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OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA

SEVENTH SESSION—TWELFTH PARLIAMENT

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

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

CANADA

House of Commons Debates

OFFICIAL REPORT

Tuesday, July 10, 1917.

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

"CONSCRIPTION OF WEALTH."

STATEMENT BY THE FINANCE MINISTER.

On the Orders of the Day:

Hon. Sir THOMAS WHITE (Minister of Finance): I desire to make a statement upon a matter of public importance. It has been officially drawn to the attention of the Government that the use of the expression "conscription of wealth" in the debates in Parliament and by public and other bodies outside of Parliament and by the press in its news reports has caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war must largely depend. I desire to say on behalf of the Government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary it will be the policy of the Government in the future as in the past to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war. Any taxation to which it may be necessary for the Government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities. This statement, therefore, must not be understood as precluding legislation providing for income taxation upon those whose incomes are such as to make it just and equitable that they should contribute a share of the war expenditure of the Dominion.

Hon. GEORGE GRAHAM: In the remarks which I made during the discussion which took place in the House, I did not use the term "conscription of wealth." The resolution which I introduced was in these words:

> That in the opinion of this House it is desirable that steps should be taken forthwith by the Government to provide that accumulated wealth should contribute immediately and effectively to the cost of the war.

The observations that I made were, I think, perfectly in harmony with the wording of this resolution and with the remarks just made by the Minister of Finance.

Sir ROBERT BORDEN: Hear, hear.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

House in Committee on Bill No. 75, respecting Military Service—Sir Robert Borden. (Resumed from Monday, July 9. Mr. Rainville in the Chair.)

On section 11—exemptions:

> (1) At any time before a date to be fixed in the proclamation mentioned in section four, an application may be made, by or in respect of any man in the class or subclass called out by such proclamation to a local tribunal established in the province in which such man ordinarily resides, for a certificate of exemption on any of the following grounds:—
>
> (a) That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he is habitually engaged;
>
> (b) That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he wishes to be engaged and for which he has special qualifications;
>
> (c) That it is expedient in the national interest that, instead of being employed in military service, he should continue to be educated or trained for any work for which he is then being educated or trained;
>
> (d) That serious hardship would ensue, if the man were placed on active service, owing to his exceptional financial or business obligations or domestic position;
>
> (e) Ill health or infirmity;
>
> (f) That he conscientiously objects to the undertaking of combatant service and is prohibited from so doing by the tenets and articles

of faith, in effect at the date of the passing of this Act, of any organized religious denomination existing and well recognized in Canada at such date, and to which he in good faith belongs; and if any of the grounds of such application be established, a certificate of exemption shall be granted to such man.

(2) (a) A certificate may be conditional as to time or otherwise and if granted solely on conscientious grounds shall state that such exemption is from combatant service only.

(b) A certificate granted on the ground of the continuance of education or training or on the ground of exceptional financial or business obligations or domestic position, shall be a conditional certificate only.

(c) No certificate shall be conditional upon a person to whom it is granted continuing in or entering into employment under any specified place or established.

(d) A certificate may transfer a man to the class next in numerical order.

(e) When a conditional certificate is granted the conditions shall be stated on the certificate.

(f) It shall be the duty of any man holding a conditional certificate within three days after the conditions stated therein cease to exist or after his exemption terminates, to give notice in writing of such fact to the Registrar of the province in which he ordinarily resides; and if he fails without reasonable excuse to do so, he shall be guilty of an offence and liable on summary conviction to a penalty not exceeding two hundred and fifty dollars.

(3) (a) Subject to such conditions as to application and notice as may be provided by regulations, and subject also to paragraph (b) of this subsection, a certificate may, during the currency thereof, be renewed, varied or withdrawn at any time by the local tribunal issuing the same.

(b) Where a decision of a local or appeal tribunal has been varied on appeal to an appeal tribunal or to the Central Appeal Judge, a certificate granted upon such variation shall thereafter, subject to such conditions as to application and notice as may be provided by regulations, be renewed, varied or withdrawn, but only during the currency thereof and only by the appeal tribunal or judge who granted the certificate.

(4) Any person who, for the purpose of taining a certificate or a condition in a certificate for himself or for any other person, or for the purpose of obtaining the renewal, variation or withdrawal of a certificate, makes any false statement or representation, shall be guilty of an offence and liable on summary conviction to imprisonment for any term not exceeding twelve months with or without hard labour.

(5) (a) Any man who, having applied to any local tribunal for the issue to him of a certificate, applies without the leave of the Minister to any other local tribunal for a certificate, and any person who, knowing or having reason to believe that an application for a certificate has been made or is being made by or in respect of a man to a local tribunal, makes or aids or abets in the making or establishing of an application without such leave by or in respect of such man to another local tribunal, shall be guilty of an offence and shall be liable on summary conviction to a penalty of not less than one hundred dollars and not more than one thousand dollars.

(b) All applications and all proceedings taken on application for certificates made without the leave of the Minister by or in respect of a man before a local tribunal other than the local tribunal before which the first application by or in respect of such man was made, shall be null and void.

(c) Nothwithstanding anything in this section contained, the Governor in Council may by regulations abolish any local tribunal, and transfer its duties and powers to any other local tribunal.

(6) Any person who alters or tampers with a certificate or, for the purpose of evading this Act, falsely represents himself to be a person to whom a certificate has been granted, or, if granted a certificate, allows, for like purpose, any other person to have possession thereof, shall be guilty of an offence and liable on summary conviction to imprisonment for any term not exceeding six months.

(7) When a certificate is lost, destroyed or defaced, the tribunal by whom it was granted shall, upon the application of the man to whom it was granted and upon payment of a fee of fifty cents, issue to him a duplicate of such certificate.

Mr. PROULX: It has been suggested by hon. gentlemen on the other side that conscription would not affect the farming community; that it was the intention of the Government to leave the farmers at home in order that they might produce food and agricultural products. Nothing, however, in these subsections exempts the farmers as a class. Considering the usefulness of their occupation, I think that they might well be exempted from military service. It would satisfy a great many people in the country if it was made plain in the Bill that the farmers would not be conscripted.

Mr. MEIGHEN: The agricultural class, under the provisions of the Bill as it stands, will undoubtedly be the largest class of those claiming exemption, but to go further and say that a man must necessarily be exempted merely because he is engaged in some form of agriculture is to rob the Bill entirely of any principle whatsoever. For instance, the father of a family and his two sons might have been accustomed to working a farm of 100 acres, and the two sons may have already gone to the front, leaving the father to depend upon hired help in the summer time. The neighbouring farm may be only 50 acres, and the father and three sons might still be at home. If a hard and fast provision such as my hon. friend suggests were adopted, all these anomalies might still continue to exist. The British Bill has a clause similar to ours in this respect, and in the working out of their Act explanations were published by the Local Government Board interpreting with as much particularity as was possible what was meant by the national interests. The mere fact of a man being engaged in a

useful occupation was not of itself sufficient to determine the tribunal in exempting him. Other questions had to be considered; for instance, whether the applicant's place could not be filled by a man who was disqualified from the military standpoint, or even by a woman. These and many other considerations were taken into account by the tribunals. Simply because the occupation in which the man is engaged is useful, even though it may be the only one in which he is skilled, it does not follow that he should be retained. Any provision other than the general one that those who can best serve the national interests at home shall stay at home, is, I fear, a dangerous provision.

Mr. PROULX: I think that some limit should be imposed as to the number of men required on a farm. My hon. friend cited the case of a father and two sons on a farm of 100 acres, and the father being left to do all the work as the sons had enlisted. We might state in the Bill that not more than three persons should be allowed to 100 acres. Three men, I think, would be sufficient for that acreage. In England so many agriculturalists were allowed to enlist in the early days of the war, and farm labour became so scarce that 27,000 men had to be recalled from the trenches to cultivate the farms. There is danger of something similar happening here unless we provide against it. We should take steps to ensure that our production will be sufficient to support our own population and to help supply the Allies with foodstuffs. There are not many farms in Canada where you will find more than two sons and the father working the farm. I think the Bill should allow a certain number of men to each farm.

Mr. RAINVILLE: My attention has been drawn to this very question. The purpose of the Government in introducing this Bill is that the nation's efforts should be directed toward winning the war. Some men will be called on to fight, and others will be engaged in sustaining the productivity of the Dominion. The preamble states that in view of the large number of men who have already left agricultural and industrial pursuits in Canada to enlist, and in view of the necessity of sustaining the productivity of the Dominion, it has been found necessary to introduce this legislation. If the Government are sincere in stating that their intention is to retain men who are useful in agricultural and industrial pursuits, I do not see why this section should not be made to read accordingly. The preamble, it is true, sets out the Government's intention, but I do not see why it should not be expressly stated in this section—that agriculture and other necessary industries of the country shall be maintained. I therefore beg to move:

> That in line 32 of subsection (a) of section 11 the words "agricultural, industrial or" be inserted after the word "in" and before the word "other."

The subsection would then read:

> That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in agricultural, industrial or other work in which he is habitually engaged.

That would be expressly stating the Government's intention as set out in the preamble. I would impress upon the House that the intention of this Bill is not to conscript the whole man-power of the country, but only 100,000 men, and if there are any industries that should be protected, they are agriculture and the other industries necessary to the winning of the war. I think every one will admit that agriculture is one of the first industries that should be taken care of. The inserting of these words would not mean that a man so engaged would necessarily be exempted, but it would ensure that the production of the country would not suffer by reason of this Bill. The amendment is absolutely in accord with the Government's intention.

Mr. J. GIRARD (Chicoutimi-Saguenay) (translation): Mr. Chairman, I beg leave to second the amendment offered by my hon. friend from Chambly-Verchères (Mr. Rainville), to the exemption clause.

I think that, if the amendment offered by my hon. friend is not going to be applied to the exemption provisions, to which he wishes to apply it, it would be desirable to make the interpretation of the section clearer and to add to subsection A after the words "in which he is habitually engaged" the following words: "The men engaged in agricultural and industrial pursuits and in the fisheries." I do not intend to embarrass the Government with this amendment, but in the preamble, the Government seems to be aiming at protecting the agricultural and industrial classes. The intention of the Government in that respect is open to doubt. I have received several letters and I think this subsection should be made plainer, so as to make perfectly clear what the real purpose of the Government is.

As remarked by the hon. member for Chambly-Verchères, the intention of the Bill is not to conscript the whole man-power of the country, but only 100,000 men, and it matters little once those 100,000 men are enlisted, whether such or such a class is exempted, as what is needed is production and farmers engaged in sustaining the productivity of the Dominion, to support our own population and help supply the Allies.

Mr. BOULAY (translation): I fully agree with what has been said by my hon. friend from Chicoutimi-Saguenay (Mr. Girard). As far as possible, it is desirable to allay public anxiety and to ease the minds of many people who are anxious to know which are the classes that are going to be conscripted, and everybody knows that it is in the interest of the country that the agricultural class should be taken care of and exempted. I think that at this phase of the debate on this Bill, it would be desirable to insert a clause such as suggested by the hon. member for Chicoutimi-Saguenay to subsection A of the exemption section. By adding the words suggested by my hon. friend, the debate would be simplified and it would also meet the views of the Government which is acting in the general interest of the country. I may further say that it would meet the views of the people in general, and more particularly the views of the farmers who do not expect to be disturbed in the work in which they are engaged and who should be left at home, unless we want to throw the whole industrial machine of the country out of gear. I believe that the Government should not hesitate to insert those words, or else, we might add after clause F another one which would be clause "G", worded as follows:

That, it is expedient in the national interest that all the bona fide farmers and fishermen, instead of being employed in military service, should be maintained in the work in which they are habitually engaged.

If this would not be covered in paragraph (a) we could make another paragraph (g) and put it in there; so that it would be well understood which are the classes we want exempt. I think this would save quite a lot of discussion and would meet the views of the majority of the members of this House.

Mr. BRADBURY: I do not know very well how the House could adopt the amendment offered by my hon. friend. The principle of the Bill, as I understand it, is that there should be no exemptions. If we start to exempt the farmers, fishermen, and so on, there is no telling where we may end.

[Mr. Girard.]

An hon. MEMBER: And the lawyers.

Mr. BRADBURY: Lawyers are pretty well exempt anyway.

Mr. RAINVILLE: I do not mean by this amendment that it is to be a special exemption. I just mean to advocate the principle of the law as it is to-day. The hon. member knows very well that to interpret the law we may use the preamble just as well as any other part of the Bill, and saying that the judge will be called upon to decide as to what are the most essential industries is just repeating what is in the preamble.

Mr. BRADBURY: I agree with the idea and the argument of my hon. friend that the agricultural classes should not be disturbed, as far as possible. There is no intention in this Bill to disturb the agricultural class any more than any other class, but as was said by the Solicitor General a few minutes ago, take the case of a farmer working say 100 acres of land and having two or three sons to help him. If these two or three sons have volunteered for the front, the position of that farmer is different from the position of another farmer who may have two or three sons on the farm whom he can spare.

An hon. MEMBER: Provided they are wanted.

Mr. BRADBURY: Provided they are wanted. It is only fair these men should be selected. I think that is the principle of the Bill, and that is what every member of this House understands. I should object strenuously to support any Bill or any suggestion that would exempt any class of people in this country. This Bill must apply to everybody. The farmer has responded nobly already, and I am sure when the time comes to make the selection required for this 100,000 men the farmer will not be drawn on unfairly. But, where there are places, and we know there are hundreds, where farming districts have not done their duty, this Bill will compel them to do their duty. Other farmers have done more than their duty. I can cite you dozens of cases in my own constituency where men have gone who should not have gone, and who would not have gone if we had selective conscription. I think this Bill is a step in the right direction.

Sir SAM HUGHES: Would not the farmers, as a class, resent the insertion of any such clause?

Mr. BRADBURY: No doubt the farmers would take it as an insult if any such clause were inserted. The farmers are just as anxious as any other people to do their duty, and they have done it. I cannot very well understand what my hon. friend wants. To my mind the interpretation of the Bill is very clear. The intention of the Government in submitting the measure to Parliament was that the selection should be made absolutely equitable and fair, and the provisions of this Bill covered this.

Mr. MARCIL: Does the Solicitor General intend setting a standard by which those local tribunals are to proceed on his definition of the so-called national interest, or is each tribunal to be allowed to decide in each individual case and have a standard of its own as to what is the national interest?

Mr. MEIGHEN: In subsection 3 of section 5 there are regulations looking to the uniform application of the Act. There is a regulation which might cover generally the intentions of the tribunal as to what principles should guide them in determining what is in the national interest. That was done in Great Britain. I have before me a document published under the signature of the Right Hon. Walter H. Long for the guidance of tribunals, and the general principles by which they may well be governed. The English Act practically combined our first two exemptions in one. They followed that by an outline of the principles by which the local board of tribunals should be governed. I will read a portion of this document:—

12. The following observations as regards the different classes of cases may be of service:

Employment cases (section 2 (1) (a))—the question to be considered in these cases is not whether the man has a claim for exceptional treatment in his own interests, but whether it is or is not in the national interests that he should be retained in civil employment. "National interests" has to be construed broadly. It covers not only services which minister directly to the prosecution of the war, but also services which are esential to the country at the present time. Whether, for instance, in the maintenance of the food supply, or of the export trade, or in the performance of other services which it is desirable should be carried on in the interests of the community.

In deciding cases of this class, local tribunals should take into account not only (a) whether the service is such as ministers to the national interests at the present time, but also (b) whether it is in the national interests that the particular man should continue in civil employment, and whether, even if the services which he renders are essential, they cannot be performed by available men not of military age or otherwise not fit for military service, or by women.

Then they proceed to a similar treatment of the cases covered by our second clause of exemptions. I might also read it:—

13. It is provided that exemption (which must in this case be conditional or temporary) may be granted to a man who is being educated or trained for any work, if it is expedient in the national interests that he should continue to be so educated or trained. It is not intended that the mere fact that the man is being educated or trained shall be a sufficient reason for exemption. It must be clearly shown that it is in the national interests that he should continue his education or training either because he will become so valuable for work ministering, directly or indirectly, to the national requirements in connection with the war that it would be unwise to take him away from his education or training, or because, quite apart from any services which he is likely to render during the course of the war, his education or training will hereafter render him so essential to the community that it would be unwise to interrupt his education or training.

The presumption will generally be that a man undergoing education or training who is young and free from the responsibilities of older men should do his duty for the country at the present time by undertaking military service,—

That is the prima facie presumption.

—and therefore it is for the Local Tribunal in each instance to make sure that the conditions in the particular case are such as to justify special treatment before exemption is granted.

They go on to outline what in their judgment should cover cases of serious hardship which is our third class of exemption. Then they proceed to deal with cases of ill-health or infirmity. I do not say for a moment that the regulations that may be promulgated by the central appeal judge would be identical with those in England, but I read these to indicate the general scope that may be covered by the regulations. I could not say whether there is any reason or not for deviating very widely from them. At the moment I do not know.

Mr. PARDEE: By reason of the fact that there is uncertainty as to who will and who will not be exempted under the provisions of this selective conscription measure, and more especially as there has been a great deal of talk about its effect upon agricultural production, a doubt has been brought to the minds of a great many people in the agricultural industry as to how far selective conscription would go with them. I quite agree with the principle of the Bill, and I believe that nobody should be exempted from conscription under the measure. On the other hand, my opinion is that as far as possible the work of the agricultural community and the productiveness of this country ought not to be, even

in the very least, impaired, for we have been told by members of the Government that production is almost as essential to-day to the winning of the war as some other forms of military service. I would make a suggestion to the Solicitor General. We have just had from the Minister of Finance (Sir Thomas White) a declaration of the policy of the Government with reference to the conscription of wealth. The Government has taken exception, very reasonably, to the broad term "conscription of wealth" being used to such an extent and so irresponsibly as to upset certain classes of our people in the Dominion by making them believe that their own savings would be conscripted. The statement that the minister has made will allay public anxiety along that line to a large extent and will ease the minds of a great many people. I am not asking the Solicitor General to make any specific declaration that agriculture should not be conscripted—I do not want him to do that—but, could not he give some assurance that when the rules and regulations are drawn up for the purpose of carrying out this Bill agriculture will be looked upon from the point of view solely of the productive needs of the country and treated accordingly.

Mr. MEIGHEN: My hon. friend will see that, inasmuch as these regulations are promulgated first by the central appeal judge, it would be improper on my part to even indicate what regulations that authority should recommend. At the same time, I can say that there seems no reason to doubt that the requirements of this Bill can be filled without taking such men from agricultural pursuits as would reduce agricultural production.

Mr. PARDEE: Say that again.

Mr. MEIGHEN: Without taking such men from agriculture as will reduce our agricultural production.

Mr. A. K. MACLEAN: I suppose that statement would apply to other productive pursuits such as fishing, lumbering and mining?

Mr. MEIGHEN: I see no reason at all for believing that the production of this country cannot be fully maintained and the requirements of this Bill filled as well.

Mr. PROULX: The central appeal judge will be pretty well governed in making the regulations by what is said in Parliament. We pass the law; we are the representatives of the people and we should say who should be exempted from this conscription. If Parliament affirms the principle that agriculture is such an important industry and so necessary in the carrying on of this war that those engaged in agricultural pursuits should be as lightly touched as possible by conscription, the central appeal judge will be pretty well governed in framing the regulations by the opinion of this Parliament. I approve of the amendment proposed by the hon. member for Chambly and Vercheres (Mr. Rainville). In certain subsections and clauses different occupations are mentioned such as financial and other occupations whilst the agricultural occupation is mentioned only in the preamble of the Bill. Agricultural occupation is as useful, if not more useful than, financial or professional occupation.

Mr. MEIGHEN: Where are the other occupations mentioned?

Mr. PROULX: In subsection (d) of section 11:

(d) That serious hardship would ensue, if the man were placed on active service, owing to his exceptional financial or business obligations or domestic position;

Mr. MEIGHEN: That class mentioned in subsection (d) does not relate to occupation, but to obligations. It may be that the peculiar obligations under which a man is, domestic, financial or business, are such that he should be accorded special treatment in the interests of the community.

Sir GEORGE FOSTER: As to the individual man.

Mr. MEIGHEN: That is, it would be a serious hardship and would likely inflict hardship on others if that particular individual, owing not to his occupation but to his obligations were taken.

Mr. PROULX: Farmers have large obligations. Many of them have large mortgages on their farms.

Mr. MEIGHEN: Then they would come under that clause.

Mr. TURRIFF: It seems to me that the wording of the clause is very fair as it is. I represent almost wholly farmers, and I should not like to see them especially singled out and exempted. I think any tribunal would surely see that production of food of any kind would be of such great importance to the Allies that a man who, by staying on the farm this year could produce a couple of hundred bushels of wheat for export next year, is worth more to the British army, to Canada and the Allies generally, on the farm than

he could possibly be in the trenches at this time. I do not think there is a chance in a thousand that a tribunal would send a man who was working on the land and producing food either for Canada or for export into the trenches where he would not be worth one-half as much. When I was in the West lately I learned of an old man who had a farm of 480 acres, a great deal of it under cultivation. He was working like a slave himself, with one hired man; he could not get any more help. While I was there two men drifted into the town and wanted jobs. This man saw them and they asked him $6 a day, and would not consider anything less than $5 a day. Any man who knows anything about farming in the West knows that, at this time of the year, before the crop is grown, no farmer can pay $5 a day and board to a man and have anything left—he would go in the hole himself. I was wondering whether the Government had any idea of conscripting men for other purposes than sending them to the front. It seems to me that men who are walking around the country and trying to hold people up for $5 a day for labour on the farm, are a class of men that it would not be bad policy to conscript. I would say to them: If you do not want to go and fight for your country, the least you can do is to produce food for the men who are fighting, and do so at $2.50 or $3 a day and your board. That is good big pay. I should like to see the conscription go far enough to make that class of man get to work and do one thing or the other. If he is not suitable to go to the trenches he should be made to produce food.

Mr. MORPHY: I beg to suggest a change in the wording of subsection (a) of section 11. That subsection reads:

> (a) That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he is habitually engaged;

I think the phraseology is a little unfortunate. Instead of saying "is habitually engaged," it should read "has been for a certain period of time past habitually engaged." We might say at least one year prior to the passing of this Act, or at the time the war broke out. My idea is that exemptions under this Bill should be to real classes of the people. As the clause reads, hundreds of young men may rush to the farms who do not know anything about farming. They may have gone there during the last week, and under the phraseology here such young men could go to the tribunal and say: I am farming, I am hired out and have been for a month—at exorbitant wages. In that way a man might escape service. I think that, in the interest of the country, there should be added to that clause the words "for at least one year prior to the passing of this Act."

Something should be added to indicate that he must be a real farmer, a real fisherman, a real something, and not a man who is attempting to avoid service by taking up one of these occupations. The same thing applies to clause (f) in relation to conscientious objectors. The clause reads:

> That he conscientiously objects to the undertaking of combatant service and is prohibited from so doing by the tenets and articles of faith, in effect at the date of the passing of this Act, of any organized religious denomination existing and well recognized in Canada at such date, and to which he in good faith belongs; and if any of the grounds of such application be established, a certificate of exemption shall be granted to such man.

I would change that section to read "that existed before the 4th of August, 1914," being the time of the declaration of war. I do not know whether any one knows what orders have arisen in view of the possibilities of such an Act as this. The section as it reads now would apply to any coterie of persons who would say: We belong to a certain branch of a sect well known and organized in Canada. I think there should be a time limit there.

Mr. BRADBURY: If a man does not want to defend the state he should not have citizenship, no matter who he is.

Mr. MORPHY: There are certain people who have conscientious objections to combatant service and are protected by the law. My objection is to having others slip in and say they are exempted when they are not. In other words, a real conscientious objector should be exempted.

Mr. LEVI THOMSON: I think the amendment before us is too broad, to start with, and it is very questionable whether it is required at all. I agree with the hon. gentleman from Selkirk (Mr. Bradbury) and the hon. gentleman from Assiniboia (Mr. Turriff) who both have had some experience in this matter. I do not think it is necessary that we should use the term suggested in regard to those engaged in agricultural or industrial pursuits, especially the latter, because it is altogether too broad. We use the term "industrial," and it covers almost everything in the coun-

try. Then, while the clause, as it would read after the proposed amendment, would not, of itself, positively exempt any one, the trouble is it might be considered as exempting them, and might cause a great deal of dissatisfaction, when certain people found they were not exempted. Some people engaged in agriculture in some parts might be dispensed with. In the part of the country in which the Solicitor General and I live, I presume there are not very many who could be dispensed with, because the farms are large, and the country is so thoroughly drained of suitable farm help, that the danger is that we will not have enough men to attend to our harvest and threshing. But I think that is not the case throughout the whole of Canada. I think the suggestion of the hon. gentleman from Perth (Mr. Morphy) would work a very serious hardship in the western country. I think my hon. friend will find that the people in the West move around a great deal more than they do in the East. We find hundreds of men engaged bona fide in farming, just as faithfully as any man in the country is engaged in that occupation, but they have only started this season. They have bought farms, and expect to raise thousands of bushels of grain. A man may be working alone, as many of them are. He may have thousands of bushels of grain growing now, but if my hon. friend's suggestion were adopted, he would not be exempt at all; he could not possibly be exempt, and the grain would have to go to waste, because if we take men from the farms in the western country, as my hon. friend will understand very well, and compel them to go to the front, the crop will be almost sure to go to waste. There are no surplus men to be had there. Every farmer there is required to look after the farms. There may be odd men, such as the hon. member from Assiniboia (Mr. Turriff) suggests, who are trying to hold the farmers up. I have no objection to seeing those fellows being sent away, even if they are farm labourers. I think it would be safe for us to leave the clause as it stands. I desire to make a suggestion, but I am not sure how pertinent it is. We have referred occasionally to regulations made under the Militia Act, and to rules of court, made by judges of the supreme court of the different provinces. It seems to me that there is considerable difference in the application of those regulations. The rules of court cover technical questions, which can be better dealt with by the judges of the supreme court than any one else, and the regulations under the Militia Act cover technical questions, which can be better dealt with by the Government, advised by their military officers. But I believe that this House is in a better position to deal with these exemptions than any one else, and I suggest to the Government that they should consider the advisability of making such regulations as apply to the exemptions a part of the Act.

Mr. A. K. MACLEAN (Halifax): make it a matter of statute.

Mr. THOMSON: Whether we adopt that suggestion or not, I should like to have the regulations, at least under this particular section, disposed of by this House. Make them part of the statute, if you like.

Mr. RAINVILLE: I agree with some of the suggestions made by the hon. gentleman from Assiniboia (Mr. Turriff). With regard to these exemption sections, we would like to know how the provision is going to work. The first exception, (a), refers to the man who is habitually engaged in a certain kind of work. The second exemption (b), refers to the man who has special qualifications, and the third exemption (c), deals with the man who is being educated or trained. The fourth (d), provides for the case of a man who has exceptional financial or business obligations. The fifth exemption (e), refers to health or infirmity, and the sixth exemption (f), deals with conscientious objections. The judge will be called upon to decide on these very cases, and the duty of the judge will be to find the 100,000 men who are to be sent to the front. When that point is reached, is that all? I say: No, it is not all. Some people are demanding the conscription of wealth; I would claim conscription for the promotion of agriculture and industry. Then another question is: who is going to direct the rejections or exemptions? Who is going to say that a man who is keeping a cigar store, for instance, would be more useful if he were placed on the farm? Then we have the case of the man on the farm who is doing nothing in the way of producing. Who is going to direct that he shall be exempted? Will it be the judge? It is impossible to think that a judge can deal with that. We will have to get some kind of machinery in the administration to deal with those exemptions, and get together the full strength of the nation, and direct it in the best interests of Canada and of the Em-

pire, in the way of producing food, stimulating industry, and developing our mines and fisheries. Although we have kept the National Service Commission out of this Bill, I was thinking that every exemption dealt with in this clause of exemptions by the judge should be sent, with full information, on a card, to some authority, where it could be dealt with, because every one knows the National Service cards were filled up in a very unsatisfactory manner. The National Service Commission cannot accomplish anything with the cards, signed as they have been. Why not take this opportunity, with this big organization which will be established all over Canada—and maybe outside of Canada, for some people went away without reason—and get these cards, and all information obtained by the National Service Commission, and we may have the conscription of wealth, or agriculture or industry, whatever we may call it, and have machinery that will direct our people where they can go in order to render the best service to the country and to humanity. That is the first consideration and if we do not want to face a great shortage of food something of this kind must be done. And this shortage will not take place in Canada only. Everybody knows, considering what is taking place everywhere, that we may have to face a shortage of food all over the world. We may face shortage of every production in other countries, and we may have the manufacturers producing products that are not useful. If we insert a provision on the very first page of this Bill that agriculture and industry shall be the first consideration to be dealt with by the Government then we can use the full strength of the nation. The first consideration should be, not the farmer himself, but that which is produced by the farmer. I am not claiming exemption for the farmer; I am claiming what may be called the conscription of agriculture for the benefit of the people of this Dominion. When I put it that way, I do not think that hon. gentlemen can attribute to my words any other sense than that in which I utter them. One gentleman has said that such a course would be an insult to the farmers. I do not see why. If it is admitted that we should conscript for the army; that we should conscript wealth, agriculture, industry; then I say that agriculture is the first to be taken care of. If a farmer should not be producing enough, it would be the duty of a judge to say: You are not producing what you should; you go to the war, and we will put another man in your place. The result would be the production of what is necessary to feed the people. I do not consider that this would be an insult to the farmer, and I challenge those who contend that such is the intention of my amendment. My desire is that there shall be put on the farms all the hands available to work the lands properly and ensure a maximum amount of production throughout the country.

Mr. MARCIL: In the centre of Canada farming is a basic industry, and all over Canada agriculture is important, but there are parts of the country where mining or fishing are of the first importance. As I understand the explanation of the Solicitor General, no man can claim exemption because of his calling, but any man who cannot be replaced may be exempted because of the importance of the services which he renders here. This principle, I understand, is based upon the principle adopted in England. A man in any calling, therefore, may be exempted, and a man in any calling may be forced to go to the front.

Mr. MEIGHEN: It would be hardly correct to use these words with regard to exceptions, but using them with regard to exemptions, my hon. friend's understanding is quite correct.

Mr. OLIVER: The subclause that we are now discussing is an exemption provision; it is a provision to enable everybody to be exempted. There is no necessity for the following subclauses in the section, because this subclause covers everything and everybody. In section 2 provision is made far the compulsory service of everybody, and in section 11 provision is made for the exemption of everybody. This is supposed to be a deliberative body, responsible to the people for the result of legislation passed with the authority of the House. We are told that the purpose of this Bill is selective conscription, but after over an hour's discussion we have not a scintilla of information as to what the selection is going to be, or on what basis it is going to be made. Parliament is asked to endorse a Bill of that character, affecting the lives and the honour of 100,000 of its citizens. Is the Solicitor General serious when he tells us that there is to be no regulation by authority of Parliament of the conduct of tribunals under this section?

Mr. MEIGHEN: I was quite serious when I told the committee what I did tell it, but I did not say what my hon. friend

suggests. Any regulation recommended by the central appeal judge and approved by the Governor in Council is made under the authority of this Parliament and may look to uniformity in the application of this Act. They have been able in Great Britain to formulate such regulations; there is no reason why they should not be able to do so here, having regard, of course, to the somewhat different conditions prevailing in Canada. I cannot answer the extreme assertions of the member for Edmonton that this clause provides for the exemption of everybody. A similar clause was in the British Act, but it did not provide for the exemption of everybody there. I know no reason to believe that we cannot have as intelligent tribunals in Canada as they have in England. But we cannot with too great particularity or solidity of rule define just what a tribunal must do in any individual case. Nor can we say in broad language to the tribunal: exempt a man if you think it is in the national interest, and send him to the front if you think that is in the national interest. One would be much too narrow; the other very much too broad; a line must be found between. The line is this: that we endeavour here to lay down principles that will guide the tribunal in determining what is in the national interest and what is not.

Sir WILFRID LAURIER: What is that principle?

Mr. MEIGHEN: The principles are set out in (a), (b), (c), (d), (e) and (f) of section 11. These are almost identically the principles that have been found sufficient in England. After many months' trial of the statute there, various amendments were suggested to Parliament and various improvements proposed in connection with different features of the Act, but they left those principles as they defined them initially, because they had found them satisfactory. It is not, I think, asking the committee too much to suggest that we have at least some regard to the experience of Great Britain in that matter. We will get the advantage of their decisions wherever they will be of use to us. I do not think, however, that we can afford on the one hand, to be more exacting, or, on the other hand, to be broader and more indefinite.

Mr. OLIVER: Perhaps the Solicitor General will tell us who amongst the citizens of Canada cannot be exempted under subsection (a)?

Mr. MEIGHEN: It is not the part of the Solicitor General to perform here the duty of tribunals. The duty of the Solicitor General is to explain the principle of the Act, not to say what the tribunals should do in any individual case. But if my hon. friend were himself a member of the tribunal, I should not have the least hesitation in bringing before him many men whom he and I commonly know and to whom he would have no difficulty in applying those principles.

Mr. OLIVER: It is not a question as to how far my friend and I might agree in regard to the application of these principles; it is a question of the responsibility of this Parliament of Canada for knowing how those principles are to be applied. I asked what I thought was a very reasonable and simple question, but my hon. friend was not able, or not willing, to give me an answer, and for the very good reason that only one answer was possible, and that was that under the section as it reads any tribunal may exempt any citizen of Canada from military service. There is no doubt about that. Will any member of this committee point out what citizen of Canada may not be exempted under this subsection from military service by a tribunal?

Mr. W. H. BENNETT: Assuming that a man were——

Mr. OLIVER: I have asked a plain question, and asking another question is not answering mine. I have asked a plain question, and if I cannot get an answer to it I shall have to be permitted to continue my remarks.

Mr. NICKLE: Take the case of a man engaged in a non-essential and non-productive industry.

Mr. OLIVER: Who is to say that the industry is non-essential and non-productive except the tribunal? And the tribunal can say whatever it pleases.

Mr. NICKLE: That is not the question my hon. friend asked. He asked any member of the committee to name any class of men who would not be exempt under this subsection. I say that under that subsection no man should be exempted who was engaged in a non-productive and non-essential industry, because it would not be in the national interests to exempt him.

Mr. OLIVER: The answer to that is that the tribunals are vested with the fullest possible discretion, and it is for them to say whether a given industry is a national necessity or not. If my hon. friend from Kings-

ton (Mr. Nickle) cannot give me a direct answer to the question that I asked, it is probably not within the competence of any member of this House to do so. So the matter stands exactly as I have stated it, and certainly we are not dealing fairly by the people of Canada unless from our places and at this time we require from the Government some method of limitation or direction that will make it possible for us to say to the people of Canada: This is a declaration of principle which will be given effect to under these circumstances and to this extent.

Mr. MEIGHEN: I do not know but that a tribunal which flagrantly and dishonestly violated its duty could not exempt any person. I do not assume, however, that our tribunals are going to be dishonest, negligent or unfaithful; I presume they will be honest, diligent and faithful. Assuming that, then I know that in the application of the Act the men can be secured in Canada, and without injury, I believe, to the country. No judge of the land interpreting the law is not able and competent within the sphere of his own jurisdiction to remit the sentence of any criminal and release him; he is, however, liable to appeal, and so is this tribunal. All these appeals come before a final court, and it is for that final court to interpret this statute, just as it is for the final court in the land to interpret other statutes. That is a very brief statement of the principle of all enactments that are left in their working out to judicial or semi-judicial tribunals. I know of no other way of effecting the end desired, but I should be very glad of suggestions from the hon. member for Edmonton (Mr. Oliver) as to how he would work out selective drafts if he had charge of the matter himself.

Mr. OLIVER: What I would say is this. I am not in favour of the principle of selective draft as it seems to be understood by the framers of this Bill. I certainly think that the principle embodied in the Militia Act, and which has recently been adopted by the United States, is a very much more desirable principle, because it is based on fairness, while the principle here is based absolutely on unfairness, and we are leaving the administration of the Act entirely to the good-will and honesty of the tribunals. Now that is not our business. Our business is to see that legislation passing through our hands is safeguarded so that it will be as little dependent as possible on the good-will or honesty of those charged with its administration. That is our share of the responsibility, and I should be glad to assist in discharging my share of the responsibility. If my hon. friend cannot bring down to this House a system of selective draft that will guarantee fair play between man and man, and between section and section of this country, then he should not bring down this measure at all. But as he proposes this selective system it is up to him and his colleagues to bring before the House some measure that will guarantee that fairness which it is our responsibility as members of this House to see embodied in the provisions of this or any other compulsory service Bill.

Mr. MEIGHEN: The Solicitor General (Mr. Meighen), in the innocence of his heart, believes he has a system here which will bring about, so far as any human system can, just what my hon. friend desires, namely, a fair system of selection. I may be right or I may be wrong, but I have asked in vain for a better system from my hon. friend. He has referred very vaguely to the United States system. Will he explain to the House wherein the United States system differs for the better from this?

Mr. OLIVER: I cannot. I am not familiar with the United States system, but I know this: In the United States system there is an enumeration of the people. There is also a distribution of responsibility according to population, and after selection has been made there is a balloting as between those who have been selected. That is a guarantee of fair play as between state and state, as between man and man, and as between occupation and occupation. But there is no provision of that character in this Bill. I do not ask my hon. friend, when he brings in a Bill, to bring in such a Bill as was introduced in the United States, but I ask when he is bringing in a Bill based upon the selective system, that such a measure be introduced as will guarantee a fair selection; that is all I ask.

Mr. MEIGHEN: My hon. friend states that the United States system differs from ours in two particulars. First, there is an allotment of a certain number of men from each state. If my hon. friend is anxious that that system be introduced into Canada would he be good enough to say so, and state how he would make the allotment? In the second place, he thought that the balloting added to the fairness. Will he

be good enough to explain how the introduction of a hit-and-miss selection by ballot is going to add to the fairness of selection?

Mr. OLIVER: My hon. friend is pushing his inquiries very closely, and if I am compelled to answer him I will say very frankly that the system of selection by ballot has been considered the fairest system since the foundation of the world and since people began to count.

Mr. MEIGHEN: How does it apply unless there are more men available, after all useful and necessary occupations have been filled, than the number of men required? Does my hon. friend think there are more men available after all useful and necessary occupations have been filled, than are required here?

Mr. OLIVER: I am sorry to say that I do not. I think the condition of our country at the present time is such that we need all the men we have. But, very properly, we have made up our minds to send more men, and in doing that I say that we should be scrupulously exact in making our selection on principles of absolute fair play. But when I look into the Bill and make inquiries of the Solicitor General I find that there is no provision whatever in the Bill for fair play as between man and man, as between occupation and occupation, or as between section and section of our country. Now I say, unless it is possible to so embody the views of the Government in regard to selective conscription as to give that assurance to the people, they should not have brought in the system, or they should bring in some other system under which it would be possible for us to guarantee fair play to those we represent. I am sorry to say, I am not able to do this under the provisions of this Bill, because I have not, as a matter of fact, the same faith in the fair dealing in any act of administration on the part of my hon. friend and his colleagues as I would have in what the Premier calls the blind system of choice by ballot.

Mr. MEIGHEN: I have only to observe that I failed to get any statement from the member from Edmonton as to how he would divide the one hundred thousand men among the different provinces of Canada. Secondly, I was not convinced that under a state of affairs where we required all the men not necessary for the essential productions of the war, the introduction of a system of luck is going to add to the fairness in getting the men who are required. I simply laid these two sentences before the House. I do not think the matter admits of further discussion.

Mr. OLIVER: My hon. friend has stated that this provision is based upon the British law, and he says that in as much as the British law has worked well under corresponding circumstances, this law should work well here. I had the honour to read to the House some little time ago what appeared to me to be reliable information as to the working of the British law, and I may perhaps be pardoned if I re-read some part of this information. I think it will be agreed that if this information is even measurably correct, it not only bears out everything I have said in expressing doubts as to the possibility or the probability of fair play in the administration of this measure, but it absolutely assures that fair play is not to be expected under that administration.

Mr. BURNHAM: The hon. gentleman is laying an indictment on a most important question before the House, and does not specify one thing. In broad general terms he sweeps the whole Act right out without specifying a single thing. Surely the indictment must be gone into and the evidence submitted to a grand jury like this, or the complaint will not hold.

Mr. OLIVER: I like to hear the sound of my hon. friend's voice. The evidence I desire to bring before the House in regard to the administration of this unrestricted selective provision in England is contained in the correspondence of one Lacey Amy, which appeared in the Toronto Saturday Night of June 16. Mr. Amy says:

> Tribunals all through the country continue to hand out exemptions to huntsmen, variety artists, store managers, clerks, luxury manufacturers, frankly declaring that their mission is "to protect local industry." One district alone granted 30,000 exemptions during the past fourteen weeks.

Mr. BURRELL: Will my hon. friend permit me. I think this is rather a serious criticism, and the House is entitled to know the status of Mr. Amy. That is a very sweeping statement to make.

Mr. OLIVER: A very sweeping statement, Mr. Chairman, in regard to a very important question. I am not responsible for Mr. Amy. He is the regular correspondent of Toronto Saturday Night, and I presume is a reputable person. Saturday Night has a very wide circulation throughout the Do-

minion of Canada as a reputable paper, and I presume its correspondent in London is a reputable man. At any rate, on my responsibility as a member of this House, I placed those words on Hansard some two or three weeks ago, and it was within the province of the Government to verify or secure a contradiction of the statements made by Mr. Amy, in the interval which has elapsed. Apparently this has not been done; therefore, I must ask that Mr. Amy's indictment stand.

There is another side to this question, which is, perhaps, even more important than that which I have already mentioned. I wish to quote what Mr. Amy has to say in regard to it:—

> The failure to comb out the eligibles in the munition factories is a bit of inside history that should be made public for the enlightenment of those who would use drastic measures.

It will be observed, we are proposing to pass a law here which contemplates the exemption of employees in munition factories; you will notice, Mr. Amy is speaking about the failure to comb out eligibles in munition factories in England.

Mr. W. H. BENNETT: Where is the exemption of employees in munition factories to be found in the Act?

Mr. OLIVER: It is contained in subsection (a) when read in connection with the last clause on the first page of the preamble. It either means that, or the preamble has no purpose at all. Mr. Amy's statement is a somewhat lengthy explanation of a very serious situation, but I desire to place it before the House, because I consider it has a bearing on the situation in which we find ourselves in Canada, not in exactly the same connection, but in another which I consider closely parallel:—

> The political strength of labour in England is too well known to need elaboration here. Only the harsh necessities of war, backed by a coalition government, could have enforced the policy of dilution of labour early entered upon. Labour responded willingly enough, especially as it did not carry with it at that time any policy of substitution. For with dilution came a guarantee not to conscript the members of the twenty-five unions concerned.
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> But unforeseen difficulties cropped up, and events approached a crisis in the fall of last year. The unions, in what they considered self-protection, had insisted that the new men should join the unions and receive the union wage. And gradually the new blood outnumbered the old; and as it was made up of youthful fellows, the majority of whom had entered the factories to escape khaki (and they admit it with shocking complacency) its principles, and methods slowly crept into the ascendency. And, of course, its main object was to continue to draw five pounds a week in clover instead of a shilling a day before the German guns.
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> Fully to appraise the menace of this condition, one should remember that these men were guaranteed exemption, that they control the unions which control the make-up of the dismissals for service. The attempt of the Government to overcome that obstacle by ruling that only the skilled should be exempt was frustrated by the unions demanding of the company managements that all employees be termed skilled—even the porters and workmen about the yards. A few were combed out here and there, but very few.
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> Finally the Government and the leaders of the unions devised a scheme. It was intended to put an end to the domination of the new blood—whose shirking did not commend itself to labour leadership, an essentially loyal body of men in the main—and to secure for the army the needed recruits. The Government announced the cancellation of all trade union cards and war service certificates. The plan was to re-issue them only to the skilled. It looked good. But the shirkers were wise. Working strictly in local bodies only, for the leaders would not sanction it, the stewards put it bluntly to their managers. I know of factories where the entire body of workers threatened to strike if a single man was taken by the Government. They knew that not one could be combed out without the consent of the manager; and local fealty had cemented the old and the new membership through previous wage troubles.

It is clear that the experience in England does not justify leaving the discretion and the authority as to the enforcement of the principle of compulsory military service under this Bill to the tribunals appointed and empowered as these tribunals are expected to be. It has not worked in England, and if it did not work in England it certainly will not work in this country, because there is a respect for constituted authority, for precedent and for right doing because it is right, in England, that, I am sorry to say, does not exist to the same extent in this country.

Mr. BURNHAM: I do not believe that. That is a libel on this country.

Mr. OLIVER: Perhaps it is and again perhaps it is not. At any rate, I am standing here on my responsibility as a member of this Parliament to say that the rights of the people are not properly safeguarded under the provisions of this Bill. I am asking that they be safeguarded. If they cannot be safeguarded under the provisions of this Bill, the Government has no right to put through such a Bill, and they should bring forward some other Bill based on principles that would permit the safeguarding of the rights of the people, and which would give us an assurance that there would be equal justice between man and man,

between industry and industry and between section and section of this country.

Mr. MEIGHEN: There is no doubt at all that in the working out of the British Act difficulties were encountered, and they did not succeed in obtaining all the results aimed at. I do not know of any Act in Britain or in Canada that ever did succeed in attaining all the results aimed at. But I cannot understand the state of mind of a member of this House who concludes that because somebody writes to the newspaper, even the Toronto Saturday Night, that there were imperfections in the working out of the British Act, the Act is valueless and worthless. If the hon. gentleman is to reach conclusions on the face of a letter in a newspaper written by some one he does not know, I am afraid he will be driven by his logic to very strange conclusions regarding himself. We can put in a nutshell the difference between my hon. friend's suggestion and our own. He refers to essential industries such as munition works, and he has in mind other essential industries such as agriculture. He alleges that in England, owing to the weakness perhaps of some of the tribunals in certain spots, there were exemptions of variety artists, pool room artists and the like of that. That may well be. If these things did happen they are being cured by appeals to the central tribunal. The same things may occur here, but they will be cured in like manner. But take the system proposed by my hon friend—here is a farmer with 200, or 160, acres of land all alone on that farm. Right beside him, in the neighbouring village, there is a pool room loafer and the question comes as to what is the best method of selecting one or the other to go to the front for military service. We have the tribunal named under the method proposed here. We place the pool room loafer and the farmer side by side and we leave it to the tribunal to decide which of the two ought to go and which ought to remain at home. Is there a common sense man in this country, is there a member of this House, who would doubt what the decision of the tribunal would be? The pool room loafer would go and the farmer would stay at home to work his farm. What would my hon. friend do? He would take these two men, stand them up side by side, take two straws and have some one there to see who gets the longer straw and who gets the shorter. If the pool room loafer draws the longer straw, he stays safely at home and the farmer goes to the front. That is what my hon. friend says is absolutely fair and has been found to be the right method of getting men to go to the front.

Mr. OLIVER: I do not want to interrupt my hon. friend but I would like to interject for the benefit of Hansard that I did not suggest any such thing.

Mr. MEIGHEN: I venture to say that no hon. member understood him to suggest anything else. He wants to follow the lot system. Let the hon. gentleman tell this House how he intends that system to work out. He wants us to divide these 100,000 men among the provinces of Canada. I would ask him again to say how he is going to divide them among the provinces and how many to each?

Mr. OLIVER: My hon. friend is giving me a great deal of personal attention and I shall be glad to give him the information he wants. The authorities were good enough to hand out the other day a statement as to the population of Canada, giving the number of people of Canadian birth, of British birth, and of foreign birth, and the different ages—the ages, I presumed, that are covered by the Bill. My suggestion in regard to the levy would be this: I would make up my mind how many of these classes I propose to call.

Mr. MEIGHEN: What classes would my hon. friend call?

Mr. OLIVER: Whatever number of classes I considered necessary.

Mr. MEIGHEN: Would the hon. gentleman have any objection to saying what classes he would call?

Mr. OLIVER: It is not necessary, it is not to the point but I have no objection. Incidentally, and without further consideration, I would say that I would begin at the youngest class and call successive classes until I had covered as many as I thought would be needed. Then, according to population as here laid down, if I were willing to take that estimate, I would credit to each province the number of men that it had enlisted and who had gone overseas or were available for overseas service. Then I would require of each of the several provinces the balance of the men necessary to make up the quota.

Mr. MEIGHEN: On the basis of population?

Mr. OLIVER: On the basis of population; not all the population but the population which is available for service. I do not

see any other way in which it could be done that would be considered fair.

Mr. MEIGHEN: Would the hon. member make any distinction as to districts of provinces, or would he take each province as a unit?

Mr. OLIVER: I certainly would not. I would treat Canada as a country.

Mr. MEIGHEN: I will figure how that would work out.

Mr. OLIVER: I am not saying that under circumstances as they are in Canada, on the mandate of a self-elected Parliament, I would undertake for one moment to enforce a compulsory service Bill. Do not let my hon. friend imagine that for a moment. While I believe in compulsory military service equally distributed over the whole country, I believe in it only if it has the support of the majority of the whole people of Canada. I would not propose to support it in defiance of or without having the support of the majority of the people. What I have laid before my hon. friend now in answer to his insistent inquiry is the only kind of a compulsory service that I could feel myself warranted in supporting. If I could not support that I could not support any.

Mr. BRADBURY: Has any other country a system like that?

Mr. OLIVER: I think every other country except Canada. The United States——

Mr. BRADBURY: A ballot system?

Mr. OLIVER: Surely. In regard to the ballot, if I was bringing a Bill for compulsory military service before this House, I would select by authority of Parliament those who would be exempt from the operations of that Bill, and if we had more men than we wanted, I would select by ballot those who should go. I would do what I have asked my hon. friend to do and what he refuses, that is to lay down the principles of exemption.

Mr. MEIGHEN: But we do.

Mr. OLIVER: There is no use our disputing about that. My view is that he absolutely does not. He brings forward a section here under which, and I have challenged the House to disprove my statement—every citizen of Canada may be exempted. I say that I would not bring such a Bill before this House.

Mr. MEIGHEN: What principles of exemption would you propose to substitute for these principles?

Mr. OLIVER: It is not a question of principles but of details. We are asking the minister for details and he will not give them.

Mr. MEIGHEN: What would be his details?

Mr. OLIVER: It is not possible to go into all the details. My hon. friend has incubated this Bill for a number of weeks; he has had the benefit of all the lore that has been accumulated on the subject of compulsory military service Bills in all countries, and he has not been able—

Mr. MEIGHEN: Give us one detail.

Mr. OLIVER: —or is not willing to come before this House with any details whatever that would guarantee fair play under the administration of that clause.

Mr. MEIGHEN: Would the hon. gentleman explain how his ballot system would work?

Mr. OLIVER: I want to be a little explicit as to why I feel as deeply interested in this matter as I do. I have studied this population chart that has been distributed, and I have taken the figures given by the hon. member for North Grey (Mr. Middlebro) in regard to enlistments in Canada. I find that, when we consider the numbers of men who have gone from different sections of the country, there is a condition existing that was not taken into consideration in the figures which he gave, but is taken into consideration in the chart placed before this House. In the western provinces there is a large population of citizens of alien origin, some of them of alien enemy origin—many thousands of them. It is proposed by certain gentlemen on the Government side in this House that these people shall be disfranchised, I presume because they are not in all respects desirable citizens. It is obvious that you cannot expect from that section of the population the same enthusiasm in the matter of voluntary enlistment that we have from people of British or Canadian birth. As a matter of fact, we have not had that response from those people that we have had from people of Canadian or British birth, so that if we take the figures as contained in this chart and take that part of the population from which, as a matter of fact, we did draw the large proportion of our soldiers under voluntary enlistment, we find that the proportion of men who have gone from those western provinces, and particularly from the province of Alberta, under

voluntary enlistment, is so much greater than the proportion going from any other province, that we have a right to ask that in any conscription Bill that is placed before this House, there shall be consideration of that fact. There are in Canada of native and British-born, 1,295,000 people of the military age set out in this chart, that is between the ages of 20 and 45. Of that number we are told 418,000 have enlisted; that is 32 per cent. In Ontario of that age and of those nationalities, there are 472,000, of whom 168,000 have enlisted, or 36 per cent. In Quebec there are 327,000, of whom 44,000 have enlisted, or 13 per cent. In Nova Scotia there are 84,000 men of whom 22,300 have enlisted, or 26 per cent. In New Brunswick there are 58,000 men, of whom 17,500 have enlisted, or 29 per cent. In Prince Edward Island there are 14,738 men, of whom 2,700 have enlisted, or 18 per cent. In Manitoba and Saskatchewan (that is one military district) there are 173,000 men, of whom 79,000 have enlisted, or 45 per cent. In Alberta there are 63,000 men, of whom 35,000 have enlisted, or 55 per cent. In British Columbia there are 90,000 men, of whom 39,000 have enlisted, or 43 per cent. I submit that, that being the condition of affairs, we are entitled to some guarantee in the administration of this Act that the sacrifices that have been made voluntarily in that country shall be recognized, and that the interests of those provinces and people shall be protected, as they are not protected under the wide-open provisions of this Bill.

Mr. BURRELL: I am affected in this matter much as the hon. gentleman is. Might I point out that we shall be protected to this extent, that the number of available men under the first three classes will be naturally infinitely smaller in his own province and in mine than in some other provinces.

Mr. OLIVER: Yes.

Mr. BURRELL: In the Okanagan valley, in my own constituency, about 500 men have gone to the front, and there is hardly a man of the proper age in a medically fit condition left in the whole country, so that the protection would really come naturally.

Mr. OLIVER: That is what we want—we want the protection to come naturally. But when I read the Bill, and see the exemption provision, which says that it is expedient in the national interest that the man, instead of being employed in military service, should be engaged in other work in which he is habitually engaged, and when I listen, as I have listened during the past three days, to assertions and reiterations that the voluntary enlistment of men in this country was held up by the authority of the Government for the advantage of certain interests in eastern Canada, I want to say, Mr. Speaker, that I am not satisfied that we, the people of western Canada, are going to get a square deal under this Bill at the hands of this Government; and it is for that reason that I ask that there be some guarantee, if guarantee can be given, on the face of the Bill. We in the West have enlisted without suggesting a complaint of any kind whatever. We have asked for nothing but the privilege of service. We have given that service as no other part of Canada has done; and now, when the honour of voluntary enlistment is to be taken away, we are to be put under a compulsory law, which, on the face of it, and in the light of the statements made in this House within the last three days, is deliberately intended for the purpose of combing our men of the West and protecting the munition factories in the East. If that is not the reason, it is easy to find words in the English language to show that it is not the reason, and put them on the face of the Bill.

