and such other assistance as may be required to enable them to again take their proper places in our National Life.

(5) To study and report upon the adoption of a scheme of technical education and industrial training, in co-operation with existing Provincial systems.

(6) To study and report upon the question of exercising Federal control over Limited Liability Companies so as to prevent fraud on the public by undue capitalization and in other ways, also the question of adopting a Federal Insolvency Law.

(7) To study and report upon a comprehensive programme of Social reform and health legislation which shall include measures such as:---

- (1) Old Age Pensions.
- (2) National insurance for sickness and invalidity.
- (3) Insurance of unemployment in certain occupations and industries.

(8) To study and report upon Railway questions and the various transportation problems of the country.

(9) To study and report upon the best methods of publicity of Liberal principles and policy and political information generally.

The proceedings were brought to a close on Tuesday, December 21st at noon, after a very hearty and highly appreciative vote of thanks and confidence had been tendered to the Chief, Sir Wilfrid Laurier, on the motion of Mr. J. F. Cairns and seconded by Mr. P. C. Larkin.

THE GOVERNMENT AND THE SHELL COMMITTEE.

THE case of the old Dominion Shell Committee, and the responsibility of the Borden government for all of its acts as well as its duty to the Country in affording a full and complete investigation of all the charges which have been made against the Committee, is clearly set out by the Hamilton Spectator, (Conservative), as follows:—

"The new Imperial Munitions Board is appointed by, and directly responsible to, the Imperial Minister of Munitions; but the Shell Committee was appointed by the Canadian Government, at the instance of our Minister of Munitions, was thereto responsible. It sought to assist the Imperial Government in opening up a new source of munitions, but organically it was a creature of the Canadian authorities. Upon the Dominion Government rests the duty of setting on foot a most thorough and rigid investigation of its operations from beginning to end, and we cannot doubt that the ordaining of such an investigation will be regarded as one of the first tasks of Parliament at its approaching session."



The Liberal Club Federation of Ontario extends greetings to all liberals throughout Ontario and Canada.

A New Year's greeting card was issued this year by the Federation which bore the crest with the words "Twelve months of opportunity for service."

During the past few months the Federation has turned its attention to a number of district conferences which have been highly successful. A conference was held at London at which about 10 clubs in that district were represented and a very successful afternoon and evening meeting was held in Hamilton where Mr. N. W. Rowell was the guest of honor. Conferences are being arranged for Belleville and Aylmer during the next month which it is hoped will be very successful.

The activity of the clubs in Dundas and Grenville counties is very gratifying and during the months of November and December several meetings were held which were largely attended and four new clubs have been organized in these counties. A conference was held last month at Chesterville which was addressed by Mr. A. R. McMaster of Montreal and in spite of inclement weather a big crowd was in attendance.

London Liberal Club is possibly the livest club in the Federation at the present time. At a banquet held there about the middle of December over 300 people attended and the club is in a very flourishing condition.

Congratulations are in order to the President of the Federation, Mr. Gordon D. Conant of Oshawa. The people elected him as their first citizen in the municipal elections this month and the enterprising President is being kept busy receiving congratulations from hundreds of friends.

CANADA'S PUBLIC DEBT.

Total	Net I	Debt,	September, 1911	\$323,938,768.74
"	"		September, 1915	484,841,633.73
"	"	"	October, 1915	492,528,492.09
"	£6 ·		November, 1915	501,668,167.71

The subscription price of The Canadian Liberal Monthly has been reduced to 25 cents per year.

Show it to your friends.

Send in their subscriptions

EXTRAVAGANCE — DEFICIT — TAXES Reckless Methods in Post Office Department Turn Surplus into Loss.

IN a series of articles under the above heading in recent months it has been shown how the indefensible extravagance of the Borden Nationalist-Conservative Government since it came into power in 1911 has increased annual expenditures in all departments of the government to such an extent that whereas prior to 1911 a Liberal Minister of Finance was able to show a handsome surplus of revenue over expenditure in many succeeding years, since then the annual budget has shown a deficit which increased taxes have failed to wipe out. For this month the record of the Post Office Department is examined and it will be readily seen from official figures of revenue and expenditure that this department, possibly the best known to the people in its workings because practically everybody uses the Post Office, presents the most startling evidence of the lack of business method and carelessness of public trust which has characterized the Borden Government.