Mr. MIDDLEBRO: It seems to me that to carry out the hon. gentleman's view we will either have to go into minute detail, not only as to the class of person to be exempt, but as to the actual persons themselves, because there are many members of exempted classes whose duty to enter military service is just as clear as that of members of other classes who are not exempt. In my opinion we must either leave a certain discretion to the judgment of the authorities, as we do in all other matters, or we have to give details, such as the hon. gentleman from Edmonton (Mr. Oliver) could not give this afternoon. I think my hon. friend will find himself in very deep water, if he is going to give sufficient detail to enable the judge to actually identify every man according to those details. I point out to my hon. friend that the first three subsections of section 11 exempt a man on national grounds; the other three exempt him on private grounds. I also point out that, under the New Zealand Act, which, so far as selection is concerned, has worked very favourably, the exemptions are much less specific than the exemptions of the present Bill. The only exemptions under that Act are as follows:—

(c) That by reason of his occupation his calling-up for military service is contrary to the public interest.

(d) That by reason of his domestic circumstances or for any other reason his calling-up for military service would be a cause of undue hardship to himself or others.

Apart from the other two sections, those are the only two exemptions. One is in the public interest and the other covers the private interest. The sections are much less specific than the sections of the present Bill. The British Bill, which has been referred to by my hon. friend the Solicitor General (Mr. Meighen), is about in the same terms as the measure before us. It is practically framed upon the ground of national interest. My hon. friend will observe the words "national interest" are used in the first three subsections. You can practically put all these in one provision, and say that if in the national interest a man should not go, the tribunal should exempt him. The other class relates to private interests. In the United States Act, dealing with the class in question, the exemptions are:

Persons engaged in industries including agriculture, found to be necessary to the maintenance of the military establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency.

It all comes back again to the question of national interest. So that either we must go into such details that the Bill would be unworkable or unjust, or lay down such general principles as have been placed in the Bill for the guidance of the judge, and leave him to make the selection. It seems to me we cannot make any other provisions. We cannot go to one extreme or the other. For my part, I would prefer to adopt what has been done in Great Britain, the United States and New Zealand.

Mr. OLIVER: I do not wish to push this matter, but if the Government is intent upon following its policy, it has supporters behind it to enable it to carry out that policy; but I want to say that, in my humble judgment, there is no parity between the conditions in New Zealand and this country, or between those of the United States and this country. We have nothing on record to show that the Government of New Zealand, prior to the adoption of compulsory military service, was absolutely in league with certain industries of the country to prevent voluntary enlistment. That is the condition we have in Canada, and that is a condition that I, for one, consider most serious, when we are looking at this matter as we have to look at it. We must recognize that while in one breath we are told that this Bill is for the purpose of finding men who will maintain our honour and the strength of the Empire in the bloody trenches of Flanders, in the next breath we are told that the purpose of the Bill is to maintain the industries of Canada. I wanted the provision to be one way or the other. If we have to maintain the strength of our contingent in France, let us frame a Bill that will do that honestly and fairly, but let us not, under the pretence of supporting our men who are at the front to-day put through a Bill, the real purpose of which will be to protect the interest, the advantage, the pockets, of the munition profiteers, in Hamilton or Toronto, or in Sydney, the men who, it is admitted, successfully used pressure on this Government to secure the letting up of voluntary enlistment in their neighbourhood.

Mr. W. F. NICKLE (Kingston): It seems to me that the hon. gentleman from Edmonton, in the argument he advances, totally overlooks the fact that to organize a democracy such as Canada for the successful prosecution of the war, you must vest in some impartial tribunal or tribunals somewhere the right of deciding who shall go and who shall stay. I am quite ready to admit that long ago I got beyond the position of regarding what this province had done, or what that province had done, in reference to this war. It has been admitted that some of the provinces have done more than others. I think the hon. gentleman from Edmonton is right in saying that the province of Alberta has done singularly well. Other provinces perhaps have not borne their fair share of the sacrifice. But, surely, after almost three years of war, we have reached the decision that we as Canadians, from the Atlantic to the Pacific, can regard the fact that Canada is at war and that the situation is serious.

The member for Edmonton says that this Bill is not fair as between man and man. I listened with great care to what he said in this committee and tried to gather what he meant when he said that the Bill was not fair as between man and man. If I correctly interpreted his words, he means this: No tribunal will be able to arrange any scheme of administration that will make equality of sacrifice. I quite agree with my hon. friend in that; it is absolutely impossible, in a war like this, to secure equality of sacrifice. But is that any reason

why we should stop? If men are wanted at the front, and if there are men who can go without affecting the national interest even though the sacrifice on their part be great, I as a Canadian say, let them go. If other men are required for the production of food or the manufacture of munitions, though their task be less onerous and involved in less danger, let them stay at home and do the work they can best do if that work is essential to the maintenance of our national position and the strength of the Allies. Any man who has studied the progress of the war from its inception up to the present cannot help being impressed with the fact that our almost suffering defeat in the early days of the war was due to lack of munitions. Any man who has watched the strategy of the war during the last year and who has observed the successes at Albert Ridge, Messines Ridge and Vimy Ridge must recognize that it was preponderance of artillery that made possible the advance of the infantry. Why should we not look at the whole matter in a broad way? Some men will be called upon to give more than others. But there are greater sacrifices than those made by the men who go to the front. The great sacrifice is made by the man who stays at home realizing that he should go and could go but does not go; because that man sacrifices his individuality and his honour. What I say of that man I say of the fathers and mothers who are keeping their boys home: they are sacrificing their sons in keeping them back more than other men are sacrificing their sons in letting them go.

I do not think that the amendment that has been proposed adds anything to the Bill. On one side you have military service; on the other side you have national necessity. If the tribunals act fairly as between man and man, and if national service takes preference over military service, then national service will prevail; but where military service takes priority over national service, military service will prevail. In other words, each case will be considered on its merits. We must assume that the tribunals will act fairly. No doubt there will be cases of individual hardship; cases where, perhaps, justice is not done as between man and man. To err, we know, is human. But we must trust to somebody the responsibility of seeing that the Act is fairly enforced. I started out a warm friend of the voluntary system. I followed it during many months of effort to obtain recruits; I was active in the district from which I come in assisting in the attempt to get more men. But I was driven to the conclusion that the voluntary system was extravagant and wasteful, and that it had become inefficient. Reaching this conclusion after long experience and careful study of the situation, I came to the further conclusion that we must have conscription. If the maximum efficiency of Canada is to be attained, surely it can only be by the taking of those who are not wanted at home. The member for Edmonton challenged me to give instances of men who would not be excused on the ground of national necessity.

Mr. OLIVER: Who could not be?

Mr. NICKLE: Who could not be? You might as well say there would be no criminals in Canada if a judge should exclude all persons on the ground that they were not guilty. But judicial functions are not performed in that way. The facts are laid before the tribunals; the evidence is weighed pro and con. We assume that the men we place in responsible positions exercise wise discretion and reach their conclusions upon the evidence and the facts presented to them. The same principle that guides our courts of law will guide those tribunals, and if these principles are carried out, the men who can be spared will go and those who cannot be spared will stay at home to do the national work. My hon. friend challenged me to give instances. I know dozens of men in my own riding—and it is a district that has not given ungenerously to this cause—who can be spared to go to the front and who are willing to go provided the sacrifice is equally borne throughout the country.

Mr. OLIVER: Hear, hear.

Mr. NICKLE: They are willing to set to one side all that has been done. They say: Although we have given liberally of our best—more, perhaps than we are called upon to give—we are willing to start all over again. If you make this measure apply with equality from the Atlantic to the Pacific, we shall do our duty to the utmost limit of our power.

Mr. OLIVER: My hon. friend has referred to the patriotism of those who say that they take no account of what has been done; that they are prepared to go on an equality now. That is very generous on their part, considering what they have done as compared with what other people have done. What I say is that those who have given of their best in the past are willing to

keep on giving of their best under the voluntary system without quarrelling with their neighbours whether they have done their best or not. When we are being put under a conscriptive system; when the glory, if you like, of voluntarism is to be taken from us, then we demand a square deal; that is all we ask. Everything my hon. friend has said has pointed to the fact that there is an object in this Bill which is not the filling of the line in France and Flanders. It is a Bill with a double purpose; one to find the men for the fighting line, and the other to protect certain home industries. Let the Government bring forward such a Bill as was introduced in New Zealand, for the sole purpose of filling the fighting line, and we can forego details that we demand in regard to this measure. But when a Bill is brought before us which is intended for a double purpose, then those who have done as we have done and who will be called as we shall be called upon under the terms of this Bill, certainly have a right to know how much of this Bill is to be for France and how much of it is to be for Hamilton. The idea that we have gained from the explanation of this Bill is that the man who is necessary in Canada should stay in Canada. Is that right? Am I misinterpreting the expressions of the Solicitor General?

Mr. MEIGHEN: That is fairly correct.

Mr. OLIVER: My hon. friend says that is fairly correct. Do I interpret correctly the sentiments of the member for Kingston (Mr. Nickle) when I say that the principle of the Bill is that the man who is necessary in Canada should stay in Canada?

Mr. NICKLE: Where it is in the greater national interest that the man should stay in Canada rather than go to the front, then he should stay in Canada.

Mr. OLIVER: And what does that mean? It means that the fit men shall stay and that the unfit men shall go. Are you going to beat the Hun with an army made up on such a principle as that? We have an efficient army at the front to-day, not because our unfit men went, but because our fit men went. That is the sacrifice that Canada has made. She sent not of her worst, but of her best, and the consequence is that we have an army of which any country might be proud. And we are going to maintain such an army as that by a conscriptive system the very basic principle of which is that the good man shall stay in Canada and that the man who is not good enough for Canada shall go to the firing line.

It is the same principle that was recognized in the decision of a city magistrate which I laid before the House some time ago. A man convicted of horse stealing was pardoned or granted ticket-of-leave to enlist in the Engineers for overseas service. I am told—it may not be true, but the Solicitor General will know whether it is or not—that the very jails of Canada were combed and promises given of pardon or ticket-of-leave if men would go to the firing line. If those are the principles under which this Conscription Bill is to be enforced, I do not think it will be of any credit to Canada, and I do not think we shall have any efficient reinforcement of the fighting line.

Mr. MEIGHEN: Perhaps it is as well to refer to the latter suggestion of the hon. member, which is exactly on the same basis as the letter he read to the House on Saturday from a man he did not know, and which had absolutely no truth in it. The only difficulty I find in answering my hon. friend is in piecing together from his remarks such connected and tangible sentences as possibly might be placed together as an argument to be refuted; I find great difficulty in doing that. When he says that he cannot have confidence in our tribunals I understand him, because I do not think he would have confidence in anything established while the present Government is in power. With any hon. gentleman who reasons in the haphazard manner of my hon. friend from Edmonton it is all a matter of luck whether he supports the Government or not—all a matter of luck what conclusion he happens to come to first. My hon. friend from Edmonton has come to the opposite conclusion, and we will let it go at that. But because the principle of the Bill is as it was plainly stated to be, namely, that a man who it is decided can best serve the national interests in France shall go to France, and the man stay at home who can best serve the national interests by working in Canada, he says the effect will be to send the cripples to France and keep the strong men in Canada. There is no sense whatever in that argument.

Mr. OLIVER: Would my hon. friend be good enough to keep within a thousand miles of the facts when quoting me? My hon. friend surely knows that it is the spirit within the man that counts, and that that is more important than his bodily condition.

Mr. MEIGHEN: That is very true, but I do not know what it has to do with the definition of the intent of this Act as stated by the hon. member for Kingston, and accepted by the hon. member for Edmonton, from which he argued that the effect would be to send the cripples to France and keep the strong men in Canada.

Mr. OLIVER: Just cut out the cripples, please. Even if it did send a few cripples to France it would be doing no more than has already been done in hundreds of cases, according to the Bruce report.

Mr. MEIGHEN: There may have been inaccurate medical examinations, even in the city of Edmonton. The hon. member argues that the New Zealand Act is entirely different. He says that their Act is quite fair.

Mr. OLIVER: I did not say that it was a fair Act. I said that the conditions in New Zealand were not on a parity with conditions in Canada, because we have no evidence that New Zealand was in league with the manufacturing interests to discourage voluntary recruiting.

Mr. MEIGHEN: He stated that the New Zealand Act laid down principles for exemption that were quite fair. What are the principles set out in the New Zealand Act for exemption?

Mr. A. K. MACLEAN: Before giving the exemptions would the Solicitor General explain the principle of their Act? I am not acquainted with it, and I do not think many hon. members are, and it might be well to have the explanation on Hansard.

Mr. MEIGHEN: The New Zealand Act was passed on the 1st of August, 1916. It was not taken as an initial step in enlistment in that country, but after a long period of voluntary recruiting, just as in Canada. There is no division in their Act by sections; it proceeds on the very same principles as this Bill. It does not say to one province in New Zealand, as the hon. member for Edmonton would do: You have not sent as many men as another province; consequently, you must raise men until your proper quota is reached. The principle of the New Zealand Act is the principle of this Act. It says to the slacker in one province as to the slacker in another province: Your place is in the fighting line, and to the fighting line you must go. The principle of this Act recognizes that there are those who ought to be in France in every province in Canada, no matter how many have already gone from that province; that is absolutely true. I appeal to the hon. member for Edmonton and other hon. members from his province whether they have not said that in their own constituencies there are men who obviously ought to be in France. Would the hon. member for Edmonton put it into the mouth of those men to say: We are slackers, it is true, and our proper place is across the Atlantic fighting for this country, but because our neighbours who should have stayed at home and worked in Canada have gone to the front, therefore, we are exempt. That is the principle the hon. member wants embodied in this Bill. We say to the man who is a slacker—perhaps that is too strong a term to use of all, because many a man may have to go who may not necessarily be a slacker—but to the man who approaches the slacker in any degree we say: No matter whether you are in the province of Manitoba, or Nova Scotia or British Columbia or Quebec, you shall be assigned to the place where your services will be most valuable to this country; you shall go to France. We do not allow a man to escape his just duty to his country merely by the assertion: I am a citizen of Edmonton, or a constituent in the province of Alberta. That is the difference between our Act and the Act that would be framed by the hon. member for Edmonton.

The New Zealand is a much longer Act than ours, but I see no difference between the two in principle. It is over six weeks since I read their Act for such information as it could give me in the preparation of our own, and I can recall nothing in it that differs at all from the principle of our Act.

Mr. PUGSLEY: When Sir Joseph Ward was here he told me that the New Zealand Act provided for a certain quota from each of the 22 districts into which New Zealand had been divided. He said there was rivalry between the different districts to make up their quota, and that the voluntary system was proceeding very satisfactorily even though they had a conscriptive law. That is quite different from the way the Solicitor General puts it.

Mr. MEIGHEN: The Act is before me and I have made inquiries as to its contents, and my opinion is confirmed that it does not call for a fixed quota from any district; that was their plan under the voluntary system only. I do not know whether my hon. friend from St. John is in favour

of the suggestion of the hon. member for Edmonton.

Mr. PUGSLEY: All that I proposed to state was what Sir Joseph Ward had told me.

Mr. MEIGHEN: I did not think my hon. friend would say he was in favour of the suggestion of the hon. member for Edmonton.

Mr. PUGSLEY: The hon. member for Edmonton is usually very sound in his views.

Mr. MEIGHEN: But there are exceptions, my hon. friend will admit.

Mr. PUGSLEY: Very rarely.

Mr. MARCIL: Is any number of men specifically mentioned in the New Zealand Act?

Mr. MEIGHEN: I think not.

Mr. MARCIL: As there is to be no registration in Canada, how do the Government propose to ascertain the number of men available for the firing line? Will a census be taken in every municipality, or will the Government wait for the men to report? If the men do not report, what will happen to them? If 200,000 men report and only 100,000 are needed, how will the selections be made?

Mr. MEIGHEN: We will find out how many men are available by the number of men who report. We do not anticipate that there will be failure to report. We have confidence that the people of Canada in every part of this country will obey the law and report, and from that reporting we shall know the number available for service from each class as it is called. My hon. friend asks what we shall do if too many report. In the first place, it is quite clear that there will not be too many. From the first class there will not be 100,000, probably not half of that, but after the first class has been called we shall be able to tell how many the second class will produce, and if there is any possibility that it will provide too many the principle we shall follow will be to divide it into subclasses. Should there be only some very few over, I will not say what should be done, but I will say what might be done. The men might be taken in order of age, the older ones being released, until the exact number required was obtained.

Mr. MARCIL: I put the question because I saw by the papers last week that the Minister of Inland Revenue had been making a calculation which was published in an interview in the Quebec papers that 10 men from each of the 1,200 municipalities in the province of Quebec would produce 12,000 men. Montreal would give 10,000, according to its population, bringing it up to 22,000. Quebec would give 1,000, making 23,000, and 3,000 more would be found in the other smaller towns, bringing the quota up to 25,000. I do not know whether this was really said by the minister or not, or whether it was authorized, or is really the intention of the Government.

Mr. MEIGHEN: I saw some report of the suggestion. I simply observe that it differs very radically from the views of the member for Edmonton.

Mr. MARCIL: It would not convey the Government policy?

Mr. MEIGHEN: The Government policy is embodied in this Act. The New Zealand Act uses these words on the question of exemption:

> —is exempted for that by reason of his occupation, his calling-up for military service is contrary to the public interest.
>
> (b) that by reason of his domestic circumstances or for any other reason, his calling-up for military service would be a cause of undue hardship to himself or others.

It will be seen the door is still wider open and that the principles are more indefinite in the New Zeealand Act than in this Act. We state the reasons, but we do not state that any reason would be sufficient.

Sir WILFRID LAURIER: We have had a very interesting discussion, and it shows the weakness of this Act, which, perhaps, is inherent in it and cannot be cured. Section 2 provides that every man is liable to service. My hon. friend from Edmonton submitted an argument, which cannot be contradicted: that by paragraph (a) of section 11, while every man is liable to service every man can be exempted. There is no possible exception. The weakness of this law is that you create a court to apply the law, and you establish no rules to guide the court—you establish no principle by which the court is to be governed. Subsection (b) of section 11 says:

> (b) that it is expedient in the national interests that the man should, instead of being employed in military service, be engaged in other work in which he wishes to be engaged, and for which he has special qualifications.

Every man could come under this section. One hundred men or a thousand men might go before a court sitting in Quebec, or in Ontario, or in Manitoba, or elsewhere,

and apply for exemption. They may all apply because they are engaged in some useful occupation. One court will decide "yes, this man ought to go, and should not be exempted;" another court may say "he ought to be exempted." There is nothing at all to guide the court except the arbitrary rule, or the common sense, or whatever you call it, of the judges. My hon. friend knows that it is very unsafe for courts of law to be left to their own arbitrary views. They should have some principle to guide them. My hon. friend suggested yesterday that the rules which would guide the court would be framed by the central judge. My hon. friend from Qu'Appelle (Mr. Levi Thomson) said to-day, and there is no possible answer to it, that it is not for the central judge to make any rule. The central judge merely rules over the procedure for the application and carrying out of the Act, but he cannot make any rule which will be a guide, as a principle of law, of how the law is to be interpreted; that is something which should be done here. That is the weak part of this Act. I do not know that it can be remedied, and I must say so frankly. It comes back to what my hon. friend from Edmonton (Mr. Oliver) says, that he prefers the balloting system. If the balloting system is unsatisfactory, and it is unsatisfactory in many ways, it is satisfactory on this point —the balloting system cannot be accused of favouritism. Everybody comes up. He may have bad luck, or he may have good luck, but there is no possible favouritism. With the clause as it is now, you are sure to have recriminations, and sometimes these recriminations may be well-founded, because after all it depends on the sense of one or of another as to how the Act is interpreted.

Sir ROBERT BORDEN: The hon. member for Edmonton has set forth a proposal, which is supported to a certain extent by the right hon. leader of the Opposition, and which, if it were carried to the extreme, would mean that Parliament sitting here, or a committee of the House sitting here, should itself select the one hundred thousand men who are to go to the front under this provision. It is perfectly apparent to all of us that any proposal of that kind is absolutely impracticable. Therefore, it is necessary to appoint some tribunal to determine who shall be called upon to go to the front, and who shall remain at home for the purpose of giving national service. There is only way of doing that, and that is by defining the principles in some such general terms, and by leaving the determination of the question to the tribunal. This is the course we have adopted. We have endeavoured to establish the tribunal in such a way that there can be no suspicion of unfairness or partiality, so far as its personnel is concerned.

Mr. MARCIL: But, there might be incompetency among some of those local tribunals—incompetency to grasp a situation, or to define national interest, as against military service.

Sir ROBERT BORDEN: There may possibly be incompetency in a judge or in a magistrate occasionally, but it does not necessarily follow that this Parliament should undertake to adjudicate upon questions of civil rights arising between individuals in this country.

Mr. MARCIL: The ordinary judge has a text of law which he follows. In this case, we do not seem to have any text by which those local tribunals are to be guided.

Sir ROBERT BORDEN: My hon. friend will remember that notwithstanding the fact that a judge has before him a text of law. the records of the Appeal Courts in this country show that sometimes the judge does not arrive at the right conclusion upon that text.

Sir WILFRID LAURIER: It will be still worse when he has nothing to guide him.

Sir ROBERT BORDEN: He has something to guide him.

Mr. PUGSLEY: Will my right hon. friend—

Sir ROBERT BORDEN: One at a time, please. I claim the right to finish my sentence, and I propose to do it after which my hon. friends may stand up one after another and bombard me with questions.

As far as principles can be settled and made applicable, they are settled and made applicable in this Bill. My right hon. friend says there may be a certain inherent difficulty in the framing of a measure of this character. I admit that, and we have endeavoured to meet that difficulty as best we could; moreover, we have met it in a more specific manner in this measure than it has been met in Great Britain or in New Zealand. What more can be asked? I venture to think that nothing more can reasonably be asked. We appoint a tribunal, we assure the fairness and impartiality of that tribunal as far as personnel is concerned, and we leave to the tribunal to determine

as best it can, whether a man's service is more important to the nation in the occupation in which he is engaged than if he should be sent to the front for the performance of military service there. We have every desire to meet any reasonable suggestion from the members of the committee, but we really cannot reach the conclusion that any suggestion made so far would make the Bill fairer or more effective than it is in its present form.

Mr. GRAHAM: Does that apply to all the suggestions made on every clause?

Sir ROBERT BORDEN: No, I was speaking of the suggestions made with respect to the matter now under discussion.

Mr. A. K. MACLEAN: I judge from the remarks of my hon. friend from Edmonton (Mr. Oliver) that his impression of the provisions of the New Zealand National Service Bill somewhat differs from the view of the Solicitor General. The idea of the member for Edmonton as to the New Zealand Bill is rather the popular impression of it. I had always understood that that legislation provided for the division of New Zealand into zones, and that there was allocated to each zone a certain number of men who were to be produced periodically as required, and that if the number required was not forthcoming voluntarily the conscription law automatically applied and brought forth the deficiency in the quota in any one zone. I am not particularly interested in the matter, but obviously the New Zealand system will be referred to in the House and out of it, and it is as well that a precise statement in reference to that Act should be placed before the House. Therefore I hope that the Solicitor General will take advantage of the recess to inform himself carefully as to the New Zealand Act and give the House the advantage of the information.

Mr. MEIGHEN: I still think that my hon. friend's impression of the New Zealand Military Service Act is wrong. The Act is now in the possession of my hon. friend from St. John (Mr. Pugsley). I read it a month or two ago. I think that what my hon. friend has reference to is that before the Compulsory Service Act came into force, they had certain Acts relating to voluntary enlistment under which divisions were made—as it were, the last dying gasps of the voluntary system. The Compulsory Service Act proceeds upon the principle that our Act proceeds upon, that is to get the men who ought to go wherever those men are, and it does not divide the country into districts. I will be very much surprised if my recollection is wrong.

Mr. PUGSLEY: If my hon. friend brings down that Act he might also bring down the New Zealand Expeditionary Forces Act, 1915.

Mr. OLIVER: If the minister has available a copy of the British and the American Acts they might be laid on the Table for our information.

Mr. MEIGHEN: It is very difficult to get copies of the English Act although it is not so difficult to get the American Act; we will see that a copy of each is laid on the Table.

Mr. PUGSLEY: Apparently my hon. friend the Solicitor General is in error. I find that by section 32, subsection 2 of the New Zealand Act it is provided that the Minister of Defence may divide New Zealand into such areas commonly called recruiting districts, as he thinks fit. Sir Joseph Ward was very clear in his expression to me. He said that there were 22 areas in New Zealand and that a certain quota had been allotted to each area. Before this section is disposed of, I would like to suggest to the Solicitor General that provision be made that all hearings of applications for exemption before the local tribunals, appeals to the appeal tribunals and possibly hearings before the central appeal judge, should be open to the public. I think that is absolutely essential in order to give the public confidence in the decision of these tribunals. This Bill provides that a man may not make application on his own behalf but that application may be made by others. Under this measure the manager of a factory employing 5,000 men could make application for and on behalf of that large number of persons and the local tribunal might act upon that without the public having the slightest knowledge of what was going on. It is essential to the satisfactory administration of this law, that in reference to all applications the public should have an opportunity of being fully informed. They can only get that knowledge if the tribunals are made public. I would hope that the Solicitor General would move an amendment to the Bill which would provide that all hearings shall be open to the public both for the taking of evidence and the presentation of argument. I think that is very desirable. I had thought of moving an amendment myself, but I would

hope that would not be necessary and that the Solicitor General would see the great desirability of having an amendment to that effect.

Then it has occurred to me to make another suggestion to my hon. friend and it is this: The idea of this proposed law is to in some way make everybody who is eligible for military service perform some service of a national character in case he is excused from going to the front. The Bill recognizes that there is a liability to serve, a liability on the part of a man to risk his life at the front, but it provides that he may be excused from the performance of that national duty if he will give his service to some other work which may be deemed to be equally in the national interest. It has occurred to me that if a man applies for exemption from service at the front he should be willing to serve the nation for the same compensation that a man gets who goes to the front. I have drafted an amendment, which is not quite in the form I should like to have it, but I venture to read it as a suggestion to the Solicitor General.

In making application for exemption on either of the grounds mentioned in paragraphs (a) and (b), the application shall state the willingness of the man by, or on behalf of, whom the application is made, to continue in such work at a wage or salary fixed by the Governor in Council, or by persons designated by the Governor in Council, in the fixing of which regard shall be had to the rate of pay and separation allowance, if any, which would be allowed in respect to such man if he were placed on active service.

We have this anomaly to-day, that in munitions factories, as I have been told, girls with no experience are getting $25 to $30 a week, and young men without experience, who can simply handle a saw or an axe get $5 to $6 per day. A young man who goes to the front and risks his life gets $1.10 a day in addition to his separation allowance, if any, and also his board. I should think that if a man says: It is true that I am liable under this law; I am within the military age; I am bound to serve my country—I admit all that, but I want to give my service to the nation in another direction, he ought to state in his application that he is willing to accept the same compensation that he would have received if he had gone to the front.

Mr. MIDDLEBRO: To whom would the difference go?

Mr. PUGSLEY: To the nation.

Mr. MIDDLEBRO: In what way?

[Mr. Pugsley.]

Mr. PUGSLEY: It should go to the nation. The munitions plants are all carried on for the nation, the Government would exercise a supervision over the wages, over the cost of manufacture, and the Empire and Canada would get the benefit of the saving.

Mr. MIDDLEBRO: You would have to reduce the contract price of the shell or the manufacturer would get the benefit.

Mr. PUGSLEY: Clearly so. The Government could control that. In that way you would be working out a plan of national service. It does seem to me that this is a matter which the Government ought to take hold of. One step in reducing the cost of manufacture would be to reduce wages, and if you should find in any munitions factory a thousand men who under this Act would be liable to go to the front, but who say that they prefer to serve in the munitions factory, then, as a condition of their being exempted from going to the front, they ought to be willing to serve for the soldier's rate of pay. If they serve for a lower rate of pay it will bring down wages all around, and the country will get the benefit. The cost of munitions is simply enormous; it is out of all reason, I am told. Wages are two or three times what they ought to be. It makes no difference to the munition manufacturer what wages he pays; he adds the increased wages to the cost of the product, and the Canadian people and the people of the Empire are paying the bill. I heard the other day of the case of a young lady in Toronto—and I believe it is the fashion in Toronto for young women to work in munition factories; the idea has gone abroad that they are doing patriotic work—I am told that this young lady was placed upon the waiting list and was allowed so much a day while waiting to be employed. When the time came for her employment she received about two or three times the wages received by a soldier who has gone to the front. That is only an illustration of the large wages which are paid in these factories; unskilled workmen are getting three or four times as much as the boy gets who goes to the front and risks his life in the service of his country.

I would suggest these two amendments, one as to the hearings of all these tribunals being open to the public, and that hearings shall take place only after due public notice has been given; and the other that there should be a condition attached to the exempting of a man from military service, that condition being that he might be

placed in such service as the Government might desire to place him in in the national interest; that his compensation should be fixed by officials of the Government, and that in fixing that compensation due regard should be had to the compensation which the man would receive if he had responded to the call of his country and gone to the front instead of remaining here engaging in other work.

Mr. MEIGHEN: I am pretty well in agreement with the hon. member for St. John (Mr. Pugsley) as to the wisdom in general of having all the tribunals open to the public. As these tribunals are in the nature of law courts, they should be, as law courts in general, open to the public. Of course, every one knows at the hearing of any case it is within the power of the judge to clear the court room and make it a non-public sitting.

Sir WILFRID LAURIER: For very substantial reasons.

Mr. MEIGHEN: Yes. Consequently my present impression is that it would be better to leave the Bill as it is, because the determination as to public sittings of the tribunals is a matter of procedure and of the constitution and practice of the court. Consequently it comes within the clause as to regulations which are to be framed by the Supreme Court judge, known as the central appeal judge. I think that the central appeal judge would be better able to frame regulations as to public or non-public hearings in particular cases than this committee. There might be cases where it would be a gross injustice to an individual that the hearing should be in public; but in the main the hearings should certainly be public, and the principles that would apply should be practically the same as apply in courts of law.

The second amendment proposed is of a most radical and extraordinary character. If adopted in principle, much more if adopted in detail, it would mean a very radical and extraordinary change indeed in the whole commercial and industrial system of the country. I should be glad if the hon. member would supply me with a copy of the amendment at six o'clock.

At six o'clock the committee took recess.

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After Recess.

The committee resumed at eight o'clock, Mr. Bain in the Chair.

On section 11, Exemptions.

Mr. PROULX: Has the Solicitor General accepted the amendment proposed by the hon. member from Chambly and Verchères (Mr. Rainville), that the local tribunals shall have power to exempt men of the agricultural class?

Mr. MEIGHEN: I have made a note of the suggestion made by the hon. gentleman from Chambly and Verchères. I cannot see, for the moment, that it will change the legal effect of the Bill in any degree. The only reason why it might be reserved is that perhaps the amendment would make the object more clear.

Mr. NESBITT: I think the amendment proposed by my hon. friend from Chambly and Verchères would, perhaps, make it plainer, and, as it is included in the preamble, would certainly not do any harm, and would make clear the intention of the section. Therefore, I endorse his suggestion. I would not like to say that I agree with my hon. friend from North Perth (Mr. Morphy), in his suggestion, because I think it is unnecessary. I think the Solicitor General, following the suggestion of my hon. friend from St. John (Mr. Pugsley), could very well take the opportunity, either in this Bill or in a concurrent Bill, to organize labour. Since the war started, we have wanted nothing greater than the organization of labour. We require that just as badly as we require an increase of taxation, which would exempt nobody, and would furnish more towards the expenses of the war as we go along. I hope the Minister of Finance is preparing a Bill, which he will introduce by the time this Bill is passed, which will impose a general and heavier taxation on the people, so that the people may pay a greater proportion of the expenses of the war, and so that less may be borrowed. There certainly will be a limit to our borrowing capacity before long, and it is not fair to the country that we should postpone until after the war, making provision for the enormous expenses of this war. The country is more or less prosperous at the present time, and can well afford to pay more taxes. I do not refer to any special class, but I think that the people should in future pay more towards this war than they have in the past. With reference to the suggestion of the hon. gentleman from St. John, that the wages of the men throughout the country should be set on the same basis as the present pay to the soldiers, I am sorry to say I cannot agree with him.

Mr. PUGSLEY: I did not limit it to the present pay of the soldiers.

Mr. NESBITT: That would create chaos in the labour industry of the country, which would be a very bad thing, and, furthermore, the men could not live on the wages now being paid to the soldiers at the front; but I very strongly recommend that, either in this Bill or by some other means, the pay of the men going to the front should be materially increased. I see no reason on earth why this should not be done, and I am quite sure that it is not in proportion to the pay of other classes throughout the length and breadth of the country. If there is any one class in the world, at the present time, that should be well paid, it is the men who go to the front. It is not necessary for them to have more money while they are actually on the fighting line, but the money could be saved for them so as to give them a start in life after they return. Now is the time to arrange that. We should not postpone it. I think the Government should take that into consideration at once, whether in connection with this Bill or not, I am not going to say, but provision should be made that the men who go to the fighting line should be more adequately compensated.

Mr. GRAHAM: The hon. gentleman from North Oxford (Mr. Nesbitt) has touched two very important points. Broadly speaking, we have to feed, equip, and finance the men at the front. We also have to feed and finance ourselves, and send as much food to the Allies, in addition, as we possibly can spare. Any measure that does not provide for all these contingencies is only a partial means of meeting the requirements of the situation. It becomes more and more evident to me, as the discussion of this Bill proceeds, that two things should have been done. First, there should have been a registration, or an inventory taken, of all our powers, including men and women, our financial, agricultural and industrial powers, and everything else. I have been supporting this Bill, and intend to do so, but if another measure is not introduced it will only deal with one phase of the requirements. I contend that another measure should be before the members of the House now, to enable them to intelligently discuss this Bill. Referring for a moment to the question of registration, in the United States they have a registration, not only of the men but of the women. The women of the United States between certain ages have registered just as the men have, and each carries a card.

Mr. A. K. MACLEAN: Is that required by law?

Mr. GRAHAM: I think it is.

Mr. NESBITT: No, it is voluntary.

Mr. GRAHAM: They are all doing it, anyway. They are getting the combined strength of the men and women of the United States, for the purpose of this war. That makes it evident that there should be another measure put through the House almost conjointly with this one, in reference to food control, which, though perhaps not just as essential, is only secondary in importance to this measure. The women take a very important part, as the food controller has ascertained and recognized. With a Bill to provide for the registration of all other powers, as well as this manpower Bill, we would be in a position to know, at every step, what we were doing.

The reason for that assertion of mine has been made evident here today by the remarks of the members for Chambly and Vercheres (Mr. Rainville), St. John (Mr. Pugsley), North Oxford (Mr. Nesbitt), and Edmonton (Mr. Oliver). In fact, all the speakers referred to the necessity of having men spared for agricultural purposes. If we had a full inventory of our powers we would know just what we had to start with. At present no one knows what raw material we have to work on, even in respect to this Bill. It is true that we have information based on some old census returns, but we have no definite figures as to what our raw material is in the way of man-power.

The necessity for the Bill, which, as I have suggested, should be passed concurrently with this one, has also been made evident to-day. The man who cannot go to the front ought to do something else, and that something else ought to be found for him, or pointed out to him by statute. It will be idle for us to say to one man: you must go to the front, and then excuse another man and let him go home if there be some other place in which he can do better work. The ordinary principle of compulsory service could not, to my mind, be worked out in respect to farm labour. You can compel men to do almost anything within reason when they are under military control and gathered together in numbers under the authority of officers, but you cannot compel one or two men on a farm to do this

or to do that. You have to have some arrangement under which men would be willing to go on the farms. Some provision should be made for the distribution among the different industries of Canada—a provision which I do not find in this Bill—of the men who cannot go to the front. Many men who are physically unfit for military service are fit for some other form of service. We are taking no steps to place these men in a position to relieve men who are fit to go to the front, or to provide for a distribution of the man-power that is not called upon for military service. Such distribution should take place among various industries of Canada, which will be very much crippled if that course be not adopted. The member for St. John suggested that the men who cannot go to the front should be asked to serve in some other capacity at the same wage as that paid to the soldiers. Theoretically, that sounds all right, but I fear that it would not work out in practice. In order to ensure the success of this measure and of the Bill that I suggest should be passed concurrently with it, steps should first be taken to secure the co-operation and sympathy of organized labour. I fear that the step suggested by the member for St. John would make that an impossibility. I suppose that if his suggestion were adopted, we would have to have a Patriotic Fund, separation allowance, pension fund, or something equivalent to all these, for the men who did not go to the front and who engaged in other work at the same wage as that paid to the soldiers. Then, to place a man in an industrial establishment at, say, $2.50 a day when a man beside him would be earning $4 or $5, would so disarrange labour that the plan could not be successfully worked out. I am afraid that the carrying out of this proposal would not secure to the Government or to Parliament that co-operation of labour organization without which none of these Bill will be very successful. It is reasonable, though, to say that every man who does not go to the front ought to be asked to do something else for which he is fitted. I again say that the Government ought to place before the House with all possible speed proposals for the co-ordination and utilization of all forces not dealt with by this Bill, because this Bill cannot be as intelligently discussed by itself as it could be if we had a measure of the kind that I have suggested to discuss with it.

Mr. PUGSLEY: I realized when I moved the amendment that certain difficulties would attend the proper working out of the proposal. But it is not impossible to devise an amendment to this Bill which would tend to equalize the wages paid to those who engage in some other branch of the national service and the wages paid to those who enter upon active service and go to the front. I quite agree with the member for North Oxford that it would not do to fix the wages of those who engage in some branch of the national service other than military service at what is now paid to the soldiers. The reason is that this country has treated its soldiers in a most shameful manner. Canada is not paying her soldiers that to which they are fairly entitled; everybody admits that. Some gentlemen answer by saying that the soldier does not go to the front with the idea of getting adequate wages. Pushing that argument to the extreme limit, you would say that the soldiers should not be paid anything.

Mr. MEIGHEN: What sum would the hon. gentleman suggest that we pay the soldier and the mechanic?

Mr. PUGSLEY: I would say that a fair wage to those engaged in the national service either in the way of serving at the front or in the way of performing labour would be $2 or $3 a day. Probably $3 would be fair under the present circumstances. A soldier at the front is probably not so much concerned about the money that he himself gets as he is about the provision of adequate living expenses to his wife and family, his mother, or the sisters whom he has left at home. Naturally the fact that his family would not be fairly well provided for would have a deterring effect upon a man in respect to his going to the front. I do not see why a man who is called upon under this clause to enlist and who says: My services would be better devoted to some other work in the national interest, should not, if he is exempted from going to the front, serve the nation for the compensation that he would get if he went to the front. He runs no risk of life or limb; he enjoys all the comforts of home. Being under obligation by law to serve his country, why should he not be willing, if exemption be granted to him, to do so for the same compensation as that which is granted to the soldier? If that were done and the nation were to take charge of the manufacture of munitions and other supplies necessary for the soldiers, the wages could be very easily equalized and justice would be done all round. Many of our

young men are to-day deterred from enlisting, because if they remain at home they can get $4 or $5 a day and support their families in comfort, while if they go to the front they would get only one-third of what they could get at home.

Mr. MEIGHEN: Would the hon. gentleman fix the same price of $3 a day for those who are exempted, to do farm work?

Mr. PUGSLEY: Why not? That would be a matter for the officials to determine who would be employed by the Governor in Council. There would be many cases, of course, of young men working at home on their fathers' farms, and receiving no wages, for ordinarily the young man on his father's farm is not paid wages. But these are exceptional circumstances which could not very well be provided for. I do not submit this amendment as being perfect. It merely suggests the principle that should be applied in the case of those who ask for exemption. If that were done I think the applications for exemption would be very much fewer than would otherwise be the case. If the man applying for exemption knows that he would not receive any more compensation in any other branch of national service than he would receive if he went to the front, he would be very much more likely to go to the front.

Mr. EDWARDS: My hon. friend would fix the pay of a private at $3 a day?

Mr. PUGSLEY: Yes.

Mr. EDWARDS: What rate would he fix for lieutenants and captains?

Mr. PUGSLEY: It would be very easy to determine the relative increase that officers should receive. Those who have to do with the matter would necessarily fix the compensation. My idea in making this suggestion is to reduce the wages of those engaged in the manufacture of munitions to the rate which the soldier ought to get, or to raise the pay of the soldier to something approaching, if not equal to, the wages paid to those who remain at home. Whether that could be worked out or not I do not know. I shall, of course, be guided by the judgment of others, but it seems to me it could be worked out in a very large measure. I have another objection to this section. Paragraph (a) of subsection 1, section 11, provides:

> That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he is habitually engaged.

[Mr. Pugsley.]

Paragraph (b) provides:

> That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he wishes to be engaged and for which he has special qualifications.

As I understand the section, once an exemption is granted under paragraph (a) or (b) that is the end of the matter. It is not a conditional exemption.

Mr. MEIGHEN: Certain exemptions must be conditional, and any exemption may be conditional.

Mr. PUGSLEY: Under what clause?

Mr. MEIGHEN: Subsection 2 of section 11, which says:

> (a) A certificate may be conditional as to time or otherwise, and if granted solely on conscientious grounds shall state that such exemption is from combatant service only.

So, any certificate may be conditional, and certain certificates must be conditional.

Mr. PUGSLEY: It is expressly provided by paragraph (c) that it shall not be conditional upon his remaining in the employment in respect of which he is granted exemption. He is not obliged, however, to remain in that establishment or in that place. If he moves, he could be called up again and could again apply for exemption.

Mr. MEIGHEN: The certificate might be conditional on his remaining at a certain class of useful work, without specifying any place or establishment.

Mr. PUGSLEY: Paragraph (b) provides:

> A certificate granted on the ground of the continuance of education or training or on the ground of exceptional financial or business obligations or domestic position, shall be a conditional certificate only.

Paragraph (c) provides:

> No certificate shall be conditional upon a person to whom it is granted continuing or entering into employment under any specified employer or in any specified place or establishment.

Under that, the labourer could go from place to place, leaving the employment in respect of which he had been granted exemption and engaging in some other work, and it might be very difficult to trace him.

Mr. MEIGHEN: It might be embodied in the certificate that he should report.

Mr. PUGSLEY: That might be. I just wish to say one word with regard to the amendment proposed by my hon. friend from Chambly and Vercheres (Mr. Rai-

ville). As I understand it, he proposes that subsection (c) be amended by inserting between the words "in" and "other" the following: "agricultural, industrial or." I think the Solicitor General will agree with me that that would rather limit the exemption which would be provided for. Where specific words are used just before the word "other," the courts are guided by those specific words. In this case "other work" would mean employment of a like character to that already specified. It seems to me that that would embarrass the tribunal very much, because it would be an indication of the opinion of Parliament that no exemption should be granted except to persons engaged in agricultural or industrial work or work of a like character. Now there might be many employments which would be just as important in the national interest, but which would be entirely separate and distinct from agricultural or industrial work. Unless the banks, for instance, have a sufficient number of employees to carry on the work of banking, it would be very difficult to carry on industrial work. Without banking facilities the business of great manufacturing establishments could not be carried on, and so also with regard to agricultural production—potatoes, cattle, wheat, flour, and everything of that kind. Without brokers to handle the business connected with the proper carrying on of that class of work the business of the country might be enormously hampered, and the work of those who are engaged in production might be very seriously interfered with. Take the question of transportation. What advantage would it be to have industrial or agricultural products unless we had transportation facilities to carry those products to the markets of the world? For these reasons I rather think it undesirable to limit the subsection by the amendment proposed by my hon. friend. I have not given the matter very much consideration, but I think upon the whole it would be very much better to leave the paragraph as it is, and it would be for the tribunal to say whether the agricultural, industrial, banking, mercantile or transportation work in which the applicant was engaged was in the national interest, and whether the applicant should be granted exemption or not.

Sir HERBERT AMES: The alleged inadequacy of the payment of our soldiers has been referred to so frequently in this House that I think it ought to be thoroughly understood just what our soldiers receive. Take, for instance, the case of a married man with a family of two children who has enlisted in the province of New Brunswick. What is the total remuneration received by him and his family on account of his services overseas? In the first place, he gets $1.10 a day, which is $33 a month. His wife gets a separation allowance of $20 more. From the Patriotic Fund in New Brunswick she gets an average of $15 more.

Mr. NESBITT: But the Patriotic Fund is purely voluntary, and should not be counted in what the men are supposed to get.

Sir HERBERT AMES: That makes $68. The man's food is estimated at 60 cents a day, for 31 days a month, which makes $18.60 more. His clothes, boots, cap, overcoat and everything he requires while he is in service are furnished him, representing at least $10 a month more. Consequently, that man and his family receive directly and indirectly on account of the services he renders his country no less than $96.60 a month, which will figure out $3.10 a day. This is what the people of Canada as a whole pay the married soldier from New Brunswick who has a wife and two children. This is not inadequate by any means.

Mr. PUGSLEY: Wages are not over-high in New Brunswick. They are supposed to be fair. Take the ordinary chauffeur for instance, who has no family. He gets an average of from $15 to $20 per week, which is higher wages than the boy who goes to the front and risks his life.

Mr. W. H. BENNETT: Is $20 a week paid all the year around?

Mr. PUGSLEY: Yes, all the year round. They do not get less than $15 a week, and many of them get $18 or $20 a week.

Some hon. MEMBERS: No, no.

Mr. PUGSLEY: I may say we have not much snow in the southern part of New Brunswick, and they run the automobiles all the year round.

An hon. MEMBER: Mostly wind.

Mr. PUGSLEY: Yes, we are favoured in that way too.

Sir HERBERT AMES: In this case it is $3.12 a day, seven days in the week, which is an average of about $22 a week.

Mr. NESBITT: I have made the calculation as to what the soldier gets, a little differently from my hon. friend's calculations. I quite agree he gets $1.10 a day, which is $1 a day as pay and 10 cents a day field allowance. He gets his clothing and his food which we might put at another dollar, which is the outside. He also gets his separation allowance, if he is married. If he is not married he does not get any separation allowance. The Patriotic Fund should not be counted in it, because that is a purely voluntary contribution by the people, and it should not be necessary for a country like this kind, considering the financial condition of the people to count that as part of the soldier's pay. The people should not be called upon for voluntary subscriptions to the Patriotic Fund; the Government should pay that in the form of extra pay to the men. It is more or less of a charity, though it does come voluntarily, and it is remarkably well administered. I have nothing to say against my hon. friend from Montreal St. Antoine (Sir Herbert Ames) on that score, because he deserves great credit for the way in which this fund has been administered. At the same time that does not affect the principle. I hold the principle is wrong, and the Government should pay the men entirely. They should pay the men more than they do, and when it comes to the married men the separation allowance should be at least $30 in place of the $20 a month, to make up for the Patriotic Fund. The separation allowance does not take a man's children into account at all. They pay the same to the married man, whether he has children or not. If you limit it to $20 a month for the married man, if he has children he should be paid in addition, in proportion to the number of children he has. That is for the separation allowance only. The pay of the ordinary man should be increased to $1.50 a day plus the 10 cents field allowance, at the lowest calculation, and estimating his board and clothing as being worth, say, $1 a day, that would put him on the same basis as other men throughout the length and breadth of the land.

Mr. LEVI THOMSON: I think the hon. member for St. Antoine (Sir Herbert Ames) is not quite fair in his statement of the case. He takes an exceptional case to prove the rule. The general rule is the men at the front are unmarried. We are proposing to send men to the front by compulsion and the plan of the Government will be that only unmarried men shall go, as far as possible. Why my hon. friend takes this exceptional case as a basis for a general conclusion I cannot understand, if he intends to be fair, and I must assume he does intend to be fair. More than that, why should the man who is unmarried, and who is being sent to the front, receive less than the ordinary labourer at home receives? Is it a good reason to say that some other man at the front gets more than he does? I think the committee will have to acknowledge there is no justification in the world for paying men at the front less than ordinary labourers get at home.

Mr. EDWARDS: Does the hon. gentleman know what men are being paid at home?

Mr. THOMSON: I would not undertake to say, because I am not familiar with wages all over the country. If I were to talk of the wages I pay farm labourers at home, I could tell you very quickly. I pay $55 a month in summer and $30 a month in winter.

Mr. EDWARDS: Is it possible to estimate in dollars and cents the value of the services our men are rendering at the front?

Some hon. MEMBERS: No, no.

Mr. NESBITT: There is no use ringing that in. Every one knows it.

Mr. THOMSON: There is no reason not to pay a man because he is serving his country. I do not think it is fair that a man who is risking his life every day in the service of his country should receive less than an unskilled labourer at home. There is a great deal we never can pay him for.

Mr. MARCIL: Will the hon. member for Frontenac (Mr. Edwards) let me ask him a question? What is the rate of pay of a British soldier, for instance?

Mr. OLIVER: I wish to call the attention of the hon. member for St. Antoine to the fact that in a recent bulletin of the Patriotic Fund the statement was made that although there were 105,000 families dependents of soldiers, only 60,000 received aid from the Patriotic Fund.

Mr. MARCIL: May I repeat my question to the hon. member for Frontenac, who does not wish to appreciate the real value of the services rendered by the soldiers in the trenches? How much pay does the British soldier get?

Mr. EDWARDS: I understand the British soldier gets less than half what is paid to the Canadian soldier, and I understand the

French soldier gets a matter of a few cents a day. I think there has been more talk in this House this afternoon about the pay of the soldiers than there has been by all the soldiers over in France. There has been more kicking here about their pay than there has been by all the soldiers overseas. We all realize we cannot value the services of our soldiers in dollars and cents. How then are you going to set a figure on their pay unless you try to deal fairly with them and compare this country with other countries?

Everybody is disposed to do the best he can for our soldiers at the front. There is no difference of opinion in regard to that on the part of the members of this House or in the country. It is all right now to get up and say that the soldier does not get enough pay. The hon. member for St. John (Mr. Pugsley) suggests $3 a day for a private. I doubt very much if he will find many members to agree with him. Another says $1.50 would be about right; somebody else would get up and say $1.55, I suppose, and somebody else $1.60. The question of pay is not what has kept men from enlisting. The reason why men have not enlisted in greater numbers is that they have been encouraged to remain at home and they feel that they are justified in remaining at home. Look at the Militia Gazette and you will find that in the fall of 1914 a great many young men were gazetted as lieutenants. They got the title of lieutenant and they are still remaining in Canada. They find it more profitable to run automobile garages than to go overseas. I do not know why they took out their commissions. Others find it advisable to scoot over to the other side of the line and go to college there. It was not a question of dollars and cents or of pay with them. They did not go overseas because they thought it was safer to be here.

Mr. NESBITT: My hon. friend tries to make it out a virtue on the part of these young men that they are not fighting for dollars and cents. We all know that there is no money which can recompense men who go out and risk their lives. But that is no reason why we should not pay these men a fair wage. The question has nothing to do with what Great Britain or France pay their men. We are entitled to pay our men a fair day's wage for the time they put in just as well as we are entitled to pay men fairly whom we employ in ordinary labour. We have to pay a man employed in an ordinary occupation more than we pay a man at the front. We know that the men at the front are not complaining at all. They did not join for the purpose of being paid a certain amount and we give them credit for that, but that is no reason why we should not see that they are properly paid.

Mr. McCOIG: I agree with my hon. friend from North Oxford as far as the pay proposition is concerned. The average single man who is working upon a farm in Ontario is receiving in the neighbourhood of $500 or $600 a year and his board. The argument is presented that in a great many cases he is only employed for a few months in the year, but in most cases the average farmer employs a man all the year round. If he employs a man for only six months he will have to pay him at a higher rate than $1.10 a day. The average man employed on the farm gets $2.50 a day and you can scarcely get them at that wage. During the remainder of the time these men are employed in the industries in the towns and cities. If we are going to compel men to go to the front we should not pay them less than we ought to pay them and we should not hesitate over a few cents per day. We should pay them the rate that we should be willing to accept ourselves if we were going and I do not think there is any one here who would be willing to go to the front for $1.10 a day. I feel satisfied that the Prime Minister will look at it in that way. If we conscript men and compel them to go, we should see that they are fairly paid for their services. We are proud to see them go, they are going to defend us and I venture to say that there are not many of us here who are very anxious to go.

Mr. EDWARDS: Does the hon. gentleman think the argument is any stronger in favour of the men who will have to respond to this law than it will be in favour of men who went under voluntary enlistment?

Mr. McCOIG: I do not think there is any question that a man should be properly paid when it comes down to taking him away from an industry or employment in which he is getting $2.50 or $3 a day, and telling him that he has to go to the front to defend us. Shall we send men to the front to defend us for $1.10 a day while we continue to prosper, make money and increase our bank accounts?

Sir HERBERT AMES: Do I understand the hon. gentleman to say that a conscripted man should be paid more than a volunteer?

Mr. McCOIG: I feel that we would be justified in increasing the pay of the men who have already gone to the front. They entered at a time when the cost of living was only half what they are required to pay for the maintenance of their families throughout this country now. Their families suffered last winter and there was nobody who was called upon for assistance more than the hon. gentleman (Sir Herbert Ames) was during that time. There is no reason why we should not deal fairly and generously with those men. With reference to the exemption of men employed in essential industries and in agriculture, I would be inclined to support the amendment which is before the committee unless we get some assurance from the Prime Minister that it is the intention of the Government to make these exemptions. If the Prime Minister will give us an assurance that the men in these important industries will be exempted I would be glad to take his promise, or obligation, in the matter and I would not be so anxious to vote for the amendment. At this particular season of the year, when the farmers are being called upon for increased production, they are hesitating as to whether they can continue to increase production to the extent that is required under the circumstances because they do not know whether they will have their sons to assist them in taking off another crop or whether they will be present to put another crop in. Some crops were not put in on account of the unfavourable spring and now they cannot get help. The same difficulty will be experienced when it comes time to take off the crops. Root crops have to be cultivated, hay has to be harvested and if, on account of the backward spring they did not get the crops in earlier, it means that they should have double the help that they have upon the farms. Men will be required for putting in the fall wheat and making preparations for the next season and under those circumstances it is important that the farmer should know whether this Government, or this Parliament, is going to exempt such producers or whether we are going to conscript them the same as men from other professions and occupations. The same argument would apply to all the industries which are essential to the carrying on of the war.

Mr. RAINVILLE: My hon. friend (Mr. McCoig) must not be under the impression that I am asking that the farmers of the country should be exempt. I know that in the province of Quebec we have farmers who do not deserve to be exempt because they do not produce the necessities of life. Their staying on the farm is of no service at all, but on the other hand the continuance of others on the farm is very necessary in the interests of the state.

My object in pointing that out was to emphasize the desirability of setting forth what kinds of work Parliament considered might be of more importance in particular cases even than military service. That is why the amendment was moved. It is not a question of protecting the farmer in himself, but of protecting the agricultural industry or other industries which are of vital importance to our country.

Mr. ARTHURS: I believe that the general consensus of opinion among those already at the front is, not that the pay is insufficient at present, but that the scale of pensions should be made more adequate than it is at present. Any complaints I have heard at the front or in England have been along these lines. Our men are not complaining of the pay they receive. The French soldier receives five cents a day, the English soldier a shilling a day, less any allowance he may make to his relatives. The Canadian soldier gets in France approximately twenty cents a day for spending money, the balance being retained until he returns to England. It might be advisable to make the daily allowance in France elastic so that, particularly during the winter, the soldier could receive instead of thirty-five francs a month, fifty or sixty francs a month. But there is a strong feeling, especially during this time of high prices, that there should be a very material increase in the pensions, not only to the relatives of deceased soldiers but to soldiers who have been disabled.

Mr. A. K. MACLEAN: I would direct the attention of the Solicitor General to clause (d) of 11 which reads:

> That serious hardship would ensue, if the man were placed on active service, owing to his exceptional financial or business obligations or domestic position.

It would be better if that clause ended at "obligations" and a new clause were framed to deal with cases where domestic circumstances offer fair ground for an exemption. It might be better to say, "financial, business, or domestic obligations." Or it might be preferable to follow the New Zealand Act in that respect and insert a new clause. Section 18, subsection

(b) of the New Zealand Military Service Act reads:

> By reason of his domestic circumstances, or for any other reason his calling-up for military service will be a cause of undue hardship for himself or others.

That perhaps better expresses the idea sought to be accomplished by our clause (d). It is difficult to state exemptions in the Bill, and possibly the very best has been done by expressing in general terms the grounds of exemption. There might perhaps be one specific exemption, that which is contained in the

9 p.m. Militia Act; the only son of a widow, being her only support, is exempted from service. Doubtless in such cases the sole remaining son of a widow would be exempted under the Bill as it now appears. Subsection 3 of section 18 of the New Zealand Military Service Act deals with that point, and also with the point raised by Senator Power in the other Chamber, who introduced a Bill making special provision for the exemption of a son where a brother had been killed in overseas service. The New Zealand Act reads:

> In the absence of regulations to the contrary, it shall be sufficient evidence of undue hardship on an appeal on any of the grounds specified in paragraph (d) of subsection 1 hereof, that the appellant is the sole surviving son of his parents who is of military age, and that at least one of his brothers has served in some portion of His Majesty's forces in connection with the present war and has lost his life by reason of such service.

Subclause (e) of section 11 states that exemption may be granted on account of ill-health or infirmity. This exemption will have to be established by medical evidence. This will be one ground of exemption which will be availed of very frequently by a great many who are liable to service under this Act. It will be very essential to eliminate any suggestion of partiality on the part of medical officers appointed by the tribunal. Has the Solicitor General in mind any safeguards which can be thrown around the administration of this section so as to prevent any suspicion of partiality in its administration by medical officers? I observed in the press a few days ago a regulation by the Government of the United States upon this very point.

I think it was to the effect that where an exemption was granted by a medical officer a second examination, or report, was required from another medical officer, and that an exemption was not conclusive or final until there had been a second report and examination by another and independent medical officer. Will the Solicitor General inform the committee whether he has given any special consideration to this clause, and whether he has any safeguards in mind which would assist in the fair administration of this particular part of section 11?

Mr. MEIGHEN: Referring to the latter suggestion first, as to paragraph (e), subsection 1, ill health or infirmity, it must be remembered that the militia authorities, subsequent to the determination of the tribunal, will themselves medically examine every man who reports. This clause existed under the English Military Service Act, and the local Government Board published certain principles, or, perhaps, better termed explanatory notes, as to the application of this clause by the tribunals, and they called attention to that fact in particular—that, inasmuch as the man, after he passed their survey, had to undergo examination before the military officer, their duty was only to exempt under this clause such men as manifestly were, for the time being, incapable of military service. Wherever it was a case of doubt it would certainly be passed on, and left to the disposition of the medical military authorities. They say further that, in the operation of this clause, it was wise that a certificate of exemption should, in the first instance, at all events, in this case, be only a conditional certificate. In that way, they say, the clause is not abused. All that I desire to impress is that it is not likely that there will be any medical officer directly under the tribunal, or in the service of the tribunal. They will deal only, for example, with cases on medical certificate, or, perhaps, two medical certificates, where it is shown the man is incapable of appearing before them, and in cases where he is not incapable of appearing, and does appear, but is so crippled or infirm that it would be a mere formality to pass him on to the military officer.

Mr. MARCIL: I think in any case where the health of the man called upon is in doubt, the family physician, who is familiar with the family antecedents, should not be overlooked, because in the enlistments for overseas many were enlisted—I do not care to say how many—who should never have been enlisted, who are now in sanatoria and military hospitals all over the country, and are a charge on Canada. They were sent back, because they were never physically able to stand the strain. In a case of that kind, I think that, in every case where

there is a family physician familiar with the man's condition or antecedents, where perhaps there was a tendency to tuberculosis or something of that kind, there should be a provision that that physician should be consulted before any decision is come to.

Sir HERBERT AMES: I would urge that the previous suggestion of the hon. gentleman from Halifax (Mr. Maclean) be taken into serious consideration by the Government, and that paragraph (b) subsection 2 be divided into two paragraphs. The first part of the clause, down to the word "obligation," refers manifestly to the individual man, the hardship is upon himself, and it is a business hardship, but in the matter of domestic relationship, the hardship is not upon the man who enlists, but upon those he leaves behind, and there should be a clause providing that, in case of hardship to others who are the natural dependents of the man, the question of exemption should be considered. I have in mind the case of an only son of a widow, where the widow was wholly dependent upon the son for support. Under this Bill it might be quite possible that that only son would be compelled to serve. Again, cases where all the sons have gone to the front but one, and the family is dependent upon the boy left at home.

Mr. A. K. MACLEAN: Or partially dependent.

Sir HERBERT AMES: Or mainly dependent. It is not a hardship upon the boy in that case, but upon the family; consequently, I think, there should be a separate clause dealing with domestic relationships, and making it clear that the hardship upon other people created by the boy being taken away is that which should be considered.

Mr. MEIGHEN: I think the clause is better taken altogether. It is a question entirely of obligation. The idea of the clause is obligation to others. I rather think my hon. friend from St. Antoine is not quite right in saying that if a man is under heavy business obligations, such obligations as can be performed only by himself, and those obligations are neglected, that that man alone has to suffer. I am afraid others would suffer too. In other words, the class of people who would suffer is just as wide as the class who would suffer by reason of a man being taken from his domestic obligations. I see no reason for separating the two.

Dealing with the case of the only son of a widowed mother, who is her sole support, no one could be more sympathetic in regard to exempting such a man than myself. But the difficulty is that, if we start these specific exceptions we destroy the principle and spirit of our Act, and I do not know where we should end. I think we should get into an endless maze. To carry my hon. friend's point a little further, what is the difference between the only son of a widowed mother, who is her sole support, and one of three sons of a widowed mother, if the other two are perhaps at the other end of the earth where they cannot be found; or one of four sons, if the other three are crooked; or one of four sons if the other three feel no domestic obligations whatsoever, and are perhaps in some other country? I have followed out that idea to show that there is no reason for stopping where the hon. gentleman suggests we should stop, if we start specifying these exceptions. One could logically proceed till he would be in an endless maze, if he started to make exceptions. I think the better plan is to lay down general principles, and leave the application entirely to the tribunal. In fact, I do not see any other practical plan.

Sir HERBERT AMES: I do not say those exemptions I have suggested should be introduced in the Bill. I am only urging that there should be a clause which would deal purely with domestic relations.

Mr. MEIGHEN: I dealt with that in my remarks a few minutes ago, and my remarks on that point would apply to the second suggestion of the hon. member for Halifax. As to excepting the only surviving son of parents who have, at least, one son killed, perhaps my remarks would not apply with quite the same force. At all events, both suggestions will be noted for review later.

Mr. EDWARDS: In the case of ill health and infirmity, who is to interpret the man's condition? Is it the regular medical officer?

Mr. MEIGHEN: No, they will determine it after the subject has passed the review of the tribunal. As to the jurisdiction of the tribunal, that will be decided by regulation, but my own thought is that there will be no medical officer under the tribunal which will only deal with cases so manifest that the ordinary layman can say the party should not go through the formality of being examined by a medical officer.

Mr. EDWARDS: I do not know whether I caught the idea of the hon. gentleman

from Bonaventure (Mr. Marcil). I understood the hon. gentleman to say that the certificate of the family physician should be accepted.

Mr. MARCIL: I contend that the family physician should be consulted in preference to a stranger who would not be familiar with the family conditions. Two medical men might be associated in that connection, one acting on behalf of the Government and one on behalf of the family.

Mr. EDWARDS: I concede that the opinion of the family physician might well be furnished to those who have to decide whether or not a certain person comes under this clause, but I do not think that the opinion of the family physician should be a determining factor. I speak as a medical man who knows something of the inside of the medical profession. Medical men are only human—the same, we will say, as lawyers are—and it is not fair to the medical man who is in close association with the people of a certain section of the community that he be asked to give his opinion with regard to the physical condition of a certain person in order that it may be determined whether that person is fit for military service. That would put the family physician in a very awkward position. While medical men are as honourable as the people of any other profession, I repeat that they are only human. I do not think that it would be fair to the medical man to ask him to give his opinion in this respect; nor do I think that it would be in the interest of what we have in view under this measure.

Mr. L. A. LAPOINTE: I would like the Solicitor General to tell me to what extent the words "domestic position" would go if a man had a good lawyer, a good pleader —a good doctor, too—to plead before a judge who is ready to be lenient to anybody? The member for St. Antoine (Sir Herbert Ames) spoke about widows: I was going to make a remark along the same line, because it all comes down to a question of domestic position.

Mr. MEIGHEN: I do not know where the goodness of the doctor comes in in deciding on a man's domestic circumstances or domestic position.

Mr. L. A. LAPOINTE: Sometimes he knows a good deal about it.

Mr. MEIGHEN: I am in hopes that the meaning of the clause will not depend in any way upon either the goodness or the badness of lawyers. No doubt their interpretation, in the first instance at least, will depend somewhat on the spirit and calibre of the tribunal. To produce uniformity in the decisions of the tribunals as nearly as is humanly possible in any institution creatable by us, we provide appeal tribunals, and we provide a Central Appeal Judge. When the matter comes finally before the appeal tribunal—still more clearly when the matter comes before the Central Appeal Judge—the actual meaning of the words "domestic position" will not, I am quite certain, be affected by either a good lawyer or a good doctor.

Mr. McCRANEY: With reference to the exemption of those engaged in agricultural labour, I inquired of Mr. W. D. Scott, Superintendent of Immigration, as to the number of farmers and farm labourers who were brought into Canada from the United States in connection with the seeding operations in western Canada this year. This matter has a very close relationship to the question of recruiting, and the committee may be interested in the figures. The information which I obtained from Mr. Scott was as follows:

> The number of farm labourers who ente ed Canada from the United States during the months of March, April and May was 14,030. This number is made up as follows: March, 4,389; April, 6,653, and May, 2,988. The cost of advertising in connection with our propaganda to secure an adequate supply of farm help was $65,897.51 for the months of March, April and part of May, our returns in this connection for the latter month not being complete.

When I point out that it was necessary to bring in over 14,000 farm labourers in connection with the spring operations, it will be seen that it will be necessary to bring in very many more in connection with the harvesting work in the fall.

Mr. CURRIE: The clause that we are now considering, which deals with exemptions, is one to which we should give a good deal of attention. It has been stated by the Solicitor General that the tribunals will exercise a certain amount of discretion in this matter. The clause gives the tribunals the right to exempt almost anybody. The words "domestic position" have a very wide application. I had a conversation with one of the officers acting on a tribunal of this kind in the United States, and I asked him a question on this very point. He said that the United States tribunals have no authority to grant any exemption; all they can do is recom-

mend to higher authority the cases for exemption; the higher authority then has to pass upon them. According to this clause the tribunal has a perfect right to grant exemptions and the grounds set out are so very wide that a tribunal, if it were so minded, could grant exemption to almost any one. The old Militia Act exempts the only son upon whom a widow is dependent. I think that is a provision that should be put in this Act; the only son of a widow should be specially exempted, just as clergymen are. This provision has been in the Militia Act from time immemorial; in all countries where there is conscription a similar provision is made.

An hon. MEMBER: Why exempt the clergy?

Mr. CURRIE: The clergy are not exempt in France, but they are in other countries. They have been exempt in all our Militia Acts during the last couple of hundred years. The clergy and the only sons of widows have been exempted. I think the committee would do well to introduce an amendment to this clause to the effect that the tribunals in the first instance should do nothing more than recommend the exemption to a higher tribunal or court of appeal. That does away with the question of whether or not a man shall be exempt though what we call the legal moral risk. As a commanding officer at Valcartier I had applications from sisters, cousins, aunts and sweethearts of soldiers for the exemption of men in whom they were interested upon grounds of domestic position, business obligations, and that sort of thing. To my mind, this clause is too wide in its provisions. I would suggest that the Solicitor General narrow it down a little bit more, because it is a dangerous clause.

All over the country people are saying that there are clauses in this Bill under which the rich will be exempted, or at least favoured. If one member of a local tribunal happens to have a cousin or some other relative brought before him the chances are that he will exempt that man. Further than that, a tribunal in one county may be very lax, and the tribunal in the next county very firm, and I see nothing in the Bill to prevent a young man from appearing before the lax tribunal even though it is not in his county.

Mr. MEIGHEN: That is provided against in the Bill.

Mr. CURRIE: I think the clause as to exemptions should be made absolutely clear. Ill health or infirmity is given in the Bill as one ground for granting exemption. A man might be infirm for a few weeks with a bad cold, and he could claim exemption on that ground, though in two weeks he would be quite all right again. Or a certificate from a doctor would give him an "infirmity" at once. My experience teaches me that men can develop various forms of infirmity when they do not want to go into the trenches, and I think that will be the case here. In certain cases a certificate of exemption should only be conditional. A man suffering from varicose veins, for instance, after three weeks in a hospital, is just as good as any soldier in the ranks, but under this infirmity clause he could claim exemption and get off altogether. I think this clause should be given a great deal of consideration by the committee, because if many young men are exempted on the ground of ill health or infirmity we shall have to take the classes higher up, perhaps up to 40 years of age. No one who has not been in the army has any conception of the reasons that doctors will give in order to get a man off. At Valcartier every man was examined, of course, by a board of medical officers, and if a man had a cigarette eye—and one man out of every four in Canada has a cigarette eye; that is the eye he blows the smoke on—if one eye was only two degrees stronger than the other, and many men are born with this defect, the man was rejected. His other eye may be perfectly good, but although a soldier needs only one eye to shoot with the man is rejected, although he is just as good in other respects as any other man in the ranks. A slight limp will also disqualify a man. A man with a dropped arch is also rejected, although he may be able to drive a team just as well as a man with an arch like a Highlander. One man out of every four is rejected for defects that do not interfere in the slightest degree with his usefulness in the trenches. A great deal has been said about the age of the soldier. Now, a man of 40 or 45 may be just as strong and healthy, and able to stand the trenches just as well as a man of 25, and sometimes better. I know lots of men over 60 who went over with the first contingent and are in the trenches to-day, going strong, and they claim that they will kill off all the young men in the trenches before they get through. For the reason that this House should make a strong effort to prevent any fraud being perpetrated on these tribunals, I think this clause should be discussed further. I think,

also, that the Solicitor General should provide that a widow's only son who is her sole support should be exempted. That is the practice in every Christian country—in Europe at all events, although I do not believe it is the practice in New Zealand—and I would strongly urge that provision be made in the Bill granting exemption to a widow's only son who is her sole support.

Mr. COCKSHUTT: I cannot quite agree with my hon. friend in his last suggestion. Why should the only son of a widow be exempted when the five sons of another widow might be taken?

Mr. CURRIE: I said, if he was her sole support.

Mr. COCKSHUTT: Perhaps I misunderstood my hon. friend. At all events, a widow with five sons is entitled to keep one of them at home, if a widow with only one son is entitled to keep her boy at home. I know of a family in Brantford where the five sons have all gone to the front. One has been killed, one is now wounded, and three are in the trenches. The mother is a widow and is absolutely in need of some one to support her. Why should she not be allowed to have one of her sons at home, just as much as a widow with only one son? However, I am not here for the purpose of suggesting how men may escape from doing their duty. The primary object of this Bill is to raise men, not to exempt them, and if there is one man who should be exempted and who does not seem to be mentioned here, it is the returned soldier who has done his bit in the trenches. After being at home here for a few months he might be considered medically fit again, and might be called up under this Act unless there is a provision against it, even though he had served two years at the front.

Mr. MEIGHEN: He is exempted in the schedule.

Mr. COCKSHUTT: Another point that I do not see covered by the Bill is whether the men who are conscripted will be given any choice as to the arm of the service which they shall join. It appears to me that a man who is an engineer by trade should not be attached to the infantry. A horseman or an artilleryman should be allowed to serve where he will be the most useful. I think the Bill should make some provision for putting the man in the hole for which he is best fitted. His training may have fitted him for a certain kind of soldiering, but not for every kind of soldiering, and it appears to me that a man's fitness for a particular arm of the service and his liking for it should be taken into consideration. The aerial service is becoming more and more important every day. I for one think Canada should have had a flying corps long ago, and I hope provision will soon be made for it. We have seen by the newspapers recently that Great Britain is short in this respect, and in view of the urgent need for aeroplanes and airmen, I do not see why a man who is physically fit for the flying corps, and has the nerve and other necessary qualifications, should not be allowed to join that wing. It seems to me we should be using our material to a disadvantage if we assigned such a man to some other branch of the service. I trust the Solicitor General will take that suggestion into his consideration, and, as I may not speak on the Bill again, I take this opportunity of repeating what I said in my original address, that the Bill should not be restricted to providing the 100,000 men that are required to-day, but should be wide enough to allow us to raise 200,000 or more men should they be required. Men who are exempted from serving with this first draft of 100,000 should not be exempted for all time to come, but should be available in case another 50,000 or more men are required. Those men who have got off this time, so to speak, in the very class in which they are called, should not be considered exempt for all time to come. I do not know whether this is carried out in the Bill. I simply mention it so that the Solicitor General may make a note of it.

Mr. McCRANEY: Is the certificate of exemption good in its class until the end of the war?

Mr. MEIGHEN: No. Every certificate of exemption may be conditional.

Mr. McCRANEY: But, supposing it is not conditional; supposing a mistake has been made?

Mr. MEIGHEN: If it is not conditional at all, but is absolute in form, then it is an absolute certificate and exempts the man from that call. The call is sent out by proclamation, calling the men in that particular class. If a man in that class secures an absolute exemption, the certificate of exemption applies to that call. While we are on the subject of exemption, I may say certificates may be conditional as to time. A man may be exempted pending the happening of a certain event, or he may be exempted pending his occupation in a certain line of work. I wish to call attention

specially to this power of exemption by which a man may be relegated by the certificate to another class next in order. That is to say, though a man may be of the age which would bring him under the regulation in the first case, if in the judgment of the tribunal, though he is not absolutely entitled to exemption, it is in the national interest that he should wait until the next call, he may be relegated to the next class, and when the next class is called he may be relegated to the one following. That is the method of exemption under the British Act, and which I think will take the place of some other provisions of the British Act and will be very useful indeed.

Now as to this wholesale exempting; of course it is possible, and it may be found to be the case, if weak tribunals are formed in some localities by accident. That is why we have the right of appeal. That is why we have a central appeal judge, and it is hoped that all this will be corrected by the two appeals, and that uniformity will be secured, because in the end, the military authorities having power to go to the central appeal judge, the one system will apply over the whole of Canada, and the one interpretation will govern throughout.

Undoubtedly, should this Parliament see fit to extend the Act, as suggested by the hon. member for Brantford (Mr. Cockshutt). any exemptions that had previously been made would be utterly valueless, and any calls made thereafter would be calls made anew, and new applications for exemption would have to be made.

Mr. L. A. LAPOINTE: Might I ask the Solicitor General how he will explain the position of a judge who is too lenient and grants exemption to everybody. Such a judge will be surrounded in a district where he is well known and has lots of friends, and may exempt everybody under section 11. Who should appeal? Not those who are exempted, because they have their certificate of exemption from the judge. Do you mean somebody will appeal? If so, who is it?

Some hon. MEMBERS: The Minister of Militia.

Mr. GLASS: I have seen cases which, if exemptions are to be specified, would present even stronger claims than the case of the only son and sole support of a widowed mother. I have in mind the case of a mother who had two sons and a daughter. The elder son was her only support, the two others being very young children. This young man was not the only son of a widowed mother, but he was a son who was the sole support of his mother. I can conceive how a broad application of the principle in the clause treated by the tribunals themselves would cover all cases in a much fairer way than specifying individual instances. I agree with the Solicitor General that the broad application of the principle will give more satisfactory results than trying to define a lot of fixed cases.

Mr. ROSS: I just want to make a remark or two in regard to the principles contained in the Militia Act, one of which has been spoken of here to-night, that is the exemption of an only son and support of a widow. It seems to me there is another exemption contained in subsection 2 of section 26, which I suggest might with propriety be embodied in this Act. It reads as follows:

> 2. If there are inscribed on the militia roll more than one son belonging to the same family, residing in the same house, only one of such sons shall be drawn, unless the number of names so inscribed is insufficient to complete the required proportion of service men.

If you get your quota of 100,000, and if, as is more than likely, you have more answering your call—because you cannot gauge the 100,000 down to a man, or 100 men, it seems to me this provision in the Militia Act is only just and fair, and should be made to apply to the case of a family in which there are two sons. Under the new law there is no provision made for such an exemption.

I wish to say also, I still sincerely believe that the production of food is so important in this country at this time that some special provision should be made in regard to agriculturists. There is no question but the whole German offensive and submarine campaign to-day is against food production. There is no offensive upon land. They see food production is our weak point, and every man we take off the farm in Canada is only assisting the Germans and the German game. I do not think it should be left to tribunals to say that any farmer shall go on the combatant line. There should be something in this Act saying that any man who is engaged bona fide in the producing of food on the farms of the country, on say, the first of May or the first of June—set a date on it if you like—shall not be obliged to go on the combatant line. I mention the first of May or the first of June in order to prevent men who may have anticipated it from skulking their duty by going back

to the farm, not in good faith but as a matter of subterfuge. I saw something in the newspapers to-day or yesterday in regard to what Secretary McAdoo of the United States has said as to what they expect from Canada. He said the grain supply of the United States was depleted, and the Allies and the American nation were almost dependent upon Canada for their supply of grain. Such being the case, I do not think the question of the exemption of a man who is engaged in agriculture should be left to the whim of any tribunal, which may consist of men obsessed with the military idea, and not the idea of food production. I think a man who is engaged in the production of the firing line. The man on the farm is producing foodstuffs not only for the soldier at the front but also for the artisan and mechanic in the town who is handicapped at the present time by the lack of labour and exorbitant prices and labour should not be taken from the land. Otherwise, the prices of food, which have increased to such an extent that the ordinary man is hardly able to live, will be further increased. We should have an assurance from the Solicitor General, or the Prime Minister, that rules and regulations will be framed under this Act which will say that they shall not be taken—

Mr. PUGSLEY: How could they change the Act?

Mr. ROSS: They can make rules and regulations if the Act says so. Section 12 says:

> The Governor in Council may make regulations to secure the full, effective and expeditious operation and enforcement of this Act.

Mr. PUGSLEY: But they could not change the spirit of the Act.

Mr. ROSS: That would not be changing the spirit of it, because agriculture is an absolutely necessary industry. You contend that yourself.

Mr. PUGSLEY: Why do they not put it in the statute if they want it?

Mr. ROSS: On the other hand, I cannot see how the arrangement which has been suggested by the Deputy Speaker (Mr. Rainville) is possible because, strange as it may seem, I do agree with my hon. friend from St. John (Mr. Pugsley) in this case. If you put in the words that have been suggested by the amendment, you will limit the construction of the clause very considerably, because you will have to interpret the clause, as we say in law, on the principle of ejusdem generis. You could not exclude a telegrapher or a man engaged in the transport service because the word "other" being in there would necessitate an interpretation of the Act preventing men in other not similar occupation being exempted when it it might be greatly in the public interest to exempt them.

Mr. PROULX: I proposed this afternoon to have a special subclause of section 11 in regard to the agricultural classes. What my hon. friend from West Middlesex (Mr. Ross) has said confirms me in my contention. The view which the hon. member for St. John expressed a moment ago was that if you added it to subclause (a) it would perhaps embarrass the interpretation of the clause in regard to other occupations. For that reason there should be a new clause. I was referring especially to agriculture.

Mr. LEVI THOMSON: I would like to say a word with reference to subclause (f) of section 11:

> That he conscientiously objects to the undertaking of combatant service and is prohibited from so doing by the tenets and articles of faith, in effect at the date of the passing of this Act—

It strikes me that some change in the wording there might be beneficial. It is provided by subclause 2 of section 3 that a man who was not married until after June 11 shall be counted as unmarried. I think it would be better, instead of wording this as being in effect at the date of the passing of this Act, that it should be so worded as to be in effect at the date of the introduction of this Bill, or June 11. That would get rid of the possibility of the trouble that the hon. gentleman from Perth (Mr. Morphy) has spoken of, that some little sect might spring up, introduce some change in their doctrine and promulgate a regulation against combatant service. It would be more in keeping with the intention of the Act if, instead of the date being fixed at the time of the passing of the Act, it should be at the time of the introduction of the Act.

Mr. MEIGHEN: That suggestion, along with a similar one made by the hon. member for Perth, which was that it should be at the date of the outbreak of the war, is worthy of consideration. I would suggest that we pass on and hold these three or four suggestions over for consideration. The clause will be reopened and I will refer to the matter at a later sitting.

Mr. NESBITT: What clause is that?

Mr. MEIGHEN: Subsection 1 of section 11.

Mr. L. A. LAPOINTE: I would like to ask a question of the Solicitor General about paragraph (f) providing exemption for the person who conscientiously objects to undertaking combatant service. The clause is:

That he conscientiously objects to the undertaking of combatant service.

That clause seems comprehensive enough. If I feel in my own conscience that I cannot go out and shed another man's blood, or do anything like that, that I cannot become a combatant, am I to be forced to engage in combatant service? I say: "Thou shalt not kill," and the faith of every Christian is that he shall not kill.

Mr. NESBITT: Steal.

Mr. L. A. LAPOINTE: Steal they do—many of them. Who is to be the judge of my conscience? Will the judge of this tribunal interfere with my own conscience? I say I cannot go to fight, that I am ready to defend my country against all enemies, as many of my people are, that I cannot conscientiously undertake to be a combatant. Who is going to be the judge of that? I want to find out if my conscience will not be respected by the judge. Surely I am the judge of my own conscience. Who is to say that I have no reason for asking exemption on this ground? It seems to me that this opens the question very wide and that you will have to exempt everybody under that clause because it applies a religious test. That will be the first reason that every person will advance why he should be exempt. Do you know, Mr. Chairman, that this clause is stronger than any other? It says that the judge "shall" exempt such a man. That puts an obligation on the judge to exempt him. If I tell the judge I cannot go and combat any human being the judge has to say that I shall be exempt.

Mr. MEIGHEN: The word "shall" applies just as much to subclause (e) as to subclause (f). If a man establishes any of the grounds of exemption, then he is entitled to exemption. "Shall" has no special reference to subclause (f). The subclause is phrased in the best way it was thought possible, to avoid the abuse of the exemption privilege by conscientious objectors. The experience in Great Britain was considered very fully in the framing of that clause. A man must not only show that his objection is really dictated by his own conscience but further he must show that he is prohibited from combatant service by the tenets and articles of faith, in effect at the date of the passing of the Act, of a well known religious denomination existing in Canada and well recognized at that date, and that he belongs to that denomination. These words are principally from the American statute. We have had regard not only to the experience and working out of the conscientious objectors' clause in England but also to the American provisions looking to the taking care of all legitimate cases of conscientious objectors, but at the same time looking to the prevention of abuses of the clause which was one of the chief sources of abuse experienced in Great Britain.

Sir HERBERT AMES: Do I understand that the meaning of that is that he both conscientiously objects and is prohibited?

Mr. PROULX: Does the minister know whether there were many sects or denominations in England who objected to military service?

Mr. MEIGHEN: I do not know how many there were, but I know there were a great number alleged.

Mr. NESBITT: What is the reason for clause (b)?

Mr. MEIGHEN: In the British Act our subclause (a) and subclause (b) are united. Subclause (a) refers to exemption of a man on the ground that he is better serving the national interest in the work in which he is habitually engaged. Subclause (b) is to take care of the case where a man, although he may not be habitually engaged in a particular work, can, in the opinion of the tribunal, do work in that particular neighbourhood by which he would better serve the national interest than by going to the trenches; some special, and, perhaps, very insistent necessary demand may be filled by him. That is the way it was under the British Act, but it was felt here that in the case of a man seeking an exemption, not because he is better serving the national interest where he is habitually engaged, but rather because he felt that he could do something where men were badly wanted in the neighbourhood, it would be necessary to show special qualification for that work. That is an additional precaution which we have taken against the abuse of this clause which has not been taken in England. Otherwise the two are precisely the same.

Mr. NESBITT: The British section sounded much better to me than this, which is indefinite.

Mr. MEIGHEN: This is the British, except that before a man can be exempted to undertake special work he has to show special qualifications. In Great Britain he does not need to so show. Thus, however indefinite it may be—and any such provision must be indefinite—it is more definite than the British provision.

Mr. NESBITT: That aims at what I was trying to get my hon. friend to undertake, that is, that he would organize labour, bring in an Act organizing labour so that the Government, or somebody, would place the labour where it was most needed.

Mr. MEIGHEN: I will bring the matter to the attention of the Minister of Labour.

Mr. NESBITT: That will not do any good.

Mr. OLIVER: If I understood the minister's explanation of this subsection, this is the other barrel of the provisions of the Bill. One barrel is supposed to catch the needs of the front trenches; the other barrel is to catch the needs of industry at home.

Mr. MEIGHEN: Agriculture.

Mr. OLIVER: Munition making, for instance, or some other productive industry, conveniently situated, as my hon. friend said, to where this applicant for exemption resides. It is amply evident that there is no necessity for this subsection if it were merely intended to exempt men from service at the front. Every possible circumstance of exemption is provided for under the preceding subsection. This subsection is inserted for the express purpose of giving direction of the labour of the country, under threat of military service, to the fulfilment of the requirements of the directors of industry in our great cities, I presume.

10 p.m.

As to the attitude of the Government in regard to that matter, that is to say, in having one eye on big business in eastern Canada while the other eye is directed possibly towards the trenches, I shall take the liberty of quoting from the speech of the Finance Minister on Saturday last, when he said:—

> During the fall of 1915 and the early part of 1916, it was brought to the attention of the Government—I should say to the attention of nearly all the members of the Government—that in certain districts in which recruiting had been brisk, vital industries such as coal mining, iron and steel, agriculture, and the munitions industry, were suffering by reason of the fact that the recruiting was not in any degree selective; that is to say, that skilled mechanics were being recruited, and that it was not possible to replace them because of the long training required to qualify a man in those trades.

While the hon. minister made that most moving speech in regard to the military necessities of the Allied armies, it will be observed that his mind was fixed rather upon the well-doing and well-being of his friends in the eastern industrial centres, and that the recruiting of men under the voluntary system for the filling of the needs of the front was only on all fours, in his mind, with the needs of the iron and steel, the coal mining and the munitions industry, and, he says, agriculture.

Mr. MEIGHEN: Does the hon. gentleman remember himself complaining bitterly to the Government because we did not control enlistment so as to prevent men leaving agriculture to go into the trenches?

Mr. OLIVER: Me?

Mr. MEIGHEN: Yes.

Mr. OLIVER: Well, I would like to know when.

Mr. MEIGHEN: I read it in Hansard recently. I will undertake to produce it.

Mr. OLIVER: I should be glad if my hon. friend would read it again, because if he pays any attention he will find that he did not read it correctly.

Mr. MEIGHEN: I will undertake to produce it.

Mr. OLIVER: I shall be glad. The Finance Minister went on and read to the House a letter that he had addressed to "Dear Mr. Harmer," President of the Sawyer-Massey Company, Limited, of Hamilton, Ontario. This was a letter in reply to one which he had received from this president of the Sawyer-Massey Company, and we must infer from the tenor of the letter that the Sawyer-Massey Company was one of those who had been protesting against such enlistment of men as would affect the well-doing and the well-being of their operations in Hamilton. In the course of this letter the Finance Minister said:

> I am aware of the force of the arguments presented as I have canvassed them many times during the past few months. There is a point beyond which over-recruiting weak ns the strength of a nation for a long drawn-out struggle.

He says in conclusion:

> You may depend upon it we shall do what we can here to keep the nation strong and at

the same time put forth our best efforts in the field.

We are going to keep the nation strong at home by taking care of the Sawyer-Massey Company first, and then we are going to take care of conditions in the field. The minister, after having read this letter, says:

I had the view, during the concluding stages of voluntary recruiting, that the essential industries were being crippled to a certain extent by the enlisting of skilled mechanics, some of whom—I do not say all of whom—could have rendered better service, or as good service, in connection with the prosecution of the war, possibly, as if they had enlisted, although I am the first to say that I admire above all the man who enlists and goes forward to the front. Nevertheless in certain industries which are vital it is necessary, in my judgment, that a certain selection should be exercised.

We have, in this provision, the purpose of the Bill—to exercise a necessary selection in the interest of vital industries. I want to say that in my poor judgment, when the Government of this country comes before Parliament with a proposal to conscript 100,000 men, under the pretense that they desire to procure these men for military service, they should frame their measure with that end in view, and if they want to make provision for the protection of vital industries, that should be taken care of in another measure, not to introduce a means of, in a way, forcing labour into the employment of the so-called vital industry under the threat of military conscription. We know what our position is. We are one of the countries in this war. We know that the war must be won, or that the consequences to us will be very terrible. We know that it is our duty to win the war, and the Government, on behalf of their friends, the munition makers, come to this House and propose to put through a measure, in the name of patriotism, in the name of loyalty, in the name of our dead soldiers, the purpose of which shall be to assist the munition makers and the profiteers, who are making enough money to-day out of the blood and agony of the country, without having this Parliament legislate in addition on their behalf.

Mr. CURRIE: I think the hon. gentleman from Edmonton (Mr. Oliver) is labouring under a misconception, and I do not think he wishes to be unfair. At the time that letter was written to the Minister of Finance by the gentleman who manages the Sawyer-Massey Company, these were the facts: Great Britain had sent to the trenches something like 10,000 of her own skilled workmen, whom she afterwards brought back to give them employment in the munition factories in England. I have in mind one shipbuilding industry where a great many of the most skilled men enlisted and went to England, arriving there about that time. Great Britain did not send these high class mechanics that were sent over there into the trenches, but they were conscripted into the munition plants, shipbuilding yards and machine shops. They were trained and sent across the ocean, but were conscripted by the British munition workers. I think if there were any case where exemption should be provided, where men should not be allowed to leave the country and enlist to go to the trenches, it should be the case of those workers. They never should have been allowed to leave here. Hundreds of them left Canada ostensibly to go to the trenches, believing they were going there, and when they got to England, they found themselves taken out of the army, and placed at work in munition factories.

An hon. MEMBER: Why?

Mr. CURRIE: Because they were needed. Britain needed skilled workmen. Skilled rivetters from the Collingwood shipbuilding yards enlisted, but were not allowed to go to the trenches; they were conscripted to build warships in Great Britain. The needs of this country in that regard are just as great as the needs of any other country. Anybody who knows anything about manufacturing in this country knows that, within the last year, the great increase in the cost of everything manufactured has been due largely to two things, namely, the high cost of labour, and the high cost of raw material. There is no doubt about that. Nobody objects to paying the wages, but the fact remains——

Mr. PUGSLEY: Before you leave that point, I understand you say that 10,000 of our men who enlisted for service in the trenches were conscripted.

Mr. CURRIE: The hon. gentleman was not listening.

Mr. PUGSLEY: They were conscripted by the British Government and put into the shipyards. Is that the statement?

Mr. CURRIE: If the hon. gentleman had been listening, he would have heard what I stated. I said that Great Britain had sent to the trenches, and brought back to England something like 10,000 skilled workmen. When Lloyd George took charge of

the Munition Department he started to drive the munition factories, to get out guns and shells to destroy the German power,—the only way in which it could be destroyed. The men had left the coal mines, the factories, workshops, shipbuilding yards and machine shops of England, and had gone to France, and 10,000 of them were brought back to England, and every man that they could find—even in our army in England—who was a skilled man, was put to work there. So that these men enlisting here, with the best intention in the world, expecting to go to fight the Germans, were not allowed to go after they got to England, but were put to work, as I have stated. What is wrong about that? They did not conscript the men to work for nothing in the factories, as they do in Germany. The munition workers in Canada get more than they do in any works in the world, much better pay than in the United States, and the cost to the Imperial Government of munitions made in Canada is a large percentage less than the cost of those munitions made in England, or in the United States. Everybody who knows the business knows that we are making them cheaper for the British Government than they can make them at home, with much cheaper labour.

I desire to refer to another matter. The most unfortunate thing in connection with the labour question is the poor quality of the labour left at home. If that labour had applied itself diligently to its work, nobody would have objected, but, from my experience of a number of plants that I have seen, I know that every month, when the pay roll is gone over, sixty per cent of the workmen have changed. Is that right? They are getting all the money they ask. They will only work two weeks in one shop. They get their money, jump and go to another shop. I say that is not fair to the men in the trenches. It is all right that these men should receive large wages, but that they should neglect the work and only work half time is a crime, when munitions are needed so badly at the front. Why should a skilled workman employed in a factory here be allowed to stay at home, and only give one-half of his time to the work? Then the complaint is made, "Oh, you are attempting to conscript these men in the factories." Is he any better than the trained workman, his comrade, who has gone overseas and is being shelled, for $1.10 a day? I cannot see that he is. I cannot see that there is any necessity to pay him any higher wages than the other man, as a matter of honour and justice. That fact remains true. So that there is no cause of complaint.

These men are not making complaint by petition through the hon. member for Edmonton because they think they are going to be conscripted. Until such time as a large body of them make complaint, it will not be necessary for the House to take up their case. Every workman in this country who is conscientious and anxious to work can get employment at the highest wages ever paid in Canada and under more satisfactory conditions than prevail in any other part of the world. The manufacturers of Canada, it may be said to their credit, are selling goods to the Imperial Government at ten per cent less than the price at which similar goods can be purchased in the United States. I do not see, therefore, that there is any reason for complaint.

Mr OLIVER: Some of my hon. friend's remarks a few moments ago established the point that I made with regard to this legislation. He complains of the character of the labour that is now available for the gentlemen who are engaged in the manufacture of munitions, and he thinks it is right and proper that labour should be conscripted for the advantage of the munition manufacturers.

Mr. CURRIE: Not at all.

Mr. OLIVER: That is what I understand to be the purport of his remarks. I do not wish to enter into any controversy with my hon. friend; I only wish to state my own position. In order to meet an urgent military necessity, it is right and proper that we should conscript men under proper circumstances and by means of a proper law which has proper authority for its being passed. This law, I maintain, has not such proper authority. But the conscription of men for civil employment is another matter altogether. People who will submit gladly under fair circumstances to a measure of conscription in order to meet a military necessity will not submit to conscription for civil purposes for the profit of any citizen of the Dominion of Canada. In other words, they will not submit to be conscripted for the private profit of any man or any corporation. At any rate, that is the position that I take. While I am willing to support a fair measure of conscription, brought in under proper authority, in order to meet a military necessity, I certainly protest against the conscription of men for civil employment for private profit, such as is the purpose of subsection (b) of this Bill.

Mr. CURRIE: What would the hon. gentlemen call civil employment? Will he be more specific?

Mr. OLIVER: Any employment that is not military.

Sir HERBERT AMES: Suppose a man who was skilled in the operating of a threshing machine was for the time being running a gentleman's motor car in Edmonton; in other words, doing non-essential work. If it was proposed to conscript him, and he said: if I am permitted to do so, I will go into the country and resume my former occupation of running a threshing machine for the next six months, knowing, as I do, that there is a great need for skilled mechanics of that kind; would the hon. gentleman consider it inadvisable, under those circumstances, to exempt that man from going overseas?

Mr. OLIVER: The hon. gentleman's question is a very long one; I think I would have to know the details before I would be able to give an answer.

Sir HERBERT AMES: I made it as brief as I could.

Mr. OLIVER: That is, before I could give a direct answer to my hon. friend's question. But I certainly would not, under existing conditions, support, or defend, or countenance compelling that man to leave his civil employment to go into another for the private profit of another citizen, or a set of citizens, under the threat of military service provided in this Bill. I say that that is not a proper use to which to put the powers that are vested in this Bill. Such drastic action I do not consider at the present time well advised. But, assuming it to be well advised, if we are to conscript 100,000 men for military service, then we should prepare a Bill and enforce it for that purpose, not for the purpose of advantaging any private individual or corporation in civil employment. If the Government of this country were carrying on in its own name, for its own purposes, at its own cost and for the profit of the country, certain forms of industry intimately connected with the prosecution of the war, I could then see the reasonableness of conscripting labour for the benefit of that industry. But it is one thing to conscript labour for the benefit of the State and it is quite another thing to conscript labour for private profit. I suppose I will be corrected when I use the word "conscription" as applied to

[Mr. Oliver.]

labour, but it is the purpose of this section to use the powers under this Bill for the purpose of, in effect, conscripting labour for private profit. To that I most strongly object.

Mr. CURRIE: A young man who is working on a farm is to be conscripted. He says to the farmer: I want $100 a month. The farmer says: I will give you only $50. He has his choice, therefore, of taking $50 from the farmer or of being conscripted. Does the hon. gentleman think that that is a case which comes under his category of civil employment? These things will occur right along. Is that a hardship? Is that the case of a man being conscripted by a civil power for the purpose of making profit for a farmer?

Mr. OLIVER: I may not have caught the hon. member's statement correctly, but, as I gathered it, I would say that I think so. If we want 100,000 men and this man is subject to the draft and is fit to go overseas, he should go overseas. We should not use the threat of sending him overseas in order to drive him into the private employment of some other citizen. That is an improper use of the power and authority that this Government is asking from Parliament.

Mr. GLASS: My hon. friend does not seem to think that Great Britain's experience of three years has any bearing upon cases of this kind. The member for North Simcoe (Mr. Currie) has already shown that the British Government had to bring large numbers of men back from the trenches and fit them into industrial life. I cannot understand my hon. friend's reasoning when he says that because a man is exempted he is necessarily conscripted into industry. It may happen—I hope it will not—that labour will have to be conscripted and directed to industries devoted to the prosecution of the war. The United States are not so slow to comprehend the difficulties that prevailed in England and other countries that sent thousands of their men to the trenches and afterwards had to withdraw them and employ them in industries. As evidence of the fact that the United States do not intend to allow themselves to be led into the same mistakes as those made by the European countries, I find in this evening's Star a despatch from Washington which reads as follows:

The United States will sift out and exempt from fighting service labourers vitally needed in feeding, clothing, supplying and equipping the armies. Lest this nation make the same mistake England did at the outset, the Government will free such men and see to it that

they keep at their work. To this end, a corps of experts to-day began a list of industries essential as backstops of the armies in the field.

From official sources it is learned the list probably will name farmers as a general class, miners, men engaged in shipbuilding, munitions, workers of all classes, and every branch of industry that aids directly or indirectly in maintaining the military forces.

My hon. friend is very much concerned lest men should be maintained in the manufacture of munitions. Why, to-day men working in munition factories are doing just as important work as the soldiers in the trenches. The United States are to be commended for the very careful preparations they are making to meet this extraordinary emergency. They have wisdom enough to profit by the mistakes of others. I cannot understand why my hon. friend takes so much exception to the exemption of labour on the ground that it is conscripting labour into industry. Even if that were so, if the needs of the army required a greater effort from industry, it is only what has been done in England and France. The same thing applies to agriculture. Urgent as is the call for greater production to-day, I do not think there is any doubt that the call in 1918 will be stronger still, and if we do not encourage the farmer by helping him to get the labour necessary to work his farm how can we expect him to respond to the call for greater production? There is undoubtedly a great shortage of farm labour at the present time. I do not see why these tribunals should not be given discretion to look after the needs of agriculture and the necessary industries of the country.

Mr. OLIVER: My hon. friend and other members of the House have spoken to-night of the needs of agriculture, and have held out the suggestion that under the provisions of this Bill men could be practically conscripted into agriculture. My hon. friend from South Renfrew (Mr. Graham) touched on this point to-night and I want to emphasize what he said, that there is no such thing possible as conscripting men into agriculture, because conditions do not admit of it. To put an unwilling or inefficient man on a farm where only the owner and one or two other men are employed is simply adding to the burdens of the farmer and not helping him in his work. There are conditions under which you may be able to conscript men profitably; for instance, where a large number of men are required on some work where they can be kept under supervision. But that cannot be done on a farm, and to hold out to the farming community of this country that this or any other Government can conscript men for the service of the farmers is simply humbugging the farmers if they believe it, and I am afraid that many of those who hold out the suggestion are aware that they are merely humbugging the farmers.

Mr. CURRIE: The hon. gentleman knows very well that last year the soldiers in training were allowed furlough to assist in gathering in the crops, and I hope the Government will do the same with the volunteers and the conscripts this year. According to the present indications we are going to have a very big crop, and it will be a great pity if it is allowed to stand in the field uncut for the want of labour. To-day our unemployed, men who do not want to be employed at almost any price, are asking $100 a month to go on the farms, and many of the farmers cannot pay that price. These men are asking for the wages they would receive in the munition plants, and why should the munition plants go into competition with the farmer? I think the country is in danger of losing a great harvest through the obstacles that are being placed in the way of what the hon. gentleman calls the conscripting of labour to the farmers. It is absolutely necessary that the farms should have labourers, and I should be willing to go as far as any one in this House in the direction of having a clause put in the Bill to the effect that the men who labour on the farm shall be exempted so long as they stay on the farms; for it is just as necessary to have good crops as it is to produce munitions. I trust the soldiers in training this year, both volunteers and conscripts, will be ordered to go on the farms. Last year if they did not go on the farms they did not get any money. That was surely conscripting them, and nobody kicked.

Mr. NESBITT: As a matter of fact, the soldiers were not forced to go on the farms last year by any means. We had to make a written application for a man and guarantee to keep him a certain time and pay him a certain amount of money. The soldiers got that money in addition to their military pay, and it is no wonder a lot of them went on farms. It is preposterous for my hon. friend to say that the soldiers were forced to go on the farms.

Mr. CURRIE: What I said was that if they took their furlough they were forced to go on the farms.

Mr. NESBITT: They were not forced to go on the farms if they took their furlough, for several of them worked in factories at Woodstock.

Mr. CURRIE: They were not entitled to do so.

Mr. NESBITT: That makes no difference; that is what they did. My hon. friend does not know everything about everything. I heard him say something else tonight which has no particular bearing on this clause. He said that in Canada they were making munitions cheaper than in England.

Mr. CURRIE: That is right.

Mr. NESBITT: You think that is right? How much will you bet that it is right? You are the first human being I have heard say so, anyway.

Mr. OLIVER: There has been a great deal of talk about assisting the farmer under this Bill. It was not the farmers who put in a protest in the fall of 1915 and the spring of 1916 against the voluntary enlistment of soldiers for overseas service: it was the heads of the munition plants. We have had evidence of that in this House within the last two days. Mr. McDougall of the Steel Company, Mr. Harmer of the Sawyer-Massey Company of Hamilton, and many others plagued the life out of the ex-Minister of Militia (Sir Sam Hughes) —so he said in the House the other day. The Minister of Finance said only two days ago:

> During the fall of 1915 and the early part of 1916, it was brought to the attention of the Government—I should say to the attention of nearly all the members of the Government—that in certain districts in which recruiting had been brisk, vital industries such as coal mining, iron and steel, agriculture, and the munitions industry, were suffering by reason of the fact that the recruiting was not in any degree selective.

I will guarantee that it was not the representatives of agriculture but of these other industries who made the protests. It was "big business" in Canada that protested against voluntary enlistment in the fall of 1915 and in 1916, and as the result of their protests voluntary enlistment slackened, fell off, became insufficient.

An hon. MEMBER: When?

Mr. OLIVER: Ever since.

An hon. MEMBER: At what date did it start?

Mr. OLIVER: Some time in June, 1916; and it has continued ever since. Now we have this conscription Bill brought in. The Prime Minister tells us it is exactly the same principle, so far as compulsion is concerned, as the Militia Act, but it has the selective principle instead of the balloting principle, so far as compulsion is concerned. We find that under these selective provisions every argument which has been brought up in this House since the Bill came into Committee confirms the idea that the Bill is essentially selective, and selective in the interests of the same men who demanded selective voluntary enlistment early in 1916, and who now demand selective compulsory enlistment. As I said before, I have no objection to that if it is right and proper; if it is necessary; if it is honestly brought before the attention of Parliament and the country in a Bill framed for the purpose. But what I do protest against is that it shall be smuggled through Parliament under the pretense of a Bill for the purpose of supporting the honour of Canada on the battle line. First things first. If we are to win the war, it must be won by fighting men; and if we are to increase our power on the battle front, let us come before the country honestly and say so, and make provisions for that purpose. Having done that, if it is necessary to take care of industrial conditions in the country by compulsory service, let us make satisfactory preparations for that. But on such a question as this, where the lives of 100,000 men are involved, and where the honour of Canada is involved, let us not attempt to smuggle legislation through Parliament under false pretenses.

Mr. McKENZIE: It appears to me that it would be well for the Government and its friends to get together and try to agree as to the necessities of the country with respect to this Bill. So far as I am concerned, I do not know that I have any great right to criticise the Bill. If I had been here I would have voted against it. But, while it is going through committee, I suppose I have the right to say something in regard to it as a member of the House. I hold in my hand a letter over the signature of a very close friend of the Government who, as I am informed, is in charge of the coming campaign for the Conservative party in the province of Nova Scotia. This gentleman is very close to the Prime Minister, and to the Solicitor General, and I think it is only right that the House should have the benefit of the information he says he possesses. The letter I refer to is signed by no less a person than the Hon. Charles E. Tanner, I believe a present senator. We knew him in

former years in the local legislature as the honoured leader of the Conservative Opposition. This letter is dated Ottawa, May 16, 1917, and it is addressed as broadly, and in fact more broadly, than the epistle of Paul to the Romans. It is addressed: "To the Members of the Provincial Conservative Association," so its very wide scope must necessarily be based upon some truth, as far as truth is possible in that body. There is a paragraph in this letter which would seem to indicate that we, the Liberals, were down on the theory of voluntary enlistment, and that we were saying this Bill was not necessary. He says:

> The conditions in regard to recruiting are not fairly stated by Opposition critics.
>
> Up to the 15th March, 444,745 men who were residents of Canada had joined the Allies' colours. At the beginning of 1917 we were over the 400,000 mark. Is it reasonable to expect that after raising an army so great in proportion to our population we could maintain the high average of the first two years and a half? We must give the country fair play as well as the Government, in this regard. We are making steady progress. Since the present year opened, we have averaged an enlistment of 7,000 men each month. For the four months ending April 30th, the exact total is 28,045 men; not too bad, following up a contribution of upwards of 400,000 men.
>
> You will observe the Government's critics abstain from referring to these facts. Nor do they mention the other pertinent fact, that the increased call for men for the farms, munition plants and mines intensifies the difficulties of recruiting agents.

Before Mr. Tanner sent this to the association, I have no doubt he consulted his friends in the Government. My knowledge of Mr. Tanner for over twenty-five years is that he is a very careful and truthful man. If his testimony is to be accepted, they were getting recruits at the rate of 7,000 a month, which would mean we would have the full complement called for by this Act within a year. I would seriously call the attention of the Solicitor General to the statement of his friend, advocate, and representative, in the great province of Nova Scotia, in writing to people saying that matters were going along splendidly, and that we were getting 7,000 men a month and in a short time we would likely have all the men we required. Now, what is all this fuss and all this trouble about if Mr. Tanner, whose name is signed to this letter, is giving the facts and I have no doubt he is.

An hon. MEMBER: What is the date of that letter?

Mr. McKENZIE: May 16, 1917. This was a long time after the Premier came back from England, and after they were in possession of all the inside information he could impart to a friend. I think it is only proper that the people of the country, as well as the members of the Provincial Conservative Association, should know what is the true inwardness of this.

Mr. GRAHAM: Subsection (c) of section 11 reads:

> That it is expedient in the national interest that, instead of being employed in military service, he should continue to be educated or trained for any work for which he is then being educated or trained.

I suppose that refers to students or apprentices. Could the Solicitor General give us a concrete case to which this section would apply?

Mr. MEIGHEN: I think it is my duty to refrain from giving concrete cases. Any statement on my part would be an attempt to dictate to the tribunals.

Mr. GRAHAM: Could the hon. gentleman imagine a case then?

Mr. MEIGHEN: I could imagine a case very readily, and I am quite sure that those who inserted the same provision in the British Act knew that there would be practical applications of it or they would not have inserted it. The provision in the British Act is the very same as ours. I would in general terms say that if a man belongs to a class called out, and if he shows that at that time he is approaching the termination of a certain educational period, the results of which would be lost if he came just at that time, but that if he deferred for a week or two, or a month or two, that condition would be over and consequently he would be enabled to render better service to the state—that would be a class of cases that would come under that provision. I do not say that there would not be other classes. We had the advantage of the presence of Major Murray, who had to do with the working out of the several exemption provisions of the British Act, and we got no recommendation that this clause should be left out. We got many which we thought were useful and which we availed ourselves of. The working out of the British Act did not indicate that there was any danger in putting that clause in, but, on the contrary, indicated that it would be useful.

Mr. NESBITT: Do I understand the hon. gentleman to say, with reference to this clause (c), that he is going to take into consideration some of the suggestions that have been made?

Mr. MEIGHEN: Yes, I have a note of practically all the suggestions that were made.

Mr. NESBITT: The hon. gentleman will consider them?

Mr. MEIGHEN: Yes, they will be given very careful consideration and the decisions will be communicated to the committee, and if thought fit a motion can be made to return to the clause.