The history of Liberal management of the Post Office department is that a heavy annual deficit obtaining in 1896 when the Laurier Government assumed power, was in a short time turned into handsome annual net surplus of earnings over expenditure while Postal service was tremendously increased in efficiency. The history of Nationalist-Conservative management of the department since 1911 shows a record absolutely the reverse.

Deficit to Surplus-and Back Again.

In 1896 there was a deficit between expenditure and revenue in the post office department of \$781,152. In 1902 there was a surplus of \$1,509, and this surplus increased yearly until in 1911 it amounted to the very considerable addition to the revenue of the country of \$1,192,729. In 1914, however, it had again beeen reduced to \$134,157, and at the end of the fiscal year, 1914-15, the old and almost forgotten deficit, unknown since 1902, was once more in evidence.

The amount of money voted for the administration of the department for the fiscal year ending March 31st, 1915, was \$14,956,030, and the revenue collected was \$13,046,664.

This means a deficit—the largest on record—of \$1,909,866 in the post office department for 1914-15. To that extent the post office service, instead of being a contributor toward the treasury of the country, has become a burden upon it.

The following table tells the story better than words can do, the figures being secured from the annual report of the department:

Year	Expenditure	Revenue	Difference
1911	\$ 7,954,222	\$ 9,146,952	\$ 1,192,729
1912	9,172,035	10,482,255	1,310,219
1913	10,882,804	12,060,476	1,177,071
$1914 \\ 1915$	12,822,058	12,956,216	134,157 $\dagger 1,909,366$
and the second second	*14,956,030	13,046,664	11,303,300

Voted †Deficit

A study of these figures will show that the gradual transformation of a handsome surplus into a very heavy deficit is not due to a falling off in the revenue, which has increased every year, but to heavy additions annually to the cost of administering the department. It will be noticed that the expenditure in this department just about doubled during the past four years.

Heavy Increase in Expenditure.

In 1896 the expenditure in the post office department was \$3,752,805. In 1911, when a handsome surplus was shown, it had increased to \$7,954,222, or a little over four millions in 15 years. In the years following it has increased from \$7,954,222 in 1911 to \$12,822,058 in 1914, and to \$14,956,030 (voted) in 1915, an increase of nearly five millions in the three years and of nearly seven millions in the four. In other words the increase in the annual administration of the department for the 15 years prior to 1911 was something like four millions, while the increase for the four years following was something like seven millions under Borden Nationalist-Conservative management.

In this connection the claim that added expenditure was partly due to the inauguration of the parcels post system in the Dominion can have little weight, as the P. P. system was not put into effect until February of 1914, or about the end of that fiscal year.

Dismissals and Appointments.

During the past few years the post office department has had an unenviable record for dismissals. From returns brought down in the House last session it is shown that in a little over two years the minister in charge dismissed 1,507 employees, while the resignations of 3,860 were called for. In the place of this total of 5,367 who thus left the service no less a number than 9,903 were appointed.

War Stamps.

Included in the "War Taxes" of last session was an increase of one cent in the postage of all letters sent through the mail. By means of this tax an increase of about two millions has been recorded in the revenue from the post office for the first six months of the fiscal year. But this amount is required to make up the increase in the expenditure of the department voted for the year over that for the preceding year with which comparison is made in connection with the increased revenue. In other words six months' extra taxing of the people has only served to pay for the extra extravagance of the government during the year.

In fact every stamp licked by the people of Canada for the whole of the fiscal year must go toward defraying the increased cost of administration of the post office department since 1913. If the expenditures in the post office had not been doubled in the last four years there would be no need of the letter stamp tax, or at least the proceeds of it could be used for purposes more directly concerned with the War.

AUSTRALIA AND WAR MUNITIONS

LITTLE or nothing has been told in Canada as to what has been done in our sister Dominions of Australia and New Zealand in the manufacture and delivery of shells and other munitions of war. It may therefore come as a surprise to many to learn that, despite many natural difficulties not known in Great Britain nor in Canada, the Federal Government of Australia has grappled energetically and successfully with the problem and that the resources of the Island Continent are being worked to their utmost in order to render the maximum of aid to the Mother Country. When the call for shells came from Great Britain in the early summer of 1915, the Federal Government immediately ap-pointed a Federal Munitions Committee, and cooperation with the different States of the Commonwealth resulted in each of these forming State Munitions Committees which at once got actively to work. Munition Bills were passed by the Federal Parliament, giving the Government the power to manufacture and contract for the manufacture of munitions, and the different States also passed similar regulations giving them similar powers. The work was thus entered upon in a public and official and thoroughly systematic manner.