Mr. OLIVER: In regard to paragraph (c), I think the Solicitor General might have given the committee the reasons that appeal to his mind for the insertion of this provision. It hardly seems enough to say that it appeared in the British Act. There has been a large enlistment under the voluntary system from our institutions of higher education. I do not know how many hundreds, if not thousands, of young men who were taking courses in the colleges and high schools have volunteered and have formed a very valuable part of the army at the front. It seems rather strange that, that condition having existed in this country, we should make special provision for the exemption of that particular class of men.

Mr. MEIGHEN: The hon. gentleman must remember that any exemption granted under this clause must of necessity be a conditional exemption. No absolute exemption can be given to any man under that clause. A reference to sub-paragraph (b) of subclause 2 makes that clear. It is manifestly made to cover the necessity for temporary exemption for the purpose of enabling a man to complete a process of education that is near completion at the time of the call to report for duty. I should think that would constitute the great majority of cases that would come legitimately under that clause. For example, a man might be within a week of the termination of his examination for a profession. No one would contend that it would be in the national interest that that man should report for duty until that work was done. Unless such a clause as that is in, I do not think the tribunal would be empowered to permit a man to wait until the termination of the week and then report for duty.

Mr. OLIVER: I am quite satisfied with the propriety of the action suggested by my hon. friend, but there is another side to it. While he says it is the intention that this provision shall apply in such cases as he has mentioned, the clause does not say so and it would be quite possible under this section for one who was of military age to secure exemption by simply entering one of those educational institutions.

Mr. MEIGHEN: Not to secure it, because unless there was a special case an appeal would immediately overrule any tribunal which would give a man exemption just because he had entered an educational institution.

Mr. OLIVER: That may be so, but this circumstance might arise. If it does not mean what it says, that is different. That is what it says and I would, of course, assume that it meant what it said.

Mr. MEIGHEN: The hon. gentleman leaves out the first phrase of the subsection "that it is expedient in the national interest." It does not make it expedient in the national interest to exempt a man who enters an institution to avoid military service. It is for the tribunal to determine whether it is or not and if the tribunal determines wrongly it will be corrected.

Mr. OLIVER: I want to say a word in regard to this matter of appeals. My hon. friend and I have discussed the merits of the case relating to the judgment of these tribunals and I shall not continue the discussion. When a decision has been rendered by the tribunal, if that decision is against the national interest, then the question can only be raised by the Government itself. It is under the authority and initiative of the Minister of Militia that an appeal is taken in case a decision is supposed to be adverse to the country. Beyond any question, that leaves the matter absolutely in the hands of the Government to force an appeal, or not to force an appeal, as they please, and it leaves the matter in this shape, carrying out the suggestion of my hon. friend from Montreal, St. James (Mr. Lapointe)—given judges who are favourable to wide exemptions, and given the sympathy of the Government in the matter, the Act becomes a dead letter in so far as particular sections of the country are concerned. When I spoke strongly earlier in the day in regard to the propriety of demanding a certain quota of men according to population from different sections of the country, I did it because if that provision were inserted this contingency of which I spoke could not arise, but that provision not being inserted that contingency can arise, and I am bound to believe that it is with the view of acting on that contingency that the elementary

provision requiring a quota is not included in the Bill.

On paragraph (c) subsection 5, section 11:

Notwithstanding anything in this section contained, the Governor in Council may by regulations abolish any local tribunal, and transfer its duties and powers to any other local tribunal.

Mr. A. K. MACLEAN: What is the purpose of this last subsection?

Mr. MEIGHEN: It was thought that as the work proceeded it might be found that there were too many local tribunals, and that in that event provision should be made for consolidating tribunals. This is the provision. The powers of any tribunal may be transferred to another, and then the other takes the place of the first one, and may carry on anything that the first one has had under review.

Sir HERBERT AMES: Is there any stipulation making it obligatory upon a man to appeal to a certain tribunal? Must he appeal where his residence is? What would prevent a man, if he should feel that one local tribunal was easier to pass than another, from going into the other district and appearing before the local tribunal where he thought his chances of securing exemption were best?

Mr. MEIGHEN: There is nothing to prevent him. A man may make his selection in his own province. If it is good enough for him, it is good enough for the department. But having made his choice, he must abide by it.

Sir HERBERT AMES: Is it not likely to become something like the divorce law in the United States, where men go to the state where it is most easy to obtain a divorce, Nevada, for instance?

Mr. MEIGHEN: If a man gets a divorce in Nevada, there is no appeal to the Supreme Court of the United States, but here we have a system of appeals. With the other plan the danger would be that we would have a great many questions of domicile.

Subsection agreed to.

On subsection 7, section 11:

When a certificate is lost, destroyed or defaced, the tribunal by whom it was granted shall, upon the application of the man to whom it was granted and upon payment of a fee of fifty cents, issue to him a duplicate of such certificate.

Mr. A. K. MACLEAN: What is the purpose of levying a fee of fifty cents?

Mr. MEIGHEN: It is a precaution against the certificate being too lightly lost. We had to take a more exacting precaution than this in connection with the exodus regulations.

Mr. SINCLAIR: Who gets the fee?

Mr. MEIGHEN: It is the intention that it shall go to the Consolidated Revenue Fund of Canada. I think under the law it does not become the property of the tribunal unless it is made its property.

On subsection 2, section 12:

(2) All proclamations and regulations shall be published forthwith in the Canada Gazette and in such other manner, if any, as the Governor in Council may think necessary to ensure knowledge thereof by all persons concerned, and shall forthwith be laid before Parliament if then in session, and if not in session within ten days after the next meeting thereof.

Mr. PARDEE: I think the proclamations should be published once in a newspaper in each county town where the boards are to sit. The Canada Gazette is not widely circulated, and comparatively few people ever get it.

Mr. A. K. MACLEAN: It is not important.

Mr. PARDEE: I think it is important enough to let the people know what is being done.

Mr. MEIGHEN: I agree that the Gazette publication really gives little or no publicity. It simply enables the newspapers to get it. The most of the proclamations are important, and they should be published in local newspapers. It may be necessary to utilize the poster system or billboards, but as to the publication of newspapers, there can be no question. The only reason that section was inserted as it is was that some minor regulations and changes might have to be made, and it would not be wise to insist on the publication because it might involve too much expense. The House may take the assurance that an important proclamation will receive wide newspaper publicity.

Mr. SINCLAIR: Will the peace officer appointed under this section be under military control?

Mr. MEIGHEN: No, this is a civilian Bill, under a civilian minister, and the Governor in Council appoints the peace officer and other officers to carry out the provisions of the Act. They will be in no sense military officers. They are peace officers.

Sir WILFRID LAURIER: I observe that in this section there is provision to remunerate the registrars. Paragraph (a) reads:

Define the duties of registrars and fix their remuneration.

And subsection (f) says:

Make provision for expenses and the remuneration of officers.

I assume, therefore, that the members of the tribunal will not be remunerated.

Mr. MEIGHEN: The intention is that they shall not be remunerated.

Mr. OLIVER: Subsection 3 reads:

All regulations shall have the same force and effect as if they formed part of this Act.

The Solicitor General said that the tribunal should be granted, in some measure, by memoranda or letters of direction. Would those directions be a part of this Act under that section?

Mr. MEIGHEN: I do not think that the circular, as it is called, relating to constitution, functions and procedure of local tribunals, published in Great Britain, should be called regulations. Although they constitute general indications to the tribunals looking to uniformity, it would be impossible, and it would be barbarous drafting, to insert such provisions as are in this circular in the Act. Consequently, I am not quite certain whether it was intended that this should be among the regulations which, under the Act, should form a part of it or not. I am informed they are not part of it. But such as are regulations have the force of law. They must be consistent with this Act, and they must look to the carrying out of this Act and nothing but this Act.

Mr. OLIVER: It is not contemplated that such directions, or such a circular, addressed to the tribunals in operation under this Bill, will be a part of the Act?

Mr. MEIGHEN: No, not directions of the nature of those I hold in my hand.

Sir WILFRID LAURIER: I call attention to paragraph (c), subsection 11, section 12, which reads as follows:

(c) Prescribe the conditions as to time or otherwise under which applications for certificates may be made, deferred applications received, appeals entered and heard and rehearings had, and prescribe forms.

[Mr. Meighen.]

Section 10, subsection 3, paragraph (b), reads:

(b) The Governor in Council, on the recommendation of the Central Appeal Judge may make regulations governing the right to and fixing the conditions of appeal from an appeal tribunal to the Central Appeal Judge, provided any person authorized by the Minister of Militia and Defence may as of right enter and prosecute such appeal.

We have here two powers to make the same regulations. Under paragraph (c) of section 12, the Governor in Council is authorized to make regulations concerning appeals and re-hearings, and under section 10, subsection 3, paragraph (b), the Governor in Council, on the recommendation of the appeal judge, may make regulations governing the right to appeal, and fixing the conditions of appeal. It seems to me there is a clashing, or a tautology.

Mr. MEIGHEN: The intention is that under section 12, the Governor in Council may make regulations, as to time or otherwise, under which deferred applications may be received and appeals entered, and it is not provided that it shall be on the recommendation of the central appeal judge. That refers to the conditions under which appeals may be entered, and nothing more. On the other hand, section 10, subsection 3, paragraph (b) provides that the Governor in Council may make regulations, on the recommendation of the central appeal judge, fixing the conditions of appeal from an appeal tribunal. That is not in regard to the entering of an appeal, which is dealt with in paragraph (c), of section 12.

Sir WILFRID LAURIER: Would it not cause confusion, and would it not be better to have one provision?

Mr. MEIGHEN: This matter was drawn to my attention yesterday by the right hon. gentleman, and I am disposed to think it might be well to take a portion of paragraph (c) of section 12, and insert it under paragraph (b), subsection 3, clause 10. I suggest that we defer consideration of this portion of section 12.

Subsection stands.

Progress reported.

On motion of Sir Robert Borden, the House adjourned at 11.22 p.m.

Wednesday, July 11, 1917.

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

PRIVATE BILLS.

FIRST READING OF SENATE BILL.

Bill No. 109, for the relief of John Newton Salter.—Mr. Northrup.

UNOPPOSED MOTION FOR PAPERS.

Mr. KYTE:

For a copy of all correspondence and other documents relating to the granting to beam trawlers registered in the United States the privilege of using ports in the province of Nova Scotia for the purchasing of supplies, the shipping of men, etc., without license therefor as required under the modus vivendi.

SOUTHERN SASKATCHEWAN COAL FIELDS STRIKE.

On the Orders of the Day:

Mr. J. G. TURRIFF (Assiniboia): Has the Minister of Labour any information to give the House in regard to the report of a strike in the coal fields near Estevan in southern Saskatchewan? I understand the men are striking in order to secure the same terms as have been given to the coal miners in Alberta.

Hon. T. W. CROTHERS: I have had no direct information, but I heard indirectly from Winnipeg, as I was asked whether the jurisdiction of Mr. Armstrong, recently appointed director of coal operations in District 18, extended to that region in Saskatchewan. I replied, of course, that it did not. I was told that some prominent gentlemen in Winnipeg were endeavouring to adjust the difficulties.

Mr. TURRIFF: Can the minister give any reason why the coal mines in Saskatchewan should not be under the jurisdiction of Mr. Armstrong, or whoever may be appointed by the Government, as well as the others?

Mr. CROTHERS: At the time when the director was appointed a few days ago, there was no intimation of any difficulty elsewhere than at District 18. If necessary, we may extend his jurisdiction to take in these other mines, but thus far that matter has not been considered.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

House in committee on Bill No. 75, respecting Military Service.—Sir Robert Borden (resumed from Tuesday, July 10).

Mr. Rainville in the Chair.

On section 13—general provisions:

13. (1) The Militia Act, the Army Act and the King's Regulations and Orders for the Army shall so far as applicable and not inconsistent therewith apply to and form part of this Act.

(2) Section twelve and subsection two of section forty and the proviso to section forty-five of the Militia Act shall not apply to men liable to be called out under this Act.

(3) The Minister of Militia and Defence may transfer to the Naval Service any man who has reported for duty under the provisions of this Act.

(4) Unless further authorized by Parliament the reinforcements provided under this Act shall not exceed one hundred thousand men.

Mr. A. K. MACLEAN: Do I understand that any transfers to the Naval Service of men enlisted under the provisions of this Bill would come within the number to be conscripted under this measure, that is, the 100,000?

Mr. MEIGHEN: Yes.

Mr. MARCIL: Is a conscript transferred of his own accord, or may he be sent without his consent?

Mr. MEIGHEN: Such transfer would be of the same nature as transfers to the artillery service or to the air service; that is to say, the man could not finally determine whether he went or whether he would not. His wishes, however, would be considered to the utmost extent possible.

Mr. MARCIL: He might be sent against his will.

Mr. MEIGHEN: He might finally.

Mr. MARCIL: Are there any exemptions in regard to persons called upon to act upon these local tribunals?

Mr. MEIGHEN: The measure makes no provision for such exemptions, and I cannot see the need of such a provision in view of the authorities who appoint the tribunals. They will take care that those who should be exempted are exempted.

Mr. MARCIL: In the Militia Act members of the Privy Council, members of the Senate, and so on, are exempted, so I thought the same provision might apply here.

Mr. MEIGHEN: I do not think there will be any great rush to appoint members of the Privy Council to these tribunals, and I do not think there is any need of exemptions. The exemptions in the Militia Act are in regard to military service, and we have practically the same exemptions here. At all events, we have the exemptions which appear in the schedule.

Sir WILFRID LAURIER: Will my hon. friend tell me the meaning of subsection 2, which reads:

> Section 12 and subsection 2 of section 40 and the proviso to section 45 of the Militia Act shall not apply to men liable to be called out under this Act.

I have not the Militia Act here. Will my hon. friend read section 12?

Mr. MEIGHEN: Section 12 of the Militia Act reads:

> Half-pay and retired officers of the regular forces shall not be required to serve in the militia in a lower grade than that of their rank in such forces.

That is rather negatived by this section.

Sir WILFRID LAURIER: It does not apply?

Mr. MEIGHEN: It does not apply. That is to say, the men cannot insist on their right. The second clause is:

> No person shall be entitled to exemption unless he has, at least one month before he claims such exemption, filed with the commanding officer within the limits whereof he resides, his affidavit made before some justice of the peace, of the facts on which he rests his claim.

I really do not think that would apply anyway, as it is inconsistent with the Act, and when we were negativing we negatived the whole section. Subsection 2 of section 40 is:

> No officer shall be bound to serve in the militia in a lower grade than that of the rank with which he has been retired.

That is negatived also. The proviso in section 45 is—and I will read the whole section so that the meaning of the proviso will be apparent:

> The Governor in Council may make regulations, applying to officers and others, belonging to His Majesty's regular forces, and to officers of any military force of any part of His Majesty's dominions, when serving in Canada, and to officers of the militia, as to the persons to be invested as officers or otherwise with command over the militia or any part thereof, or any person belonging thereto, and as to the mode in which such command is to be exercised: Provided that command shall not be given to any person over a person superior in rank to himself.

Wherever section 45 is applicable and consequently is included in the new Act it is only applicable without the proviso. The proviso is negatived.

Sir WILFRID LAURIER: Why is the proviso negatived?

Mr. MEIGHEN: Because it is inconsistent with the spirit of the Militia Act, which says the militia authorities shall have full control over rank, etc. In fact, every one is brought down to the same level at the moment the Act applies to him.

Mr. MARCIL: Regarding the position of the conscript soldier once he is enlisted does he rank in every respect on the same footing as the volunteer, as regards promotion, pension in case of disability, pay and so on? Are they both treated on the same footing?

Mr. MEIGHEN: As the law stands here, there is nothing to put him on any different footing.

Mr. OLIVER: Might I ask the reason why the provision of subsection 4 contains the words: "The reinforcements provided under this Act shall not exceed 100,000 men."

Mr. MEIGHEN: It is so that Parliament will be apprised of the entire scope and destiny of the Act. It was thought well that Parliament should understand from the beginning just what was the limit that might be reached under the Act it was asked to pass.

Mr. OLIVER: Is it to be understood that when these 100,000 men are raised Canada's military obligations in connection with the war have ceased?

Mr. MEIGHEN: Oh, no. I do not think there is any ground for that understanding. Canada will still be in the war, and very much in the war—in fact, more in the war than ever, when the 100,000 men are raised. It will be for Parliament thereafter to decide whether or not the Act should be amended.

Mr. MARCIL: Has any thought been given to the transferring into the Canadian service of Canadians who are in the Imperial service? I saw in the paper yesterday that a large number of Canadians had enlisted in New York for service with the Imperial troops. Has any attention been given to the idea of having all Canadians serve with the Canadian corps, instead of having them dispersed through the British regiments.

Mr. MEIGHEN: You mean, in France?

Mr. MARCIL: No, in England. There are a large number of Canadians enlisted with British regiments, and I wanted to know whether the idea of transferring all Canadians to the Canadian corps had been considered, and whether the same thing would not be done in the United States. A day or so ago one of the Ottawa papers published a picture, showing Canadians enlisting in New York for service with the British troops.

Sir EDWARD KEMP: As I understand it, the hon. gentleman raises two questions, first in respect to the enlistment of British subjects and Canadians in the United States, and second as to those already enlisted in the British army being transferred to the Canadian forces. In regard to the latter question, the matter has not had any consideration so far as I know. In connection with recruiting in the United States, when a man desires to enlist, he chooses whether he wants to go into the British army or into the Canadian army. So far, I think, most of the recruits have chosen to go with the Canadian forces. I am not informed as to the exact numbers, but the men can choose which force they will go into.

Mr. MARCIL: What about transferring Canadians now enlisted from the English regiments to the Canadian corps?

Sir EDWARD KEMP: I said that matter had not been considered. What my hon. friend desires to know is whether any action has been taken to transfer the Canadians now in England or in France serving in the British army to the Canadian corps. So far as I know, the matter has not had any consideration.

Sir ROBERT BORDEN: So far as I am aware there are not very many Canadians serving as privates in the British army. They are principally officers—men who went overseas very early in the war. In a good many instances they were offered commissions in the British army, and accepted them.

Mr. MARCIL: Perhaps it would be in the interests of the service to have these men put together, with the Canadian corps.

Sir ROBERT BORDEN: There has already been more or less difficulty about surplus of officers. I do not think it would be of any advantage to recall those officers from the British army.

Mr. OLIVER: I asked the question in regard to the further effect of this subsection in connection with our obligation under the Act, and the reason for fixing the number at 100,000 men, because I recall my hon. friend from North Grey (Mr. Middlebro), speaking on the second reading of the Bill, very emphatically announced that this Bill was for the purpose of raising 100,000 men, and when the 100,000 men were raised the Bill was dead.

Mr. MIDDLEBRO: I said, without further legislation.

Mr. OLIVER: Exactly. The Bill was dead. Further legislation would be necessary in order to do anything more in connection with Canada's part in the war. I just wanted to ask further what relationship this Bill in its terms under this subsection bears to the pledge given by the Prime Minister on behalf of Canada as to the part Canada would take in the war. Is it supposed to have a connection with that pledge or to be entirely independent of it?

Sir ROBERT BORDEN: The purpose of this section is to reserve the control in Parliament as to compulsory military service beyond the number stated in the Bill. We thought it proper that Parliament should have the control.

I had mentioned the number, 50,000 at least, possibly 100,000, when speaking on the subject on the 18th May. The Bill, therefore, limits the number to be raised under its provisions to 100,000. If a further number is required then a very short Bill would be necessary simply to increase the number from 100,000 to such further number as Parliament, in its wisdom, might determine. The Bill has no relation to the supposed pledge which my hon. friend has quoted beyond the fact that it is to provide a certain additional number of men for the purpose of maintaining the Canadian Expeditionary forces at the front. When my hon. friend speaks of a pledge I assume he means the authorization which was given in January, 1916, by which the authorized Canadian forces were increased to 500,000 men.

Mr. OLIVER: That was my allusion. I am somewhat surprised at the Prime Minister speaking of a supposed pledge, or raising any question as to there being a pledge when, if I recall correctly his remarks on introducing the Bill, he himself spoke of that announcement, or authorization, as a pledge on behalf of Canada.

Sir ROBERT BORDEN: My hon. friend is not quite accurate. I said that it was not in form made as a pledge, but as the authorization, in the form in which it was given, had been regarded or treated as a pledge in some quarters, in so far as I was concerned, I was content so to regard it.

Mr. OLIVER: Hear, hear. That bears out exactly what I said, that the Prime Minister did, in his address to the House on the introduction of the Bill, allude to his authorization of January 1, 1916, as a pledge.

Sir ROBERT BORDEN: I alluded to it, but in the way I have stated.

Mr. OLIVER: Yes, in that way as a pledge and as a pledge on behalf of Canada. I desire to draw attention to the fact that notwithstanding that pledge, in which I am bound to say the honour of Canada is involved, this Bill specifically does not provide for its being fulfilled according to my calculation. We have had statements made that we have had enlistments in Canada for overseas service of 418,000 men. If we count 418,000 men as having voluntarily enlisted, and if we add 100,000 conscripts to that, we will have over 500,000. But I want to draw the attention of the House to the fact that when we claim credit for having enlisted 418,000 men, we are claiming credit under false pretenses, because we claim to have enlisted these men for overseas service. When the men did not go overseas and are not continued in service, we are not entitled to credit ourselves with having fulfilled our promise to that extent. The other day the hon. Minister of Militia (Sir Edward Kemp), for the first time since this matter has been under consideration, favoured the House with a statement as to how many men had actually gone overseas, or were available in Canada to go overseas, and how many we had enlisted who had not gone overseas and were not going overseas. He went into very considerable detail in the figures, so that there is no matter of argument about it. As for the total, it amounted to a little over 75,000 men altogether who were enlisted but who did not go overseas and who are not going overseas. Therefore I may claim that in any future calculations we make 75,000 men should be deducted from our nominal enlistment so as to give us the actual enlistment we have made. If we deduct 75,000, men from 418,000 we will have the actual effective enlistment and if then we add 100,000 to be raised by conscription under this Bill we are still short a little over 50,000 of the pledge made on the first of January, 1916.

I do not wish to emphasize too strongly the position; it is beyond argument in this connection. I do not think it is creditable that we should make a pledge and then fail to fulfil it. Neither do I think it is wise or creditable that we should claim to have done something that we most emphatically have not done. In connection with these men who have been enlisted and who have not gone overseas, it was a noticeable fact that with respect to the 75,000 after the Minister of Militia had gone into detail as to what had become of 64,000 there were 10,000 or 11,000 that he could not account for but whom he had absolutely lost off his map. Under these circumstances surely we are not entitled to claim credit for enlistment up to the amount we have been persistently claiming before the country. I must accept this Bill as an absolute indication of the position taken by the Government that the pledge made by, or on behalf of, the people of Canada on the first of January, 1916, is not fulfilled and is not intended to be fulfilled.

Sir ROBERT BORDEN: The hon. gentleman is, of course, quite ready to accept anything that is in his own mind and no one can complain of that. It is a matter for himself. As far as this Bill is concerned, it is not anticipated that more than 100,000 will be raised under its provisions before Parliament will meet again. Therefore, it is desirable to reserve control to Parliament at its next sitting.

Mr. OLIVER: May I ask the hon. Solicitor General how long it is expected it will take under the operations of this Bill to raise 100,000 men?

Mr. MEIGHEN: It is hoped that we will do it before next session is very far advanced.

Mr. OLIVER: About what month of the year is that likely to be?

Mr. MEIGHEN: I have not given very specific consideration to the point yet. I am more anxious to secure the passage of the Bill and get it immediately into operation. The longer we delay here, of course, the longer we will be in getting the men.

Mr. OLIVER: There is no doubt about that and if my hon. friend will permit I will quote him a little story that I read one day of an Irishman who missed a train. They said: "Pat, you did not run fast enough." He said, "Bedad, I did, but I did not start soon enough." If my hon. friend is anxious about the passage of this Bill, I can only say that if he had started sooner he would have been through sooner. May I ask if the Government had taken into consideration the number of classes that are likely to be called out under this Bill and what classes they are likely to be?

Mr. MEIGHEN: It is utterly impossible to determine how many classes will be required. We will call out whatever are necessary. We will know that as soon as

we get the Act into operation, and of course the sooner it is in operation the sooner we will know it.

Mr. OLIVER: Did the minister say that only the first class would be called?

Mr. MEIGHEN: Oh no; all will be called that are necessary to get the 100,000. We do not know how many will be called, and we cannot tell until the Act is in operation. We will be able to form a fairly accurate idea as soon as the results of the first call are known.

Mr. OLIVER: Since the minister has raised the question of delay in the passing of this Bill and getting it into operation, may I suggest that if he had included in the provisions of the Bill or in a preliminary Bill a provision for registration, he would have saved a great deal of time in getting the full effect of the measure, because, if I understand him aright, he intends to make a call, say for class number one, and if that class does not yield enough men, he will call number two, and so on. We have no assurance how many classes will have to be called before the required number of men are secured. I submit that even yet it would be the part of wisdom, if that is the method in which the Government intends to proceed, to incorporate a provision in the Bill for a registration of the man-power of the country and to have that done without delay.

Mr. MEIGHEN: Registration would get us one result and one only. It would get us the names and ages of the various men in the country; it would get us the numbers in the different classes. But we would not be any further ahead because we should not know how many of these would, under the operation of fair principles of selection, be available for military service; we should have to go through the whole process of selection. In other words, we should have to apply all the provisions of the Bill first to registration and then to enrolment. So far as I can see, it would duplicate the work and the length of time, and secure no better result.

Mr. OLIVER: The Prime Minister was good enough to say on the second reading of the Bill that the Government would be glad to receive suggestions from members of the Opposition. It was not possible to make suggestions at that time, but now that the Bill is in committee I have taken the liberty of making several suggestions which do not seem to be well received, so I hope I have relieved myself of any responsibility laid on me in that connection. Has the minister reached any conclusion as to the approximate number of men who are likely to be finally enlisted from the different sections of the Dominion?

Mr. MEIGHEN: No, there have been no calculations made for the reason that there is not sufficient data on which to make them.

Mr. OLIVER: One of my hon. friend's colleagues was good enough to offer the House certain suggestions in regard to the number of men who would be required from the different sections of the country; and I may say that, he being the most recent acquisition to the Cabinet, and therefore most closely in touch with both the people and the Government's policy, his statements have been given very wide acceptance throughout the country. Perhaps the Solicitor General will pardon me if I make a somewhat definite inquiry as to what foundation there was for the suggestions made by the hon. minister in regard to the levy of men from the different parts of the country.

Mr. MEIGHEN: The minister to whom I think my hon. friend refers is not in the House. Perhaps we might proceed with the Bill and take that up later.

Mr. OLIVER: I am not interested so much in what that hon. gentleman has to say; he has already made his statement. What I am anxious to learn is what foundation there was for his statement. Has the hon. member who has drawn the Bill and is conducting it through the House any knowledge on the subject, and if so would he impart it to the House?

Mr. MEIGHEN: I have no intimation from the minister concerned as to what he said or his foundation for it.

Mr. OLIVER: What he said was that the burden of raising 100,000 men might be divided in this way: 25,000 from Ontario, 25,000 from Quebec, 5,000 from New Brunswick, 5,000 from Nova Scotia, 2,500 from Prince Edward Island, 10,000 from Manitoba, 10,000 from Alberta, 10,000 from Saskatchewan, and 10,000 from British Columbia. He went on to explain that the raising of 25,000 men from Quebec, from which province he comes, would not be a serious burden on that province. He went into a great deal of detail in the matter and evidently made his statement for a very definite purpose. I am anxious to know if the minister in charge of the Bill has any knowledge on this question which he will impart to the House.

Mr. MEIGHEN: No, I have not. From the statement of the words of the minister in question given by the hon. member for Edmonton, it would appear very clear that the minister did not pretend to have any knowledge either. It would appear that the minister was using a specific result that might be possible, in order to indicate what the burden of the Bill would be. He did not say that he had any reason to know what the result would be. He had to take some result apparently, to give a specific argument, and according to my hon. friend he simply used the word "might." I presume the word "might" might be used as to anything.

Mr. OLIVER: The minister will pardon me for being somewhat pointed in this matter—

Mr. MEIGHEN: I did not observe that myself.

Mr. OLIVER: —because it is a matter of very serious interest in various parts of the Dominion. We do want to know on what terms and principles this Bill is to be administered and what consideration is to be given to the sacrifices already made. For that reason we insist that if it was intended by the Government that the Bill should be fairly administered with regard to the conditions of the country, with regard to the need for men in the fighting line, and with regard to the services already rendered, provision would have been made in the Bill requiring a certain number of men for the firing line out of a certain proportion of population; and when the Bill does not contain that provision—and the hon. minister says the Government will not insert such a provision—I am compelled to come to the conclusion that the reason for that most extraordinary action in this case is because it is not intended that the Bill shall be administered fairly as between section and section of this country.

Mr. MEIGHEN: I suggest in that connection that the hon. member might move as an amendment a division among the provinces in such a way as he sees fit, in order that we may have something specific for the consideration of Parliament.

Mr. OLIVER: I have said and repeated and repeated—

Mr. MEIGHEN: You have not moved though.

Mr. OLIVER: No, it is not my business to move. It is my business to suggest, and I have the promise of the Prime Minister that any suggestions I make will be considered. I have made specific propositions and will be glad to have an answer. I made propositions five minutes ago. I said: take the population of the Dominion of military age, deduct the men who have gone into the fighting line, and apportion the requirements according to that population.

Mr. MEIGHEN: Province by province.

Mr. OLIVER: Yes, province by province, most undoubtedly. If the Government is not able, or does not dare to do that, then the Government is proposing to do exactly what I have accused them of doing, namely, undertaking to place an undue share of the burden of this war on those parts of the country which have, in the past, been most willing to bear it. The only reason for a conscription Bill is that the unwilling shall be made to bear their share of the burden. Those who have been willing in the past are still willing to bear the greater share of the burden in the future; we have no need of a conscription Bill for them. It can be done by voluntary enlistment. I say the minister has admitted that the Government does not intend to give the people of this country a square deal under this Bill.

Mr. MEIGHEN: I have not said that.

Mr. OLIVER: What has the hon. gentleman said?

Mr. MEIGHEN: I have simply stated that this Bill endeavours to seek out the slacker, not in one or two provinces, but in all provinces, wherever he may be, and not allow him to escape because someone else in his province, who could have done better service at home, was patriotic enough to go—that the slacker nowhere shall escape on that ground, but that wherever he is, in Alberta, Nova Scotia, Ontario or Quebec, he shall be sought out under this Bill and sent. I hope the hon. gentleman will not accuse me of discourtesy, if I do not answer for the eleventh time, the argument he repeats this afternoon.

Mr. OLIVER: The minister has asked me a specific question, as to how I would apportion the draft under this Bill. I have answered him directly. Will he answer me this question: does he say that it is the intention of this Bill to make the levy according to the principles I suggested?

Mr. MEIGHEN: The hon. gentleman refers to the principles. The principle

upon which this Bill intends to make the levy is according to the proportion of available men in each district and in each province.

Mr. OLIVER: But the hon. gentleman will not make provision in the Bill that that should be done.

Mr. MEIGHEN: Such provisions are there now.

Mr. OLIVER: Then we will have to argue that point, as to whether the provisions are in the Bill now or not. There is no specific provision in the Bill that will require the section of the country that has not done its share in the war up to the present time, to do its share now. I am in the judgment of the House and the country—in the judgment of this House at all events—that I have certainly made suggestions to the Government as to the amendment to the Bill desired on that point. I have repeated it to such an extent that my hon. friend says he will not answer any further suggestions in regard to it. Therefore, I am bound to conclude that it is not the Government's policy to make this Bill one of conscription of equal service.

Some hon. MEMBERS: Carried.

Mr. OLIVER: Pardon me. I wish to argue now in regard to the provisions of the Bill, as to the assurance of equal service.

Mr. EDWARDS: Before the hon. gentleman leaves that point, will he tell me what section or sections of the Dominion have not done their share, in the hon. gentleman's opinion?

Mr. OLIVER: One of these sections, I might say, is the province of Ontario.

Some hon. MEMBERS: Hear, hear.

Mr. EDWARDS: Is the hon. gentlemen naming the sections in the order in which they have fallen furthest short of doing their duty, when he names Ontario?

Mr. OLIVER: No.

Mr. EDWARDS: Are there any other sections, which, in the hon. gentleman's opinion, have done less than Ontario?

Mr. OLIVER: Yes.

Mr. EDWARDS: What are they? We will deal with them first.

Mr. OLIVER: I am not dealing with them at all.

Mr. EDWARDS: What section of the Dominion in the hon. gentleman's opinion has fallen furthest short of doing its share? That would be the one naturally to which the hon. gentleman would apply first.

Mr. OLIVER: I am not here for the purpose of gratifying the idle curiosity of the hon. gentleman from Frontenac. We are not here to take up time in that way. My hon. friend asked a question and I answered it properly, and he was not satisfied with the answer. I shall not keep on answering his questions all the time. We are here for serious business.

Sir SAM HUGHES: In justice to a great many men who have not gone to the front, and who are not slackers, I might take the liberty of suggesting that all who have not gone to the front should not be classed as slackers. I should like to see a battalion raised under this measure which would be able to march to the front and feel that it could not be said that they were slackers. Hundreds of thousands of these men have not gone to the front for want of some such action as this, to give them an opportunity to go.

Mr. OLIVER: I do not wish to be understood as finding any fault with the people who have not gone. I am only insisting that, when we undertake to make men go, we shall do so on fair principles. My hon. friend (Mr. Edwards) asked me a question in regard to people who had not done their duty. I have not all the figures available, but I have some figures which will, perhaps, interest him. I find, according to a statement placed before the House by the Government, that in the population of Ontario between the ages of 20 and 45, there are 371,291 Canadian-born. There is a population of British-born in the same province of 101,171 between the ages of 20 and 45. I understand that Ontario is said to have enlisted 168,000 men. I do not know how many of that 168,000 are included in the lost army of my hon. friend the Minister of Militia—the 75,000 he has lost—but taking it for granted that the enlistment is 168,000 from the province of Ontario, I think it will be agreed that, of the enlistment of Ontario, at least 50 per cent are from amongst the British-born.

Some hon. MEMBERS: Oh, no.

Mr. OLIVER: I think the casualty list will show that beyond any argument.

Mr. CURRIE: I might say that the controversy as to the proportion of enlistments among the British-born and the Canadian-born, which arose in the early days of the

war, was not carried to sufficient length to suit the political object of a certain class of the community; that is to say it did not become a fight between the British-born and the Canadian-born of English descent, on the one hand, and the Canadian-born of French descent on the other. The attestation papers were made up at Valcartier in such a way that it was impossible to get the exact data on the question the hon. gentleman has mentioned. A man was asked his Christian name and surname and so forth, and then he was asked his nationality.

Even the commanding officers were sometimes in doubt as to the designation of a man's nationality; they did not know whether a man who was Canadian-born should be put down as an Englishman, an Irishman, or a Scotchman. In the majority of cases the men gave the nationality of their fathers. I do not see that this point is one that should be emphasized, because the men are all desirous of serving Canada; it matters not whether they be English-born or Canadian-born. I myself know a number of cases where men of Canadian birth were put down as being Scotch, Irish or English. When the sergeant asks the man who comes before him what his nationality is, the man naturally says: my father is Irish; therefore I am Irish. The sergeant then, would put him down as Irish.

Mr. GRAHAM: That would be all right if he was Irish.

Mr. CURRIE: That is the way this information was obtained. I think that in this respect a mistake was made, because most of the men of the First Contingent were Canadians. I do not wish to take any credit from the British-born, because they did enlist in large numbers. After the controversy had been started as to whether the British-born were enlisting in greater numbers than the Canadian-born, almost every British-born man in the country rushed to the colours to justify the contention that the British-born were enlisting faster than the Canadian-born. The Canadians have done their duty; I think it ill-becomes any body to make reflections upon the Canadians for not enlisting, because they enlisted voluntarily and well.

Mr. OLIVER: This is not a question of reflections upon anybody. This is a question of how we are going to apply this conscription Bill; whether it shall be fair or not fair. As I have figured it, there are sections of the country where there has not been that response in the matter of enlistment that there has been in other sections.

[Mr. Currie.]

Mr. CURRIE: Suppose there were two towns, one on each side of the Ottawa river, each containing 500 people; and suppose that in each town there were 100 men of military age of a certain class. From one of the towns 50 men have gone, and from the other none. When this law is applied, the 50 in the one town will have to go, and the 100 in the other. It is not practicable to apply a percentage system; the proper way is to take all the men of the class called out. The hon. gentleman does not seem to have studied the Bill; otherwise he would have known that that is the way the Bill works out. When a class is called out, every man in that class in any given section of the community has to go. All men except those who are exempted have to serve; nobody can escape. A village in Quebec has 100 men of military age of a certain class; a village in Ontario has only 10 men left of that class. The 100 will have to go from the village in Quebec, and the 10 from the village in Ontario. That is the way the Bill works out. I do not see any objection to that.

Mr. OLIVER: If that was the Bill, there would not be so much objection. The only trouble is that that is not the Bill.

Mr. CURRIE: That is the Bill.

Mr. OLIVER: Oh, no; it is not. The hon. gentleman himself, the Prime Minister, the Solicitor-General—all those who have spoken on the Bill—know that the Bill is not a Bill to find men for the firing line only. It is a Bill to find men for the firing line on the one hand, and for the industrial enterprises of friends of the Government on the other.

Mr. CURRIE: The hon. gentleman is talking politics.

Mr. OLIVER: That is what my hon. friend himself said the other night.

Some hon. MEMBERS: Oh, oh.

Mr. OLIVER: That is what the Bill is intended for; that is what its provisions contain, and that is why I am insistent upon knowing how this burden of military service is to be distributed.

Mr. MIDLEBRO: Will my hon. friend point to a single provision in the Bill which compels a man to work in a munition factory against his will?

Mr. OLIVER: No, but I can point to two provisions in the Bill which are put there especially for the purpose of providing for the exemption of men who are working in

such industries, or are willing to do so. There is, therefore, no such condition as the member for North Simcoe (Mr. Currie) has suggested: that if there are so many men in one town and so many in another, all of the same class, they must all go. That is not what the Bill provides.

Mr. CURRIE: All who are included in the class called out are liable to service; of course, the exemptions come afterwards.

Mr. OLIVER: Precisely.

Mr. CURRIE: The hon. gentleman was endeavouring to prove that there was an injustice even in respect of the calling out of the classes. He contended that only a certain percentage in various localities should be called out, and that the percentages could be adjusted to call for more or less according to the number from various sections that have already enlisted. But how can the calling out of the men be proceeded with otherwise than as provided in this Bill, in order that it may be justly and fairly done? If it were provided that a percentage of a given class should be called out in one locality and another percentage in another then we might well say that the Bill was unjust; but when every man of a given class is called out, surely it cannot be said that there is injustice. A village in Quebec with a population of 500 will give every available man of the class called; an Ontario village from which a number of men of the class called have gone to the war will give those who remain. I think that that is a fair proposition. I agree with my hon. friend that the Bill is a little lax in some of its clauses; perhaps the tribunals are allowed to let men off a little too freely—I think that there should be some check on those tribunals. But there is no use in wasting all the afternoon arguing about something that is in the Bill.

Mr. OLIVER: This is a very important matter. It is the most important piece of legislation, I suppose, that has come before the Parliament of Canada since Confederation, and it is desirable that we should understand thoroughly what its results are going to be. We are not quibbling about the percentage of a given class; what we want to know is whether the results will be fair and equitable. Unless the results are fair and equitable, the Bill will become an instrument of
4 p.m. tyranny and oppression, not a manifestation of the spirit of democracy or of a desire to win the war. If the Bill simply contained provisions intended to provide men for the firing line, certain restrictions would not be needed. But in view of the fact that subsections (a) and (b) of section 11 have been deliberately placed there for the specific purpose of exempting men from the firing line, how can my hon. friend or anybody else say that there is any assurance, under the provisions of the Bill, of equality in its administration?

Mr. CURRIE: I know of cases such as this: if the maker of a special tool in a factory were conscripted, a hundred men not of military age would be thrown out of employment. Why should there not be some arrangement whereby men of this kind should be exempted? There is no argument at all in favour of the hon. gentleman's contention, in which there is neither common sense nor justice. If the hon. gentleman would confine himself to objectionable clauses of the Bill, we would make much more progress.

Mr. OLIVER: I have stated my case as to the Bill having two purposes. Beyond any argument, it is a double-purpose Bill. That being the case, those of us who are subject to its provisions in respect of one of its purposes are insistent upon having knowledge as to how far its other purpose will be employed for the benefit of other people. The Solicitor General has rested his whole case on behalf of this Bill upon the contention that those who are charged with its administration will administer it fairly and according to its intent as stated to the Committee. He rests his whole dependence upon that and refuses absolutely, specifically and persistently to provide any safeguard of any kind whatever. Having rested his case absolutely on the good intent of himself, his colleagues and those who may through their instrumentality be appointed to administer this Bill, he will have to permit me to say that, since the beginning of this war on August 4, 1914, until this minute of this hour, there is nothing in the war administration of this Government to warrant the supposition that anything administered by it in regard to the war will be fairly administered. From the day war broke out, from the day when boot contracts and horse contracts were let, down to the disbanding of the battalions in England, down to the arming of our men with Ross rifles, and down to the introduction of this Bill, there is no instance in which my hon. friends can claim that Canada's military administration has been conducted fairly and with regard only to the winning of the

war. It has been a double-barrelled administration, just as this Bill is a double-barrelled Bill. It has been one barrel for the war and the other barrel for politics, just as this Bill is one barrel for the fighting line and the other barrel for the munition plants.

Mr. CURRIE: Mr. Chairman, will you please read the section under discussion?

Mr. OLIVER: The section under discussion refers to the raising of 100,000 men.

The CHAIRMAN (Mr. Blain): Section 13, reads:

(1) The Militia Act, the Army Act and the King's Regulations and Orders for the Army shall so far as applicable and not inconsistent therewith apply to and form part of this Act.

(2) Section twelve and subsection two of section forty and the proviso to section forty-five of the Militia Act shall not apply to men liable to be called out under this Act.

(3) The Minister of Militia and Defence may transfer to the Naval Service any man who has reported for duty under the provisions of this Act.

(4) Unless further authorized by Parliament the reinforcements provided under this Act shall not exceed one hundred thousand men.

Mr. OLIVER: I am speaking in regard to the last subsection which refers to the raising of 100,000 men.

Some hon. MEMBERS: Carried.

Some hon. MEMBERS: Order.

Mr. OLIVER: I am asking for information in regard to the section re the raising of 100,000 men. That, I take it, is the critical section of the Bill. When the minister asks us to rest our dependence upon the administration by the tribunals and by the Government, I ask him: There being no registration of the man-power of the country, a call being made and that call not being responded to, what is the action of the Government? What responsibility do the Government purpose assuming, and how do they purpose exercising that responsibility?

Mr. MEIGHEN: In what case?

Mr. OLIVER: The issue of a call for, say, class No. 1 and the non-response of some members of that class in a certain locality. What measures are the Government going to take to ensure that all the members of that class in that locality respond?

Mr. MEIGHEN: If the hon. gentleman will look at subsection 4 of section 4 of the Bill, he will find that any man who does not report is guilty of absenting himself without leave and is liable to be tried by court-martial. There have been trials by court-martial before, and future trials by court-martial will be much the same as those that have taken place. Or, such a man is liable, on summary conviction, to imprisonment. There have been summary convictions before, and there have been imprisonments before. Those that will take place under this measure will be the same as those that have taken place during the last forty years.

Mr. OLIVER: John Smith is in class 1, and he does not respond to the call; he simply stays at home. What happens?

Mr. MEIGHEN: John Smith is guilty then of absenting himself without leave, and he is liable to have court-martial applied to him, the same as courts-martial have been applied time and again in this country; or he is liable to summary conviction and to imprisonment, the same as every year thousands in this country are liable to summary conviction, and can be sent to prison.

Mr. OLIVER: Who is going to bring John Smith to the court-martial or to the magistrate's court?

Mr. MEIGHEN: He will be brought by the machinery of the law, and if there is not enough machinery now, we will make more.

Mr. OLIVER: Who will put the law in motion?

Mr. MEIGHEN: Those on whom the responsibility rests under the British North America Act will put the law into force.

Mr. OLIVER: Who, does the minister consider, those will be?

Mr. MEIGHEN: Those on whom the responsibility generally rests for the administration of the law. I really thought the ex-minister knew that. The responsibility for the administration of law is on the provinces.

Mr. OLIVER: Yes.

Mr. MEIGHEN: The initiative may be taken by others. If the initiative is not taken by others, we will take the initiative, because it is the intention of this Government to enforce this Act.

Mr. OLIVER: That is the point I wish to make. I think I have arrived at a full explanation that in the last resort it does not depend upon the tribunal; it depends

upon this Government, whether the law is enforced or not. If John Smith does not respond to the call, it depends upon this Government whether or not he is going to be brought. I think that is agreed.

Mr. MEIGHEN: The tribunals have their functions; the Government have theirs, and the various authorities in Canada who are considered the responsible officials of Canada, have theirs. We hope and trust that all will discharge their duties, but I can say that whoever fails, that party will not be the Government of Canada.

Mr. OLIVER: Then, the matter comes to exactly what I say, namely, that we have to depend upon the fair play of this Government in the administration of this measure in bringing men to appear before the tribunals under their liability to service. I have no confidence in the good faith of this Government in the administration of this measure, especially after the statement made by my hon. friend (Mr. Meighen) in this House in his address on the second reading of the Bill, and on account of the further remarks of his colleague, the Minister of Inland Revenue, (Mr. Sevigny) in regard to this Bill.

Mr. BURNHAM: Would a coalition Government improve matters?

Mr. OLIVER: The statement was made to this House that it was intended to give special favours to a particular province in this country.

Some hon. MEMBERS: No.

Mr. OLIVER: That was stated absolutely and specifically, as plain as words could state it.

Some hon. MEMBER: No.

Mr. MEIGHEN: If the hon. member says that I made that statement, I will ask him to retract his words and I will ask for the enforcement of my request.

Mr. OLIVER: Will the minister permit me to read from Hansard in justification of my statement?

Mr. MEIGHEN: I do not need to give the hon. gentleman permission; he can read what he likes from Hansard:

Mr. OLIVER: May I read from Hansard, Mr. Chairman?

> This Bill in its results will work more lightly on the province of Quebec than on any other province in Canada.

I believe that ought to be satisfactory to my hon. friend.

Mr. MEIGHEN: It is thoroughly satisfactory to me, but if my hon. friend has any sense of reason, it must be very unsatisfactory to him.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER: If that is not good enough, let me read more:

> —this Bill as drafted is not intended to, and will not, if I understand the Bill, work unfairly to that province. Rather, on the other hand, for just and good reasons—not because that province desires any favouritism for it gets no favouritism but for just and good reasons, "this Bill in its results will work more lightly on the province of Quebec than on any other province in Canada."

Some hon. MEMBERS: Why?

Mr. OLIVER: I do not know why. It is for my hon. friend to say. My point is that the hon. minister stated in this House that this Bill was framed to fall unequally upon the provinces of Canada.

Some hon. MEMBERS: No.

Mr. OLIVER: That is what Hansard has him as saying—that it will fall more lightly upon the province of Quebec than upon any other province.

Mr. SCHAFFNER: Admit you are caught, and go on.

Mr. OLIVER: No, I am not caught. Does the hon. minister desire me to retract?

Mr. MEIGHEN: Certainly I desire you to retract.

Mr. OLIVER: What does the hon. minister desire me to retract?

Mr. MEIGHEN: Everything you said regarding my statement in the House, which was directly contrary to the fact, and which I may say now you knew to be contrary to the fact.

Mr. OLIVER: If the hon. minister will be good enough to state the words he objects to, I will be very glad to retract them on his assertion.

Mr. MEIGHEN: My hon. friend makes one statement too many. I do not intend to repeat what was a gross error, if not worse.

Mr. OLIVER: I can only say then that the hon. gentleman desiring me to retract what I said, I will with your permission, Mr. Chairman, retract it, and you will permit me to read from Hansard what my hon. friend said.

Some hon. MEMBERS: Read it all.

Mr. OLIVER: I think it will be very interesting for the House. At page 2643 he says:

I want to say something else, and I do so with especial earnestness. It may be that in the heat of discussion I do not avoid animosities perhaps as carefully as I should; but I say this to those hon. gentlemen opposite whose position with regard to this Bill is surrounded by embarrassments much heavier than those that surround us, I say to them that this Bill is not designed and is not framed to be unjust to the province of Quebec or to any other section of this country.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER:

I point to the provisions of the Bill. This is not the time to discuss it in detail, but a few words will, I think, make my meaning apparent to everybody. It is framed and it is advanced in no spirit of recrimination whatsoever, in no spirit of petty jealousy, because the real men of this country, from end to end, are not of that feeling and do not want that feeling expressed by this Bill. We of English-speaking Canada have the kindest feelings towards our French Canadian compatriots.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER: Do I hear that from the hon. member for Frontenac (Mr. Edwards), and the hon. member for Parry Sound (Mr. Arthurs)?

Mr. ARTHURS: You will find Parry Sound does its duty.

Mr. OLIVER (reading):

We realize that there are certain considerations having to do with this subject of recruiting that apply to them that do not apply with the same force to us. I want to say to the members from Quebec—

I would like my hon. friend (Mr. Meighen) to tell us what these are?

Mr. MEIGHEN: My hon. friend had better finish the reading first.

Mr. OLIVER (reading):

—I want to say to the members from Quebec that this Bill as drafted is not intended to, and will not, if I understand the Bill, work unfairly to that province. Rather, on the other hand, for just and good reasons—not because that province desires any favouritism for it gets no favouritism—

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

—but for just and good reasons, this Bill in its results will work more lightly on the province of Quebec than on any other province in Canada. In what way will it work so lightly? In the first place, the province of Quebec is an agricultural province.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

In the first place the province of Quebec is an agricultural province.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

A much larger proportion of the population of that province is engaged in agriculture than is the case at least with any other of the other old provinces of Canada. Agriculture is one of our essential industries, our greatest essential industry, necessarily employing much the largest proportion of our population. Consequently, under the terms of the Bill, the exemptions to agriculture will far outnumber the exemptions to other avocations of our people. Therefore, the exemption clauses, applied evenly and fairly all over this Dominion,—

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

—as is the intent, will, for just and good and sound reasons, be of more value to the province of Quebec than to any other province of Canada.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

Secondly, in the province of Quebec, the young men marry at an earlier age than in the English provinces. It is a custom that deserves commendation.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

How does that affect the operation of this Act? Under this Act, the first three classes to be called out embrace only unmarried men between the ages of 20 and 34. Under those three classes it is not impossible that the whole 100,000 may be secured, and, in that case, the Act will apply to a smaller proportion in the province of Quebec than in any other province.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

This, however, is the case not because the Bill makes favourites, but because the Bill is fair.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER (reading):

It is for good, sound and sufficient reason, and is in the general interests of the state. Consequently, this Bill, so far from being designed or framed to result in unfairness to the province of Quebec, will, on the contrary, in its practical effects, for good and sufficient reasons of state, fall more lightly on Quebec than on any other province.

Now, my hon. friend has drafted a Bill for making it fall more lightly on Quebec. The English language is there to be read, and that is the climax of his protestations to the province of Quebec, that they are under the terms of this Bill treated more lightly than any other province of Canada.

When my hon. friend made the protestations he did, and dragged them into his address without any cause or provocation, we must be compelled to reach the conclusion that he desired to impress upon the people of the province of Quebec that they had received special consideration at the hands of the Government in the drafting of this Bill.

Mr. MEIGHEN: He said nothing of the sort.

Mr. OLIVER: I have read what he said.

Mr. MEIGHEN: And it is contrary to what you state.

Mr. OLIVER: I am entitled to place a fair interpretation upon it, according to my judgment.

Mr. MEIGHEN: But not to misrepresent. Let me say that I would not trust to my hon. friend's judgment, because he has gone wrong.

Mr. OLIVER: My hon. friend will have to trust Hansard. I have read Hansard to the House, and as a member of this House I am entitled to interpret what my hon. friend says in the fair light of the English language. That is what I have done.

Mr. MEIGHEN: No, that is what you have not done.

Mr. OLIVER: And it will be accepted both by my hon. friend and his friends, that that is what has been done. I will not delay the House by re-reading what my hon. friend has said. The purpose of it is so evident that he will pardon me if, living in another part of the country, under different conditions, to which part of the country my hon. friend has not extended his assurances of protection, and to which he refuses to extend any assurance of protection, if I feel some question in my mind that this Bill does not protect the interests of the people of the country, because it is not intended to protect them.

As a matter of fact, it does not. We must depend on the fair play of the Government for bringing forward the men who are to give military service. I interpret his assurance to the province of Quebec as meaning that special favour will be given in that province and I have no faith in the assurance that the Bill will be administered fairly and that the men will be brought forward. If he intended that it should be administered fairly, why should he not say to this House, following up and correcting the statement of his colleague, how many men are to be taken from the province of Quebec and how many from Alberta? His colleague made the suggestion to the House for the purpose of its being sent throughout the country so as to influence the public mind just as he made this statement for the purpose of influencing the public mind. We are entitled to hold the view that if the Government will not make provision in the Bill that it shall be administered fairly as between man and man, industry and industry, and section and section, it is because they do not intend to so administer it.

Mr. BURNHAM: May I ask the hon. gentleman—

Some hon. MEMBERS: Carried:

Mr. BURNHAM: Oh, all right. Since the hon. gentleman (Mr. Oliver) has ascertained that in the last analysis the enforcement of this Bill depends upon this Government, and since he, or his side could have introduced safeguards by joining in a coalition Government will he explain why it is that the Liberal party in Parliament refused to join in the coalition which might have been effected?

Mr. OLIVER: I am afraid I will have to disclaim responsibility in the matter.

The CHAIRMAN (Mr. Blain): Perhaps I should direct the attention of the committee to this rule:

> Speeches in Committee of the Whole must be strictly relevant to the item or clause under consideration.

I am only reading this in the hope that we will be able to keep order in the committee. The committee, I am sure, is as anxious about that as I am.

Mr. OLIVER: There is another feature of the administration of the Bill to which I wish to draw the attention of the minister, and that is the question of appeals. When a man is called up and the tribunal decides that he is entitled to be exempted, the appeal from that decision depends upon the Government. Assuming that there is a section in which public opinion is not in favour of military service, that the tribunal as appointed reflects public sentiment in that case, that those who go forward and ask for exemption, are given exemption, it is absolutely within the responsibility of the Government, under the provisions of this Bill, to see that these cases are appealed. Essential power then is in the hands of the Government to see that this Bill is properly enforced. The Government, while professing to divest itself of the responsibility—which, in my humble judgment, it should not do—does

not so divest itself of responsibility, and therefore there is all the more reason why provisions should be in the Bill which would protect the public interest and the public welfare. I have used the reference that my hon. friend has made to the province of Quebec. The Minister of Inland Revenue referred to the province of Quebec. It is not that I have anything to say about how they administer their affairs in Quebec, but if I am compelled to read what they say as indicating an intention to extend favouritism to that province, I expect a square deal in my own province. Favouritism in one part of the country might just as well be favouritism in another part of the country and it is for that reason that I ask that provision may be made in the Bill.

Mr. MEIGHEN: I, first of all, wish to thank my hon. friend from Edmonton (Mr. Oliver), for extracting and quoting so generous a portion of my speech of the 21st June which formed a very fertile oasis in the dreary desert of his own address. I cannot extend my thanks further or compliment him on his ability in interpreting words. His method of interpreting words is that when I stated that the Bill makes no favourites of provinces, he takes that to be a statement that it makes a favourite of the province of Quebec. All the difference there is between my statement and his, I find, is that there is a "not" in my statement and the " not " is left out of his interpretation. I am inclined to agree with my hon. friend in one conclusion. He says that if the Bill is administered unfairly by the parties responsible for its administration it will not be a success. I do not think there is any doubt about that. But in the choice of those tribunals hon. gentlemen opposite are to have just as much to do as we have. That is the statement of the Prime Minister and it is the policy of the Government. We provide for a condition under which the best men will be selected.

Mr. NESBITT: How would they have the selection?

Mr. MEIGHEN: Because the board of selection which names one of the members of the tribunal is intended to be composed of persons chosen by hon. members opposite to as great an extent as persons are chosen by hon. members on this side of the House. That is the intention and it has already been so stated. The board selects one member of each local tribunal and a judge selects the other. I do not think it is exaggerating the condition of affairs on the bench to say that most of the county court judges in Canada to-day were appointed by hon. gentlemen opposite. It is at least within the mark to say that in the choice of this board of selection, hon. gentlemen opposite and those appointed by them, will have really more to say than hon. members on this side and those appointed by them. The appeal tribunals which are above the local tribunals and which are to correct errors made by the local tribunals consist solely of judges, and I do not think it is wrong to say that most of these judges also were appointed by hon. gentlemen opposite. That is in the nature of things because they were in power for sixteen years while we have been in power for something over five years. Then, the central appeal judge is chosen from the Supreme Court bench, consequently there again hon. gentlemen opposite have already reposed perhaps the highest standard of confidence that could be reposed in any man in Canada. If, under these circumstances, we have to assume that we are going to have a set of worthless local tribunals, a worthless central appeal judge, and a worthless Government, of course the Bill will not be a success.

That is the only conclusion in which I can agree with the hon. member for Edmonton. But I have not lost faith in human nature. The hon. member for Edmonton has been in a state of cerebral distemper or something lately—I do not know what is wrong. He seems to have no faith or confidence in any one. This is a selective compulsory service Bill. We want to apply a process of selection to get those men. In working that out I should like to have employed the finest analysing and selective instrument in the world, which is the human mind. The hon. member for Edmonton, on the contrary, would rather commit that task to a box of dice or to some instrument of chance, having lost faith in human nature. I have not lost faith in my fellow men. The hon. member wants to substitute blind chance for human judgment. He has no confidence in two men, but all kinds of confidence in two straws. That is the difference between myself and the hon. member for Edmonton. It is a question of the choice of the best method. I am in agreement with him also that what he stated this afternoon had been stated by him before; in fact I would go further and say it has been stated by him over and over again before and has been answered before. I cannot congratulate him upon having made any impression by

that kind of so-called reasoning upon either his own side of the House or this side. All I can do is to reaffirm now that, so far as we have been able to do it, the principles imbedded in this Bill are the principles which, fairly acted upon by reasonable men, will select the most available men for the front, which is the primary object, with the least injury to agricultural and industrial pursuits at home. That is the purpose, and if, in effecting that purpose, there is any definite suggestion or amendment that in the opinion of hon. gentlemen will secure that end more clearly and certainly, we shall be only too glad to hear it.

Mr. GRAHAM: Do I understand that the suggestions that have been made concerning the forming of these tribunals have been already rejected by the Government.

Mr. MEIGHEN: No. I do not think that any suggestion has been made from either side of the House inconsistent with the principle that I said was to be adopted, namely, that the same say in the choice of the board of selection should be given to hon. gentlemen opposite as to hon. gentlemen on this side of the House.

Mr. GRAHAM: We were urging that county court judges should be chosen to act on these boards, and I inferred that that suggestion had been rejected.

Mr. MEIGHEN: That was a suggestion, but it has nothing to do with the argument on the point I was making. I have gone very carefully over the notes made on the suggestions of yesterday, and some of them, I think, can be embodied with advantage in the Bill. It would seem to me best to take them up in rotation later.

Mr. GRAHAM: Suppose that 100,000 men are not secured by the calling up of the first class and that by the calling up of the second class 110,000 are secured. Does not the Solicitor General think that, notwithstanding what he has said, the ballot would be the fairest possible way to make a choice?

Mr. MEIGHEN: No, I should think not. In the first place, I do not think there is any reasonable possibility of our getting over the 100,000, for the reason that we have power to divide classes into subclasses. But if by any chance we should get a small number over, it would appear to me that rather than resort to the ballot, it would be fairer and more in consonance with the general principle of the Bill to release the older men in order of age until only the necessary number was left.

Mr. DEVLIN: After the 100,000 are secured under conscription, will all organization relative to conscription cease ipso facto?

Mr. MEIGHEN: After securing 100,000 men the Bill cannot be used to secure any more. The organization will then be at an end until Parliament acts again, if it does act.

Mr. DEVLIN: Is there any provision for exemptions in the 100,000?

Mr. MEIGHEN: No, they have got past the exemption stage and are in the army.

Mr. DEVLIN: So that the Bill may call for more than 100,000?

Mr. MEIGHEN: No. More than 100,000 reinforcements cannot be secured under it. Should more be enlisted, then, under powers which the Militia Department now has, they may release some of the men, and I gave a suggestion of a principle on which release might be possible.

Mr. TURRIFF: If, say in the city of Ottawa, a large number of young men who would be liable to conscription under this Bill should fail to come forward, what provision is there for punishing them? It might be the duty of the Attorney General of the province to enforce the law, but he would not likely take any action. I have not yet been able to ascertain that under these circumstances the slackers could not get off.

Mr. MEIGHEN: It would be the duty of the authorities, no matter how many men had reported themselves, to see to it that the law was enforced as to those who did not. And, so far as the Government is concerned, that is the intention.

Mr. NESBITT: It would be the duty of the authorities to see that they were registered, but how would the authorities know?

Mr. MEIGHEN: The general answer would be, in the same way as they know of the violation of any law, but specifically I might say that, inasmuch as everywhere in Canada there are those who have gone forward, and who are interested that more go forward, and that this war be pressed forward with all the strength of the country, it is believed that that class of people will make themselves of service to their country by making known to the authorities those who disobey the law, and I think there are good grounds for that belief. I do not think

there is any section in Canada where there are not sufficient numbers who are interested generally in the enforcement of the law, and interested specially in the enforcement of such law as strengthens the army of this country for the war, and who will assist their country by reporting men who fail to do their duty under this Act.

Sir ROBERT BORDEN: I should like to say a word in reference to an idea, which seems to influence the minds of some hon. members, and to point out that there would not be any safeguard in the registration that has been spoken of. I call attention to the fact that the men are to report. That is their first duty. Suppose that you provided for a distinct registration, you would have in front of you exactly the same difficulty.

Mr. NESBITT: Sure, I understand that.

Sir ROBERT BORDEN: You would have the question as to whether or not all have registered, and in the United States, at the present time, they are hunting up men who have not registered, and taking proceedings against them under the law, so that there really is not any additional safeguard in registration. If there were a distinct provision for registration we should be in precisely the same position.

Mr. NESBITT: I was not advocating registration. I was trying to find out if the Government had any means of knowing the men who did not come forward, because, with all due deference to the Solicitor General (Mr. Meighen), in many sections of the country they would think it tattling, as we used to say when we were boys, to tell on a neighbour's boy who did not go forward. There is no question, they would think it disloyal to their neighbour.

Mr. MEIGHEN: They would think it better to be disloyal to their neighbour than to their country, at such a time as this. I have full confidence that, depending on the means I have stated, infractions of the law will be ascertained, but if that dependence is not sufficient, and if other means should be found necessary to find out those who have not registered, such means as may be necessary will be taken.

Sir WILFRID LAURIER: No doubt the Government will find ample means to find the slackers, if you call them by that name, but I must say to my hon. friend that, if he has to depend on the informer, he may not obtain the information.

Mr. MIDDLEBRO: The only provision in the United States law for the man who refuses to register reads as follows:—

> Any person who shall wilfully fail or refuse to present himself for registration or submit thereto as herein provided shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered.

So that they have the same provision as we have.

Mr. NESBITT: That does not cover the point.

Mr. CURRIE: The language of this Act is not very clear. It says, "called out for active service," and there is also the matter of enrolment and the matter of registration, which they use in the United States, and which we are not using here at all. I think all the classes should be first enrolled, and the call for active service should come subsequently. Then you would have all the manhood enrolled in the first place between the ages of 20 and 45, but a man could not dodge between the two classes. A man might be of such an age that he would require six months to get into one of the classes called out, and, by the time the class was called out, he would be in the other category, and might evade both classes in that way, but if they were both called out and enrolled in the first instance, it would save a great deal of trouble. Any one who has anything to do with the enrolment of soldiers will understand that it requires a tremendous amount of work to prepare the papers of the men. I know of cases where it will take two or three weeks of hard work, with a staff of five or six hundred men, to get the attestation papers of a thousand men filled up and everything in proper shape. So that there is going to be a great deal more work in addition, calling these men out or enrolling them. The word "enroll" is not mentioned in the Act at all. I presume that if they are called out and come before the tribunal, they are enrolled and papers are prepared for them.

Mr. MARCIL: If they do not claim an exemption, they do not go before the tribunal at all.

Mr. CURRIE: Where do they go?

Mr. MARCIL: That is what we want to find out.

Mr. MEIGHEN: They will report as provided in the proclamation.

Mr. CURRIE: Would it not be better to have them all report, in the first place? You would have all the men and you would know how many would go into one cate-

gory and how many in the other, and the matter would be settled in the beginning. I think everybody should be enrolled from 18 to 45, and then if you want to call out those from 20 to 30, you can do so. A man would then get his papers to show he was enrolled, and if he were arrested by the corporal's guard, he could produce his paper to prove, he was enrolled.

Mr. MEIGHEN: The Bill provides for that.

Mr. CURRIE: But it does not provide they shall all be called out at once. If you call them all out at once, every man in the section would be enrolled. The military tribunals will meet in every parish or township, and the young men will have to be enrolled. If you fail to get 100,000 in the two classes, you have to call out the third class. In foreign countries, men always carry their papers in their pocket. If a man is in a class which has not been called out, he has his papers in his pocket to show he has been enrolled. I think we should follow the same procedure, and it would simplify matters. I think hon. gentlemen should not insist continually on numbers being given in this House. Hours have been spent in arguing about the number of men sent to the front, and the number who have not been sent to the front.

It is one of the first principles of war that information as to numbers or strength of troops should not be given out to any person. It is simply giving aid to the enemy to ask, as gentlemen in this House have constantly asked, how many men have enlisted from time to time. I hope that the Government, when this Bill is enforced, will insist that this rule shall be observed. To give information as to how many men are enlisted, where they are enlisted, and that sort of thing, is a violation of one of the fundamental rules of war; namely, that information as to the number of troops enlisted or enrolled or the figures of parade states of the army should never be given. I hope, therefore, that members on the other side will not constantly endeavour to make an issue of the number of men enlisted, for by doing so they are unconsciously helping our enemies. If the Minister of Militia said that 70,000 more men enlisted than really did, he was only giving the Germans a greater scare to that extent. He should have said 100,000 more—or he should have refused to give any information at all. Everybody who has read anything of military law or military history knows that it is a crime to give figures in this regard, and that rule should be enforced here in this House as it is outside.

Mr. MARCIL: Is all voluntary enlistment on the part of men who will not come under the classes named in this Bill to be suspended the moment the Act comes into force?

Mr. MEIGHEN: There is nothing in the Bill to that effect.

Mr. NESBITT: I am sure that the Government are to be congratulated upon having my hon. friend the colonel to advise them in this matter. May I ask the Solicitor General whether section 3 has been passed?

Mr. MEIGHEN: The whole of section 3, which is the section dividing the classes, was allowed to stand.

Mr. OLIVER: I notice that the Minister of Inland Revenue (Mr. Sévigny) is in his place. May I direct his attention to the following statement which he made in the House on June 25, page 2751 of Hansard:

> The law authorizes the raising of 100,000 men, in nine provinces. I do not know what number of men the tribunals of each province will decide to send to the army, but let us suppose it will be as follows: British Columbia, 10,000; Alberta, 10,000; Saskatchewan, 10,000; Manitoba, 10,000; Ontario, 25,000; Quebec, 25,000; New Brunswick, 5,000; Nova Scotia, 5,000; Prince Edward Island, 2,000. We reach a total of 102,000 men; the law authorizes but 100,000. The Government thinks they can be found, but once more, I say the tribunals will decide.

May I ask the hon. gentleman upon what basis he suggested that distribution of men?

Mr. SEVIGNY: I was just showing that it was very easy to find 100,000 men in Canada.

Mr. OLIVER: Am I to understand that the minister made the suggestion without any knowledge of the facts?

Mr. SEVIGNY: According to the Bill, the men must be chosen by the tribunals. I do not think that any man in this committee or in the country can say now what the tribunals will decide.

Mr. OLIVER: The tribunals are to exempt men, not to choose men.

Mr. SEVIGNY: I do not agree with the hon. gentleman's distinction. In my judgment, the men will be chosen by the tribunals. The tribunals will decide what men are more essential on the farms, on the railways or in the industries, and they

will decide at the same time what men can be spared for the army.

Mr. MARCIL: That would mean that no man would be enlisted unless he went before the tribunal. My understanding is that the only men to come before the tribunals are those who claim exemption. If a man does not claim exemption, his case will not come before the tribunal.

Mr. CURRIE: My understanding of the Bill was that the tribunals pass on everybody; I was surprised to hear the Solicitor General say to-day that they do not. Men who are more valuable in certain employments than they would be at the front are still, as they were under the voluntary system, able to go of their own free will. There is nobody to say: You cannot go. Many men are essential to the industries of the country for other purposes. As the Bill stands now, unless such a man objects to going—and many men will be too proud to ask for exemption—he goes. I think that the names of men in certain trades or categories—farmers especially—who are called upon to go should come before the tribunal.

5 p.m.

Mr. MEIGHEN: The hon. gentleman is not quite right in his interpretation of the Bill. The obligation is not imposed upon the man himself of applying for exemption. He may apply, but if any one else feels that it is in the national interest that that man be exempted, that person may apply on the man's behalf.

Mr. PUGSLEY: I can understand that that would apply to large manufacturers or makers of munitions who might apply on behalf of 1,000 or 5,000 men in their employ. But how can it be worked out in regard to the farmer or the farmer's boy? In such cases application would not be made by a stranger or by anybody except by the boy himself or his father. The member for North Simcoe (Mr. Currie) says that in many cases the men will be too proud to apply for exemption. Such men would necessarily be conscripted and attached to the army unless application for exemption were made on their behalf. There is a great deal in what the member for North Simcoe says that, in the interests of the nation, many positions in various occupations should continue to be filled by those who are now filling them. That more especially applies to the farmer, the farmer's son or the farm labourer. The Minister of Inland Revenue has said that the tribunals pass on every man.

[Mr. Sevigny.]

They do not; they pass only upon men who make application or on whose behalf application is made. If application is not made on a man's behalf, he necessarily becomes attached to the army and must serve. If he declines to serve, he will be treated as a deserter and be liable to punishment accordingly.

Mr. SEVIGNY: That is the way I understand the Bill.

Mr. MEIGHEN: I do not think that it should go out from the House that application for exemption brings any ignominy or disgrace upon the applicant, even if he applies on his own behalf. I think that men engaged in agriculture in Canada who are of opinion that they serve the national interests at home do no dastardly or disgraceful act in applying for exemption. They are doing what they believe to be in the national interest, and I think they will not fail to apply. I think that there will be no general feeling of revulsion against those who do this. If they fail in individual cases to do so, there are others who can apply on their behalf, and I do not think that those others will fail to apply.

Sir WILFRID LAURIER: It is well that we should understand exactly what are the principles of this Bill. They are very clear and well known; I am surprised that they should be discussed at all. The principle of the Bill is that every man between the ages of 20 and 35 is liable to be a soldier. There is no distinction; the law is that every male British subject in Canada is liable to service. He will be called upon and he will be obliged to obey; he has no recourse except that of going before a tribunal and claiming exemption. Exemption can be claimed upon various grounds. He can say: my health is not good. He can say: my family are suffering. Or he can say: I am a big banker; I have a big business to carry on; therefore I should not be called upon to perform military service. Subsection (d) of section 11, which contains the exemptions, provides that exemption may be granted if it be shown:

> That serious hardship would ensue, if the man were placed on active service, owing to his exceptional financial or business obligations or domestic position;

What is the meaning of "his exceptional financial or business obligations"? As I understand it, a banker who has a large financial institution can claim exemption on that account, and it will be for the tribunal to declare whether his claim is right or wrong.

Mr. MEIGHEN: I do not think my right hon. friend's interpretation is right. That a man is a big banker would not be a proper claim for exemption under clause (d), which refers to claims of hardship, not on account of big assets, but on account of big liabilities. A man does not become rich from the size of his liabilities.

Sir WILFRID LAURIER: He may be exempted on account of the big business he is carrying on, whether you call it obligations, or assets, or anything else.

Mr. MEIGHEN: The word in the clause is "obligations."

Sir WILFRID LAURIER: The clause reads:

Owing to his exceptional financial or business obligations.

Mr. MEIGHEN: Yes, obligations.

Sir WILFRID LAURIER: Obligations to whom? To the public whom he is serving, not his own personal obligations, because that would be a still worse claim. At all events, he can claim exemption, and it will be for the tribunal to decide whether his claim is right or wrong. Then the clause says that he can claim exemption on account of his "domestic position." That is a most elastic term. What does that mean? Can he say that he should be exempted because he is the father of twelve children? There might be something in that. The hon. member for Edmonton had something to say upon that point. I do not think, however, that the fact that a man has a large family is what is meant. At all events, a man can claim exemption for a multitude of reasons, such as for poor health, for business obligations, for financial obligations, for domestic position. But the broad principle upon which the Bill is based is not that the tribunals will constitute the army; the principle is laid down that, without any exception, every British subject between the ages of twenty and forty-five is a soldier and liable to be called out, and that he must go unless exempted by a tribunal.

Mr. MEIGHEN: That is the principle of the Bill, shortly, but not completely stated.

Mr. NESBITT: Will the tribunals have power themselves, from their own personal knowledge, to exempt anybody?

Mr. MEIGHEN: No, the Bill does not contemplate exemption except following an application.

Mr. MARCIL: After this Bill is passed, if a man who should remain here should insist on enlisting voluntarily in order to go to the front, will he have to go although it is in the interest of the country that he should remain here?

Mr. MEIGHEN: As to voluntary enlistment, this Bill makes no change whatever.

Mr. GUTHRIE: In regard to section 11, the Solicitor General mentioned a moment ago that an application for exemption may be made by any man for or on behalf of any man. The wording of the Bill is:

Or in respect of any man.

There is a distinction between an application made on behalf of a man and that made in respect of a man. The former, I assume, would be made by a parent or an agent of the man. It is open to any outside individual, not an agent of the man himself, to apply a tribunal to have that man retained in Canada?

Mr. MEIGHEN: Yes, it is.

Mr. GUTHRIE: Then, the wording should not be "on behalf of a man"; it should be as printed in the Bill: "in respect of any man."

Mr. ERNEST LAPOINTE (Kamouraska): Mr. Chairman, I believe we should have an explanation from the hon. Minister of Inland Revenue (Mr. Sévigny) about his former statements. Besides what the hon. minister has said in his speech in this House, he has given an interview to the press of Quebec, in which he gave pretty near the same figures as those mentioned in his speech here, with this exception, however, that he went farther. In that interview, he said that the province of Quebec would probably be called upon to contribute 25,000 men; in this total figure, the contribution of the city of Montreal would be 10,000 men; that of Quebec, 1,000 men, and each of 1,200 municipalities of the province would furnish 10 men and the balance would be contributed by the towns of Fraserville, of Three Rivers, of St. Hyacinthe, of Sorel, etc. My hon. friend has been most generous in his nomenclature of towns who should contribute. Now, from what has just been said, the hon. Solicitor General (Mr. Meighen) and from the hon. minister's own words, he seems to have simply drawn an inference with the sole object of demonstrating that 100,000 men could be easily drafted in the country. Now, I must say to

the hon. minister that his statements have been construed otherwise; the newspapers have seized upon them and they seem to believe, in the province, that these statements have been made on behalf of the Government, that is to say that, in consequence of this law, 25,000 men would be levied in the province of Quebec only. Would he please tell us if it will be 25,000 men or more than 25,000, that the province of Quebec shall be called upon to contribute?

Hon. Mr. SEVIGNY (Translation): In reply to my hon. friend from Kamouraska, I will tell him that, no more than he, do I know the number of men which the province of Quebec will be asked to contribute as a result of this enactment; it is possible it might be only 10,000 men and it is equally possible it will be more. By the words I spoke in this House as well as in the interview mentioned, I simply meant to show that the province of Quebec could easily furnish these 25,000 men, and that Montreal could easily supply 10,000; I believe that, on that point, my hon. friend from Kamouraska will be of my opinion.

Mr. LAPOINTE (Translation): I am not at all in accord with you as regards this Bill.

Hon. Mr. SEVIGNY (Translation): I understand that my hon. friend's opinion would be to do nothing at all.

Mr. LAPOINTE (Translation): I said, as far as this Bill is concerned.

Hon. Mr. SEVIGNY (Translation): I believe that Montreal might contribute 10,000 men and Quebec, with her population of 100,000 inhabitants, could furnish 1,000 of them. Moreover, we have, in the province of Quebec, 1,200 municipalities and I am of the opinion that all these municipalities, even that of Kamouraska, could furnish 10 men each, especially so, if my hon. friend would make some effort. Consequently, if these 1,200 municipalities supplied 12,000 men, and if we add to these Quebec and Montreal, we have a total of 23,000 men. It seems to me that the balance of our contribution, that is to say 2,000 men, could be furnished without any difficulty by the cities of Hull, Sherbrooke, Three Rivers, St. Hyacinthe, Chicoutimi, Lévis. My object was simply to show how easy it would be for the province of Quebec to furnish 25,000 men without suffering from it to any material extent. I believe that if this province did furnish these 25,000 men, she would be most proud of it, not only for the time being, but especially in the future.

[Mr. E. Lapointe.]

Now, I do not know, no one in this House knows, how many men will be called in the province of Quebec, and I would not be surprised if that contribution was far inferior to that presumed figure of 25,000 men, for we have in that province many large families, and a great portion of the population is engaged in agriculture.

As the Government's object is above all to take into account the needs of the agricultural class, it is possible that the province of Quebec will not be asked to contribute 25,000 men, but, at all events, I assert that, in my opinion, she could easily furnish them.

Mr. E. B. DEVLIN (Translation): Will my hon. friend allow me a question?

Hon. Mr. SEVIGNY (Translation): Certainly.

Mr. E. B. DEVLIN (Translation): The hon. Minister has just mentioned the name of the city of Hull. Has the hon. minister any idea of the number of soldiers furnished by the city of Hull and by the county of Wright?

Hon. Mr. SEVIGNY (Translation): I know that the city of Hull has furnished 800 men.

Mr. DEVLIN (Translation): And the county of Wright?

Hon. Mr. SEVIGNY (Translation): I do not know.

Mr. PROULX (Translation): How many men does my hon. friend think the county of Dorchester is going to furnish?

Hon. Mr. SEVIGNY (Translation): I may say to my hon. friend that I shall certainly do my utmost to induce my electors of the county of Dorchester to do their part generously, and I know they will do it. I have more confidence in my compatriots than my hon. friend from Prescott or my hon. friend from Kamouraska. I know that my compatriots are willing to do their full duty in the present crisis, but, unfortunately, they are misguided.

Mr. LAPOINTE (St. James, Montreal) (Translation): I would like to know from my hon. friend, the Minister of Inland Revenue, on what ground he bases himself; how does he come to the conclusion that he can find 10,000 men in Montreal?

Hon. Mr. SEVIGNY (Translation): I did not catch the question.

Mr. LAPOINTE (Translation): I ask the hon. minister on what he bases his opinion that he can find 10,000 men in Montreal?

Upon what basis, how do you figure it out, how do you get these 10,000 men upon whom you can lay your hands and send to the front?

Hon. Mr. SEVIGNY (Translation): I may tell my hon. friend that, since the question of conscription has come up, some fifty Montreal people have stated to me that the city of Montreal could easily contribute 10,000 men.

Mr. LAPOINTE (Translation): Are the parties who have so well informed the hon. minister people who would like to ge themselves, or are they persons in favour of the present administration, or rather, those who surround him that have made such a statement. Upon what does he rely to make that statement?

Mr. RAINVILLE (Chairman of the Committee) (Translation): I believe this debate somewhat exceeds the limits of the clause we are now discussing.

Mr. LAPOINTE (Kamouraska) (Translation): Paragraph 4 of article 13 reads as follows:

> Unless futher authorized by Parliament the reinforcements provided under this Act shall not exceed one hundred thousand men.

I believe that under this paragraph 4, we certainly have the right to know where, how and in what way these 100,000 men are going to be levied; I believe we are perfectly in order when we ask the hon. Minister of Inland Revenue, who declared, a few days ago, that 25,000 of these 100,000 men would be probably levied in the province of Quebec, upon what he bases his calculation. The hon. Minister just said that the province of Quebec could easily furnish 25,000 men, without in any way suffering from it; without injury to agriculture or to the industries. Could she furnish twenty-five, thirty, forty or fifty thousand men, without any injury to agriculture or manufacturing? Does my hon. friend limit to 25,000 men the sum total of suffering to be inflicted on the province of Quebec?

Hon. Mr. SEVIGNY (Translation): I have given my answer just now, it is useless to repeat it.

Mr. OLIVER: I wanted to get some further information from the hon. Minister of Inland Revenue in regard to the statement he favoured the House with some weeks ago. He made the suggestion as to the apportionment of the requirement of men to meet this 100,000 draft, and I feel it is most important that we in other parts of the country should know if his statement was made with authority or not with authority. I understand my hon. friend disclaimed having any authority for making the statement he did.

Mr. MEIGHEN: He did not make his statement as to any proportion of the men that would be taken.

Mr. SEVIGNY: I wanted to say that in my opinion it would be very easy to get 100,000 men in Canada. As I said a few minutes ago, speaking in French, it would, I believe, be easy to find 25,000 men in the province of Quebec. I figure it this way: the city of Montreal has a population of 600,000, and, in my judgment, it would be easy to find 10,000 in that city. I have been told this by at least fifty people who live in the city of Montreal since conscription was first mentioned in this country. Take the city of Quebec, where there is a population of 100,000, and in my judgment it would be very easy to get 1,000 men in the city of Quebec. There are 1,200 municipalities in the province of Quebec, and I should suppose that it would be very easy to get at least 10 men in each municipality, which would make 12,000 men, and, including my estimate for Quebec and Montreal, you would thus get 23,000 men. We have in the province, cities like Hull, with a population of 20,000; Sherbrooke, with a population of 20,000; Three Rivers, with a population of 20,000; Valleyfield, with a population of 10,000; St. Hyacinthe, with a population of 8,000; Sorel, with a population of 6,000, and Levis, with a population of 10,000, and others. In my judgment, it would be very easy to get from those cities the 2,000 men necessary to bring the total up 25,000.

Mr. MARCIL: Will the hon. Minister of Inland Revenue tell me whether he has had an opportunity of discussing this question of conscription in the province of Quebec since the Dorchester election, so as to place him in a position to form an opinion as to the feeling of the people in any large gathering in any city, or in any county in the province? Is the minister in a position to inform the House as to the feeling of the people on the question?

Mr. SEVIGNY: I know that there has been agitation in Quebec during the last two months and for different reasons—perhaps for political reasons in many cases. I may say to my hon. friend that since I made my remarks in this House on June 21, I have received some very nice letters of congratulation from the good farmers of the

county of Dorchester, and from many persons in different parts of the province.

Mr. MARCIL: That is from those who are not going to the front.

Mr. SEVIGNY: I may give one instance of the appreciation I have met with. The other day I met a young man from Montreal, who was practically a stranger to me, and he said: "Mr. Sevigny, I have always been a Liberal, but I am ready to support your Government on this conscription question; I think the Liberal party of the province of Quebec is wrong on this question, and in future I am ready to give my support to the Conservative administration." Now, I am willing to give the name of that man, and I may add that he is a very important man in the city of Montreal.

Mr. MARCIL: If the hon. minister would go further and give us the opportunity we ask of submitting the whole question to the people of the province of Quebec, and of the whole Dominion of Canada, we could settle the matter then once for all. We have been assured that if the majority of the people of Canada declare for conscription the province of Quebec will submit, because the people there are a law-abiding people. The chief objection is that the people in the province of Quebec have not been consulted. They claim this moribund Parliament has no right to call upon them before the people have given their verdict.

Mr. SEVIGNY: I would advise my hon. friend to address those remarks to his friends on his own side of the House who have voted against a referendum.

Mr. MARCIL: I followed my honoured leader, and voted with him. I hope the Prime Minister will give the people an opportunity to pronounce upon this question by way of a general election or otherwise. We hear a great deal about Quebec in this connection, but there are eight other provinces in the Dominion. If there is any doubt about Quebec there cannot be any doubt about the other eight provinces. If the people want conscription, let us have it unitedly; let us get the people all united so that Canada will be of some assistance to the Mother Country and the Allies, but do not let us keep quarreling and wrangling among ourselves as we are doing now.

Mr. OLIVER: I think we can take it for granted that the suggestion placed before the House by the Minister of Inland Revenue is probably a suggestion he would make to the Cabinet when the question was under consideration. For that reason I would like to ask him on what ground he made the suggestion that 10,000 men might properly be conscripted from the province of Alberta under this Bill.

[Mr. Sévigny.]

Mr. SEVIGNY: Alberta has done splendidly since the war broke out. At the same time I have been told by several persons from the province of Alberta—I was told last night by a gentleman from Alberta, Mr. Boileau, whom I think my hon. friend knows—that while Alberta had done splendidly in recruiting since the war broke out the impression was that Alberta could supply 10,000 more men.

Mr. OLIVER: Does my hon. friend think it is a fair proposition that Alberta, having already sent 35,000 out of a population of 400,000, should be called upon for 10,000 more, as compared, we will say, with the province of Quebec which, having sent 44,000 is to be called on for 25,000 more? Does my hon. friend think that is a fair equalization of the burden?

Some hon. MEMBERS: Carried, carried.

Mr. OLIVER: Perhaps the minister will be good enough to give a reply.

Some hon. MEMBERS: Carried.

Mr. SEVIGNY: I have already said that Alberta has done splendidly but this law will be not for the province of Quebec alone, nor for Alberta alone, but for all the provinces of this Dominion, and if it is possible to find 10,000 fit men in Alberta, I am sure they will be ready to do their duty. In many cases, no doubt, they will come before the tribunals and ask to be exempted and if the reasons are found good they will certainly be exempted. I am sure the tribunals of Alberta will take into account what has been already done by that province.

Mr. OLIVER: It is quite evident that the points I have been trying to place before the committee are established, and that it is the intention of the Government under this Bill to make the willing horse continue to bear the greater part of the burden. The suggestion that 10,000 should be taken from Alberta in comparison with 25,000 from Quebec is one that would satisfy anybody as to the intention of the Government in regard to the administration of the Bill.

Mr. L. A. LAPOINTE: Why does the Minister of Inland Revenue propose to take 25,000 from Quebec and only 25,000 from Ontario? Taking into consideration the

difference in population, does he intend to punish Quebec?

Mr. MEIGHEN: The hon. member for Edmonton might answer that question if it be addressed to him.

Mr. OLIVER: I have no hesitation in saying—

Mr. L. A. LAPOINTE: I am speaking to my fellow citizen who represents the province of Quebec in this Parliament. The hon. member for Edmonton is defending his own province with all the knowledge and talent which he possesses. It is incumbent upon the Minister of Inland Revenue to explain why he proposes to make this difference between these two provinces; that is, that the province of Quebec, with a population of 3,000,000, shall furnish 25,000, and that Ontario, with a million more people, shall furnish 25,000 men?

Mr. SEVIGNY: A million?

Mr. L. A. LAPOINTE: Yes.

Mr. SEVIGNY: Not at all.

Mr. L. A. LAPOINTE: Not as much as that. Let the minister give us the reason why he takes 25,000 from Quebec and only 25,000 from Ontario.

Mr. PUGSLEY: Before this section is carried— Oh, the Minister of Inland Revenue has not answered yet.

Sir ROBERT BORDEN: I think that before any information is asked from the Minister of Inland Revenue the hon. member for Montreal, St. James (Mr. Lapointe) and the hon. member for Edmonton (Mr. Oliver) should settle the preliminary dispute between themselves. One of them says that 25,000 is too many from Quebec, and the other that 25,000 from Quebec is altogether too few.

Mr. OLIVER: I beg my right hon. friend's pardon. I say that 10,000 from Alberta is too many in proportion to the number from Quebec.

Sir ROBERT BORDEN: The hon. member (Mr. L. A. Lapointe) does not think so.

Mr. PUGSLEY: The question I am about to ask the Minister of Inland Revenue will not be so difficult to answer. I was very much interested in the way in which he thought the 100,000 could be raised. I would like to ask him if his figures are based upon the young men from 20 to 23 years of age or upon the total from 20 to 45 years of age, whether his figures are based on the calling out of the first class or the calling out of the total classes.

Sir ROBERT BORDEN: The figures which the hon. gentleman gave were preceded by the words "let us suppose." He has already explained that he gave them purely as an illustration.

Mr. PUGSLEY: The Prime Minister, of course, does well to come to the relief of the Minister of Inland Revenue. Perhaps it is well that he should, but I do not think that he has afforded any excuse to the minister for not doing me the courtesy of answering my question. The minister has stated that it would be quite possible to raise 100,000 men and he said that so many could be raised in the province of Quebec. Indeed, he has quoted prominent people in Montreal and others to the effect that 25,000 could be raised in that province. What I ask the minister is whether the information is that they could be raised out of those who are called in the first draft, from 20 to 23, or whether it would include all the classes from 20 to 45, both married and unmarried. It is not an unreasonable question. I am quite sure the minister will not take the suggestion of the Prime Minister and decline to answer.

Mr. SEVIGNY: I will examine the question and I will be glad to give an answer to my hon. friend to-night or to-morrow.

Mr. MARCIL: When Canada went into this war we offered 30,000 men. That number was further increased to 150,000. Last session, when England adopted conscription, I asked the Prime Minister whether the fact that compulsory military service had been adopted in England would in any way modify Canada's participation in the war. The right hon. gentleman answered very briefly that because they were doing more over there it was no reason why we should do less here. I understand now that by an agreement between the Allies, as the number of English troops increases at the front the French troops are reduced and a large number of these French troops have been brought back to peaceful avocations. There seems to be an understanding between the various countries participating in the war as to what proportion of troops shall be furnished by each nation. Is Canada consulted or are we entirely at the discretion of the British war authorities? Can we hope that next year our numbers may be decreased in any way? How does the matter stand?

Sir ROBERT BORDEN: I think my hon. friend is depending purely on newspaper rumours, which are not always a very safe guide. The only purpose, so far as I am

aware, which animates the Allies, is that each nation should throw its full strength into the war in order to bring it to a determination, with victorious results, as soon as possible. That is the only purpose that I know of.

So far as France is concerned, I think that all of us will agree that, perhaps more than any other nation, she has fulfilled that purpose to the full national strength of which she is capable. Every man has been sent to the front who is capable of giving military service, except those who have been retained in munitions factories and other absolutely essential industries, to carry on the necessary work of the nation. There is no such agreement or understanding as my hon. friend has suggested, because the whole strength of all the nations is being tested to the utmost in the effort to win the victory in this war.

Mr. DEVLIN: Can a man who has failed to receive his exemption from one local tribunal go to several other tribunals, with the permission of the minister?

Mr. MEIGHEN: No, he may not. He would never get the permission of the minister, even if provision were made for that. There is no provision which contemplates that contingency. It might happen that a man who had received a conditional exemption from one tribunal might, of necessity, and not in any way to avoid his responsibilities in a military sense, be in another part of the country when his conditional exemption expired, and in such a case the minister might deem it his duty to permit that man to apply to a tribunal near where he was, thus obviating a journey of perhaps a thousand miles.

Mr. DEVLIN: Does not subsection 5 of section 11 infer that the minister may grant permission to a man who has already been turned down to go to another tribunal?

Mr. MEIGHEN: Provision is made for exceptional cases such as I have spoken of. I do not think any hon. member would suggest that the Act should be so iron-clad that even in such exceptional cases the minister should not have power to give permission to a man to renew his application before another tribunal if the circumstances were such that it would be a hardship on him to go before the original tribunal.

Mr. DEVLIN: But once the certificate would be refused, he would have no right to go before another tribunal, even if permission to do so were granted by the minister?

Mr. MEIGHEN: It is not contemplated that any such cases as that would be permitted. If the certificate is refused, the man must report or go to the court of appeal.

Mr. PUGSLEY: I was surprised to hear the Solicitor General, in answer to the hon. member for Wellington, say that an application might be made, not only on behalf of a person, where the applicant would be supposed to be his agent, but in respect to any person; in other words that, without a man's knowledge, his employer might select the tribunal and himself make application without the knowledge of and not at the request of the person for whom exemption is asked. An application of that kind might be made in respect of a man before one tribunal, and then if that man applied to another tribunal he would be subject to a penalty of not less than $100 and not more than $1,000. I suggest that the minister might well make provision against the occurrence of any such injustice as that.

Mr. MEIGHEN: If such a case occurred there would be power in the minister to permit the man to make his own selection and be relieved of the first tribunal. The object here in view is to avoid having a man who has been refused an exemption by one tribunal going to another tribunal, trying his luck where he thinks he may win. I do not think there is any substantial danger of the kind my hon. friend has in mind.

Referring to the first point raised by my hon. friend, the Bill says that there shall be such notice and intervening time as the regulation may provide. The man in respect of whom application was made would know that and he could go before the tribunal and say he did not want exemption. His case would be heard and great weight would be given to his own desire. If it were not given, all he would have to do would be to enlist voluntarily.

Mr. PUGSLEY: Where an application was made in respect to a man, any notice would be sent to the man making the application. Take the manager of a large factory employing 1,000 hands of military age; these men would of course become liable to serve the moment the proclamation was issued.

This manager, without consulting the men, we will suppose is of the opinion that their services are required in the national interest, and that it is very much better that they should work in his factory than that they should go to the front. He makes the application, but it need not be on their

behalf at all. The words "in respect of" have been used, in order to eliminate the personality of the men entirely. The manager makes the application on behalf of a thousand men in his employ. Any notice which is given by the tribunal will be given to the man who makes the application, not to the man in respect of whom the application is made, but will be given to the manager, and the whole matter might be tried and the man might be either forced to serve, or might be forced to remain in the factory, without his ever having been consulted, and, indeed, without his ever having any knowledge whatever of the proceedings which are being taken in respect of him.

Mr. MEIGHEN: The regulations certainly would provide that the man affected would have notice.

Mr. PUGSLEY: How can the hon. Solicitor General assure this Parliament in regard to regulations to be made by a judge who is not yet appointed? The Solicitor General said the Government would not make the regulations, but that they would be made by the central judge. What guarantee have we that regulations would be made to cover a case of that kind? Possibly, the attention of the judge would not be called to this particular section. It seems to me that in framing a law of this enormous importance, a law which is to give the right to the Crown to deal with the life and liberty of the subject, difficulties of this kind should be provided against, and a direct provision should be inserted in the statute.

Mr. MEIGHEN: I do not know of anything that would so manifestly present itself to the mind of the central judge than that, in the event of some one applying in respect of another, the party affected should have notice before final decision. Notices in all details like that are left to regulations, the building up of which, in a systematic way, is a work that naturally follows the passing of an Act, and has, for fifty years in Canada, always followed the passing of such an Act. Nothing could be more manifest than that that was in its sphere of regulations, and would be governed by regulations to be framed. It is because I attribute to the central appeal judge common sense that I conclude he would frame regulations in regard to that.

Mr. A. K. MACLEAN: Can the Solicitor General tell us what would be the policy of the Government in respect to bona fide rejections made prior to the coming into force of this Act, where those who were rejected held a certificate of rejection? Would a person who was rejected prior to the coming into force of this Act, and who held a certificate to that effect from the proper authority, be required to come forward and prove his rejection?

Mr. MEIGHEN: Yes.

Mr. A. K. MACLEAN: That should be made clear publicly now, or made public in some other way.

Mr. MEIGHEN: I think the suggestion of my hon. friend is a very good one. The question came under review in the preparation of the legislation, with the idea of ascertaining whether or not it would be possible to avoid the coming before tribunals of some or all of the class mentioned by my hon. friend, namely, the class who heretofore have been rejected, but the result of the deliberation showed that there was no way of getting at those who should be finally rejected on that account. Some of them hold certificates and some do not. Some who hold certificates should not now be exempt. Some got a certificate that, perhaps, they should not have got, had such an Act as this been in effect: consequently, it is felt that they should come in the same class as the whole body of the population, and that all men heretofore rejected must appear again, and obtain exemption, if they desire it.

Mr. A. K. MACLEAN: I rather agree with that, as a matter of policy, but I think particular pains should be taken to have the public understand that.

Mr. MEIGHEN: I think that is correct.

On section 14—burden of proof.

Mr. MEIGHEN: I ask that this section be allowed to stand for the reason that there may be some changes in it.

Section stands.

On section 15—

15. (1) Every man within the classes described in section three shall, after his class or subclass is required to report, as provided in section four, whenever required by a peace officer or by any person who has authority for the purpose, produce his certificate if he has one, and shall answer truthfully all inquiries bearing on the question of his compliance or non-compliance with any provision of this Act.

(2) Any such man who fails to comply with this section shall in respect of each failure be guilty of an offence and liable on summary conviction to a penalty not exceeding one hundred dollars or to imprisonment for a term not exceeding one year.

Mr. GRAHAM: Perhaps the hon. Solicitor General has explained before, but it is not clear to me, what arrangement exists between the United States and Canada in the matter of the enforcement of this law. With reference to Canadian subjects residing in the United States, is there a reciprocal arrangement between the United States and Canada, by which American citizens on this side of the line must comply with the American law, unless they enlist voluntarily and vice versa?

Sir ROBERT BORDEN: I have already mentioned that the subject has been discussed, but no definite arrangements have yet been made, pending the passage of this Bill. As to some matters, there have been arrangements of a certain character: for example, we have agreed that United States subjects residing in Canada, who are subject to the law which has just been passed in the United States, shall be considered eligible for registration in Canada. If I am not mistaken, we have agreed that they may register at any post office in Canada. Some other minor matters of a like nature may have been determined, but there has not been an arrangement such as my hon. friend's question suggests. Of course, there has been an arrangement by which we are permitted to send recruiting officers into the United States. I think that has been mentioned by the Minister of Militia.

Mr. GRAHAM: Is there likely to be such an arrangement?

Sir ROBERT BORDEN: The subject has been discussed, but nothing has been concluded yet. We have said to the United States Government that the Government of Canada will be prepared to co-operate, in any reasonable way, for the purpose of making their law effective.

Mr. NESBITT: Is any provision made for cases where certificates referred to in section 15 have been lost?

Mr. MEIGHEN: Any one who loses his certificate may obtain a duplicate upon the payment of a fee of 50 cents.

Mr. NESBITT: Under what clause is that provided?

Mr. MEIGHEN: Subsection 7 of section 11.

On section 16—

16. (1) All expenditure under or for the purposes of this Act shall be paid out of such moneys as Parliament may appropriate for the purpose.

[Mr. Meighen.]

(2) This Act shall come into force on such day, after the passing thereof, as the Governor in Council may fix by proclamation.

Mr. A. K. MACLEAN: I understand that amendments are to be submitted by the Government to some of the sections which have been allowed to stand. I would suggest, therefore, that subsection 2 of this section stand until all other sections of the Bill shall have been finally passed.

Sir ROBERT BORDEN: Very good.

Mr. GRAHAM: I would judge from subsection 1 that the expenses of the enforcement of this Act will be taken not from the special vote under the War Measures Act, but from a special vote for this purpose.

Mr. MEIGHEN: May I ask whether the subsection the hon. gentleman desires to stand is:

This Act shall come into force on such day after the passing thereof as the Governor in Council may fix by proclamation.

Mr. A. K. MACLEAN: Yes.

Mr. MEIGHEN: Very well; that is agreeable

Subsection 2 of section 16 stands.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock, Mr. Rainville in the Chair.

Mr. GRAHAM: At six o'clock, I asked a question in reference to section 16, subsection 1, which says:

All expenditure under or for the purposes of this Act shall be paid out of such moneys as Parliament may appropriate for the purpose.

My question was: Will the cost of the enforcement of this measure be paid out of the war appropriation, or will there be a special appropriation?

Mr. MEIGHEN: I have not given that matter special consideration, but I would expect the cost would be met out of the war appropriation.

Mr. GRAHAM: Can the Solicitor General give us an estimate of the cost of the enforcement of this measure?

Mr. MEIGHEN: No. The hon. member will see from statements already made that the Government has in mind the keeping of that expense down to the lowest reasonable limit. I instance the statement of intention that we do not purpose paying the tribunals. If we paid them, the total

expense would be very large. Our intention of not paying the tribunals is not, however, chiefly from the point of view of expense, it is in the belief that in that way we afford an opportunity for men, who are very anxious to perform some service, to do so; it is in the belief that by getting that class of men, we shall secure a better class than if we got those who seek the position by reason of money incentive.

Sir WILFRID LAURIER: Do I understand my hon. friend to say that the expenses of this Act are to be taken out of the War Approbation Act?

Mr. MEIGHEN: That is my expectation. I do not see any other fund that they can logically be taken out of.

Sir WILFRID LAURIER: It does not matter much whether they come from one appropriation or another. From the way in which the Bill is worded, it seems to contemplate a separate appropriation.

Mr. MEIGHEN: It may be a separate appropriation, but it will be a war appropriation.

Mr. W. F. MACLEAN: In regard to this question, I would like to bring to the attention of the House a matter that I have brought up in the House on other occasions. In all the Federal Acts there ought to be some provision for the enforcement of the Act, and for providing the expenditure necessary to that end. When the United States Congress pass a federal law, they make provision for its enforcement. In the Act itself they say: It shall be the duty of the Attorney General of the United States to enforce this law, and for this purpose a certain specified sum is set apart in the Act. They further say: The Attorney General is hereby empowered to employ experts, attorneys, or special agents, and to do anything necessary for the enforcement of this law. The United States has become a strong country because it has federal law which is enforced. We in Canada have federal law, but we do not always enforce it. As the leader of the Opposition may recollect, when I had this question up before the House in regard to another Act, he said that the duty of enforcing the Act was on the Attorneys General of the provinces. That is not the proper method of enforcing a federal law. In my opinion, every federal law ought to contain a provision putting on the Attorney General, or the minister in charge of the department concerned, the responsibility of enforcing the law, and there ought to be a money grant from this Parliament for that purpose. In the United States great improvement has been made in the way of reaching certain crimes that were supposed to be within the jurisdiction of the different states. There was lack of enforcement of the laws and lack of money to enforce the laws, but they gradually came to the conclusion that while they had federal laws there must be federal enforcement of it by the responsible officers of the federal administration, and that money for that purpose had to be provided. An instance in connection with the United States is this. The authorities could not get at the crimes that had been committed throughout the whole Union in connection with labour troubles and things of that kind. As the railways were under the federal jurisdiction of the United States, they passed an Act in connection with the Transportation Act of the United States to make it illegal to use the railways for crime in connection with labour. In this way they made nearly all such crimes that were in the Codes of the different states a contravention of this new Act which they passed in connection with the railways, and in this way they got enforcement of the law. We in this country are not getting enforcement of many of the laws passed by this federal Parliament. We leave that enforcement to the provinces, and most of all to private prosecutors. To-day there is a great combine in paper, and although that is in contravention of the federal law, there is no enforcement of that law. The matter is left to the individual. We are passing a new insurance measure, and the other day I asked the Minister of Finance how he purposed enforcing it. I purpose asking the same question when we come to discuss the Railway Act. In the discussion in the committee on the Railway Act, we found the evidence submitted was largely on how the law in connection with railways was to be enforced, and we have not yet come to a clear understanding on the matter, and it will come before the House.

In connection with all these Acts, however, if they are to be effective, there should be inserted a provision placing the responsibility of enforcing them on the Minister of Justice or the Solicitor General, and another provision providing money for that enforcement. The United States have had such provisions for some years now, and they have secured national unity largely through their declared intention of enforcing federal laws, of charging the responsible officers of the Government with the duty of enforcing the laws and of making the

national treasury responsible for providing funds for that enforcement. If we want to have national unity in this country, we shall have to follow the example of the United States and to insist upon our national laws being enforced by some responsible officers, and upon plenty of funds being provided in the law for their enforcement. That does not, perhaps, apply so much to this Act as to other Acts, but I take this opportunity of directing the attention of the House to the matter, and I hope in this Act we shall have no question as to its enforcement, who is responsible for it, and whence the money for that purpose is to come. If we do that, we shall have our national laws respected as they have not been respected before. We shall know that some officer is responsible for their enforcement. We have no federal enforcement of federal laws.

Hon. Mr. HAZEN: Would the hon. gentleman apply that remark to offences under the Criminal Code?

Mr. W. F. MACLEAN: The way to secure the enforcement of the Criminal Code is to put its enforcement as a duty on somebody, and grant the money necessary for its inforcement. The great complaint in Canada has been that until quite recently we could not get the enforcement of any code or law which was made by the federal Parliament. They went farther in the United States, and we will have to come to it in this country—they created federal courts for the enforcement of federal laws.

Sir WILFRID LAURIER: It was that way from the first in the United States.

Mr. W. F. MACLEAN: It may have been and to that extent they were that much better off than we. We have the power to create federal courts, and we have created the Supreme Court and the Exchequer Court, and we have gradually put responsibilities on different officials; for instance, we propose to put the responsibility of enforcing the Railway Act on the Railway Commission.

I would go much further than this, however, and I would say that the enforcement of every Act should be put as a duty on some official. In the United States they have a selective conscription measure, and they have made every provision for the enforcement of it. All the federal attorneys in the Union may be employed to enforce the law. The courts that will enforce it, just as our special tribunals, are federal creations; but they also bring in the state Governments. They are in a position to command each state to produce its levy, and they apportion the levy on the different states. The point I wish to make is that they have the federal machinery and a federal grant of money for the enforcement of federal statutes, I hope this House will impose the duty directly on someone in the Administration who will have to do it. This is a war measure and it must be enforced. Perhaps it may be enforced by the Militia Department.

Sir WILFRID LAURIER: The Minister of Justice will do it.

Mr. W. F. MACLEAN: Then let us say that it is the duty of the Minister of Justice or of the Department of Militia to enforce the Act.

Sir WILFRID LAURIER: It is so stated in the Bill.

Mr. W. F. MACLEAN: I know it is. Whatever department is charged with the enforcement of the Act must be supplied with funds for that purpose, and I am quite convinced the money will be freely voted by this House. The time has come now in Canada, after our fifty years' experience with poor enforcement of federal laws, that we should have it specifically set out that the Act is to be enforced, and who shall enforce it, and sufficient money provided for the purpose. Of course, it may be said it will be provided by a special grant, and that may be the way of doing it, but ultimately we must come to the point that the money shall be provided for its enforcement, and until we come to that we will have lack of administration, and we may have lack of funds for the purpose. I hope the Minister of Militia, and the Minister of Justice, and the Minister of Finance, will not only make provision for the enforcement of the Act, but that the money will be forthcoming, not only to enforce this Act but to enforce every federal law.

Mr. DOHERTY: Perhaps it is not very appropriate at the moment to enter into a discussion of the general questions as to the enforcement of laws. I think it is quite obvious that with regard to general laws, such as the Criminal Code and other laws enacted by the Parliament of Canada, that inasmuch as the administration of justice is specially confided to the provincial authorities, very great difficulties might arise if you created divided authority in the enforcement of those laws. As I understand it, under the Criminal Code information may be laid

by any party who considers himself interested, and I presume it would be within the function of this Government, or any department of this Government that felt specially interested in the prosecution for a particular offence, to cause information to be laid and the machinery of the law set in motion. However, there comes a certain time in the prosecution of a criminal case when the Crown is charged with the duty of carrying on the prosecution, and I do not think there is room for question that the Crown in that sense means the Crown in the right of the province, the administration of justice resting with the province. I think I may point out that you might give rise to a very anomalous situation if after a party had been committed for trial you had the Crown in the right of the province in the exercise of its function of seeing to the administration of justice, undertaking the conduct of the prosecution, and this Government seeking to have another representative of the Crown intervene and take the matter up. I only point this out as showing that it is not such a simple thing as would appear to the hon. gentleman, to suggest that the enforcement of all of the laws made by this Parliament would advantageously be put in the hands of this Government. There are no doubt particular statutes appertaining to matters specially within the purview of this Government with regard to which it might be desirable that the prosecution should be instituted at the instance of the Government. There are certain offences which this Government may consider it its duty to prosecute, for instance, offences of counterfeiting, offences affecting the currency of the country, and, I suppose, other instances might be thought of if one considered the matter. Now, as regards this particular Bill, I think its provisions make it clear that there are certain offences the prosecution of which belongs to the Minister of Militia, and in so far as representing the public interests before the local tribunals or the appeal tribunals it is sufficiently clear the duty is upon the Minister of Militia. As regards the administration of the Act generally, it is confided to the Minister of Justice, and as I understand the law, it lays upon the Minister of Justice the duty of seeing to its carrying out. No doubt we would look to all competent authorities, and to every public-spirited citizen, to give us their co-operation wherever it could be useful or effective in connection with the enforcement of this law, but I may say that as I understand the responsibility resting upon the Government —and the responsibility is put upon the Minister of Justice in connection with the administration of this particular law—while we would expect to have the co-operation to which I refer, we would quite recognize, and I in particular would recognize, our responsibility in seeing to the enforcement of the provisions of the Act.