Serious Difficulties Overcome.

The great difficulty encountered from the first lay in the fact that Australia, unlike Canada and unlike the United Kingdom, is not a mechanical manufacturing country. The necessary tools and machinery did not exist in that country and the tremendous distances from countries where these necessary supplies could be secured caused much vexatious delay. While this problem was being solved, however, active preparatory steps were taken in all other possible directions.

The leading engineers of the Commonwealth were called into conference to canvass the situation and supply all possible information on which actual progress could be based.

A Metal Exchange was established by the Federal Government to arrange for the control of metals produced in the country, so that all supplies would be readily available as required.

The Munitions Committee was instructed and proceeded with the formation and enrollment of a Munitions Workers Corps, to include all men of military age who are indispensible for the manufacture of munitions, and these men were given certificates to indicate that they have performed their full share of work in defence of their country.

Steel Supply Quickly Found.

The Federal Defence Department early made arrangements for the first supplies of steel for shells, contracting for the necessary quantity at the lowest price from the Broken Hill Proprietary at its Newcastle works. Early in November, 1915, the first steel, after exhaustive Government tests, was shipped to the different States. Samples were also sent to England with a view to supplying Great Britain and her Allies, and arrangements were also made for shipment to New Zealand where there is no steel available. After due enquiry and consultation with the British War Office, the Federal Munitions Committee decided that the Dominion of Australia could best serve the needs of the Empire by the manufacture of 18-pound high-explosive shell bodies. A price of \$5.05 per shell, including the cost of the steel, was set, and all contractors willing to accept this price were given open contracts to supply **all the shells they could manufacture up to June 30th, 1916,** with the provision that this price might be revised, if so decided by the government, on or after March 31st, 1916. It was also undertaken that the British Government should give three months notice when no more shells were required.

On this basis, 31 tenders had been received up to November 1st, of which 19 had been formally accepted, the balance being still under consideration.

Shell-making at Actual Cost.

These tenders revealed one very significant difference between shell-making in Canada, which is apparently inseparable from huge and unreasonable profit-making, and shellmaking in Australia, where national service and the good of the Empire is apparently the first consideration.

Four of the tenders were from the State Governments of New South Wales, South Australia, Victoria and Queensland, the contract for the latter State being undertaken by the State Government Railways Department. In each of these cases the larger part of the work was to be done AT ACTUAL COST Government owned and Government in operated shops, most of which are part of the equipment of the Railways Departments and other government departments. As all the railways of Australia are owned and operated by the State, the extent of the work undertaken in Government shops can be readily understood.

West Australia came forward with a unique organization known as the West Australia War Munitions Company, Limited, a company organized under State supervision by leading public and business men of the State, the whole capital of which was furnished by public subscription on the understanding that there should be no dividends, that pay for shells should be accepted at a price as nearly as possibly approximating actual cost, and that any profits remaining after the repayment of the paid-in capital after the War should be devoted to charitable or patriotic purposes incidental to the War. Shares in the company could be secured with as small an amount as five shillings. The spirit animating this company and the success which attended its organization should be a humiliating lesson to Canada, where shell contractors have got rich almost over-night through capitalizing their excessive profits.

Private Firms Decline Profits.

But the State governments were not alone in their offers to manufacture shells at cost. Several

JANUARY, 1916

6

e

1-

a

e

3.

e

it

У

0

e

t,

--

·e

'e

р у

1.

t

L,

e

e

e

e

h

1-

n

:-

٠t

T

it

le

d

e

d

-

y

le

rddh

r it is d f d ie d ie h ight ir

nal

private firms tendered, or rather accepted the price of 21 shillings, but undertook that if actual cost was found to be below this price, the balance would be refunded. Thus the Barrier Munitions Company Proprietary, Limited, with works at Broken Hill, N.S.W., offered to deliver shells **at absolute cost**, and announced that with the exception of the manager and his personal staff, the whole of the advisory and executive board work of this large company would be contributed absolutely free of charge. This company also interested various shipping companies, railways, etc. to the extent that they secured free carriage or at least considerably reduced rates on freights on raw and finished material. In the words of the management, "the Company seeks no profit whatever."