As regards the suggestion that there should necessarily be a vote of money, I do not see why we should make special provision for it in this Act. No doubt it will be a proper thing so far as money will be required that we should come to Parliament for a vote of money for the purpose of carrying out this Act in the manner we would come before Parliament for a vote of money for any other like purposes.

Mr. W. F. MACLEAN: There is a good deal in what the hon. Minister of Justice says, but it does not quite deal with the difficulty. He has spoken of general laws as I have and we have found out that many Acts of this Parliament are not enforced. Take that most important law in war time —that against combines to enhance prices contrary to the public interest; we have never had any enforcement of that law in this country, but they have enforced similar laws in the United States. They not only have a commission, but they have converted that commission into a court for the enforcement of the law. There are criminal proceedings threatened to-day against the paper manufacturers of the United States under the Federal law and the Federal Government are enforcing that law. We have never done that here. The more we see of legislation going through this House the more it does seem apparent that we ought to have some provision for the enforcement of not only one Act, but of all Acts, even if their enforcement does more or less clash with the authority and responsibility of the provincial governments. The provincial authorities have not always enforced the Criminal Code. You cannot get them to. Complaints have been made that the Ontario Government should have at times enforced the law against combines. It has not been enforced. While I agree in a measure with what the minister has said, it does not meet the situation and we are not meeting it in Canada. We have not risen yet, after fifty years of experience, to an appreciation of the duty imposed upon this Parliament to provide for the enforcement of its own

laws. I have not any doubt that in this particular case, following the ordinary routine, a sum of money for the enforcement of the law will be forthcoming and will be voted as a money grant. But, sooner or later, we must depart from what is now an obsolete method and we must come to the practical, democratic method of enforcing Federal laws; that is, by putting the responsibility on the Government and high officials and giving them money for that purpose.

As to the Act itself: I have not spoken a great deal on it so far. I have almost left it alone, for the reason that the thing that has struck me in this debate as far as it has gone has been that in war time, no matter how democratic your government may be, and I am a believer in democratic government of the people, by the people, and for the people, it is not so much a question of legislation as it is of administration. For four weeks or more this House has taken up time in discussing the matter. I disagree with my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier), who proposes a referendum on this question. A government charged with the responsibility of conducting a war must carry on that war as a matter of administration. If it wants legislation, it is the duty of that government to get that legislation in short order, put it through Parliament and assume the responsibility of it.

Sir WILFRID LAURIER: Better dispense with Parliament altogether.

Mr. W. F. MACLEAN: No, not in a case of this kind. I want to tell the right hon. gentleman that in England and the United States they put their conscription through in short order. Can my right hon. friend imagine a government, charged with the administration of the war, having a long discussion in Parliament on a law which it proposes? War time is not a time for discussion but a time for administration.

Sir WILFRID LAURIER: My hon. friend had better sit down then.

Mr. W. F. MACLEAN: No, I will not sit down. I shall deal with that in a moment in another direction. The duty of the Government in war time is to carry on the war and if it wants legislation it ought to come to Parliament and get it. This Parliament should have put through this measure in one week if it was necessary to do it. I believe it is necessary. In the United States and Great Britain they got similar legislation through in a much shorter time because they regard these things as matters of administration and not so much matters of discussion.

Mr. MARCIL: Has my hon. friend read in to-night's paper that the German Reichstag had been closed because the parties failed to agree?

Mr. W. F. MACLEAN: That may be. I do not want to take my line of conduct in any respect from Germany. I want democracy, I want democratic government and democratic principles, but in time of war, when we have a responsible Administration charged with the conduct of the war, we are perfectly justified in putting a measure through in short order and carrying it out as a matter of administration. To-day, a government that believes in conscription is asked to go to the people and get their approval in connection with this measure. What we have to do is to allow the Government to carry on the war and put the responsibility upon them when the time comes.

There is a corollary which follows what I have just said. What is it? We had a peace government in this country when war began. We have carried on the war for three years and we are now beginning to have a war government. The people think that the time has arrived when we should have a national government, a union government, a coalition government, if you care to call it such, to carry on the war. The trouble in Canada to-day is that we have not got a united government. We only have a government so far on party lines. There has been a proposal in the country, and it has been referred to in the House, to get a union government. We have to get that union government to carry on the war and to enforce this Act. I started out to talk about how we were to enforce the Act and I discussed the question of money and of the officer who was responsible for its enforcement. But we must have a union government to enforce this Act. The people demand it and my hon. friends on the other side of the House who voted for conscription showed that they had heard the voice of the people demanding the enforcement of this conscription Act. They want to see it put through in short order. There are three things that the people of this country want —first, conscription, second, a union government, and, third, and above all things, to avoid an election in which political passions are called into play in this time of war. In some way or other, we want to see national unity but it is a hard thing

to get. I do not despair of that unity and the way to get it is to begin with a national government, a government representing all the people who are in favour of conscription. We cannot get them all but in war time, if we are bound to win the war, if we want to create national unity, or at least unity among all those who believe in conscription, we must have a national government on that line. I hope national government will come and that it will be made up of those who are in favour of a national policy to win the war and of devoting all the energies of the people to that end. I do not think Canada is going to be disrupted on this question by reason of this proposal for conscription. What you want is vigour and strength in doing what ought to be done and the responsibility for that is on the Administration. The Administration then ought to go forward with the law that does require what should be done, a law that has to be enforced and, above all a law that will be enforced and upheld by a national government.

We must come to that in this country; we must come to it within the next six weeks or I do not know what is going to happen. There will be dissension in this country, because there are to-day signs of a lack of unity. But there are also growing signs of national co-operation among the different parties in this country. The speeches that have been made in this House by hon. gentlemen on the other side in favour of conscription have only reflected the opinion of the people of this country, and this House must be as big as the people. But we are not. The people of Canada are largely in favour of this law; they are in favour of its enforcement; they are in favour of unity and co-operation, and not of political dissension. We are making headway in that line to-day and we have been for a good many days past. The people are with us. They desire to have this Parliament reflect their views and establish a national government which will help to build up and strengthen national unity. They also want, above all things, to have all the resources of the country devoted to the winning of the war, this to be worked out on lines of administration. This is not a time to discuss questions of principle that should have been settled and were settled in this country years ago, when the present Militia Act was passed. We have undertaken in this time of war to re-discuss a principle that was settled long ago, a principle which we have no business to be discussing to-day. The Administration here should be as strong as the Administration in England has been since the establishment of a national government. That Government came down and said: Here is a conscription measure which we propose to put into force. We want Parliament to pass it within a few days. That was done in England and it was done in the United States, and these are both democratic governments, just as much as ours is. We can learn from them a good many things about how to conduct a democratic government. even in war times. But the characteristic of all governments in war times ought to be administration and not discussion. The Government has assumed the responsibility and can easily discharge it if they will rise to the point—and the Prime Minister has risen to the point—of proposing a national government. If that is done, there will be no trouble in enforcing this law. I do not want to see this discussion prolonged. I want to see the law placed on the statute book and to see it enforced, and I want to see a union Government to enforce it. If that is done we will get the 100,000, or any number of men we have to get. We will get them in some way, and a union Government will have no trouble in getting them. With a union Government there will be no delay in administering the law; it will go right ahead with it. If we can do that on this occasion there will be very little disunion in the country, there will be, on the contrary, a splendid display of national union, all our people joining together in a mighty effort to win the war. We are fighting for principles which we hold dear, the principles of liberty. Every nation now in the war is working on the principle of conscription.

Mr. PUGSLEY: What about Australia?

Mr. W. F. MACLEAN: Australia can look after itself, and Australia will yet be in this war with a national conscription measure, I have no fear of that. If we give them a lead they will be in all the quicker. Thus, if we want to win the war we must have an Act of this kind. It should have been put there in short order, and provision for its enforcement should be made. But, most of all, its enforcement can only come when we have a really national Government, and I hope we shall see it before long in this country.

Mr. OLIVER: Does my hon. friend wish the House to understand that in his belief this Government that is bringing in this

conscription measure does not intend, or is not able, to enforce it?

Mr. W. F. MACLEAN: I did not say that. I say they will enforce it much better, judging by public opinion in this country, and I am guided by public opinion, as I gather it, and am only putting forth my own views and representing the views of the province from which I come when I say that the people believe in conscription and believe that a measure of conscription can best be enforced in this country by a union Government.

Mr. MEDERIC MARTIN: How can you say they believe in conscription if you do not consult them and give them a chance to express their views?

Mr. W. F. MACLEAN: You had a chance to discuss this when it was up in this country, and Canada to-day is committed to conscription by the Militia Act. What surprises me and the people of Canada is that we are re-discussing this question of conscription. I am willing to have discussion of the matter, but it should be reasonable discussion. I am trying to reflect the views, not of either political party in this country, but of the people, and I say that the people of Canada to-day are largely in favour of this conscription measure, and in favour of its enforcement, and that they think the best way to get it enforced will be by a national government.

Mr. GRAHAM: I suppose that the question of whether we are to have conscription or not was largely settled some days ago when the second reading of the Bill was passed.

Mr. W. F. MACLEAN: I grant that.

Mr. GRAHAM: My hon. friend apparently takes the ground that we should take this law as read without any question as to any of the clauses.

Mr. W. F. MACLEAN: I did not quite say that. I said that the legislation ought to be put through this House in the same way and in the same time as in England and the United States.

Mr. GRAHAM: To get back to the Bill, which my hon. friend has been retarding for some time, but which the rest of us are so anxious to get through.

Mr. W. F. MACLEAN: That is a fine remark.

Mr. GRAHAM: All this discussion we had on the second reading, and if my hon. friend had been here during the past few days discussing these questions and making suggestions in response to the invitation of the Government, he would understand how anxious the House is not to throw all the responsibility on the Government, because no man can go away into the country and say that the Government did something for which he is not responsible. Each member has to take his responsibility. I do not want any government, national or otherwise, to take responsibility that I should assume myself. I assume a share of responsibility, after the second reading of this Bill, and so does every member, to have the Bill placed in as practical and as workable a shape as possible.

In that direction both sides of the House have been working for some days. In reference to section 16, has the Solicitor General made any estimate of the number of men it will take to enforce this measure? I do not mean any special work, such as looking after those who refuse to come before the tribunal, but in the formation of the tribunal. I agree with the Solicitor General in one respect; I think there is a large number of good men in Canada, who, being unable to go overseas themselves would gladly give their services in any direction the Parliament of Canada would suggest to them. I made the same statement when the National Service Board was being selected. I thought it was a great error to select partisan men, and pay them so much a day, or per month, and expenses, when men of equal calibre would gladly do the work for nothing. Would it not be wise, not as an essential, but for the appearance of the statute when it is printed and bound, that subsection 2 should be made a section by itself, possibly the last section in the Bill? It is one of the most important sections.

Mr. MEIGHEN: There could be no objection to making subsection 2 a section by itself, and it seems to me it would be all right to make it the last section.

Mr. PUGSLEY: It should be a separate section, and not a subsection.

Mr. MEIGHEN: Yes. The same criticism could be made of other sections. While they are cognate in a sense, they are not closely cognate, always, to the sections where they appear, but still it was thought better to have them inserted in that way.

Mr. LEMIEUX: I think it was an afterthought.

Mr. MEIGHEN: It was sufficiently previous to be in the Bill.

Mr. GRAHAM: It was a sub-thought.

Mr. MEIGHEN: There has been no estimate made of the number of local tribunals that will be required. It has been stated in the debate to-day that there were 1,200 municipalities in Quebec. It seems difficult to me to assume that we could get along by including very many municipalities in one tribunal, either in Quebec or any other province. Therefore, the number of tribunals will run to a great many hundreds if not thousands.

Mr. MARCIL: Will the minister explain why this clause, in reference to the Act coming into force, is inserted in the Bill at all? If there is such great urgency for it as would be imagined, after hearing the remarks of the hon. member for South York (Mr. Maclean), why is it not provided that it shall come into force at once?

Mr. MEIGHEN: This Bill requires regulations to be made, and certain preparations, and it is thought better to have it in this form, so that it could be made effective just as soon as it was thought proper.

Mr. MARCIL: The leader of the Government who proposed coalition evidently intended that this Bill should be submitted to the people in a general election.

Mr. MEIGHEN: I think, if the hon. member will look at the letters which passed between the parties, he will find he is not correctly stating the position.

Mr. MARCIL: I understood the right hon. gentleman to say that, after the passing of this measure, they might go to the people.

Mr. MEIGHEN: The wording of the letters is much better than the understanding of any individual man.

Mr. MARCIL: The hon. Solicitor General cannot say whether this law is to be held up for any particular purpose?

Mr. MEIGHEN: No, it is held up for its own purposes, if it is held up at all, not for political purposes.

Mr. W. F. MACLEAN: If we have a national Cabinet on the line proposed, there is no question as to when it will be enforced, and how well it will be enforced. The point which has just been raised is the point which is agitating the public mind in Canada. They know that if this Act is to be enforced there must be a united public opinion in support of it, and the way to get a united public opinion in support of it is a national government for war purposes, and the very argument that I presented, only a few minutes ago, has now been raised by hon. gentlemen opposite, and they must see that, if they are anxious to get this Act enforced—and I think the people of Canada are all anxious to have it enforced—there will be no question as to the date when it will go into operation.

Mr. MARCIL: The hon. gentleman must not misstate what I said. I am not anxious for the Act to go into force. I am anxious to have it submitted to the people, but I want to know why the Government, if there is such urgency, does not provide that the Bill shall come into force at once.

Mr. LEMIEUX: That is an awkward question.

Subsection adopted.

On subsection 2 of the Schedule—Exceptions.

2. Members of His Majesty's regular, or reserve, or auxiliary forces, as defined by the Army Act.

Mr. NICKLE: Will the Solicitor General state whether this section will exclude the members of the permanent force from the provisions of the Act?

Mr. MEIGHEN: No.

Mr. NICKLE: If it should happen that a member of the permanent force was an officer, but was not a member of the Canadian Expeditionary Force, would he, as a member of the permanent force, be excluded from the provisions of the Act?

Mr. MEIGHEN: No.

Mr. NESBITT: What is the meaning of "His Majesty's regular forces"?

Mr. MEIGHEN: I think these are defined in the Army Act.

Sir EDWARD KEMP: His Majesty's regular soldiers are the regular army of Great Britain.

Mr. GRAHAM: We have no regulars here.

Sir EDWARD KEMP: They may be living here.

Mr. MEIGHEN: It refers to the British Army and not to the Canadian Army.

Subsection adopted.

On subsection 3 of the Schedule—Exceptions.

3. Members of the military forces raised by the Governments of any of His Majesty's other dominions or by the Government of India.

Mr. MEIGHEN: That refers to members of the military force raised by any of the other Dominions of the Empire. The previous section refers to members of the army of the United Kingdom of Great Britain. A similar provision appears in the New Zealand Act.

Mr. GRAHAM: Have we some of them here?

Sir EDWARD KEMP: They might be residing here, but not very likely.

Mr. GRAHAM: They ought to be fighting somewhere.

Subsection adopted.

On section 4:

Men serving in the Royal Navy or on the Royal Marines, or in the Naval Service of Canada, and members of the Canadian Expeditionary Force.

Mr. PROULX: Does that include the men who are overseas?

Mr. MEIGHEN: Yes; also the members of the Canadian Expeditionary Force in Canada.

Mr. MARCIL: What about the men who have been discharged from that force and are still available for service?

Mr. MEIGHEN: The next clause exempts them.

Mr. GRAHAM: I brought to the attention of the Prime Minister the other day the case of young men under the minimum age mentioned in this Act, who had been to the front and who had returned home, wounded or gassed, for medical treatment. I mentioned a concrete case: that of a boy who enlisted when under seventeen years of age, has returned to Canada and is undergoing medical treatment. Unless some special provision is made, under the ordinary terms of his enlistment that boy will have to go back after he has recovered, while a man a year older than he is, who has not served at all, will be exempt under this Act. The Prime Minister said that he would take into consideration my suggestion that a young man who is under age, who has seen service and has returned for medical treatment, be not asked to go back to the front unless he desires to do so. Although cases of that kind have nothing to do with this Act, provision to cover them might be put in the exceptions, or something might be done under the ordinary military service regulations.

[Mr. Meighen.]

Mr. MEIGHEN: That could not be put in the exceptions. A man, however, who is a member of the Canadian Expeditionary Force, or has been honorably discharged therefrom is excepted under this Bill. The question raised by my hon. friend has no application to this Bill, though his suggestion might be carried out under the regulations relating to the voluntary system.

Mr. GRAHAM: I see that quite plainly. I brought the matter to the attention of the Prime Minister the other evening in the absence of the Minister of Militia. I take this opportunity of directing the attention of the Minister of Militia to the matter.

Sir EDWARD KEMP: My hon. friend refers to young men who have been wounded and who are convalescent in Canada. Many soldiers about the age of nineteen are convalescent in France and in England. It must be remembered that very often, when friends and relatives of these men in Canada ask that they be retained in Canada, or in England, or that they be considered as having done their full duty, the young men themselves object. I had a case of that kind to-day. The parents of a young man made representations regarding his heart action. They had it in their mind, also, that he had varicose veins, and suggested that he should not be sent back to the front. Upon investigation, it was found that the young man was not troubled with either of these ailments; that he himself never heard that he had such things. So that if we adopted my hon. friend's suggestion we might debar some young men who have been slightly, or, perhaps, severely wounded, from carrying out their intention of returning to the front after their recovery. You could not very well discriminate between those in France or England and those in Canada. Some might not want to go back to the front; others might want to go back.

9 p.m.

Mr. GRAHAM: My suggestion was that they should not be compelled to go back if they did not desire to do so. I would not interfere with a young man in that respect; as a matter of fact, he could enlist the next day after his release if he wanted to.

Mr. GLASS: What about the young man within the age of the class called who had seen service, had returned to Canada, had been honourably discharged, and was physically fit to return?

Mr. MEIGHEN: He is exempted under clause 5 of the exemptions.

On subsection 5:

Men who have since August 4, 1914, served in the military or naval forces of Great Britain or her allies in any theatre of actual war and have been honourably discharged therefrom.

Mr. MEIGHEN: I suggest that subsections 5 and 6 be allowed to stand for the present. The Prime Minister desires to be present when the discussion with regard to them takes place.

Subsections 5 and 6 of the schedule stand.

Mr. MORPHY: Take the case of an officer who spends a year and a half fighting in the trenches, comes back, takes another regiment over, is unable to go to the front on account of there being too many officers, is returned to Canada and is anxious further to do his bit. Would he be debarred by subsection 5 from going with the forces to be raised under this Act?

Mr. MEIGHEN: No, he is not debarred at all. This Act puts no restraint on him.

Mr. MORPHY: His services would be availed of if they were offered?

Mr. MEIGHEN: Oh, yes. I have some other amendments to propose which constitute important additions to the Act. I have not a large number of copies of them for distribution, but numbers of them will be distributed and available on the table of the House to-morrow morning. I will read the section which I propose as section 16 of the Act, the present section 16 to be made section 17:

16. Any person who comes within any of the classes set out in section 3 and who contravenes any of the provisions of this Act or regulations made thereunder for which contraventions or other penalty is herein provided shall be guilty of an offence and shall be liable upon summary conviction to a penalty of not less than $100 nor more than $500 and to imprisonment for a term of not less than one month nor more than twelve months or to both fine and imprisonment.

(2) Any person why by means of any written or oral communication or by any public speech or utterance advises, urges or advocates that the men or any of the men mentioned or intended to be described or included in any of the classes hereinbefore mentioned shall contravene, disobey or refuse, neglect or fail to comply with all or any of the requirements imposed upon them by this Act or by regulations made thereunder or who wilfully resists, obstructs, hinders or impedes or attempts wilfully to resist, obstruct, hinder or impede, or persuades, induces or influences, or attempts to persuade, induce or influence any person or any body or class of persons to resist, obstruct, hinder or impede the due execution of this Act in any respect according to its true intent and purpose or for the purpose of obstructing, hindering or impeding the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption under this Act or the evidence available in support thereof or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder shall be guilty of an offence and shall be liable upon indictment or upon summary conviction to imprisonment for a term not less than one year nor more than five years.

(3) No proceeding authorized or pending before any of the tribunals provided for by this Act and no decision of any such tribunal shall by means of injunction, prohibition, mandamus, certiorari, habeas corpus or other process whether of the like kind or otherwise issuing out of any court be enjoined, restrained, stayed, removed or subjected to review or consideration upon any ground whether arising out of alleged absence of jurisdiction in the tribunal, nullity, defect or irregularity of the proceedings or any other cause whatsoever nor shall any such proceeding or decision be questioned, reviewed or reconsidered collaterally in any action or proceeding, civil or criminal.

(4) Nothing in this Act contained shall be held to mitigate or affect the punishment provided by any other Act or law for the offence of assisting the enemy; nor shall anything in this Act be held to limit or affect the powers of the Governor in Council under the War Measures Act, 1914.

(5) Any person who prints or publishes or causes to be printed or published in any book, newspaper, periodical, tract, pamphlet, circular or printed publication whatsoever any editorial, article, letter, correspondence or other matter intended or having effect to advocate, advise, persuade, instigate or influence the public or any person, body or class of persons to resist, obstruct, hinder or impede the due execution of this Act or compliance therewith in any respect or particular according to its true intent, meaning and purpose or for the purpose of impeding or defeating the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption or the evidence available in support thereof or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder shall be guilty of an offence and shall be liable upon indictment or upon summary conviction to imprisonment for a term not less than one year nor more than five years; and whether the printer or publisher of any such book, newspaper, periodical, tract, pamphlet, circular or printed publication shall have been first convicted or not the same shall be summarily suppressed and shall remain suppressed for the duration of the present war; and moreover the further publication of any book, newspaper, periodical, tract, pamphlet, circular or printed publication whatsoever in any issue of which any such editorial, article, letter, correspondence or other matter shall have been published is prohibited and the same shall be summarily suppressed and remain suppressed for the duration of the present war.

(6) This section shall come into force on the day of the sanction of this Act.

Sir WILFRID LAURIER: It would be better to put martial law into force at once.

Mr. MEIGHEN: What I have read is proposed as section 17 of the Act.

Sir WILFRID LAURIER: Will that appear in the Votes and Proceedings to-morrow morning?

Mr. MEIGHEN: I intend to have typewritten copies laid on the table of the House to-morrow.

Mr. NICKLE: It will appear in Hansard.

Mr. MEIGHEN: I suggest that the committee return to the consideration of the sections that have been reserved. I will ask the committee to return to the consideration of one or two that are passed on the understanding that the suggestions made regarding them would be considered and spoken to in the committee.

Mr. TURRIFF: Before we go back to those sections, I would suggest, in reference to exemption 6 that the Solicitor General is having a stand over, that we take into consideration the leaving out of that subsection altogether. It does not seem to me fair to the clergy to exempt them. In the different classes that are called they will be mostly young unmarried men between twenty and thirty-five. A large number of clergymen have gone overseas in connection with their own work or as trained soldiers to fight for their country and I think the discretion should be left with the tribunals to exempt any particular case, but in a general way the clergy should be subject to the same law as the rest of the people. I have objected to farmers being exempted as a class, and I think it is only right that the clergy should not be exempted as a class.

Mr. MEIGHEN: That section is not before the committee now.

Mr. PROULX: The hon. member for Assiniboia (Mr. Turriff) should remember that under the Militia Act, the clergy are exempted. The exemptions in the Militia Act should be inserted in this Act.

Mr. MEIGHEN: The section that will be before the committee first is the first section reserved, namely, section 3. In respect of this section, it has not been found desirable to recommend to the committee the acceptance of any of the suggestions made. There were not many made and none pressed with regard to this section.

Mr. NESBITT: I was not here when that section was discussed. Take the first three classes. Supposing that there were

50,000 men in the first draft—is it proposed to call out only class 1 in the first place, and to pick those 50,000 out of class 1, if they can be secured?

Mr. MEIGHEN: Under this measure only one class can be called out at one time, but there is no necessity, under it, of completing the selection from that class until the next class is called out. I would apprehend that if, after class 1 was called, the mechanism provided by the Act is found to work out satisfactorily, just as soon as it would become apparent that there would not be enough men secured under class 1, class 2 or a sub-class of class 2, would then be called, as might be determined upon from the information obtained in the report on class 1.

Mr. NESBITT: If it appeared that you could get enough from class 1, you would not call class 2 at all.

Mr. MEIGHEN: I think that is a very unlikely contingency.

Mr. NESBITT: I cannot agree with my hon. friend. I think it is very likely. 50,000 men in class 1, from 20 to 23 years of age inclusive, could readily be secured in this country, and I think it a great shame that these boys should be the only ones taken in the first draft. I am calculating on 50,000 men, not 100,000 men, being the first draft. It is a great shame and pity that the Government should take all these young men, and not call out the first three classes and take a certain proportion of the 50,000 from each of the first three classes. I seriously object to calling out only the first class and taking those young boys away from their homes without calling out any of the other men of this country.

Mr. MEIGHEN: The hon. gentleman may have his opinion as to the number that can be secured from that class, but I can only say that I very emphatically disagree with him. Still, on my part, that is only an opinion, and no one can tell. I apprehend that all three classes will be called before the number required by this Bill is obtained, and it is the intention to obtain that number.

Mr. NESBITT: Take the exemptions. The first exemption is:

That it is expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he is habitually engaged.

Many of those young men have not yet taken up a profession in life, whatever that may be. The same is true of the second exemption. They could not claim that they would be better employed in some other particular work, because they have not been habitually employed in other work. The consequence is that the Government will get many more men from that class than they expect, and it is a pity and a shame that those boys should be taken away and the other men from 23 to 28 and from 28 to 34 should not be drawn upon at the same time.

Mr. MEIGHEN: If the hon. member thinks the matter out, he will come to the conclusion that even if his prediction is correct—and I think that is very unlikely —there is nothing in the nature of a shame. If what he recommends should be done, it would mean that there would be some between 20 and 24 who would be available and some who would be left.

Well, under his proposal there would be just the same shame, if you call it that, as there is in this, because the shame is between those who were taken between 20 and 24 and those who were left between 20 and 24. If there are more available to go than this Bill calls for, then the shame is between those who go and those who do not go.

Mr. NESBITT: My hon. friend takes the wrong meaning out of what I said. I do not mean to say it is a shame that some should be taken and some left. It is a shame that boys of that age should be selected out for the first fifty thousand men, without taking any of the others. A great many of these young men have never been away from home. They would be exposed to the temptations that might arise through being taken into the army, and so on. For that reason, and many others. I think the three classes should be called out together, and the selection made from the first three classes from 21 to 34 inclusive.

Mr. MEIGHEN: It is quite possible the three will be called out so closely together that the hon. gentleman will find his anticipations are not realized.

Mr. NESBITT: I may tell the hon. gentleman I have given this subject a great deal of thought. I have thought about this particular section of the Bill ever since it was introduced. This is the part of the Bill I have always been opposed to in my own mind, because with all due deference to my hon. friend, I know he can select a great many of these boys out of practically every town in this country.

Mr. MEIGHEN: If the hon. gentleman will think longer I may be wrong and he may be right. However, just let me put this to him. If his prediction is right under his plan there will be, say, two boys, as he calls them, in the same position, both 23 years of age. Smith will be taken for the front, and Jones will be left at home.

Mr. NESBITT: You do that anyway.

Mr. MEIGHEN: I do not think so.

Mr. NESBITT: That is what you call "selective".

Mr. MEIGHEN: What we do is this: we take Smith and Jones, but we leave at home for the time being Brown and White, who are between 24 and 28. According to my hon. friend's plan he would take Smith and White, one in the first class and one in the second class. Now I am not sure that Smith would feel any better at the front because Brown was left at home than he would feel if Jones was left at home.

Mr. NESBITT: That applies all around, no matter how you select them.

Mr. MEIGHEN: The only difference is that Jones is the same age as Smith, and cannot see any reason why Smith should be left at home. White is a few years older, and there may be something in leaving him at home for the time being.

Mr. TURRIFF: I quite agree with my hon. friend from North Oxford (Mr. Nesbitt). In the stress of war as war is waged at the present time, I am thoroughly convinced that the men between 24 and 28 years of age, as defined by class No. 2, are physically better able to withstand the trials. They are more mature, and are able to stand the hardships better than the young men of 20. They are also better able to withstand the temptations of a soldier's life, and we all know this is a very serious phase at any time. While I can quite agree with what has been advanced by the Solicitor General on previous days, that the men between 24 and 28 would probably make a slightly bigger hole in the affairs of the country if they were taken away, because of the fact that a man between 24 and 28 is more likely to be established in life, still I think it is absolutely certain, as my hon. friend from North Oxford says, if you want to get 50,000 men in the first draft you may get every one of them in class No. 1, from 20 to 24 years of age, and you may have a great many in the same class left. I think it would be an absolute mistake to take 50,000 men from the men between 20 and 24 years of age. I should think it

would be much better to unite these three classes, Nos. 1, 2, and 3, into one class, and call them out together, and select your 50,000 men or 70,000 men from them. I believe 70,000 was the number mentioned by my right hon. friend the Prime Minister. In that way you would get the men from 20 to 35 years of age, and would not get them all between 20 and 24. There is a great deal in what my hon. friend from North Oxford has said, and I think it is well worth while allowing the matter to stand over so that the Solicitor General may look into it further with a view to seeing if he cannot unite those three classes.

Mr. MEIGHEN: The hon. member for Assiniboia (Mr. Turriff) has, it must be agreed, hit upon the real test as to whether selection should be made from the younger men first or those a little further on in life, namely, the test of fitness for the endurance of the war. His judgment of the fitness of the men, however, differs from that of the responsible leaders at the front. Sir Douglas Haig has very clearly stated that the men who endure the hardships of this war best are the men between 18 and 25. I am no judge of that myself, but if I were asked I should say I hardly think this possible. However, that is his statement. Then, there is another very important matter. The air service, which requires a physically perfect man, not only from the standpoint of health but from the very vital standpoint of nerve strength, restricts its men to the ages 18 to 25. These two considerations seem to me to put it beyond the discussion of this House as to what class of men really endure the hardships of this war best. That being the case, it would appear to me that other considerations are secondary, although they are important. I want to add this, under this Bill if it is felt after a very thorough canvassing of the situation that the whole number can be secured in the first class, or for any other reason if it is felt that there will be little difficulty in proceeding with the selection under the tribunals which have been inaugurated, we might very well call out class 1 on Monday, class 2 on Tuesday, and class 3 on Wednesday. For that matter, I think we might call one at nine o'clock, one at ten, and the third at eleven, on the same day.

Mr. OLIVER: Might I call attention to the United States Act placed on the Table to-day, which reads:

> Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons, not alien enemies, who have declared their intention to become citizens, between the ages of 21 and 30 years, both inclusive.

[Mr. Turriff.]

Mr. MEIGHEN: I know that is the United States Act.

Mr. MORPHY: I am rather inclined to fall in with the view of the member for North Oxford in regard to the classes as they are placed here.

I think, notwithstanding the statement alleged to have been made by General Haig, and having regard to the fact that our soldiers are citizen soldiers and the common knowledge that one has that a boy of twenty is after all hardly a man but only a boy, that his physical being has not been perfected and that his bones are not probably any too well set, there is something a little repellent and repulsive about the idea of putting an immature youth into a war of the nature of the present one. It is true that these young men have gone and it is splendid that they have gone willingly. Lots of them went at 16 years of age without any conscription. But it struck me while the discussion was going on that if class two were put where class one is, having regard to the argument that the force may be found in one or other of these classes, if the more seasoned, yet young, men were put first in class one and the younger boys put in class two, it would be following along a line that would be congenial to my thought and I believe would be very well received in the country. We all hear of Germany being forced to put her young men in the field. The Government might ameliorate the situation by making a different classification that would not prejudice the working out of the Bill. The Solicitor General says that all of these three classes will be required. If that is so the reversion of the numbers, putting number two where number one is, probably putting number three where number two is and putting number one where number three is, making number one the last of the classes, I believe would be a change that would not injure the working out of the Bill but would give to the first draft a full man's strength of those first selected, men steadier in their characters, more set in their frame and constitution, and more calculated to endure the rigours of war.

Mr. PUGSLEY: Would the Solicitor General tell me why there has been a departure from the English Act? He has been good enough to lay on the table of the House the two British Acts and in looking over these I can only find one class—from 18 to 41 years of age. Am I right in that?

Mr. MEIGHEN: Yes.

Mr. PUGSLEY: The Solicitor General has spent hours quoting what has been done in England for our instruction and example. In fact, our Bill in many respects follows the English Act, and yet in England their experience shows them that it is wise only to have one class running from 18 to 41 years of age, making no distinction between married men and unmarried men. Yet, in this Bill the measure is complicated by creating ten different classes, which seem to be founded upon an arbitrary age limit for which there is apparently no good reason whatever. I would like to know why it is that the British Act has been so greatly departed from in that particular?

Mr. MEIGHEN: I am not obliged, even in this instance, to depart from my veneration for British precedent. In Great Britain the Derby system was in effect for some time and a pledge was given by the then Prime Minister to the married men who had enlisted that before they were sent overseas —I may not be precisely stating it—the unmarried man would be required. The first Military Service Act of Great Britain was for the purpose of carrying out that purpose in the main. The whole number between 18 and 41 were taken, but the Act applied there only to unmarried men, not to married men at all. Later on it was made applicable to married men. In the circumstances public opinion in Great Britain had reached such a position and the position of the Government as to the requirements in France had reached such a condition that they knew that they would need every one and perhaps more than every one they could possibly get. Consequently their Act covered them all together, but their Act provided what our Act does not provide, and I would like hon. gentlemen to note this, that they might be called out as would be set out in regulations. There they had the power by regulations to make the divisions. They divided according to age in Great Britain. Those first were all taken and after that they took them in order of age by regulation, commencing with—

Mr. PUGSLEY: What age?

Mr. MEIGHEN: Eighteen.

Mr. GRAHAM: What was the first class?

Mr. MEIGHEN: I will read the regulations:—

Groups and Classes.

For convenience of administration a further distinction will be observed between the voluntary attested men and men to whom the Military Service Act applies. The voluntarily attested men will, as hitherto, be divided into groups according to their age and marital condition. The men to whom the Act applies will be divided into classes corresponding to the groups of single men who have voluntarily attested.

These voluntary attestations were according to age and those called out under the Military Service Act were called out in classes corresponding to the ages of the conscripts called out under the voluntary system.

Mr. PUGSLEY: Could the Solicitor General give us those ages?

Mr. MEIGHEN: They are as follows:

Single men born in.	Group.
1899	B
1898	A
1897	1
1896	2
1895	3

And for married men it is exactly the same.

Mr. TAYLOR: Mr. Chairman, I wish to endorse the arguments which have been offered in favour of combining the first three classes under this Bill. I agree with what the hon. member for North Perth (Mr. Morphy) has said about the greater suitability of those covered by the second class for the service which we require from these young men in a war of the kind in which we are engaged. From the military standpoint, I know that we would have much better service out of these three classes by combining them than by taking them singly in any order. It is quite true that Sir Douglas Haig is reported to have said that the very best service has been secured from the youngest men in the army, but I am quite satisfied that neither Sir Douglas Haig nor any other general officer, would be satisfied to have his battalion composed exclusively of these young men. We need the young men to give steam to the operations and we need the older men to give ballast. We have heard a great deal about the number of Canadians sent across to the Old Country and returned to Canada as rejects, as physically unfit. My experience is that that has been caused largely by the system they have there, particularly in the winter season, of discarding the very young and the very oldest classes of the Canadian Expeditionary Force.

Then, having got all these old men together, they send a large number of them back to Canada as unfit, and having got the boys together, they decide that they are not useful either and send them back or

keep them for a very long period. If they were sent as battalions with the old and the young and the middle aged together, they would have for the military service 1,000 fit men, whereas, by the process of elimination that now goes on during the winter months, they have only 800 fit men and 200 rejects.

It seems to me that we would get much better service if we would combine the three classes first named in this Bill, and that the authors of the Militia Act who provided for the calling out first of all men from eighteen to thirty, based their decision very wisely.

Mr. MARCIL: From my hon. friend's experience, how long will it take these conscript troops before they are ready for the field?

Mr. TAYLOR: From my own experience in Canada, I may say that I had a battalion fully trained and ready for any experience that might be before it in six months from the date of authorization. We were kept in Canada after that for four months because of the falling off in recruiting. In June of last year the 131st Battalion was over the 1,000 mark, that being the strength supposed to be attained before a battalion was permitted to go overseas. From June until October the conditions for recruiting were so difficult, even in British Columbia, that we got new men only sufficient to meet the wastage in Canada, and when we got the order to go overseas in October we were only two over the 1,000 mark. Our training then was no better than it was in June, when we first reached the 1,000. We were not any better, probably we were a little stale if anything from discontent on the part of the men. When we got to England the battalion was found ready for any service, and the first draft of 500 men was sent to France within two weeks of our arrival in England.

Mr. GRAHAM: I think that if anything were needed to convince the House of the wisdom of the combination of these two clauses, the member for New Westminster (Mr. Taylor) has provided that argument. I feel very strongly on this point, as I outlined the other day. I am not sure that I would not make the minimum age twenty-one. This is not voluntary service; this is compulsory service, and we cannot base what we are going to do under this Act on anything that has occurred under voluntary service. You are compelling men to go, which is a far different thing from having them enlist. They can enlist at eighteen if they like. But there is a lot in what my hon. friend has said and also in the remarks of the hon. member for North Perth (Mr. Morphy) and the hon. member for North Oxford (Mr. Nesbitt). No person need tell a man who has raised boys that the boy at twenty is as well seasoned as a man at twenty-five. I do not care what kind of theory you give, we know better. Any man who is engaged in athletics knows that a man does not play out at twenty-two or twenty-three, but is at his best at twenty-five or twenty-six. Any man who engages men to go to the bush or elsewhere to endure hardships does not want the boys. As the hon. member for New Westminster says, the young man is aggressive, aggressive, perhaps, to recklessness, and I agree that no commander would want a battalion of that kind unless he had the steadiness of the older men with them. Leaving out the domestic side of it—because taking a boy of twenty years of age from home by compulsion is a serious thing—to my mind no argument has been presented to show that the man of twenty is preferable to the older man. I have no hesitation in saying that no such argument can be presented. He is not mature.

There is another side of it. It has been stated as the intention of this Bill to take men who are not needed in this country, that is men who are less needed than others and who are not producing, but are rather consuming what others produce. If you go through the large cities and comb them to find out the men who are doing this thing, it will be found that they are not men between twenty and twenty-four, that more of them are between twenty-four and thirty. The young man of twenty to twenty-four is probably a student and perhaps resides at home, just getting ready for life. If men are going to be non-producers, you will find them between twenty-four and twenty-eight. I agree with the hon. member for North Perth (Mr. Morphy); I would reverse number two and number one at least. That would be my first suggestion. But, better than that, I would combine the three classes that have been named—first, second and third. In that way I think the desired number of men would be easily obtained, probably in this one class, and I have yet to be convinced that a better and more seasoned class of men would not be got with these three classes combined than you will get under the first class alone.

Mr. TURRIFF: I would also suggest to the Solicitor General to consider whether

he should not change the minimum age in class one to twenty-one years instead of twenty, making the minimum age one year more than at present. If we were short of men I would not make that suggestion; if there was going to be any difficulty in getting 100,000 men in Canada under this Bill, I would not think of making that suggestion. But there is not going to be any difficulty in getting the men, and I think every one will agree that a young man of twenty-one is better able to meet the exigencies of a soldier's life than the man who is a year younger. I think it would be an advantage to leave the boy at home until he is twenty-one years of age.

Mr. GLASS: There are two reasons for giving consideration to the proposal to change the minimum age limit to twenty-one years of age: In the first place, we would be following the precedent set by the United States; in the second place, we would be responding to public opinion in this country. I have received requests from a number of organizations, women's organizations and others, urging that the minimum age be placed at twenty-one, and I understand that the Government have received similar requests, some from my own district. The arguments that have been presented by the hon. member for North Perth and the hon. member for New Westminster strongly impress on my mind the desirability of combining these three classes. Then it will be necessary to combine classes four, five and six, because they stand in exactly the same relation, only they happen to be married instead of single men. But, so far as the physical powers of the men are concerned, these classes are on all fours with classes one, two and three. I think the suggestion is a good one, and there should be no difficulty in getting the full complement from these three classes.

Mr. MEIGHEN: I do not pretend to set myself up as an authority before the committee, as to when a man is most physically capable of standing the hardships of this war, first, because I am not an authority on physical fitness, and, secondly, because I do not know anything about the hardships of the war, and I would not think of placing my opinion against that of hon. gentlemen, especially those hon. gentlemen who have had as much to do with the militia as the hon. member from North Perth and the hon. gentleman from New Westminster. I want to call the attention of the committee to the fact that, in Great Britain, they divide them according to age, but that was not because they expected to take all from the first age, namely, those born in 1899. That would be taking men who were only at that time 17 years of age. It was done merely for the convenience of enlistment. They knew, from the beginning, that they would require all of those ages that they could get. We are of the same opinion, and it is our intention to take, as I expressed it yesterday, those best available, wherever they are, and of whatever age they are. But we want to start at this age for this reason: under the Bill, if those first three classes are grouped, which is suggested by several, it will mean that all of them will be called at once, and they will all come before the local tribunal at the same time.

Mr. GRAHAM: My hon. friend said he could call one class at nine o'clock, another at ten and another at eleven o'clock the same day. Would that not be the same condition?

Mr. MEIGHEN: Yes, that could be done, but it is in the public interest that we should be enabled to make the classes as they made them in England. They may be made in the United States in that way for similar reasons, under regulations. All men are made liable there, and all men are made liable here. We go further than the British and United States legislation, and we make classes ourselves, which, if all three were called together, would mean that all would come before the local tribunal on the day named in that call. That would mean the withdrawal from their ordinary avocation of all these men at once, and the reporting to these tribunals on the day fixed for reporting in the proclamation. We might get, by that means, far more than the alloted number. We want to avoid that if we can, but we also wish to avoid congestion of the tribunals, and the withdrawal from other avocations of life of everybody at once. We expect to require three classes. We may require four. Our expectations are not founded on anything that could be called sufficient data, but the purpose is to call some on one day, some on another, and some on a third day, and then to select from all these, but we do not wish to be compelled to call all at once, because it will be likely to result in the congestion of the tribunals, and it will unnecessarily call away at one time all these men from the ordinary avocations of life, and create a very unnecessary disturbance.

Mr. NESBITT: But they are only called out to report.

Mr. MEIGHEN: And to apply for exemption.

Mr. GRAHAM: The great majority will not apply for exemption.

Mr. CURRIE: The hon. Solicitor General informed the House, in answer to a question, that nobody appeared before the tribunal, except the men who wanted exemption.

Mr. MEIGHEN: My statement was correct.

Mr. CURRIE: How does it come that every one of these men will have to appear before the tribunal?

Mr. MEIGHEN: I said all who wanted exemption would have to apply to the tribunal, and we feel it will not be convenient that they should be all called at once, because if they were, there might, and likely would, result a congestion of the work of the tribunal, and there would be an unnecessary withdrawal, at the same time, from the ordinary avocations of life of these men, some for the purpose of entering their applications for exemption, and others for the purpose of reporting, and all, ultimately, who are enlisted, for the purpose of recording. They could not all be taken at once very well. If the Bill read, "all who would be called upon" and that they might be called upon, as set out in the regulations, then we could follow what they do in Great Britain, and likely what they will do in the United States. But we go further, and do not ask the House to trust to regulations. We set out the divisions in the Bill, not that we feel we will get the men from one division at all, because we want to comb the available men at all events from the first three divisions, and if we find that we do not get enough from those divisions we will have to comb from the married men, but if we group the three classes the hon. gentlman from South Oxford will see it will mean the bringing in of all these men to report at once, the withdrawal of them from their avocations, and the bringing in of all who seek exemption, to make their applications to conduct the prosecution of their appeals, and so on. It will cause an unnecessary disturbance of industry and withdrawal from ordinary pursuits.

Mr. ROSS: Can my hon. friend tell me the number that would be lost by raising the age from 20 to 21?

Mr. MEIGHEN: I discussed that before. I do not know that I can add anything to what I said the other day. I am not anxious to make the age 21, even for the sake of following American precedent.

Mr. GRAHAM: Following our advice.

Mr. MEIGHEN: The American precedent has been urged. I think we will do well to keep within two years of the British precedent, and one year of the American precedent, rather than to get three years away from the British precedent, in order to get into line with the American procedure. Regard has been had to the fact that each and all of us have been endeavouring to get men of 18 and 19 to enlist voluntarily, and those who have responded have gone to the front at those ages, but there were others, who were equally able to go, living alongside of them who did not go, and there was some element of fairness in the argument that we should not, at all events, exempt too far down, out of consideration for the fact that boys of younger age had gone.

Mr. GRAHAM: Those that went at 18 are now 21, if they went at the beginning of the war.

Mr. MEIGHEN: Those who enlisted at 20 under this, will be nearly 21 before they go.

Mr. GRAHAM: The object of this Bill is to get the men.

Mr. OLIVER: No.

Mr. GRAHAM: My hon. friend says he does not agree with me. I am assuming that is the case. The little inconvenience which the Solicitor General refers to, in having all these men called out at once, should not interfere, even if it does exist, but, for the life of me, I cannot see where it exists. If only the men who are asking for exemption are really to be interfered with, it makes little difference whether they are interfered with on Monday, Tuesday, Wednesday or Thursday.

Mr. NESBITT: And the putting of these three classes together might make some little difference in the manner suggested by the Solicitor General, but so little as to be unobservable, or practically no difference at all in comparison with the magnitude of the work in hand.

Mr. MEIGHEN: It just means three times the delay at the tribunal offices, and three times the crowding at the recording offices.

Mr. GRAHAM: I do not think that is a serious objection. If necessary, there can be a greater number of tribunals. I think that would be one solution. I do not look

at it as my hon. friend does. I do not anticipate a mighty throng coming before these tribunals to seek exemption. I believe that the majority of young men will not seek exemption unless there be some real, tangible reason why they should do so; the number who ask for exemption will be comparatively small. But if what the Solicitor General apprehends does occur, and there is a little congestion, that circumstance sinks into insignificance when compared with the advantage of putting these three classes in one.

Mr. MEIGHEN: We get the same results in the end.

Mr. GRAHAM: If my hon. friend gets the same results he will get the same congestion, but he will spread it over a few days longer.

Mr. MEIGHEN: Oh, no.

Mr. GRAHAM: The Solicitor General thinks that he is not going to get the required number of men from the first and second classes; that he will have to call out all three classes. If that be the case, I see no reason why they should not be all called out at once. I do, however, see a reason why all the eligible young men in Canada between the ages of 20 and 24 should not be taken while the others are left. If, as the Solicitor General argues, it will be necessary to call out classes one, two and three in order to obtain the required number of men, then he has presented no argument to the committee why the three classes should not be combined in the first instance and called out in the same draft—unless it be that of congestion or of taking men from our industries. But it will not take a single man from the industries for a day or for a minute—only the men who are asking for exemption.

Mr. MEIGHEN: What about the reporting of the men? They would all report on the same day if they were all called out at once; there would be just three times as much reporting, and it would take days to look after that part of it. When I rise in the morning I am reasonably sure that I will require three meals on that day, but I do not on that account argue that I ought to take the whole three at breakfast time because, although some congestion might occur, I would get the same result. If we do nothing else, we avoid inconvenience by following the plan suggested in the Bill. Hon. gentlemen do not seem to realize that we can under the Bill obtain the same result, because we can

10 p.m. see that all three are called out and that different dates, perhaps not far apart, are fixed for the hearing by the tribunals and the reporting of each of the three classes. In that war not one single object is lost that would be gained by having all report at once and the tribunals sit on all at once.

Mr. GRAHAM: If my hon. friend is wrong in saying that the whole three classes will have to be called in order to secure the required number of men, under the Act as it stands he will denude Canada of the younger men and not touch the others at all. If he gets the required number of men between the ages of 20 and 24, he will not call out the others. I do not want to quote Germany as an example, but Germany, perhaps the greatest fighting machine in the world, calls out her boys last.

Mr. CURRIE: Excuse me. Germany's first army consisted of men under 24 years of age. The hon. gentleman should know that if he knows anything at all about it.

Mr. GRAHAM: I know that my hon. friend knows everything—in his own mind—and that is just as good to him as really knowing. He will allow me to disagree with him; there are many things even about the Canadian militia that he has yet to learn. If he will read the newspapers he will see that during the last few months Germany has resorted to calling out her boys.

Mr. MEIGHEN: Under the military age.

Mr. GRAHAM: That depends on what the military age is. But, whatever the military age is, I was referring to boys. No matter what my hon. friend says about the age of 24, I was talking about boys of 20. Germany calls out all her boys last; unless the cables are untrue she has called them out during the last few months.

Mr. CURRIE: I have a book here, the Here is what this year-book says, page the facts. I do not ask the hon. gentleman or the committee to accept my word for it. Here is what this Year-Book says, page 945, with reference to the German Empire and its state of defence:

> Military service in Germany is compulsory and universal, with the usual exemptions. Liability commences at the age of 17 and ends at 45, but actual service begins at 20. The term of service in the First Line, or active army, is seven years, two in the ranks and five in the reserve.

So that the first army in the trenches would consist of men from 20 to 22 years of age.

Mr. GRAHAM: That does not follow.

Mr. CURRIE: We will agree, then, that the age goes up to 27. But the reason why boys are called out now is because every year a certain number of them reach the age of 17, 18 or 20, as the case may be. Every year the Austro-German army gets over 800,000 additional men because that number of men become of age to enter the army. The young men may be called out at 19, at 18, or at 17—because they become liable to service.

Mr. NESBITT: At what age are the men of the German Empire put in reserve?

Mr. CURRIE: At the age of 23 they go into reserve and serve there for five years. The army comprised of men from 20 to 23 was the First Line army that fought the British at Mons. The reserves were called out and embodied while the first army was marching across the frontier. Then the first army was embodied for a month, or, say, two or three weeks. Then the second army or reserve was embodied, now ready for the field, bringing all the men between 23 and 27 into the army.

Mr. GRAHAM: My hon. friend has said a lot of things that are not stated in that book.

Mr. CURRIE: I am merely stating what I know to be the facts. I happened to meet some of the Germans over there, and I realized that the first German army was composed entirely of young men. Indeed, the German writers claim that men from 20 to 23 are the best soldiers.

When the First Contingent went over, a great number of men went who were under age. I do not say this to disparage the men under 20 who went to the front; no braver men ever fought for our King and country than the boys of 18. One who was a page on the floor of this House and who enlisted when the war broke out—he was then 16 years of age—is now a veteran who has seen service during two years and a half. The young men under 20 fought just as well as the men of 35 or 25. Moreover, they recovered their strength and spirits after a long day's march much more quickly than men 30 years of age. There is no reason why a man could not be enlisted to serve at the age of 18 and be just as good a soldier as the man of 25. I should not want the committee to say that these men do not fight well; many of them died bravely, standing their ground just as well as the older men. I have in mind one young man who was 16 when the war broke out. He lied about his age, went to the front, was wounded in battle, came home, re-enlisted after recovering, assisted in recruiting a battalion, went back to the front with his battalion, and is being held in England for another six months until he reaches the age of 19. Further, if you are going to call out no men younger than 21, what about the number of volunteers who are in the Old Country waiting until they reach the age of 19? There is some force in what the minister says. Germany, Austria, Russia, all the great nations, consider actual service in the field should begin when a man reaches the age of twenty years, and I do not see why we should not follow their example.

Mr. GRAHAM: In the United States, the age is twenty-one.

Mr. CURRIE: In the United States, the young men do not mature so fast as they do in Canada, and they are not as hardy. There is much in the suggestion of calling out the three classes together. I have been endeavouring, since I have read this Bill, to visualize what will happen when it goes into force. I thought I had the right animal by the ear when I concluded that every man who belongs to the class concerned and who reads the proclamation, when he finds that he has to go and serve, immediately reports himself to somebody. I thought I was right when I said that that somebody was the local tribunal. I was informed, however, that it was not. The man must report to some person who will take his name, address and so on, and who will make out his papers. Possibly there is a section providing that where nothing else applies, the Militia Act applies, and the Militia Act will apply with reference to enrolment. I think that is really what occurs, although the Solicitor General did not seem to be clear upon that point. As soon as the proclamation is issued, the man reports to some militia officer in his municipality or to the mayor, if there is no militia officer. The proclamation could appoint the mayor.

Mr. MEIGHEN: Look at section 13.

Mr. CURRIE: Subsection 1 of section 13, says that the Militia Act will apply where nothing else does. Under the Militia Act, the Government could appoint men in all parts of the country, and the conscripts could report first to these offi-

cers, and then, if they desired to apply for exemptions, they would have to go before a tribunal which would be similar to a court of revision. I was not clear on that point before, but I am very glad to understand it now, and I think the House will understand the matter from what the Solicitor General has said. The man must first of all report to some person, officer, or non-commissioned officer, appointed under the Militia Act, give his name, address, age and other particulars, and then get his papers. If he wants an exemption, then he must make application or have somebody make application on his behalf to the local tribunal.

Mr. MEIGHEN: He does not report through that officer.

Mr. CURRIE: No, but he can certainly state his objection to the officer, and he will be told to go to the tribunal with any objection he has. Is that correct?

Mr. MEIGHEN: It is likely that the tribunal will sit before the day for reporting, so that the man can have his application in before he reports.

Mr. CURRIE: I think it would be better to have all the men report first, and then you would have a complete record of them.

Mr. DEVLIN: The hon. member has been giving explanations about the Bill. Perhaps he might explain what class the divorced man would come into. Would he come into the class of unmarried men or widowers? What class would the man judiciously separated as to bed and board come into?

Mr. CURRIE: I am not in charge of the Bill, but I would say that the divorced man would come under the category of unmarried men, because the Divorce Bills passed in this House state that a man, once he is divorced, is unmarried.

I wish to discuss the case of the married man who has a young family. I think the older married men, that is those from thirty-five to forty, should be taken before the married men from twenty to thirty. The younger married man generally has a very young family dependent upon him. His children are not of such an age that they can take care of themselves. Therefore, if you are going to take the married men, you should take first the married man who is likely to have a grown-up family. A married man of from thirty-five to forty will usually have some children who are old enough to take care of their mother in case something happens.

Mr. BURNHAM: That depends upon when the man gets married.