Comparison of Cost of Shells.

It is well known that in Canada the price originally fixed for the machining and assembling of 18-pound high-explosive shells was \$5.70 each and that orders for many thousands of shells were let at this price. This Canadian price did not include the cost of the steel forgings for the shell bodies, which were supplied free to the contractors. In Australia the price fixed by the Federal Munitions Committee was 21 shillings each (approximately \$5.05. Canadian money), and this included the cost of the steel. Adding the estimated cost of the steel, the Canadian price would amount to between \$6.70 and \$7, as compared with the Australian price of \$5.05.

A Lesson for Canada.

For Canadians the most notable lesson from Australia is in the fact that every available Government machine shop in the whole country was at once used for the manufacture of shells at actual cost. Also the fact that the State Governments (corresponding practically to our Provincial Governments) were asked to co-operate with the Federal authorities and did so. Thus the Government of New South Wales made a lump contract which covered the output of all the machine shops in the State, privately owned as well as those belonging to the Government. In Victoria, the Government has established a special munitions making department in the railway shops at Newport, and here experiments were carried out early for the purpose of guiding private manufacturers in their work. Similar action was taken in all the other States, where the Government railway shops are working to capacity.

How thoroughly the Australian Federal Government handled the work of getting the maximum output of shells possible in the Commonwealth is shown by the fact that it was announced that firms confining themselves to private work and refusing to make shells were in danger of having their plants taken over by the Government. The State Governments were required to investigate and report to the Federal Government any firms not manufacturing shells which were capable of doing so. More drastic action was apparently not found necessary.

Other Munitions Manufactured.

The Department of Defence of Australia did not confine itself to the production of shells. When it became known that the Mother Country required munitions of many kinds, immediate action was taken. The Government of New South Wales undertook in its own machine shops the manufacture of machine guns, and three types, two of Australian invention and a third of the Vickers-Maxim type used by the British Army have been manufactured for some time past. Aeroplane engines were also experimented with and are being manufactured at the shops connected with the Federal Aviation School at Point Cook and the results of experiments and the actual building of aeroplane engines have been communicated to private firms which are entering on this important work. An improved anti-gas apparatus invented by scientists at Melbourne University has proved so highly successful that it is now being manufactured by thousands and sent to Europe.

New Zealand, which labors under very much greater natural difficulties than even Australia, has also taken action along lines very similar to Australia and has entered on the production of machine guns as well as shells.

	Month of November, 1914.	Total, 8 Months to 30th Nov., 1914.	Month of November, 1915.	Total, 8 Months to 30th Nov., 1915.
REVENUE: Customs	\$ cts. 4,895,642 44	\$ cts. 52,133,819 75	\$ cts. 9,101,595 41	\$ cts. 60,155,959 28
Excise	1,692,833 36	14,362,209 36	2,127,125 10	14,161,880 25
Post Office	1,150,000 00	7,825,000 00	1,550,000 00.	10,949,779 65
Public Works, including Railways and Canals	1,030,353 48	9,531,785 32	2,880,409 30	13,104,300 51
Miscellaneous	726,707 02	6,615,188 25	1,413,326 95	6,384,385 56
Total	9,495,536 30	90,468,002 68	17,072,456 76	104,756,305 25
EXPENDITURE, Ordinary	10,496,923 83 4,601,077 68	75,708,627 60 28,231,933 90	8,997,899 07 17,461,977 23	65,345,503 03 91,475,889 36

GOVERNMENT FINANCE.

V

DIARY OF THE MONTH.

1915.

8

9

- December. 1 SOUTH YORK (Ont.) CONSERVATIVES, organization meeting at Todmorden.
 - 2 NEW SENATORS APPOINTED as follows: Hon. Thos. C. Sproule, former Speaker of House of Commons, John Milne of Hamilton, C.P. Beaubien of Montreal (former chief organizer of Conservative Party in Quebec), and Hon. John McLean of Charlottetown, P.E.I.
 - 3 LANARK, (Ont.) CONSERVATIVES, annual meeting of Carleton Place Association at Carleton Place.
 - 4 Hon. C. J. Doherty and Hon. E. L. Patenaude at patriotic meeting, Waterloo, Que.

6 MONTREAL CONSERVATIVE ASSOCIATION, annual meeting

7 Hon. Martin Burrell at recruiting meetings, Waterloo and Berlin, Ont.

Hon. T. W. Crothers at recruiting meeting, Cornwall, Ont.

Hon. Martin Burrell at patriotic meeting, Guelph, Ont.

- Hon. E. L. Patenaude at Westmount, (Montreal), recruiting meeting.
- Sir Sam Hughes, Hon. J. D. Reid and others at recruiting meeting at Kemptville, Ont.

Hon. P. E. Blondin, public meeting at Drummondville, Que.

CALGARY, (Alta.) LIBERALS, annual meeting.

EAST DURHAM, (Ont.) CONSERVATIVES, annual meeting at Millbrook.

SIR WILFRID LAURIER AT PATRIOTIC MEETING, MONU-MENT NATIONAL, MONTREAL.

KINGS, (N.S.) LIBERALS, annual meeting at Kentville, N.S., addressed by SIR FREDERICK BORDEN and others.

12 Hon. P. E. Blondin, public meeting at Nicolet, Que.

Hon. E. L. Patenaude and Senator Beaubien, public meeting at St. Hyacinthe, Que.

SIR ROBERT BORDEN left Ottawa_for_holiday_at_Hot Springs Va.

- 14 SIR SAM HUGHES at meeting of Ward 4, CONSERVATIVES, Toronto.
- 15 SIR RICHARD McBRIDE resigns Premiership of British Columbia succeeded by HON. W. J. BOWSER.

RESTIGOUCHE, (N.B.) **LIBERALS**, convention at Campbellton, nominate HON. C. H. LaBILLOIS for unexpired term vacant through death of late James Reid, M.P.

16 HON. W. T. WHITE before Board of Trade, Toronto, address on "Financing of War Orders in Canada."

HON. P. E. BLONDIN, before Empire Club, Toronto, address on "Quebec and the War."

RESTIGOUCHE-MADAWASKA, (N.B.) (new constituency) LIBERALS, convention at St. Leonard's, nominate P. MICHAUD, M.P., sitting member for VICTORIA, N.B.

18 SOUTH YORK, (Ont.) CONSERVATIVES, annual meeting addressed by W. F. McLean, M.P.

HON. ARTHUR MEIGHEN, Solicitor-General, at annual branch meeting of Grain Growers' Association, Portage la Prairie, Man.

20 NATIONAL LIBERAL ADVISORY COMMITTEE instituted at meeting of representative Liberals from all parts of Canada, at Ottawa.

J. H. Bell, K.C., chosen leader of Provincial Liberal Party of Prince Edward Island in convention at Souris, P.E.I.

- 22 SIR ROBERT BORDEN at luncheon of Canadian Club, New York and at dinner of New England Society of New York, addresses on "Canada and the War."
- 23 SIR ROBERT BORDEN, address before Pilgrim Society, New York.
- 26 HON. G. E. FOSTER, at People's Forum, Ottawa, indicates probability of new Canadian Domestic War Loan of \$300,000,000.
- 28 Hon. G. E. Foster at recruiting rally, Port Hope, Ont.
- 30 Hon. Frank Cochrane leaves Ottawa on trip to England.
- 31 SIR ROBERT BORDEN, in New Year's message to people of Canada announces authorization for recruiting of Canadian War Forces to total of 500,000 men.

READ CAREFULLY

The subscription price of The Canadian Liberal Monthly has been reduced to 25 Cents Per Year Every Liberal should subscribe for it. It is the official publication of the Liberal Party. Read it for facts and figures. Every subscriber is expected to help increase the subscription list. Tell your friends about it. Show them your copy and

GET THEM TO SEND IN THEIR SUBSCRIPTIONS.

Issued by

THE CENTRAL INFORMATION OFFICE OF THE CANADIAN LIBERAL PARTY HOPE CHAMBERS, SPARKS ST., OTTAWA, ONT.

Subscription 25 Cents Per Year

Sample Copies free on application

The Simmons Printing Company, Limited, Ottawa, Ont.