Mr. CURRIE: Men get married fairly young these days. Every commanding officer within the sound of my voice will agree with me that one thing that touches us all is that sometimes we have in the ranks fathers with three or four small children at home dependent upon them. The separation allowance does not provide sufficient for those children. The State could well afford a certain amount monthly for each child instead of stating a lump sum. There should be a lump sum for the mother and then five or ten dollars a month for each child. We are not, however, discussing that; we are discussing the categories. I trust the minister in charge of the Bill will give very serious consideration as to whether the Bill had not better provide that when you are going to take a married men's class you should take, first, men over thirty instead of men under thirty. In regard to the marrying section, I would like the minister to consider whether it is exactly according to Hoyle that no one who is going to be conscripted is to be allowed to get married. That is virtually what happens, because it is stated that unmarried men who get married after a certain date will not be considered as married within the meaning of this Act.

Mr. DEVLIN: Will not that be against morality and public order?

Mr. CURRIE: I do not think this Parliament should put any obstacle in the way of a man getting married. At Valcartier I was strongly against any young man who was going to the war getting married, and I would not allow many young men to get married. After I reached England I found that the people there held different views, and they were endeavouring to encourage every young man who was going to the war to get married. I came to the conclusion finally that that was the correct idea.

Mr. DEVLIN: What is the practice in France?

Mr. CURRIE: The same as in England. Every young man, before he goes to the war, is supposed to get married. The matter is one of the protection of the race as well as anything else, and it was discussed pro and con in the English papers. The people there finally decided to encourage and permit all their young men to get married before they went to the war. As I said before, I changed my views on the subject, and I subsequently permitted every young

man under my care who wished to get married to do so. I hope this measure will not throw any obstacle in the way of any man getting married, and if he gets married I hope he will be put in the married men's class. There are not enough men getting married nowadays.

Mr. SUTHERLAND: In view of the objections that the Solicitor General has raised to merging the first three classes, and in view of the possibility of getting sufficient men in the first class, I think the suggestion offered by the hon. member for North Perth (Mr. Morphy) was a very good one, that is, that class 2 should be called first, and either class three or class 1 following class 2. In the event of enough men being called out under class 1, I can hardly imagine that battalions of mere youths would be as desirable as would battalions in which older men were intermingled with younger men. As the hon. member for New Westminster (Mr. Taylor) has pointed out, the older men would add some ballast to the younger men.

And I am sure, from what I have seen myself, that older men placed alongside the younger men would be a very great advantage indeed. I do not think it would be advisable to call out those under 23 or 24 years of age first, if there was any possibility of getting the required number of men from that class. I can hardly help feeling that the first call of say 50,000 men would be met in that class. I think there are surely a sufficient number of men in that class who are eligible, and who have no claims to exemption, to bring the number up to at least 50,000, and personally I would not like to see battalions of mere youths drafted, and older men left at home. I think the suggestion of the hon. member for North Perth (Mr. Morphy) that class 2 should be called first is a very good one, in view of the objections the hon. the Solicitor General has put forth to merging the three classes.

Mr. DEVLIN: I would like to repeat my question to the Solicitor General although of course the member for North Simcoe (Mr. Currie) gave me an answer. Take the case of a man in the province of Quebec who is separated as to bed and board, where the wife is given entire charge of the children. Would such a man, if he remains married, be placed in the category of married men, and exempt in cases where married men would be exempt, or would he placed in the category of widowers?

[Mr. Currie.]

Mr. MEIGHEN: I should say that is not a matter of administration, but rather a matter for the interpretation of the judiciary. To my mind the man referred to by the hon. gentleman is still married. A judicial separation does not dissolve a marriage.

Mr. GRAHAM: Should not the Act be amended to include him?

Mr. MEIGHEN: I do not think so, because his domestic obligations may exist just the same. I do not think we should keep refining the Act for the sake of two, or three, or even half a dozen men. I wish to draw this to the attention of hon. members—let us not be worrying ourselves too much by the fear that there will be a tremendous and immediate result from any cause. If such should be the case, it would be very different from what took place in Great Britain, and I do not know of any reason why we can expect such a very pronounced and enthusiastic response and absence of application for exemption in Canada, in contrast with what took place in Great Britain. It would appear to me to be rather likely on examination of the conditions there, as to nearness to the war, and conditions here as to that and many other things, that the contrast would likely be the other way. Most earnestly I hope it will not be so. Still, let us not worry ourselves in this House by the dream of possibilities that are not warranted by the experience of countries which have tried the selective draft system. In Great Britain, the experience was that the number of applications for exemptions far exceeded all expectations, and the number of exemptions exceeded the expectations by a large percentage. Only by a tightening up of the Act, by regulation and by amendment, and by a strict and severe system of appeal, were they able to obtain the men they expected to obtain from the beginning. Here in Canada, have we reason to believe from the record of our voluntary enlistment, as compared with Great Britain, that we are going to get results far more favourable and far more satisfactory than they achieved there? Grand though our record is, I am afraid we cannot boast it is better than the experience of Great Britain.

That being the position, we have every reason in the world to anticipate that we will require all the available men in the first three classes. "Available" is a term which has no very exact meaning. It is a term that may mean one thing or another. We want the 100,000 best available men.

We think we can get the 100,000 best available men under the provisions of this Bill, consequently the working out of the Bill and the getting of them, believing that we will have the whole first three classes to comb through at all events, is to divide them into classes in order that the machinery which we here provide may not be unnecessarily congested. We may call them out just as quickly as we like, and we may call out class 2 ahead of class 1, if we wish.

Mr. GRAHAM: Then, why not do it?

Mr. MEIGHEN: Because the Act is all right as it is. There is no sound reason for it, and what reason there is would be against it. At least, that is my judgment. But, supposing I am wrong, it will come to the same thing in the end. The classes will be called in such order as will be most expeditious and consistent with the efficient working of the machinery, and we hope to get the best available men out of each of these first three classes. I would ask the committee not to refine unnecessarily in this matter. We will undoubtedly need all the men we can get.

What new spirit has come over the House which makes it feel that we can come to the conclusion there are far more men in this country than we will need for the war? We will need them all. We will need this 100,000 men, and we will need them as quickly as we we can get them. I hope we will never need any more. When we come to get 100,000 more, after the voluntary enlistment we have had, we will not find them coming to us pell-mell. Our experience will be the experience of the older countries, and we must unite, and try to get the men, or at least have the machinery to get them in the most efficient way.

Mr. GRAHAM: I do not want to be considered too obtrusive in this, but I rather made up my mind to-night that the invitation of the Government to this committee to make suggestions was merely a play upon words.

Mr. MEIGHEN: If the hon. gentleman will permit me to get from this clause to some others, I will convince him by actual acceptance of suggestions that it was nothing of the kind. I am sure I do not wish to impose my will on the committee, but I do not want the Act to be altered for no purpose in such a way that it will result in the unfortunate working of the machinery of the Bill. We get the purpose that hon. gentlemen have in mind under the Act as it is. There is no other object that can be served. Consequently, it becomes a matter of the smooth working of the Act, nothing more and nothing less. Suggestions have been made which have been found very valuable, and I propose to recommend their acceptance to the House.

Mr. GRAHAM: I was dealing with this one just now, and this will be my last word on it. Taking every word the Solicitor General has said, and it is an argument in favour of the proposition made by other members of this committee, if he is right that it will take the three classes then no difference will be made in this selection by combining them. If he be right in saying that it will take the three, there is no reason why he should not take them at once except the little inconvenience if any, that will be caused. If he is wrong, then he is going to call out boys from 20 to 24 before he calls out the others.

Mr. MEIGHEN: We could not take them altogether in any event by calling out the three at once. It will be the appeal tribunals, who, by the severity or leniency of their interpretation of the exemption clauses, will decide just how many we get. Secondly, we hope we shall get on with a not too severe application of the Act. We will apply it equally everywhere. That will be the controlling idea. We are going to utilize the whole three classes.

Mr. GRAHAM: If you are going to take the whole three classes why do you not do it at once? The Solicitor General argues from my point of view every time he speaks. If it is so that he will take the three classes he has not presented any argument at all for not taking the three classes at once except that of a little inconvenience. He might do away with that by calling them out at 9, 10 or 11 o'clock or Mondays, Tuesdays or Wednesdays.

Mr. MEIGHEN: They have to report at different times.

Mr. GRAHAM: That may be so but at the most it is only a little inconvenience and I do not think the committee takes that argument seriously. It is not a serious matter compared with the result of denuding the country of its boys of from 20 to 24 while these other men are not required to go over.

Mr. MEIGHEN: There is no possibility of that.

Mr. GRAHAM: That is the hon. gentleman's opinion and he is entirely free to express it, but he is wrong.

Mr. MEIGHEN: It is not a matter of opinion at all. Whether I am right or wrong, the Government can call out the whole three classes and take the most available men of the three. That is the intention.

Mr. GRAHAM: The Solicitor General says for the first time that that is the intention. He contended all along that that could not be done. He never said that it was the intention to use the whole three classes for the first 50,000.

Mr. MEIGHEN: I venture to say that I have said it half a dozen times.

Mr. GRAHAM: I have been trying during the three or four times that I was on my feet to get the hon. gentleman to say that. If he does that he can put them into one class. There is no reason for not putting them into one class.

Mr. MEIGHEN: Except the matter of convenience which is very important.

Mr. GRAHAM: The matter of convenience enters into it very little, if at all. We are leaving it in the hands of the tribunal or the Government to say whether they will call out class one first and get the whole 50,000 out of that class. The refusal of this suggested change by the Solicitor General does not give us the guarantee that we would like to have that they would treat these three classes as one. I will not vote for that clause in the Bill as it stands now because there is no reason, except the paltry excuse which has been given by the Solicitor General, for leaving it there.

Mr. MORPHY: I would like to ask the Solicitor General to take a totally different view. I cannot understand his view when he says that it is for convenience that the classes have been placed in this way. Convenience would be furthered by combining the three classes from 20 to 34 years of age. Doing away with two classes would simplify the Bill.

Mr. MEIGHEN: The Bill would be simpler but the working out of the Bill would be much more difficult. If they were all in one class they would have to be called together; consequently they would have to report together supposing they did not get exemptions. That would congest the reporting and cause unnecessary delay on the part of those waiting for their turn for perhaps days. Consequently, it would congest the local tribunals before whom applications for exemptions were being made and heard. Hon. gentlemen may entertain the opinion that there will be no inconvenience. On this matter the officers of the Militia Department have been consulted. They regard very seriously this matter of convenience. The question of compensation to applicants for certificates of exemptions pending the determination of their cases has been under consideration. It has been decided that it be not granted; otherwise it would be in the Bill. The introduction of anything which will create inconvenience is opposed very strongly by those who have to do with the working out of the Act. There will be delays, men will be kept 10 or 20 miles away from their avocations and if we have the three classes apply at once there will be unnecessary inconvenience to the individual and unnecessary expense to the country. That is the argument as to convenience. There can be no question about that, at all events, to my mind. Of course, I would agree with my hon. friend from Perth (Mr. Morphy) that that would be met just as well by putting class two where class one is. There would be no difference one way or the other, but the congestion which would be caused by calling the three classes together is to be avoided.

Mr. MORPHY: It is difficult to speak very specifically on matters dealing with the man-power of the country, but as plainly as I can speak, I want to do so. The reason that moved me to suggest that the classes be reversed and that the older unmarried men and widowers without children be taken before the boy of 20 is that I can point to town after town where the pool rooms and picture shows are filled with young men from 24 and 25 years of age, while the boys of 18 and 20 have gone to the front. I want to reach that class. If the Solicitor General will utilize his undoubted ability in some way to reach that class he will give great satisfaction to the country. I do not think it is fair to put through a Bill which on the face of it calls from a good home the young fellow who has reached 20 years of age and forces him into the limelight as a conscript, when men of the class that I have mentioned all over the country, men who drive their motors, frequent pool rooms, go to the picture shows, enjoy all kinds of amusements and have no patriotic spirit, are left at home. These are the men that I want to get after and they are the ones that I want to get

after first. If there is to be any class singled out, it should be the men who should have gone to the front at first and not the young fellow with green bones who is growing up and who will be taken out of a good home while these fellows are going around in idleness and making fun of the war.

Mr. RAINVILLE: There is a part of the community that we should not forget, and that part is represented by the pedlars. I refer to the pedlars who have gone from Canada to the United States, the pedlars who have come from England to Canada, and the pedlars who are in the army. We see them in Montreal and elsewhere. They pass from one regiment to the other. My hon. friend from Perth (Mr. Morphy) says that he wants to get after the young fellows who go to the picture shows. I would like to get after the deserters from the army. We have had a wastage of 73,000 in the army, half of which is due to unavoidable causes and the other half to deserters.

The hon. member for Edmonton (Mr. Oliver) referred to an editorial in a Detroit newspaper welcoming 17,000 Canadian boys. Where did these boys come from? They came from Canada. We have heard a lot about slackers. I shall never give the name of slacker to a man who has not enlisted, but who has remained in Canada. But the man who has gone from Canada to the United States in order to evade military service I would call a slacker, and if we are honest and sincere in our desire to get after slackers why not get after the 17,000 in Detroit, and, perhaps, another 17,000 in other cities not far from the boundary. What are they doing there? They are not working; they have some one to pay their board; they are well-off people from Canada, rich men's sons. We have some slackers here from England to be found in insurance offices in Montreal. Going into these offices one would think he was in the city of London, from hearing their language. They do not ask for a salary; they are supposed to be working on commission, but they do not care if they put on one, or two, or three insurances per month, as they receive their cheques from home. These are slackers. But we have something more. I have here the immigration report of the United States. In 1913 the emigration from Canada to the United States was 43,000, in 1914 it was 43,000, in 1915 it was 59,000, an increase of 16,000, and in 1916 it was 85,000. It is no wonder that the Detroit paper speaks of 17,000 Canadians when you have in two years an increase of 58,000 over the normal emigration from Canada to the United States. Are we going to let these boys stay there, these pedlars men who go from one regiment to another, or from one country to another? These young men will not serve in the United States or in Canada. They are beautiful boys, strong and healthy. Why not take some steps to get them back? The man in Canada to-day should not be called a slacker, but every man who went to the United States to avoid military service deserves that name, and the difference in the immigration figures before and since the outbreak of war shows conclusively that these men went there for the purpose of avoiding military service. The day after the Prime Minister announced conscription there were 73 applications in one office in Montreal for passports to enable boys to go to Mexico. They were not going there to work. These young men have stayed in our country, but this incident shows that we have a part of our population who will go anywhere to avoid military service. These Canadians who have gone to the United States retain all the rights of British citizenship, and when conscription is being introduced into Canada the first duty of the Government should be to bring these men back. The Government should also go after the deserters who make up a part of the shortage of 73,000 men. I know that some of these men are in some of our parishes, and notice should be given that they are liable to punishment.

Mr. McKENZIE: In what way could this Government bring these men back from the United States?

Mr. RAINVILLE: By an arrangement similar to that entered into between the United States and Great Britain, or that between the United States and France by which thousands of Frenchmen are being sent back to France. An arrangement could easily be made for the exchange of such men.

Mr. McKENZIE: I know of no process of law that will run in a foreign country, and I want the hon. member to explain how they could be brought back under this Bill.

Mr. RAINVILLE: It would require the consent of the United States Government to send them back.

Mr. McKENZIE: That is another matter entirely.

Mr. RAINVILLE: I would strongly urge that these slackers who have gone to the United States should be brought back.

Mr. NESBITT: The Solicitor General in arguing against the combination of these three classes quoted the British Royal Aviation Service as taking men under twenty-five. That is quite right, but the reason given by them was that the young man under twenty-five was likely to take greater chances. Besides that, he had to have an intricate knowledge of a certain kind of machinery, and everybody knows that the younger a man is, practically speaking, the more apt he is to pick up knowledge of machinery, because he is not so set in his views, or he has not had a training in some other line of business. He is apt to learn more quickly the organism of the machine he has to manipulate, and is much more apt to take hazardous chances. I understood from the men who were recruiting that that was why they wanted younger men. In addition to that, younger men were lighter. Anybody familiar with athletics knows that the younger a man is the better athlete he generally makes, provided he is over 18 years of age, because his bones are not so hardened, and he can be trained into greater activity. I refer to the foot runner and the field athlete. They are more amenable to training and can be more serviceable for that reason. Any one who has had experience in training in any walk of life knows that the man who has his growth, and whose bones are set for every day plodding work, is more matured than the young man from 20 to 23 years of age. My hon. friend from West Simcoe told us what the regular army in Germany was. I have seen a great many people from Germany in my time, and I have read a great deal about the German army, but I do not believe anybody else has ever said that the first German army was composed of men from 20 to 22. I am quite sure I never heard it before, although my hon. friend read it out of a book. That was their ages when they were enlisted, but are not retired till they are 45, and I have no doubt the German guards, the greatest of the German soldiers, is composed of men of more mature years. The hon. gentleman from North Simcoe also stated that these young Canadians were brave and made good soldiers. There has been no suggestion or hint that they are not. We all agree that they have done nobly, but there is no possible doubt that they are not as safe, when exposed to the temptations of military life, as the men of more mature years, and there is no doubt there was more sickness, according to Dr. Bruce's report, among the younger men than among the older men. I absolutely agree with my hon. friend from New Westminster (Mr. Taylor) who has had the experience, apparently, that if these three classes were combined they would make a steadier army. The Solicitor General asks, what reason have we to suppose that there would be 50,000 men to be got from the first class? I ask, what reason have we to suppose that there would not be 50,000 men obtained from the first class? Suppose there were a great many applications for exemption, what reason have we to suppose the tribunal would allow those exemptions, because those are the very class that are not in a fixed avocation? I do not believe that the tribunals would allow those men to be exempted to such an extent as they would perhaps exempt the older men. No reason has been given by the Solicitor General, from start to finish, why the three classes should not be combined, except for convenience of registration and convenience of exemption. I have not the slightest idea that the registration will have to be done in one day, no matter how many classes are called out. I have no hesitation in thinking that whoever makes the regulations will have sense enough not to make them all register in one day, but will give a number of days for the registration, and a number of days for applications for exemption. There is no need whatever to have all the men apply on the one day for exemption or registration.

Mr. MEIGHEN: Assuming there would be seven days allowed, why should we have all the men waiting around, during that time?

Mr. NESBITT: There is no necessity for that. The advertisement can easily state that the men of certain ages will register between certain days.

Mr. MEIGHEN: Then my hon. friend is dividing again?

Mr. NESBITT: No.

Mr. MEIGHEN: The result is the same as if the whole three classes were to be called, in any event.

Mr. NESBITT: I beg pardon, it would not have the same result. They would all be called at the same time, but the notices would state that men between certain ages would register between certain dates. If the Solicitor General will tell us definitely that some system of that kind will be provided in the regulations such as he suggested a few days ago, it will be quite satisfactory, but why not have it in the Bill and let the regulations provide, as they do a great many other things in the Bill, how

they shall be called out, and make them all one class. The Solicitor General may know more about law than the ordinary man, but other people have just as good ideas as to the number of men that will be called out, under these classes, as he can possibly have, and he will be more than surprised at the number of men who will be liable to be called in that first class in every town and city in this country, and if they are all exempted, of course he will not get the desired number. However, I take it for granted the tribunals will use common sense in their exemptions.

Mr. MEIGHEN: It can be done as my hon. friend suggests, by grouping the three classes, and leaving the regulations to divide them.

Mr. NESBITT: Only for registration.

Mr. MEIGHEN: That, in effect, is the same as it is now. It is the intention of the Government, as I have already stated several times, that the whole three classes shall be resorted to, because we believe that will be necessary in order to get the 100,000 men, without interfering unnecessarily with industry. I am very glad to hear the remarks of the hon. gentleman from Oxford, because I know he is sincere, and he believes that the 100,000 men can be procured quite easily without interfering with industry at all, and without taking any of those who, in the national interest, are better at home, but he must remember that for days, for weeks and for months in this House, hon. members who sit not very far from him have told us over and over again, in language of more or less menace, and very much verbal force, at all events, that we could not get more men in this country without denuding our population of its productive element, without interfering with agriculture, and without interfering with industry of every kind to a serious extent, from the point of view of prosecution of the war.

The member for North Oxford is more nearly right than were those hon. gentlemen. I was glad to hear that expression of opinion from him. I myself think that we can get the 100,000 men without any diminution of production, but I do not see that we will get them so very easily without more applications for exemption than the hon. gentleman anticipates.

Mr. PUGSLEY: It is surprising that the Solicitor General should inform the committee to-night that it is intended to call out the three first classes.

Mr. MEIGHEN: I have said that from the beginning.

Mr. PUGSLEY: Not at all. But we have a still higher authority than the Solicitor General. We have the authority of the Prime Minister, who made an entirely different statement to this House on July 7. I took the liberty then of saying that it was most injudicious that the young men from 20 to 23 should be first called out for service, and it was argued by the Prime Minister and the Solicitor General that that was the class of men that could best be spared. The inference to be drawn from their argument was that it was in the best interests of the country that these young men should be first called out. It was contended that they would make the best soldiers, that they could best be spared from the industries, that they were not settled down in various occupations. What did that mean? It meant that if the number of men required could be obtained from the men of the first class, the second class would not be touched, nor would the third, the fourth, or any of the remaining classes. Let me read what the Prime Minister said on that occasion. Referring to some remarks which I had made, he said:

> If my hon. friend has any better suggestion which will commend itself to our judgment we are prepared to consider it. Would it be worth while to place all those between 20 and 35 in one class, call them out at once, and, perhaps, get 300,000, or 400,000, or 500,000, when we really only want 100,000? We may get 100,000 men in the first class.

Mr. MEIGHEN: He did not say he expected to.

Mr. PUGSLEY: He did not say he expected to? When the Prime Minister, who is responsible for this Bill, who has presented to the House figures with reference to our population, says: we have established ten classes; we purpose taking them in the order in which they are placed on the statute, but we may get the whole 100,000 from the first class; are we to assume that he meant what he said? Yet the Solicitor General says: Oh, he did not say he would be likely to get the required number from the first class. The statement of the Prime Minister meant that all the men required would be taken from the first class if they could be got. Yet the Solicitor General, after the strong arguments presented to-night by members on both sides, says: Oh, we will get over that, because we may at 9 o'clock in the morning call out the first class, at 10 o'clock call out the second class,

and at 11 o'clock call out the third class; it is only for convenience that we have arranged these different classes. His statement is a surprising one, and entirely at variance with the statement made by the Prime Minister a few evenings ago. The Solicitor General says that to adopt the suggestion of the member for North Oxford would be doing the very thing that this Bill allows to be done. But what the member for North Oxford says is this: the call would be upon all these three classes if they were united in one, and for convenience those of a certain age might register in one booth and those of another age in another. That does not mean that the men would be in three separate classes; it means that they would all be called out together, but that, for convenience of registration, or reporting, they would be allowed to report at different places, according to their age. The same result might be accomplished in another way, perhaps more conveniently. Those whose names begin with certain letters, say from A to G, could register at one place, those from G to M in another, and so on—speaking, if you like, of the same village or parish. Notwithstanding what the Solicitor General has said, this Bill imposes a first obligation upon the young men between the ages of 20 and 23 years inclusive. The second obligation is upon those from 24 to 28 inclusive, and so on up to 40 years of age. It seems to me that the three classes should be united in one, just as was wisely done under the Militia Act, and that the unmarried men should also be united in one class. This should be insisted upon until the Bill is amended in order to meet the view of the majority of the committee. If this Bill passes, the Solicitor General will have no power by regulation or otherwise to avoid imposing the first duty upon the first class. Upon the first class will rest the call to active service. If an insufficient number of men are obtained by that call, then the second class would be called upon. As the Prime Minister said, it might not be necessary to call upon the

11 p.m.

men of the second class; that class could be divided into two sub-classes, one of which could be called first. No power on earth—central appeal judge, Solicitor General, Governor in Council—can alter the meaning and intention of the Bill if it is allowed to pass in its present form; that is, that the first obligation shall rest upon the young men between the ages of 20 and 23 inclusive.

[Mr. Pugsley.]

Mr. MEIGHEN: The hon. gentleman has exercised his much-practised talent of sufficiently misstating the case in order to give a wrong intention. The first obligation is not on the young man; the obligation is on all, and is fixed on all by this Bill. The order of call is all that is fixed, there is no order of obligation. The order of call is fixed in England by regulation on the very same principle as that upon which it is fixed here; it could be done that way here with the same result. Our statute gets the same result as obtains in England by grouping the men together and dividing them afterwards by regulation for the purposes of the call.

Mr. McKENZIE: Are not these divisions made for the purpose of calling the classes out in their order?

Mr. MEIGHEN: Yes.

Mr. McKENZIE: Is it not true that you call the first class, and that if you do not get enough men from that class you go to the second, then to the third, and so on? Is that not the purpose of the Bill?

Mr. MEIGHEN: It is worded so as to enable us after we have called out sufficient classes—it is the intention to call out three at least—to subdivide in such a way that we will not get more than 100 000 men. I think the Prime Minister stated at one point—I say this subject to correction—that there was no possibility—and he added the words "or likelihood"—that we could get this number from the first class. It was never so contemplated.

Mr. PUGSLEY: The Prime Minister's exact words will be found on page 3252 of Hansard.

Mr. MEIGHEN: The order of the call is fixed by the Bill. It is a matter of policy how many you set out to make certain that you call. We might set out to call a minimum of three. We may be compelled to call more than three, but we shall, at all events, know how many as we proceed, and we test the machinery of the Act by these calls as they proceed. That is all I have stated. As I have said before, I do not want to impose my view as to physical fitness or to anything, or to recommend it to the committee at all. I have had some consultations with those who should know better than I as to this subject of convenience, and I must say that my opinion on that point has not been moved in the least. I think, however, it only just to the committee, in view of the opinions express-

ed by the hon. member for North Oxford (Mr. Nesbitt) and others on each side of the House, that I should not take the responsibility of asking that section 3 pass to-night in its present form.

Mr. NESBITT: I thank the minister. That was just what I was going to ask him to do.

Mr. MEIGHEN: I think it is my duty to bring those matters to the attention of my colleagues and to ask that this section be considered when the committee meets again.

Mr. McKENZIE: There is one thing about this Bill that so far I have not been quite able to understand. This measure is called by the Government and by the people throughout the country "Selective Conscription." I have not been able to find the selective element in the Bill or in the machinery that is about to be put into force. The term "Selective Conscription" as understood in the United States means that the men are selected for their physical attainments and other reasons, and the Government secures, out of the men who have registered, a selective class to fill up the number they require. As I understand this Bill, on a certain day, a call goes out for all the men of class 1 to register at certain places. They come and they register. Every man who registers is supposed to be drafted into a battalion and go through the necessary steps until he reaches the front. Up to that stage, there is no selection at all.

Mr. MEIGHEN: That is in the United States?

Mr. McKENZIE: No, here. The man who registers, has enlisted, practically the same as if he has volunteered. That is the end of the matter. Unless he appeals to this tribunal, he goes through the various steps until he reaches the front. I cannot find any selection so far. The only selection would be if the man appeals. If nobody appeals, there is no selection. Where does the selective element come in? Perhaps the minister will tell me what he understands by selection. I do not regard appealing and the decision by the Court of Appeal, as selection at all. That is merely the result of a man protesting in a certain way against going, and appealing to the court and the court sustaining his protest. I fully agree with the views put forward by the hon. member for North Perth (Mr. Morphy) as to the class of men that we should first select. I do not take all the grounds that the hon. member put forward, such as that many of them are idlers. That may be. I argue on the ground that we get the better class of men from the ages mentioned by the hon. member for North Perth, and that we should leave the others for the present until they reach a maturer age. What I particularly want to point out to the minister is in regard to the idea that the Government by their own act shall select the men who should go and leave out the men who should not go. So far as I have heard the discussion, there is no machinery per se in the Act itself.

Mr. A. K. MACLEAN: I am assuming that after this measure becomes law, there will probably be a short opportunity for voluntary enlistment. On that assumption I wish to put a suppositious case to the Solicitor General for the purpose of inquiring whether the point has ever been before him for consideration. Suppose the Act is enforced to-morrow, and a call for 50,000 men is made. Suppose the Government statistician informs the Solicitor General or the Minister of Militia that the proportion which my own province, for instance, would be liable to contribute towards that call, would be 2,500 men. Suppose, immediately after the call was made, two men of military experience advised the Minister of Militia that they could each recruit a battalion of 1,250 men, making a total of 2,500 men, the proportion assignable to Nova Scotia under that suppositious case, what would be the policy of the Government in such circumstances? Would the voluntary enlistment of 2,500 men be regarded as the equivalent of the call which might have been made under the Act? Would the province have credit for the number so voluntarily enlisting, and would the call under the Military service Act be postponed or abated or discontinued altogether until the next call was issued. Such a condition might possibly arise, and if so, there should be some provision in the Act to meet it.

Mr. MEIGHEN: The Act, of course, does not allude to provinces.

Mr. A. K. MACLEAN: I know that.

Mr. MEIGHEN: And there is no intention of discriminating between provinces at all. The Act does not deal with the Dominion as so many provinces; it deals with the Dominion of Canada as a nation. The contingency that my hon. friend presents is not something that has to do with the purpose, spirit or details of the Military Service Act; it would be a matter of policy on the part of the Government.

Mr. A. K. MACLEAN: I admit that. The question I meant to put to the Solicitor General was, if it would not be wise to provide in the Bill for such a contingency. Possibly, that provision should be in another Bill.

Mr. MEIGHEN: This Bill provides that while voluntary enlistment is authorized, any one can voluntarily enlist, and if the men to whom the hon. gentlemen refers, who claim they could raise battalions in Nova Scotia, presented evidence to convince the department that they could do so, then undoubtedly if voluntary enlistment was still authorized and was not stopped by specific Order in Council or specific statement of policy, those men, or one of them, would be authorized to recruit. It would all depend upon the same considerations that now determine the department in authorizing battalions.

Mr. OLIVER: Do I understand the minister to say that once a call is issued there would be no variation from that call because of a proposal of voluntary enlistment?

Mr. MEIGHEN: I have no reason to suppose there would be. I do not suppose there would be. Once a call is issued, it is the intention to carry the call out, and to get the men.

Mr. NICKLE: I would like to add a word of entreaty to those which have already been addressed to the minister in charge of this Bill in reference to the advisability of some change being made in the order in which the men are to be called. I had no intention of saying anything in regard to the subject, as I had hoped that what had been said by other members might have moved him to the acceptance of the principle that boys of twenty would not first be called. I have not one word to say in disparagement of what the young fellows of 18 and 20 who enlisted early in the war have done.

Some hon. MEMBERS: Hear, hear.

Mr. NICKLE: Because I know from stories that have been brought to me by those who have been at the front, that those young boys without military experience have gone over the parapets as subalterns and as privates, and have smilingly faced death. But I am not unmindful of the fact that a young man of twenty has not attained the fulness of his physical perfection, and it seems to me not unreasonable that the parents in this country should have the right to request the Government to give the young boy who has not yet left home an opportunity of remaining there until, to use a stereotyped expression, he has gristle into bone.

I know from observation, and I know from what has been told me by men from the front, that the arduous life that the youth in the trenches has to lead has a tendency to restrict physical development. If the Government carry out the object as expressed in the Bill, I think they will bring this measure into effect in a way that will cause the greatest sorrow and the greatest anguish in the homes of Canada, because they are going to take the boys that the mothers of Canada believe are not as yet fit to be thrown on their own resources. More than one mother has directed my attention to the fact that while she was perfectly willing her boy should go to the front, she would have liked him to attain sufficient years and have so strengthened his character that he might be better able to resist temptation, and to resist the strain of the arduous labours to which he must necessarily be exposed.

If the Solicitor General will read subclause 4 of section 3, he will find it reads as follows:

> The order in which the classes are described in this section shall be the order in which they may be called out on active service, provided the Governor in Council may divide any class into sub-classes, in which case the sub-classes shall be called out in order of age, beginning with the youngest.

That means if the Governor in Council divides those classes into sub-classes, the boys of twenty will be the first to be called out. I think this will be most unfortunate from a national point of view, as well as from the point of view of the boys who have to go. Let us view for a moment the attitude of the tribunals which sit in judgment. The Bill lays down as a fundamental principle that 100,000 men are required and 100,000 men are to be obtained. As against that, national interest has to prevail. If I were a member of a tribunal, it seems to me I would approach the subject in this way. "100,000 men must be got; therefore, no exemptions can be granted, or exemptions to such an extent as will prevent this number of men being had cannot be granted, therefore, I, as a member of the tribunal, must be careful in my exemptions to see that at least 100,000 men are available, and I must be careful to excuse no man unless the reasons for his being excused are overpowering." What is the number of men between 20

and 24 available in Canada? I read from the census return supplied to this House by the Government, as follows: In 1911, Prince Edward Island showed 3,592, Nova Scotia, 18,951, New Brunswick, 12,902, Quebec 72,692, Ontario 104,245, Manitoba 24,350, Saskatchewan 32,993, Alberta 23,551, British Columbia 25,555. Those are single men between the ages of 20 and 24. That means that in 1911 there were over 300,000 unmarried men between the ages of 20 and 24 available. Let us take for granted that 25 per cent of these men have enlisted. We would therefore have 225,000 men available from which a selection can still be made.

Sir HERBERT AMES: Those statistics are six years old.

Mr. NICKLE: The hon. member for St. Antoine (Sir Herbert Ames) says those statistics are six years old. That is quite true. Still the Government statistician who prepared the figures says: "the figures of the table are those of the census of 1911, and it is estimated that the increase since 1911 in the male population of Canada of ages 20 to 45 lies between 300,000 and 400,000. As approximately this number has been already recruited, the figures of 1911, it is thought, reflect rather closely present conditions in the Dominion as a whole." It therefore seems to me it is not unreasonable that I should take these figures as a basis for my argument. When the young man of twenty applies for exemption he will be met by the question: "Why should you be exempt?" The only reason he can give as to why exemption should prevail in his case would be this: "in the national interest I am entitled to be exempted." The tribunal will say: "on what particular grounds should you be exempted?" The young man of twenty has not chosen his avocation in life, his proclivities have not been determined, and he will find himself in this embarrassing position that because he has not had an opportunity of selecting some definite line of work in which he is perfecting himself, the tribunal will likely say: "the work you intend to undertake, or the work you have undertaken, is not of such a character that it should be considered as in the national interest. You need not continue in it, you must be considered a recruit."

If the figures I have read are an approximation, and I think they are if the statistician is correct, it is possible the whole 100,000 men may be taken from the first class, and the second class not called up at all. In my judgment this would be radically unfair.

Some hon. MEMBERS: Hear, hear.

Mr. NICKLE: It is unfair for this reason, the young man who has not left home is entitled to the protection of home until such time as he has attained stability of character. The young man of 20 to 22, unless he has had to leave home to earn his own living, has not attained the age at which he should be deprived of the protection of his home, and I sincerely trust the Solicitor General will endeavour to look at it in the light in which I think it is looked at by many of the fathers and mothers in this country.

Sir EDWARD KEMP: My hon. friend has probably overlooked the fact that his figures are wrong, inasmuch as the figures in the Bill are four years, and the census figures are five years.

Mr. NICKLE: My figures are an approximation.

Sir EDWARD KEMP: But the census figures are for five years, and the first class is from 20 to 23, inclusive, four years.

Mr. NICKLE: I thought I was reasonably generous when I took twenty-five per cent off that.

Mr. MORPHY: I would call the attention of the Solicitor General to another point in section 4, page 3, of the Bill:

> The Governor in Council may from time to time by proclamation call out on active service as aforesaid for the defence of Canada, either in Canada or beyond Canada, any class or sub-class of men described in section 3 and all men within the class or sub-class so called out shall, from the date of such proclamation, be deemed to be soldiers enlisted in the Military Forces of Canada and subject to military law for the duration of the present war.

Assuming that the Bill goes into operation and the Governor in Council, under that clause, calls out by proclamation every one of those 303,000 young men between the ages of 20 and 24 who were referred to by my hon. friend from Kingston (Mr. Nickle), is absolutely fixed by section 4 of this Act unless they can show reason for exemption. What justification would there be for calling any other class if the number were there? The law fixes them in the military service of Canada and there is no power that can get them out. You cannot call any other class. Your limit is 100,000, and they must undoubtedly be taken from among these young men.

Mr. PROULX: According to the Militia Act single unmarried men are called first up to the age of 45. I see by clause 4 that married men and widowers with children from 20 to 34 are called before single men and married men from 34 to 45. The calling out of married men imposes a heavier burden on the country, because it has to take care of their wives and children. Would it not be possible to take unmarried men up to the age of 40 before touching the married men and widowers with children?

Mr. MEIGHEN: That, as almost all other suggestions, was debated in the committee when this clause was first up. The reason for the classification which has been made is that the best military age is broadly from 20 to 35. After 35 there is a marked deterioration; consequently, it was felt that all below that should be accepted first.

Mr. McKENZIE: I put a question to the Solicitor General in respect to this selective element that is in the present Bill. I did not get an answer because my hon. friend from Halifax (Mr. Maclean), by reason of his superior right intervened. Now that the point mentioned by my hon. friend is over and done with, possibly the Solicitor General would answer me.

Mr. MEIGHEN: There may be a measure of correctness, speaking from the point of view of the philosopher, in the point of my hon. friend. The selective clauses are the clauses which relate to exemptions. The operation of those clauses will be of itself the selection. It is quite true that with respect to those who enrol themselves and do not themselves make any application or suggestion to the local tribunals that in the national interest they be exempt, or in respect to whom no such application is made, there is no specific operation of any selective clause. But that proceeds on the principle that if the man himself does not suggest by way of application to the local tribunal that he should be exempt, and if no one does it on his behalf, there is a fair and reasonable assumption that the selection would not exempt him. Consequently, practically speaking, the selective principle permeates the whole Bill.

Mr. McKENZIE: As I understand the hon. gentleman's answer, there is no selection at all. The Government accepts everybody who comes along, everybody who will write his name down as being within a certain class. The Government do not reject anybody but take everybody.

[Mr. Morphy.]

Mr. MEIGHEN: Clause 3 stands. Now, we are at clause 4. As to clause 4 a suggestion was made by the leader of the Opposition and also it was made independently by hon. members on this side of the House and pressed, I remember, by the hon. member for New Westminster (Mr. Taylor) that there should be a diversion of jurisdiction between the Militia Service Act and the Army Act on one hand and this Act on the other, that the line should be clearly fixed where the Militia Service Act ceases to operate, as it were, in regard to prosecutions and penalties and where the Army Act commences to operate. It was urged that there should not be an alternative jurisdiction and it was further urged by the hon. member for Perth (Mr. Morphy) that there should be a more severe penalty. Careful consideration has been given to the proposals and I wish to suggest to the committee that the suggestions be met in this way: That sub-clause 4 of section 4 of the Bill be amended to read as follows:

> Any man who is called out, and who without reasonable excuse fails to report as aforesaid, shall be guilty of absenting himself without leave, and shall be liable, on summary conviction, to imprisonment for any term not exceeding five years with hard labor.

The result is that we create here only the offence of absenting himself without leave as committed by the man who fails to report and who is made liable to report under this Bill.

Mr. CURRIE: Why use the term "absent without leave" because "absent without leave" under the Army Act is a different thing altogether. Why not say "refuses to report?" Absence without leave is treated by the commanding officers constantly and a man is fined for a few days' absence. A confusion of terms might arise.

Mr. MEIGHEN: I do not think the name is very important; in fact, it might be just as well to call it an offence. It seems to me to be fully the same offence as that committed by the man who, having enrolled, absents himself without leave. Consequently, I think the name is quite appropriate, but if we simply called it an offence the effect would be exactly the same.

Mr. PUGSLEY: That leaves out paragraph (a) altogether?

Mr. MEIGHEN: Yes, it leaves out the creation of the offence by this Bill that he who, having reported, does not remain on active service where placed, leaving that offence to be taken care of by the Army Act. There is another alternative jurisdiction. He is between the civil and military tri-

bunals, and the line is clearly drawn between the operation of the Army Act and this Act. The punishment for absenting himself without leave is made five years with hard labour. It was thought that as no one could commit the offence except a man who was physically fit for military service that punishment would suit him.

Mr. LEMIEUX: You increase the penalty from three years to five years?

Mr. MEIGHEN: On the well-known principle of making the punishment fit the crime. It is hoped that this will have a greater preventive effect.

Mr. McKENZIE: Does failing to go and register constitute the offence with which the minister is dealing?

Mr. MEIGHEN: Failing to report if it is his duty to report under this Act.

Mr. McKENZIE: There is another matter involved. There should be the greatest certainty that the individual has had notice before he is subjected to punishment. This is similar to the offence of contempt of court in the case of a juror or witness, and in such a case the judge requires very clear evidence that the individual has had notice. The mere proclamation of the Military Service Act would not be sufficient to justify us in treating as a criminal a man who did not obey all its provisions.

Mr. MEIGHEN: The effect would be that the Government would have to assume responsibility for that notice reaching every man in the country. I do not think if my hon. friend were a member of a Government he would care to assume that responsibility. If it should be shown to a judge that the person charged was not aware of the proclamation or had no notice of his duty, that fact might be pleaded by way of excuse, and it would be for the judge to decide.

Mr. LEMIEUX: Where must he report, to the military authorities?

Mr. MEIGHEN: Under the Militia Act.

Mr. CURRIE: In the administration of the law, I think that these men should be compelled first to serve in the army and then to serve their term in prison. If a man wanted to avoid going to the war he might prefer to take his chance of getting two or three years in the penitentiary, with good food and clothing and perhaps a little stone breaking, which is not as hard as trench work, to going to the front. I had a letter from a Canadian who got into trouble of this kind in the Old Country and who was finally given two years; but he had first to join the conscript army and go to the trenches. If a man is capable of service he should not be relieved of his obligation to serve simply because he stays away and a magistrate sentences him to a year in prison.

Then account should be taken of the large number of men who are enlisted in the militia and the Canadian defence force. They claim exemption under this Act. These men have enlisted under a valid contract for three years, and under the Militia Act are exempted from service abroad. I know a number of men under these circumstances who say they are not liable under this Act. How is that condition to be met under the Bill.

Mr. MEIGHEN: Unless they are also members of the Canadian Expeditionary Forces they are liable. Every one is liable except those who are exempted, and they are not exempted.

Mr. CURRIE: How can the Government void that valid contract unless these men are specifically mentioned. There should be some clause distinctly stating that these men are not exempt. There was the same trouble in England. The territorials would not serve abroad, saying they had enlisted for three years for service at home and would not serve abroad. The Government had to disband the territorial regiments, and that threw these men back under the ordinary Act. It should be made clear that this Act applies to all men enlisted in the Canadian militia. The hon. member for St. John (Mr. Pugsley) said that this Bill will be interpreted not by this Parliament but by the courts. A man will make a claim in the court, and unless the Act is clear on every point, the judges may rule against him. It is not the first time Parliament has passed a Bill and the judges have decided that it was not good law.

Mr. LEMIEUX: As has been stated over and over again during the debate, our militia men, under the Militia Act, can serve beyond Canada. Therefore, our militia men can serve overseas.

Mr. CURRIE: Yes, but the proclamation under the Militia Act has not been made yet, and they are not liable to serve abroad until the proclamation has been made.

Mr. MEIGHEN: The amendment I propose will make subsection 4 read as follows:

Any man who is called out, and who without reasonable excuse fails to report as aforesaid, shall be guilty of an offence, and shall be liable, on summary conviction, to imprison-

ment for any term not exceeding five years with hard labour.

That is the maximum penalty. It may be less.

Mr. CURRIE: Would the Solicitor General consider the advisability of inserting a provision that the mere fact of a man being sentenced under this section shall not release him from liability to serve under this Act? I think common sense would tell us that that would be a proper provision.

Mr. MEIGHEN: A man once made liable by an Act is not released until the Act says he is released. Consequently, a man does not release himself by violating the Act. In my opinion, the Act, as it stands, renders a man liable, after he commits the offence and serves the punishment, just as he was before. If, however, I should change my mind, I will bring the matter before the committee.

Mr. TAYLOR: Subsection 2 of section 4 reads:

Men so called out shall report, and shall be placed on active service in the Canadian Expeditionary Force.

In the case of a man who does not report, and is sentenced to a term of imprisonment, he is not in the Canadian Expeditionary Force, not having reported, and they have no claim on him. In order to compel that man to go overseas, we must first make him a member of the Canadian Expeditionary Force. Under the present practice, a man who deserts, and is brought back, tried by a magistrate, and sentenced to a term of imprisonment, does not by that procedure, evade service with the force, but, when his battalion leaves for the front, he is taken from prison, overseas, and compelled to enter upon his military service there. It seems to me we should provide in this Bill that those who seek to evade service by getting into prison may be taken out of the prison, on the occasion of the first draft, and taken overseas.

Mr. GRAHAM: Unless he is entitled to exemption.

Mr. MEIGHEN: Those men do not get exemption. Section 4 reads:

4. (1) The Governor in Council may from time to time by proclamation call out on active service as aforesaid for the defence of Canada, either in Canada or beyond Canada, any class or subclass of men described in section three and all men within the class or subclass so called out shall, from the date of such proclamation, be deemed to be soldiers enlisted in the military forces of Canada and subject to military law for the duration of the present war, and of demobilization thereafter, save as hereinafter provided.

Whether he reports or not, the moment the proclamation issues that man is a soldier in the military forces of Canada, and subject to military law, and consequently, being a soldier, we can apply the hand of the law to him, just as much as we could to any other soldier, and if he does not report when it is his duty to report, it is the duty of the proper authorities to apply the physical hand of the law to him.

Mr TAYLOR (New Westminster): There is this difficulty in the reasoning of the hon. Solicitor General: that this man was a member of the military forces of Canada only, and the military forces of Canada are not, by this Bill, sent overseas. It is only the Canadian Expeditionary Force that goes overseas. This man, not having reported, is not a member of that force, according to subsection 2 of section 4.

Mr. MEIGHEN: The subsection does not say that no one shall be placed on active service except those who report. It is the duty of the authorities to place these men on active service, and it is their duty to report. They will be placed on active service, whether they report or not, or whether they are brought to the proper place by the military authorities.

Mr. McKENZIE: These men not reporting may be tried in a summary manner, which means that any ordinary justice of the peace could send a man to the penitentiary for five years. I would seriously suggest of the minister that no less a personage than a county court judge, under the Speedy Trials Act, should have authority. I do not think it is right that an ordinary magistrate, no matter how well meaning he may be, who knows very little about law, should be entrusted to the very serious duty of trying men, in circumstances of this kind. I think they should be tried before a county judge.

Mr. MEIGHEN: The summary convictions clauses of the Act provide for an appeal to a judge. It is true that, in cases involving intricate law, or substantial cases of law, the general scope or spirit of the legislation is to entrust that to the judges, but this will not involve consideration of law to any very great extent. It would be a simple matter to decide whether the man was of the proper age, and if he was of the proper age, whether he had an exemption.

Then it is a mere matter of judgment as to the proper punishment. Of course, if a county judge tried all these cases it would, in one sense, be better. But we want to take care not to add too much formality or chance of delay or congestion to the enforcement of the Act.

Mr. McKENZIE: I would suggest that the hon. gentleman at least provide that these cases be tried before county court judges or stipendiary magistrates in cities and towns.

Mr. MEIGHEN: I would suggest that we deal with this clause as we have dealt with some other clauses: that it be allowed to pass, and I will promise consideration myself, as well as to bring it to the consideration of my colleagues. It can be spoken to later in the House.

Subsection 4 of section 4 agreed to.

Progress reported.

On motion of Sir Edward Kemp, the House adjourned at 11.58 p.m.

Wednesday, July 12, 1917.

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

APPOINTMENT OF AN OFFICIAL.

Sir ROBERT BORDEN moved:

That the recommendation of His Honour the Speaker laid upon the table of the House on the 29th ultimo., respecting the appointment of Joseph Ludger Parr as clerk in the Library of Parliament be concurred in.

Motion agreed to.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

ALDERSHOT, N.S., CAMP GROUNDS.

Mr. A. K. MACLEAN:

1. Is it the intention of the Government or any department thereof to construct any building or buildings on the Aldershot Camp Grounds in Kings County, N.S., this year?
2. If so, will the Government invite public tenders for their construction?

Sir EDWARD KEMP:

1. No, not as far as the Department of Militia and Defence is concerned.
2. Answered by No. 1.

REQUEST FOR SOLDIER'S DISCHARGE.

On the Orders of the Day:

Hon. CHARLES MARCIL (Bonaventure): I call the attention of the Minister of Militia to the following communication which I have received from the Rev. G. S. K. Anderson, Evangelist, of Escuminac county, Bonaventure:

Escuminac, P.Q., July 9, 1917.

Hon. Charles Marcil,
Quebec, P.Q.

Dear Sir:—

I write at the request of Mrs. Nelson Court of Escuminac, P.Q. She is anxious to secure the discharge of her son from the fighting forces of France. She has already given two of her sons to the country. George was killed in France on June 3, 1916, and John died of pneumonia on February 5, 1917, in a military hospital at North Battleford, Sask. She wants this son home to look after John's homestead. His full name and address is as follows: No. 488300, Private Harry Ivan Court, R.C.R. Battery, "C" Company, No. 10 Platoon, France, C.E.F. Do what you can for her or direct her to the proper authorities.

Respectfully yours,

G. S. K. Anderson.

In view of the fact that this lady has already given two of her sons to the country, I would ask the Minister of Militia to consider her request for the discharge of her other son.

Sir EDWARD KEMP: If the hon. member would forward communications such as this direct to the department they would receive every consideration. The department receives hundreds of such letters every week. I can assure my hon. friend that I will give this matter my attention.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

House in committee on Bill No. 75, respecting Military Service.—Sir Robert Borden (resumed from Wednesday, July 11).

Mr. Rainville in the Chair.

Mr. MEIGHEN: When the committee reported last night we had just passed section 4; section 5 had already been passed. Subclause 3 of section 6 was allowed to stand pending further suggestion as to how the board of selection might be made up. The suggestion was made by the hon. member for Carleton (Mr. Carvell) that the local or provincial boards might have sole control for their own provinces; that instead of establishing one board we should establish nine—or really eleven, to take care of the Yukon and North West Territories. We hardly think that could work out. It is suggested, subject to any further suggestions which may be made, that this board of selection consist of say four members from the province of Ontario, four

members from the province of Quebec, and two members from each of the other provinces. In the carrying out of the work outlined, the recommendations of the members from the provinces would be taken as to each province, but the report of the board would be the report of the whole board, which would make it much more simple than if we were to have the reports of nine boards. The boards could consist of members or senators, or those who are neither members nor senators. That is the suggestion of the Government in the matter, but if there is anything that will improve on it we will be glad to hear it.

Sir WILFRID LAURIER: Does my hon. friend stand by the present disposition of the Bill to have one of the members of the board appointed by the Senate and the House of Commons?

Mr. MEIGHEN: To have them appointed by a joint resolution of the Senate and House of Commons, but of course to be appointed in such a way that one from each province, except Ontario and Quebec, will be selected by the Opposition in the Senate and in the House. In Ontario and in Quebec the Opposition will select two in each, the same principle applying to the Government side in the Senate and in the House.

Sir WILFRID LAURIER: As my hon. friend is aware, I voted against this Bill, and am not much in sympathy with it. If I wanted to carry out my own views, I think I would favour the recommendation of the Government, because, as I understand it, it is an impediment in the way of the Bill. If you have a selective board appointed by the two Houses of Parliament, it can only act when Parliament is in session, and should there be a vacancy in the board it could not be filled until the ensuing session. I do not object to that at all.

Mr. MEIGHEN: That can be easily cured by the resolution.

Sir WILFRID LAURIER: What resolution could you frame that would cure it?

Mr. MEIGHEN: There would have to be a resolution empowering them to sit and act when Parliament is not in session.

Sir WILFRID LAURIER: But you appoint two men by resolution of the two Houses of Parliament. Suppose the two men died, or are prevented from acting, how are they to be replaced by another resolution of Parliament if Parliament is not in session. So far as I am concerned, I do not object to this impediment in the way of the Bill. I would suggest you might have one of the members of the tribunal appointed by the judicial authority, in fact I see no reason at all why the two members should not be so appointed. The chief justice, or the two senior justices could perform the duty. Yesterday I heard the compliment which was paid the judiciary by the Solicitor General, and the compliment he paid the late Government in respect to its appointments, and I feel that the chief justice in each province could perform that duty as well as anybody.

Mr. MEIGHEN: There are objections to that, and they have been given some consideration in the course of the preparation of the Bill. I think the better course for the present would be to let clause 3 still stand, and possibly the Prime Minister might consult with the leader of the Opposition on the subject.

Sir WILFRID LAURIER: I have given my view.

Mr. MARCIL: Another point that might be considered is: what becomes of those appointees on the dissolution of Parliament.

Mr. MEIGHEN: The appointment will be made by Parliament under such a resolution or such legislation as would provide that the appointees should not cease their functions when Parliament dissolves. The rest of the clause passed with the exception of subsection 5, which remained over at the request of the hon. member for South Renfrew (Mr. Graham), with a view to the imposition of a penalty of imprisonment. I think the suggestion is a good one, as I intimated at the time. Subsection 5 provides:

> Any person duly appointed a member of a local tribunal shall, unless relieved in writing by the authority appointing him, perform his duty as such member, and any person who without reasonable excuse fails so to do, shall be guilty of an offence and liable on summary conviction to a penalty not exceeding five hundred dollars.

It was pointed out that this might lead a man to purchasing himself out of performing this duty. I think the same objection might exist if an alternative penalty were provided, consequently I beg to move:

> That for the words "a penalty not exceeding five hundred dollars" there be substituted the following words: "imprisonment for any

term not exceeding two years and not less than three months."

Mr. LEMIEUX: I thought my hon. friend said five years last night.

Mr. MEIGHEN: No. Five years is the penalty for refusing to report.

Mr. E. LAPOINTE: Do I understand that the fine is to be replaced by imprisonment?

Mr. MEIGHEN: The punishment should be imprisonment only for those who refuse to act without being relieved in writing by the appointing authority, and without being excused.

Mr. PROULX: Are members of parliament liable to be called upon to act?

Mr. MEIGHEN: I am afraid I cannot relieve the mind of the hon. member on that point. I am afraid they are.

Mr. PROULX: Then I would suggest we should be disqualified.

Mr. MEIGHEN: The suggestion does not appeal to me at the present. I do not think members of parliament should ask, any more than any one else, to be relieved of duty in connection with the war.

Some hon. MEMBERS: Carried.

Mr. L. A. LAPOINTE: On Tuesday, while discussing subsection (f) of section 11—

Mr. MEIGHEN: We will come to that in a moment.

Mr. L. A. LAPOINTE: I want to raise a point of order. When we were discussing clause (f) of subsection 1 of section 11, which provides that exemption may be granted to a man on the ground that he conscientiously objects to undertaking combatant service. The Solicitor General and the hon. member for St. Antoine (Sir Herbert Ames) answered that this subsection would be taken in along with the following. When I was discussing the question I had before me the French copy of the Bill, which says:

Que sa conscience ne lui permet pas d'entreprendre le service à titre de combattant;

That makes a different and altogether distinct reason of exemption, according to conscience. Is the English copy or the French copy right?

Mr. DOHERTY: I think there can be no doubt that the error is in the punctuation of the French version. I do not see why there should be the word "combatant." There is no doubt that the section as drafted contemplated what is provided in the English version, that is that these two things should combine; that he should have conscientious objections and that his objections should be based upon the tenets of a religious denomination to which he belongs. It is a regrettable mistake, but the mistake is unquestionably in the inserting of the semicolon.

Mr. L. A. LAPOINTE: It is not only the punctuation, because in the French version there is altogether different and distinct cause, as it goes on after the first semicolon:

que cela lui est défendu.

Another description of conscience.

Mr. DOHERTY: I understood the hon. gentlemen to attribute the difference to the presence of the semicolon. He now states that they have also omitted the translation of the word "and." I think that, instead of the semicolon, the word "et" should have been inserted. Certainly to translate the English version that word ought to have been inserted, and there ought to have been no semicolon.

Mr. L. A. LAPOINTE: Which is correct?

Mr. DOHERTY: The English version is correct.

Mr. A. K. MACLEAN: Before taking up the amendments to clause 7, I would ask the Solicitor General if he does not think there should be some modification of clause 2 of section 3, which reads:—

For the purposes of this section any man married after the 11th of June, 1917, shall be deemed to be unmarried.

Does he not think it would be advisable to give the tribunal power of exemption if a marriage had been arranged prior to that date, although actually consummated afterwards? Would it not be better to leave some discretion in the tribunal?

Mr. MEIGHEN: We shall have to return to this clause, as it has not been adopted, and in the meantime I shall consider the suggestion.

Mr. McCRANEY: Has the minister considered the suggestion of the hon. member for Carleton (Mr. Carvell), that a county or district court judge should be a member of each tribunal, instead of the nominee of the judge?

Mr. MEIGHEN: That has been very carefully considered, but it is not deemed practicable. There may be cases where there is only one judge in a county, and he would

not be able to attend to the duties of the tribunal except in his own district.

Mr. MARCIL: Is there anything in the law to provide that members of local tribunals must be residents of the province in which they are to serve?

Mr. MEIGHEN: There is no provision as to where they shall reside, but no one except those who reside in the district could perform the duties. We have sought to avoid divisions by districts, as we do not want to have any questions of jurisdiction.

Mr. MARCIL: If a man is not required to reside in the province in which he is to act, a man from Nova Scotia might be named to serve in British Columbia.

Mr. MEIGHEN: I would not say that was legally impossible under the Bill, but it would be manifestly impossible for such a man to perform the duties, and he would never be appointed.

Mr. LEMIEUX: Should you not restrict appointments to local tribunals to men residing in each county?

Mr. MEIGHEN: I do not think it is necessary owing to the men who make the appointments, the judges on the one hand and a board of selection named by this Parliament on the other.

Mr. MARCIL: Are there any special qualifications required of the men who are to serve on local tribunals?

Mr. MEIGHEN: None are named in the Bill. The qualifications are good common sense and strength of character.

Mr. MARCIL: A man might be taken from Ontario and appointed to serve in Quebec, or vice versa. Does the minister not think that, in the interests of the law, it should be provided that the men appointed should possess the respect of the community in which they reside and be known as equitable and fair-minded men, rather than to bring strangers from outside?

Mr. MEIGHEN: If it were necessary to insert a provision in the Act to produce that result, we might consider framing a clause; but, on account of the authority which names the members of the tribunal, the county court judge on one hand, and the Board of Selection of Parliament on the other, who might perhaps name members of Parliament on one side or members on the other, it would seem to me rather ridiculous to suggest that they might name men who had not the respect of the public, and that these men should be enjoined by Parliament against sending men from Ontario into Quebec, or vice versa. Such a thing seems to me utterly inconceivable.

Sir WILFRID LAURIER: The objection of the hon. gentleman from Bonaventure is certainly remote—rather academic than practical. At all events, he is objecting to the vicious principle of the Bill, in regard to the appointing of the local tribunals, and I submit to my hon. friend—and I think I will be supported in my view by hon. gentlemen in the House—that the members of the local tribunal ought to be judges. The judges are appointed by this Parliament in every community to settle disputes between man and man; they are the arbiters appointed by law to settle difficulties in a community, and, therefore, you ask the judges to appoint members of the tribunal, but you do not ask that the men who are appointed to the tribunal should be judges. In my estimation—and I submit it in all sincerity and candor—the members of that tribunal should be men who, by their profession, are acting as arbiters between man and man. These men will have to decide whether a man is to be exempted or not. They will have to decide whether a man is fitted to be in the trenches, or whether it is better that he should be left to his own avocation. Who can settle that question better than the judges appointed by the Minister of Justice? It seems to me, in the nature of things, that the members of the tribunal should be the local judges, who know almost everybody in the community and who are familiar with the condition of things in the district, and who have a knowledge of the men in the community. You will, of course, find men who know the country as well as the judges, but they have not had the same training.

Mr. MEIGHEN: I am inclined to agree, that, if it be possible for them to do the work, they are the best qualified. I have in mind the county court judge of Portage la Prairie, and I cannot conceive how any one man could, in any reasonable time, take care of the work delegated upon the tribunal by the Act in that county court district. Even if the judge had nothing else to do, the district is too large, the population too great, and the applications for exemption possibly too many for the judge to deal with. It seems to me there is very great danger of practically damning the progress of the Act by such a provision. Of course, we must not frame the provision on account

of conditions in one county only. We would not refuse to adopt the suggestion, merely because there were two or three counties where it could not be applied, but I do not think, speaking generally of Canada, from what knowledge I have at the present time, that the county court judges should be fairly asked to do all the work.

Sir WILFRID LAURIER: My hon. friend from Portage la Prairie admits that the best qualified man in his district would be the county court judge, but he says that the county judge is so busy that he has no time to attend to the duties which would be assigned to him under this Act, and, therefore, we must go to some one else. To whom shall we go? There is probably a merchant in the town, a very fine man, and quite competent, but he himself is too busy with his own business to be able to attend to it. Or there may be other prominent men who would be competent to do the work, but they are too busy in their own business. You will have to get somebody who will make the sacrifice.

Mr. MEIGHEN: We could appoint several men, and they would take time to hold their meetings.

Sir WILFRID LAURIER: You could appoint several men, and if judges are to be had, they should be appointed, and if there are no judges available, appoint some one else.

Mr. GRAHAM: We are making precedents all the time, and I have a practical suggestion which might work out. In every community, there is a first-class lawyer who could act as judge, and release the judge for this work. Let him be appointed as a judge, for the time being, while the judge is performing this work.

Mr. MEIGHEN: That might be practical, if one tribunal composed of a judge could do all the work of a county. I have stated really all that I am in a position to state on that subject.

Mr. MARCIL: Can the hon. gentleman tell us what was done in England?

Mr. MEIGHEN: They did not appoint judges at all. They had large local tribunals, composed of laymen. They did not find it possible to appoint judges there.

Mr. DOHERTY: All the work of these tribunals will be subject to correction by the judges, so that you have the supervising and controlling influence of the judges, to correct errors that may occur from lack of experience on the part of members of the tribunal. Therefore we think that, in the most practical and effective way, we avail ourselves of the undoubted competent services of the judges.

Sir WILFRID LAURIER: It is stated that appeals are never to be encouraged. I should like to see such a class of tribunals that appeals would be limited, as much as possible. If you have a class of tribunals, in the first instance, whose composition leads you to think that it is necessary to make provision for an appeal, that is a poor arrangement.

Mr. DOHERTY: If we could absolutely avoid appeals, it would be a desirable thing from many points of view, but I think that would be very difficult. The best of judges are liable to err, and it would be an unfortunate situation if any number of men found themselves subjected to the judgment of one individual, without any opportunity whatever of rectifying any possible error that might creep in. I think, to meet that, we must provide for a system where there shall be a right of appeal, and if we do that, I come back to what I said before, that I think we get the best service from the judges by giving them supervision and control to rectify any mistake that may be made in the tribunal of first instance. I may say that, while the questions to be determined are of very great importance, in view of the results of that determination to the individual affected and to the country, the questions, as a rule, would not be questions involving, or necessitating for their decision, any very profound knowledge of law. The question that will arise in a large number of cases, will be purely questions of fact—such questions as, in a great many provinces, it is thought well to leave to the decision of laymen, that is to jurors.

In many of the provinces, including our own, it is thought better, even when we have the judge sitting there in the court, that questions of fact should be determined by laymen. It is difficult to see what questions of law will arise before these tribunals; certainly the bulk of the questions arising will be questions of fact that could be fairly dealt with by men of practical common sense. I am sure that we could repose in those men the same confidence that the law reposes in jurors, even in preference to judges.

Mr. ROSS: My hon. friend's argument would surely not apply to Ontario, where almost every county has two county court judges. One of those judges could be re-

leased from his ordinary work in order that he might perform the work required by this Act.

Mr. DOHERTY: In some counties in Ontario the work of the county court judge is not very considerable; in others it is. But it must be remembered that we shall have to have more than one tribunal for each county; if the county court judge has to be on every tribunal, we cannot have more than one tribunal per county. Having regard to the population of the counties in Ontario, I fancy that it would take a long time to have all applications dealt with by one and the same tribunal. It would be anomalous to make such distinctions between the character of the tribunals that in the same county some persons would be applying to a tribunal presided over by a county court judge and others would have their cases dealt with by tribunals of another character. When you have county court judges on the tribunals, you limit the number of tribunals available for the purpose of hearing such appeals as may arise. The inadequacy of the number of judges is a very substantial objection to our constituting these tribunals of judges only. As I have said, the questions which will arise will not be such as to call for training in the law, except in exceptional instances. In those exceptional instances, if any error be committed, there will be ample remedy by appeal to the judges who under this system will be available for the work of correction.

Mr. DEVLIN: Is it proposed that the evidence heard before the local tribunals shall be taken down by stenographers?

Mr. DOHERTY: No, I do not think that is in contemplation.

Mr. DEVLIN: Then in what manner will it be possible for the judges in appeal to decide upon questions of fact if there is no factum before the court for decision?

Mr. DOHERTY: Appeals of this kind will be dealt with as appeals in criminal cases are dealt with. That, in effect, means that the appellant tribunal will hear the evidence and re-try the case.

Mr. GUTHRIE: I think it is important that county court judges be retained as members of the local tribunals. I am in favour of having the county court judge himself act or preside rather than that he should appoint some one else for that purpose. The suggestion of the member for South Renfrew (Mr. Graham) is a good one. In Ontario, and, I fancy, in all the other provinces, in cases where the judge desires to be relieved for a time from his official duties, there is power to appoint a practising barrister of certain qualifications to attend to the judicial work of the county while the judge is absent or otherwise engaged. If a county court judge, undertaking the work assigned to him under this Act, should find that the additional work is too much for him, it would be an excellent thing to give him power to appoint some one to perform his judicial duties while he is thus engaged. Perhaps a special regulation would have to be made in regard to Quebec; certainly the law in Ontario works very well. In many cases judges obtain leave of absence for periods of three or six months and a barrister of good standing in the county is appointed to take his place. I do not think that in any instance in Ontario, unless it be in Toronto, is a county court judge overworked. I know of no junior or senior county court judge in the province who does more than four or five days' work a month. I think, therefore, that so far as Ontario is concerned there will be no difficulty in having a county court judge act in all cases—though conditions may be different in other provinces. Perhaps a general rule might be established that would clear up the whole difficulty. If I had been here when the clause was under discussion a day or two ago, I would have suggested that the tribunals in Ontario should consist of the county court judges and the wardens of the respective counties. I think that arrangement would be fair, having regard to the political parties and to every other consideration that has to be had in mind in connection with this Bill. I do not know what the municipal institutions are in the other provinces or how such an arrangement might affect them; in any case, I think that the county court judge should himself preside over the local tribunals and that he should not have power to delegate his authority to another.

Mr. MEIGHEN: The member for South Wellington (Mr. Guthrie) contemplates that there will be only one tribunal for each county court district. I feel quite sure that more will be necessary in very many county court districts. Further, assuming all he says to be correct, a county court judge can be appointed, and I think would be appointed, by the board of selection in such a case as he has in mind. Assuming that in Ontario the county court judges all have time to perform these duties, the board of

selection can name them in every case in which they do not name themselves. In any event, this clause stands, on account of the present position of the discussion with regard to the board of selection. I fancy, therefore, that we shall get along faster if we proceed to clause 7.

Subsection stands.

On section 7—appeal tribunals:

Mr. ROSS: How about appeals from a tribunal one of whose members is not a county court judge?

Mr. MEIGHEN: In connection with section 7, the suggestion made by the member for East Middlesex (Mr. Glass) has been, in the main, accepted. I thought first that it would be possible to arrange for two county court judges always to sit in appeal if a county court judge sat on the local tribunal. The difficulty, however, is that that would necessitate, in the event of their disagreeing, provision for carrying a stated case to the central appeal judge. There did not, however, seem to be the same difficulties in the way of insisting that a higher court judge should sit in appeal wherever a county court judge sat in the local tribunal, because it would be possible for the registrar to collect the cases and so allocate them that much inconvenience would be avoided in sending higher court judges to hear the appeals. I, therefore, beg to move:

That there be added to section 7 the following proviso:

Provided that appeals from the local tribunal on which sits one or more judges shall be heard and decided by an appeal tribunal constituted of a judge of a higher court.

Mr. C. A. WILSON: Is there any definition of the term " higher court?"

Mr. MEIGHEN: I do not think one could give any simpler term, or any term that required less definition.

Mr. C. A. WILSON: The Minister of Justice is aware that a judge of the superior court in Quebec may act as judge of the higher court in his own district, or a judge of the superior court in Montreal or Quebec may act as the judge of the court of criminal assizes. That is the reason why I put the question: Is there any definition of what will be considered a judge of a higher court? A judge of the superior court may one minute sit as an ordinary judge of the superior court, and the minute after he may ascend the King's Bench for the criminal assizes, and thus become a judge of a higher court.

Mr. DOHERTY: I am not quite certain that a King's Bench court is higher than a superior court. I had the idea that all our courts stand on a parity, although they exercise different jurisdiction. The other day I intimated that I thought, for the province of Quebec, there should be a modification in the section, so that we would make quite clear what were the courts whereof the judges should be named of this appellate court, and I, therefore, beg to move:

That section 7 be amended by inserting after the word "tribunal" in the fifth line thereof the following words:

"In the province of Quebec one judge of the Court of King's Bench or Superior Court of said province, and in the other provinces."

The reason for that will be obvious to all hon. members from Quebec where we have not the same judicial system as prevails in the other provinces in which there are a large number of judges, not judges of higher courts, but judges of courts with very considerable civil jurisdiction. To retain the words "any court" in the case of Quebec would leave it possible (which I think would not be desirable) that a judge of a stipendiary magistrate's court or possibly of the court of sessions might be appointed, and I think it more desirable that we should keep the appointments to the two courts mentioned in my amendment. It was pointed out the other day that in the city of Montreal there is a circuit court, but it seems hardly desirable to introduce in this legislation a special system for Montreal. The other day the hon. member for Rouville (Mr. Lemieux) stated that the circuit court judges of Montreal have all the work they can possibly do, and to appoint circuit court judges might possibly constitute a very serious injustice to the numerous litigants who come before them and who, in the great number of cases, are of that class of persons who can ill-afford to have any unnecessary delay in disposing of their cases, or any interference with the cases that are being heard.

4 p.m.

Mr. C. A. WILSON: Suppose a case comes before a judge of the superior court of Terrebonne and a decision is arrived at, and the man appeals; will he have to take his appeal to this higher court, the Court of criminal assizes, presided over by a judge of the same district, or will he have to go before a court of appeal in Montreal?

Mr. DOHERTY: If the hon. member will look at the section, he will see that in the province of Quebec it is not contemplated that judges of the superior court should sit on the local tribunals of the first instance.

From the preceding section the hon. gentleman will note that the local tribunals will be composed of persons who are named by a judge of the superior court. In the districts of Quebec and Montreal, where there are a number of judges serving the district, the person will be selected by the Chief Justice or the acting Chief Justice of the province, as the case may be. In the other districts, the members of the local tribunals will be named by the district judge of each district, and it is not contemplated that he will name himself, nor that a judge of the district of Montreal will name a superior court judge to sit on the local tribunal.

Mr. C. A. WILSON: Will there always be a judge of the superior court on the local tribunal?

Mr. DOHERTY: No; it is not contemplated in any case that on the local tribunal a judge of the superior court should himself sit.

Mr. C. A. WILSON: He may sit in appeal? He will be considered as belonging to a "higher court?"

Mr. DOHERTY: Yes. The hon. member need not be troubled about the term "higher court." Under the amendment I have just moved, it is provided that in the province of Quebec the appellate court shall consist of one judge of the court of King's Bench, or of the superior court of the province.

Mr. GUTHRIE: Has section 7, as printed, been passed?

Mr. MEIGHEN: There are two amendments proposed, one by myself, which is a proviso, and the other by the Minister of Justice. Outside of that, the section is as printed in the Bill.

Mr. GUTHRIE: There is a suggestion I would like to make, but I may be too late. The section reads:

> The Chief Justice of the court of last resort in each province . . . shall establish . . . Appeal Tribunals—

And so on. The language is mandatory, not permissive. Then there is a reservation:

> In case of his absence, or failure to act, then a judge of that court designated by the minister.

Why not "designated by the said Chief Justice?" If the minister is the proper person to make the appointment, he should do it in the first instance.

[Mr. Doherty]

Mr. MEIGHEN: The hon. gentleman does not get the exact meaning. The Chief Justice is to make the appointment of the judges, who themselves will be the appeal tribunals. If he fails to act, if he fails to name those appeal tribunals, then the minister names a judge who will name them.

Mr. GUTHRIE: Why should not the Chief Justice name that judge?

Mr. MEIGHEN: If the Chief Justice fails to do the one thing, the probability is that he will fail to do the other. We do not, however, contemplate any such failure except on account of physical disability or necessary absence. If any one should fail to appoint the tribunals, they would likely fail also to appoint a judge to appoint the tribunals, so we take care that the tribunals shall be appointed by giving the minister power to name some one else to take the place of the Chief Justice in case the latter fails.

Mr. C. A. WILSON: I see that subsection 3 of section 6 states that the tribunals shall consist of two members. What is the meaning of the word "members"? Can an ex-convict or a woman; or a man engaged in military service be appointed a member of a local tribunal? I think the word "member" should be defined.

Mr. DOHERTY: Surely the hon. member does not apprehend that any judge of the superior court is going to appoint to these tribunals a penitentiary convict, or a woman, or any of the classes of people whom I am sorry to see my hon. friend grouping together. If we had to define what kind of a man is to be appointed I think it would lead us into giving a great many details. If we put the appointing power in the hands of the most competent and reliable people we can find, I think we can trust to their judgment to appoint the right class of people to sit on the tribunals. We have, on the one hand, the judges, and on the other, the selective board, the formation of which has not been absolutely settled, but which at all events will clearly be a body enjoying the confidence of the Senate and the House of Commons of Canada. I think under those circumstances we can be satisfied that no objectionable person will be appointed to these tribunals.

Mr. C. A. WILSON: I have confidence in the good faith of a man, but I think it would be safe to have the word "member" expressly defined in the Bill.

Section as amended agreed to.

On section 10—appeals:

Mr. MEIGHEN: Paragraph (b) of subsection 3 was allowed to stand, some members objecting to the proviso that the Minister of Militia and Defence may, as of right, enter and prosecute an appeal to the central appeal judge. In deference to the opinion of hon. members I beg to move that this proviso to paragraph (b) of subsection 3 be dropped.

Motion agreed to.

On section 11—application for, and grounds of exemption:

Mr. MEIGHEN: This section was carried with the understanding that I should speak to the committee with regard to suggestions that had been made. One suggestion, in regard to which I wish to move an amendment, is with respect to paragraph (f)—the "conscientious objectors" clause. It was urged that an earlier date should be fixed than the date of the passing of this Act regarding the existence of religious denominations opposed to military service. I therefore beg to move that for the words "at the date of the passing of this Act" there be substituted "on the 6th of July, 1916."

Mr. DEVLIN: What religious denominations will be exempt? Will a man be exempt who declares before a tribunal that he cannot conscientiously take arms for the killing of another human being?

Mr. DOHERTY: What the Bill requires is not merely that a man shall have conscientious objections to military service, but that he be prohibited from combatant service by the tenets and articles of faith, in effect at the date of the passing of this Act, of any organized religious denomination existing and well recognized in Canada. Now the questions, what are the tenets and articles of faith, and what is an organized religious denomination well recognized in Canada, are all matters of fact susceptible of proof otherwise than by the mere statement of the applicant.

Mr. DEVLIN: A man, then, will have no right to decide according to his conscientious beliefs?

Mr. DOHERTY: He can decide his conscientious beliefs for himself, but in order that he should be entitled to exemption it is required not merely that he himself should conscientiously object, but that he should be a member of a religious organization well recognized in Canada whose tenets prohibit his acting as a combatant. So he has two things to prove: not only the state of his own conscience, but the further fact that the state of his conscience is the result of his conforming to the tenets of any organized and well recognized religious denomination existing in the country at the time mentioned.

Mr. C. A. WILSON (Laval) (Translation): Mr. Chairman, in order to be better understood, I shall speak in French to submit the following point:

I find that the English statute does not go as far as the Bill now before us. Why should we exempt the party claiming as an exemption the fact that he belongs to any religious sect whatever, and why could not the judge hearing the applicant's objections consider the conscientious motives of another party claiming the same exemption?

We already have in the law of evidence in the province of Quebec and generally in the Canadian law of evidence exemptions of this nature. For example, if a man refuses to take an oath upon the Bible he is allowed to be sworn in some other way, or to make a solemn affirmation, and his scruples are recognized and respected.

Hon. Mr. DOHERTY (Translation): I have previously pointed out that, under this Act, it is not only required that the applicant objects to serve as a soldier on conscientious grounds, but, moreover, that he actually belongs to a church or religious sect whose tenets forbid all its adherents to serve as soldiers.

The tribunal undoubtedly will implicitly believe whatever he states as to his beliefs, but when it comes to determine the two other facts, firstly, whether he belongs to a certain religious sect, and, secondly, whether the tenets of that same sect forbid his serving as a soldier, I do not believe that it would be fair to allow him by means of this only statement in the form of a yes or a no what prohibitions do exist according to the rules and regulations of that religious sect. This is a fact readily proven, because it must be remembered that it applies only to religious obligations generally established and recognized in this country. As for the case recalled by the hon. member, when you only have to know what is a man's belief, he is perfectly free to state it. But here you need a further fact, which is quite independent of his own beliefs, and is, as a matter of fact, to be proven independently of his own statement.

Mr. WILSON (Translation): In Montreal, very recently, they went pretty far; they

refused to accept the oath of a witness who had refused to give it on the Bible, because he had declared he did not believe in God. His belief was to that extent respected.

Hon. Mr. DOHERTY (Translation): His belief shall be duly respected, in accordance with the prohibitions of the church or religious denomination to which he belongs.

Mr. BELLEMARE (Translation): Would the hon. minister allow me a question?

Hon. Mr. DOHERTY (Translation): Certainly.

Mr. BELLEMARE (Translation): We have in some of our classical colleges ecclesiastics, some of whom are in the minor orders, others in the major ones. What I want to know is whether an ecclesiastic who has only received the tonsure, which according to our church is a real order, is, under the Act, exempted from military service?

Hon. Mr. DOHERTY (Translation): I may inform my hon. friend that the word "clergy" in this Bill comprises every one who has received holy orders, and that the tonsure is an order.

Mr. E. LAPOINTE: It is very easy to see in reading this section that the questions which will be decided by the tribunals will be simply questions of fact. The local tribunals will have to decide whether it is expedient in the national interest that a man should be employed in the military service or in any other work, or whether his exceptional financial or domestic situation prevents him from going to the front. That is absolutely a question of fact. As every one knows, the decisions of lower courts on questions of fact are never reversed by the higher courts, unless gross injustice has been committed. Why then so many appeals? In the first place we have the local tribunal, in which a judge may sit because the Solicitor General told us that if the judge is not very busy in his district he may be appointed to serve on the tribunal. The decision of this local tribunal as to whether a man shall or shall not go to the front will then be confirmed or reversed by the higher court on the same question of fact. Even that is not sufficient, because he may have to go before the Supreme Court, where one man may reverse the decision of three or four others who have seen and heard the witnesses and who are personally acquainted with the circumstances of the particular case. I really believe that this provision is inflicting a great hardship on those who will have to go from one court to another, and it is contrary to the accepted principles of law and equity.

Mr. MEIGHEN: But, the hon. member forgets it is not strictly an appeal. The leader of the Opposition raised the point in the first place, and it was clearly indicated that what is allowed is of the nature of an appeal from summary conviction, and new evidence may be made; consequently it is partly in the nature of a new trial. While it is true the matter before the local tribunal is one of fact, still there may be errors in the application of the principle deciding the question of fact, and it is well that those errors should be passed upon by a man who has the training of a judge.

Mr. E. LAPOINTE: But the member of the first appeal tribunal has the training of a judge. Why then go further than this appeal? Why bring the appeal to Ottawa?

Mr. MEIGHEN: To bring it before the Central Appeal Judge.

Mr. LAPOINTE: Why?

Mr. MEIGHEN: With a view to securing the uniform acceptance and application of the principles. What is before the committee is an amendment to the effect that the date of the existence of the denominational body be fixed at, say, July 6.

Mr. CURRIE: Apparently some of the hon. members find objection to this clause on the ground that some fake religious organizations may be established with a view to keeping men away from the war. If the words " well recognized by the law in Canada " be inserted, and a date fixed, it would cover the difficulty. No matter how small a religious organization may be, it must have an Act which enables it to hold property. This would establish it as a matter of fact, and give its members a status before the tribunals. There are certain branches of the Socialists known as the Individualists, who might claim they are entitled to exemption under this law. Their existence might be recognized because of their meetings and so on, but, to give them a status under this Bill, they should be recognized by the law.

Mr. DEVLIN: I did not have any reference to any sect whatever. I wanted to know how far a man's individual thought would be considered by the law, or whether he had to belong to some particular sect or denomination

Mr. CURRIE: The Act should be made more specific in that respect, so that the onus would not be on the tribunal to say whether some small local organization, such as may exist in various parts of the country, and which has no status whatever, should be recognized. If it is recognized by law, then there should be some organization behind it. I think possibly that would avoid all that difficulty.

Mr. MEIGHEN: The governing test should be the reality and bona fides of the denomination. That reality and bona fides could not be determined by the mere fact of the body having a corporate existence. There might be a very real and thoroughly sincere denomination without such a corporate existence—

Mr. DEVLIN: But not recognized by law.

Mr. MEIGHEN: Not recognized by law—a body who had not gone to the trouble or had not seen any object in taking out letters of incorporation or in becoming recognized by law. That would appear to me to be an arbitrary test to apply. It is a question of fact whether such an organization really exists and is recognized.

Mr. MARCIL: Are the local tribunals versed in the theology of all these various sects?

Mr. MEIGHEN: It is not a question of theology, but merely of the existence of the denomination and its recognition in the community. It is a question of fact which the local tribunals will decide in the first instance.

Mr. DEVLIN: My understanding is that this relates to the Mennonites, the Doukhobors, and the Quakers.

Sir GEORGE FOSTER: And the Christadelphians.

Mr. MEIGHEN: Those would be included; there may be more.

Mr. CURRIE: They are all incorporated and hold property and are well recognized organizations. I do not think the minister could mention any organization with an article of this kind in its creed that is not already recognized by law and has not its chapels. Those who are not in that position are those who cannot come out in the light of day and show themselves. I do not think they are entitled to exemption.

Mr. MEIGHEN: I do not think that even so outstanding a body as the Quakers have any incorporation. There may be individuals incorporated as a church, but I think it would be risky to say that every sect of Quakers in Canada, wherever located, have legal incorporation; but, even if one could say that, it would be more risky to say that every other body entitled to exemption has incorporation.

Mr. LEMIEUX: Has my hon. friend in mind the same exemption that is provided for in the Militia Act, or is this section entirely new and introduced with a view of exempting other persons than those who were mentioned or entitled to be mentioned in the Militia Act?

Mr. MEIGHEN: The experience in Great Britain would go to show that it would be very dangerous to accept the wording of the Militia Act as it now reads. That leaves out the persons who, from the doctrines of their religion, are averse to bearing arms or rendering military service under such conditions as may be specified. My hon. friend would hardly suggest that the matter could safely be left in that form.

Mr. MARCIL: Did I understand that the Christian Brothers were to be exempted?

Mr. MEIGHEN: I did not specify any denominations.

Mr. MARCIL: There are a number of Christian Brethren in my constituency, and I would like to know whether they are to be exempted or not.

Mr. MEIGHEN: That will be cleared up by the proper tribunal.

Mr. LEMIEUX: What has been the actual experience in England under the last conscription law? I see that the conscientious objectors are exempt. Does that include certain sects, or are individuals who do not belong to any specified sect exempted?

Mr. MEIGHEN: Under the first Act as it was introduced a man was able to secure exemption merely by convincing the tribunal of his own individual predisposition in the matter. The application of the law had to be tightened, as they found that the number who conscientiously objected to going to the war was very large indeed. This section embodied the good points of both the British and the United States sections.

Mr. NESBITT: Mr. Chairman, the Solicitor General was to take into consideration an amendment moved by yourself (Mr. Rainville) to subclause (a), with re-

ference to agriculture. Did he take that into his consideration?

Mr. MEIGHEN: It was moved by the hon. member for Chambly-Verchères (Mr. Rainville) that there be added after the word "in" in the third line of (a) "agricultural, industrial or." Objection was taken by the hon. member for St. John (Mr. Pugsley) that the effect would be to require the interpretation of the word "other" on the principle of ejusdem generis, and consequently to imperil the right of those engaged in such occupations as transportation to secure exemption. Whether those engaged in transportation and similar occupations would be shut out by the principle of ejusdem generis is a question which it might now be perilous to raise. Take teachers in schools and institutions, I should be afraid that the principle of ejusdem generis would shut out their right to secure exemption.

Mr. DEVLIN: They would come under (c.)

Mr. MEIGHEN: No, they are not in training; they are training. Then there is this objection, that notwithstanding the very strong claims of agriculture, speaking generally, to exemption, which claim doubtless will result in adequate exemptions for agriculture, the same argument could be made for the classes suggested by Mr. Girard, say those engaged in fisheries, who are producers of a food more and more required by reason of war conditions, and other similar industries might be particularized. Consequently it was thought that, especially since this clause has worked satisfactorily in Great Britain under this wording, it would be better to keep it in its present form.

Mr. NESBITT: The clause in the British Act specially mentions agriculture, if I read it correctly. Speaking of the exemptions, the section says:

> Provided also that the powers under this provision shall not extend—
>
> (a) to any man who is for the time being engaged in agriculture, and whose work is certified by the Board of Agriculture and Fisheries (or, as respects Scotland, the Board of Agriculture for Scotland) to be work of national importance, and who was engaged on such work on the thirty-first day of March, nineteen hundred and seventeen.

When my hon. friend suggested it, he did so because in the interpretation it specially mentioned agriculture and did not mention anything else. So far as I can see by this clause, if the suggestion of my hon. friend were accepted, it would not make any difference in any other work. I would not say the duties of a school teacher should not be called work, because sometimes he has pretty heavy work.

Mr. MEIGHEN: His duty means work all right, but, agriculture and industry are mentioned specifically. The other work would need to be of the same nature and kind—ejusdem generis—as industrial work: consequently, teachers might be excluded. As to the third British Act, I think, if the hon. gentleman will read the title to the Act, and the preamble, he will see that it has not the effect, or the wide application, he thinks it has. The title is:

> An Act to enable the exception from military service of men excepted on the ground of previous rejection, or the previous relinquishment of, or discharge from, naval or military service, or unsuitability for foreign service, to be reviewed.

The Act proceeds:

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

Then it is provided that the powers under this provision shall not be extended to any man who is, for the time being, engaged in agriculture, and so forth. It has not the effect of exempting agriculture from the general provisions of the Act. It simply says that, in this combing at this stage, there shall be these exceptions. I may not have stated it as strongly as I should have, from my standpoint, but, at any rate, I have not stated it too strongly.

Mr. NESBITT: I did not understand my hon. friend to propose that agriculture should be excluded altogether. I only meant that it should be emphasized in the exception.

Mr. BOULAY (Translation): Mr. Chairman, before the exemption clause is finally adopted, I would like to again express my regret that the Government have not seen fit to accept the suggestion offered by some of the members in order to exempt the farmers from compulsory military service. After all that has been said in this House, I am led to understand that under subsection (a) every one or almost any one can be exempted from military service; I believe the hon. member for Edmonton (Mr. Oliver) has thus expressed himself. I perfectly understand that the farmers may be placed under this head, but at all events, they will be no less under the obligation of

appearing before some tribunal within a certain delay, just as will be the case for all men between twenty and forty-five years of age, while, if a general exemption had been provided for in the Act itself, they would have been relieved of such an obligation. Moreover, this obligation cannot but entail numerous inconveniences, specially if this Act should be enforced during harvest time. Some members have expressed the opinion that such a clause would be an insult to the agricultural class. To me this argument does not seem a serious one, inasmuch as our farmers are not over scrupulous on the subject, and that they could enlist anyway whenever they saw fit. The farmers are so necessary in Canada that they should not be enticed to enlist in any way whatever.

I now want to draw the attention of the House to a charge which has been laid here by three members, a charge we ought to investigate as I believe.

I stated when I spoke in this House on June 27 ultimo that I had heard that a large number of young Englishmen had emigrated to Canada during the first months of the war in order to evade compulsory military service enacted in England. The hon. member for Montcalm (Mr. Lafortune) made the same assertion in this House on July 5th, last Thursday. I will quote his own words:

> Frequently, we see steamers coming into port with some 700 or 800 young Englishmen on board; we see them strutting, with a new walking stick, along the streets of Montreal. They come over to our country to fill the places of our French Canadian boys who are expelled from our stores and our mills, in order to force them, in a sense, to enlist.

At this point the hon. member for L'Islet (Mr. Paquet) interrupted the hon. member for Montcalm and asked him:

> Mr. PAQUET (L'Islet) (Translation): Will the hon. member allow me one question?
>
> Mr. LAFORTUNE (Translation): Certainly.
>
> Mr. PAQUET (Translation): Has the hon. member information to justify his assertion that the French Canadians are replaced in the munition factories by Englishmen just come from the British Isles?
>
> Mr. LAFORTUNE (Translation): Certainly, I am not afraid to assert it.
>
> Mr. PAQUET (Translation): The charge is a most serious one.
>
> Mr. LAFORTUNE (Translation): Most serious, I admit it; but I do, nevertheless, declare that, in many cases, French Canadians are turned out of doors and that their places are given, a few days later, to your Englishmen just landed from London. The very thing happened in a shell factory in my own village; these French Canadians were told: "Why don't you enlist? Why don't you go and help the Empire"? They were thus forced to sacrifice themselves and to give up all they held most dear, in order to save the Empire.

Now, I read in the Hansard of the 11th instant, another almost similar charge laid by the hon. member for Chambly-Verchères (Mr. Rainville) when he stated that some 73,000 men, after enlisting in the Canadian Army, deserted and disappeared.

He added, that the hon. member for Edmonton (Mr. Oliver), referring to a Detroit newspaper, stated that it had been ascertained that 17,000 English Canadians, mostly from Ontario, were living in that city. Headed: "We have some slackers here from England to be found in insurance offices in Montreal"—And, more than that, relying on statistics which he must have had from good authority, he said that the immigration which had had figured up to 43,000 men in 1914, I believe, had reached 85,000, in 1916, which means an increase of 42,000 for 1916. That is surely an extraordinary fact, and the hon. member for Chambly-Verchères stated: "I would strongly urge that these slackers who have gone to the United States should be brought back."

In both cases which I have just quoted, I believe there is for the Government ample justification for a searching investigation, and that would be of primary importance. These facts appear to me far more important than the charge made against people of the province of Quebec of having insulted soldiers on their way through. In the latter case, a court of enquiry was immediately constituted, which tribunal did act and seems to have given satisfaction to all parties concerned. Now, I do believe that the charge laid against these deserters and these emigrants who have left their country in order to evade military service, is far more serious than the other I have just aliuded to; it would be only right, it seems to me, that the Government should make an investigation upon it.

Hon. Mr. DOHERTY (Translation): In the first part of his remarks, the hon. member for Rimouski expressed the hope that the farmers should be particularly exempted. It seems to me that what has already been said should suffice.

There is no doubt that agriculture, in this country, is of paramount importance, and that anyone who is, "bona fide", necessary to farm production and who actually gives good returns for an earnest labour, should have no reason to feel uneasy.

As for the suggestion of an invesgation in order to find out if it be true or not that a great number of young Britishers have come to this country and that many French Canadians were discharged from certain

manufactories in order to replace them by these British youths, I simply will draw the attention of the hon. member to the fact that this Act, when in force, will provide the opportunity of making such an enquiry before the very tribunals to be appointed. Precisely these facts shall be examined and cleared up, and if those facts mentioned in the different speeches which have been quoted by my hon. friend are established, those young Britishers will not be treated otherwise than any other British subject. Every British subject in Canada, whether he come from England or anywhere else, shall be brought under this Act.

Now, as to the third case to which the hon. member draws our attention, referring to those who are said to have left Canada since the war was declared, in order to escape military service, our ruling applies to every British subject at present residing in Canada, as well as to every British subject who did reside in Canada for any length of time previous to 1914. I can say to the hon. member that the provision to include directly the latter class, was precisely inserted with a view to that class he has just mentioned, and I do not believe it will become necessary, in order to put it into effect, to make any arrangement with the United States authorities.

I have every reason to believe, and I do believe, that the hon. member may well trust that we will make such an arrangement by which these gentlemen who have attempted to evade the law, who have deserted their country in order to set themselves free from defending it, will come under the effects of the Act, just as well as those who have stayed at home.

Hon. Mr. MARCIL (Bonaventure) (Translation): Mr. Speaker, I must approve the remarks of the hon. member for Rimouski. In our district, in the county which I have the honour to represent, the whole population, so to say, are employed at farming or in the fisheries. They are two classes of food producers. Had the farmers and the fishermen been exempted, this entire population would not have been obliged to appear before the courts to be exempted. That is what must happen throughout the district of Gaspé, throughout the counties of Bonaventure, Gaspé, Rimouski and in the maritime provinces. As I have just stated, that population is made of food producers and, if they do not show up before the tribunals, there are penalties enacted by our law.

Hon. Mr. DOHERTY (Translation): I would beg leave to say to the hon. member, in reply to his remarks, that when we pass an Act to demand from a certain part of our population the supreme sacrifice, even that of their own lives, it does not appear to me there can be any occasion for a serious reproach on the part of the farmers or the fishermen, because we ask them to kindly show up before the tribunals. Besides, we shall see to it, that the trbiunals be numerous enough and set under such conditions that they may hold court without exacting from anyone a serious derangement and the inconvenience of being summoned before such a tribunal will be reduced to its minimum. I would be greatly surprised if, under such conditions, we had any complaints, because, in the very interest of the general system, we only demand from those, who are exempted by their occupations, to simply take the trouble to go and submit their demand and expose the circumstances that may justify them.

Hon. Mr. MARCIL (Translation): The tribunals will be plentiful, so they say, especially in that section of the province of Quebec where the distances are the remotest. As the hon. Minister is aware the Gaspé district alone contains ten thousand square miles; we have around there some townships just as large as any ordinary county in the province. Should the tribunals be somewhat distant, you will readily see the inconvenience arising therefrom.

If I rightly understand, the intent of the Act is that a producer is just as necessary and renders just as good a service to the empire as any soldier in the trenches. As all these people are producers, I am glad to hear that the tribunals will be plentiful and of easy access.

Mr. L. A. LAPOINTE: How is this proposed legislation going to work, assuming that the measure is put in force—though I believe that it never will be; at least, not before a general election. I say this because the Bill is one for the conscription of man-power, not of wealth, though it is stated that the measure may be followed by a measure of taxation on incomes. To my mind, the title of this Bill would be more appropriate if it were "Exemption Bill." Another name might be given to it, having regard to the amendment proposed by the Solicitor General (Mr. Meighen) it might be called a Bill for the conscription of liberty. Assuming then, that the Bill will be put in force, it will operate, if I am right, in the following way. Section 16, subsection 2, says:

This Act shall come into force on such day, after the passing thereof, as the Governor in Council may fix by proclamation.

This is the commencement of the Act, if I understand aright. Then we come to section 4, "calling out by classes," which reads:

(1) The Governor in Council may from time to time by proclamation call out on active service as aforesaid for the defence of Canada, either in Canada or beyond Canada, any class or subclass of men described in section three and all men within the class or subclass so called out shall, from the date of such proclamation, be deemed to be soldiers enlisted in the military forces of Canada and subject to military law for the duration of the present war, and of demobilization thereafter, save as hereinafter provided.

This section is—

The CHAIRMAN: We are discussing section 11. Will the hon. member kindly reserve his speech, which is a general one, he will have an opportunity of making any general remarks he may desire?

Mr. L. A. LAPOINTE: I will do as you, Sir, have just stated. I was just going to suggest that. Then we come to section 12, "regulations," and subsection 2 of section 12, "publication." I am trying to illustrate how this Bill is going to work. If I am wrong in my illustration of how the Bill will work I would like the Solicitor General to set me right. Has the Solicitor General given any thought, or has he any idea, as to the length of time that should elapse between the proclamation of the Act as per section 16 and the proclamation authorized in section 4—the calling out by classes—in view of the exemptions as provided for in section 11? In other words, what period of time will be given to those who would like to make application for exemption, and in what way will the proclamation and the regulations be published so that the whole Dominion will know?

Mr. MEIGHEN: After the Act is passed, and perhaps before it is carried into operation, there will be undertaken the duty of preparing the regulations, and also the duty of selecting tribunals, under such regulations as may in the meantime have been formulated and adopted. That done, or that proceeded with as far as may be necessary, a proclamation will issue calling out men. I do not know how long a period will be fixed, and it would not be for me to say how long, but I will say on behalf of the Government that it will give ample time for every one who desires to do so to appeal to the appropriate local tribunal for exemption. The proclamation will set out all particulars, so that no one need be confused or in ignorance of the requirements. The man will be told where he should report and where the tribunals will sit, and the method of making application for exemption will be set out. The date for reporting will also be fixed. My thought is that the date for reporting will be subsequent to the sitting of the tribunal, so that at least the determinations of the local tribunals will likely be over before the date for reporting, and possibly further determinations of the appeal tribunals. I give this only by way of illustration of what is in my mind as to how the measure will work out.

The hon. member mentioned something about the publication. The proclamation has to be published in the Ga-

5 p.m. zette. Such publication, of course, we acknowledge, will not reach the people, but it has the effect of establishing legal evidence that the proclamation was issued and that the call was made. It establishes proof, by production of the contents of the Gazette. It will also be published in newspapers and perhaps by means of posters. It will be thoroughly published so that every one will have knowledge of what is required of him. I think that covers the full request of the hon. member for St. James, Montreal (Mr. L. A. Lapointe).

Mr. A. K. MACLEAN: Does the Solicitor General purpose making any change in respect of paragraph (d) of subsection 1 of section 11? It was suggested by the hon. member for St. Antoine (Sir Herbert Ames) that that section be divided; but if the minister intends making no change, I would like to have an understanding from him as to what is meant by "domestic position," and what exemptions would probably be granted under that definition.

Mr. MEIGHEN: Speaking solely as an individual—because the interpretation of this, as of every other law, is for the judges —I would say that the best synonym for "position" would be "circumstances"—domestic circumstances; that is, having regard to a man's domestic obligation, not wholly of a financial character, but of every character. As to what exemptions will be granted, speaking in the same capacity, I would say that exemptions will be granted, based on the circumstances the man was in as to domestic obligations. For instance, a man who, although married, had relatives dependent upon him, perhaps a widowed mother, perhaps a crippled father, perhaps a crippled mother and a crippled father,

perhaps younger children or other relatives —that would be a circumstance of "domestic position" that would, if it appealed to the tribunal, entitle that man to exemption.

Mr. A. K. MACLEAN: I was rather anxious to have the minister's statement on Hansard. Since discussing this clause of section 11 the other day, I have had an opportunity of looking over the proceedings in regard to the Military Service Bill in the British House of Commons, and I noticed that there was considerable debate on this particular clause, and the clauses in the two Bills are now identical. The committee in the British House of Commons were always anxious to have from the minister in charge of the Bill a statement as to its probable meaning, and the Government did not hesitate to put their interpretation upon it. In many instances, that interpretation without any further amendment was acceptable to hon. members of the committee.

In the English Bill the word "position" read first of all, "domestic obligations." The word "obligations" was amended to "circumstances," and eventually that was changed to "position," and this last word was accepted by the committee without any opposition. It might be interesting to know just what was in the mind of the committee of the British House as to the scope of the word "position." Mr. Long, who was in charge of the Bill, stated that it would include a widow's only son, and also cover the case of a single unmarried son of a family whose other members had all enlisted. If that is intended to be the case here, it would be as well to have a declaration to that effect. Mr. Morrell, speaking on this point in the British House, said:

> I was one of those who had an amendment down asking that the only son of a widow who has not yet enlisted should have an absolute exemption under this Bill, and I venture to say that the words used by the Prime Minister entitled me to expect that an amendment of that sort would be accepted.

Then he proceeds to quote from a statement made by the Prime Minister, as follows:

> I have had brought to my notice most moving cases of mothers who have sent three or even four sons to the war. They have been either wounded, killed, or at any rate disabled on active service. Where there is a single unmarried son left behind, it would, of course, be a monstrous thing if the State were to call for military service from a man in that position. He is as much entitled to exemption as any man in the Empire.

That statement by the Prime Minister was considered by the committee as tantamount to an express declaration by statute that such cases would be exempted.

Mr. MARCIL: Were exemptions granted in England to men whose brothers had already gone to the front?

Mr. A. K. MACLEAN: The sole surviving son of a widow is exempt.

Mr. MARCIL: Suppose that one son has gone to the front and two sons remain at home; would the two sons be entitled to exemption?

Mr. A. K. MACLEAN: I do not think they would both be exempted, but the tribunals would no doubt take into consideration the fact that one son had already enlisted. I suggested the other day that the son of a widow be exempted, but if the Government would give to the words "domestic position" the wide interpretation given to them by the British Act, it would not be necessary for me to press my suggestion.

Mr. MEIGHEN: I have no objection at all to giving a general definition of any phrase in the Act as it appeals to myself, but I could not undertake, and I do not think any member of the British House of Commons undertook, to say how the Act should be applied in an individual case. Such a statement would be valueless in any case, because it is a matter for the tribunals to decide. In this connection I might point out that Mr. Long was written to by Mr. Gibson on this very subject, and in his reply, under date of February 23, 1916, he set out at considerable length the impossibility of instancing individual cases or classes of cases, and the necessity of leaving it to a statement of principle. His letter, written by his secretary, ended with these words:

> Mr. Long trusts that these observations will prove of service to tribunals. He fully realizes the difficult nature of the task committed to them and the extreme importance of deciding cases which come before them in a manner which will command the fullest public confidence.

I do not wish to read the whole letter—I will send it to the hon. member—but it establishes the position I have tried to take, that we must leave the application of the law in every individual case to the tribunals, and we must leave any differences there may be in the application of the Act to be corrected by the process of appeal.

Mr. A. K. MACLEAN: I have no objection to offer to the statement of the minister. I was anxious to have placed on Hansard

some statement from him for the guidance of the tribunals. Let me give him a case. In the original British Military Service Act the word "exceptional" —the last word of the second line—first of all read "special," but on the third reading of the Bill the word "exceptional" was submitted for "special" after considerable debate. There was in the minds of the committee the particular case of the sole remaining son of a widow. Some members of the committee were pressing the Government for a declaration which would serve as a guide for the tribunals. Sir J. Simons, discussing the proposed amendment, said:

> This is one of the cases where a clear declaration from the Government as to the sort of standard they were setting up would make a lot of difference. If my right hon. friend was prepared to say that if you take the only surviving son of a widow dependent upon her boy's earnings and regarded that as a case that clearly ought to be exempted we should be satisfied that it would not make very much difference whether the exemption was "special" or "exceptional."

I notice that efforts were frequently made during the passage of the Bill through the British House to get a declaration from the Government, more for the guidance of the tribunals, I suppose, than anything else; in fact, I cannot see what other purpose it would serve. It was for a similar reason that I asked for a statement from the Solicitor General. I was not asking that the wording of the section be changed.

Mr. MEIGHEN: It is important to observe in this connection that that service can be readily performed by the Central Appeal Judge. In the first place he would be more competent to perform it, and in the second place he would be a more fitting person to perform it. He could issue and place in the hands of the local tribunals such definitions and such general information, with such illustrations as he saw fit to give, concerning the application of the various principles of exemption as in his judgment might be most useful to them. In doing that, I apprehend that he would have very close regard to similar information sent out to the tribunals in Great Britain, and to decisions rendered in Great Britain by their final tribunal. It must be clear that we gain by adopting their very language, because in that way we get more clearly and usefully the advantage of their decisions.

Mr. MICHAUD: I read in this morning's papers that the consumption of wheat, beef and bacon in Canada should be reduced by one-third. I would suggest that it should be increased by one-third, and for that purpose I believe we should take the farmer's son into consideration. Under this Act are members of the local and appeal tribunals to be provided with information by the Government in reference to farming products when an applicant appears before the board? Where will the board get its information in regard to the man on the farm?

Mr. MEIGHEN: From the Bill; chiefly from paragraph (a) of subsection 1, section 11, and also from such information as may be sent him under the provision of this Bill by the central appeal judge, who will render all the assistance possible to the tribunals in the application of the provisions of the Bill which provide for the exemption of men necessary for agriculture and other purposes in the national interest.

Mr. OLIVER: I took the liberty of discussing this clause at some length on a previous occasion. I now desire to take advantage of the copy of the United States law, which was laid on the Table, for the purpose of supporting and emphasizing the position I took in regard to what was to me the evident purpose of this section, and which was not related to a fair conscription of the man-power of the country. The parallel section of the United States Act reads as follows:

> Sec. 4. That the Vice-President of the United States, the officers, legislative, executive and judicial, of the United States, and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States, shall be exempt from the selective draft herein prescribed; and nothing in this Act contained shall be construed to require or compel any person to serve in any forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form, and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be non-combatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof for partial military service only from those liable to draft as in this Act provided persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mail; artificers and workmen employed in the armouries, arsenals, and navy

yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots; mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the military establishment or the effective operation of the military forces, or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists.

It will be observed that this provision of the United States Act covers, in a great measure, the same exemptions as are covered specifically in this provision of section 11 of the Act we are considering, but it differs from section 11 on the very points I raised, and in support of which I expressed myself somewhat strongly. The conditions of the United States being more closely parallel to those in Canada I think we might fairly look to the law of the United States for guidance in dealing with our conditions here; and as the legislators of the United States had the advantage of the British law, and reached the conclusion they did—a conclusion that is vastly different in its operation from the law we are now discussing—I contend that my position has very good support.

The first difference between section 11 and this provision of the United States Act to which I wish to draw attention is that there is a very much greater specification of exemption. I impressed upon the hon. minister the desirability of making more specific exemptions. He refused to make those exemptions, and demanded that I should give him even one exemption. I have quoted from the United States Act, and he is at liberty to consider that all the exemptions in the United States Act would be proper exemptions to be included in our Act.

The next difference to which I wish to draw attention is that in the United States Act there is no provision parallel to paragraph (b) of subsection 1, section 11, a provision of our Act, which I have taken the liberty of saying has been inserted in the Bill for the purpose of using the threat of compulsory military service, as a means of securing labour for friends of the Government engaged in industrial enterprises in Canada. There is no such provision in the United States Act.

The other feature I desire to draw attention to is that the tribunals organized under the United States Act are subject in their decisions to regulations framed by the President. They will be directed by the responsible authorities of the country, and I am one of those old-fashioned people who believe in responsible government. I believe in the Government of our country being responsible for its acts of administration, particularly so where life and liberty and right are at stake. The efforts of the Bill to divest our Government of responsibility for whatever action may be taken by the tribunals is not a policy that appeals to my mind as being sound from any point of view, and I direct the attention of the House to the fact that it is not the system adopted in the United States. The President of the United States is held responsible for the regulations under which exemptions will be granted by the local tribunals.

Another difference is that certain of the exemptions are to be dealt with by what might be called the inferior tribunals. Another class of exemptions is to be dealt with by what we will call the appeal tribunals only. The reason for that distinction is very obvious, and I maintain that it is a wise distinction. I shall read the provision:

The President is hereby authorized, in his descretion, to create and establish throughout the several States and subdivisions thereof and in the territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such board in each county or similar subdivision in each State, and one for approximately each thirty thousand of population in each city of thirty thousand population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the military establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this Act, and all questions of or claims for including or discharging individuals or classes of individuals from selective draft, which shall be made under rules and regulations prescribed by the President, except any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this Act authorizing the President to exclude or discharge from the selective draft "Persons engaged in industries, including agriculture, found to be necessary to the maintenance of the military establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency."

The exceptions are those that come directly before the appeal tribunal and are not tried before the original tribunal at all. From beginning to end the purpose of the United States Act is plain on its face. That purpose is to raise so many men, to raise them on a basis of population, and to raise them with the object of finding men for the fighting line. It is because the Bill before the House differs from the United States Bill in those particulars that I, as a member of this House, object to it, and object to it most strongly. I took the liberty of saying that in my opinion the provisions of the Bill as we have it before us were as they were with the distinct idea in the mind of the Government not to administer the Bill with a view to laying an equal burden of service upon all the people of Canada, and I further took the liberty of saying that that was made absolutely evident by the fact that no provision was contained in the Bill requiring such equality of service. I have read to the House the section of the American Act regarding exemptions. But the section concludes with a proviso as follows:

> Provided, that notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

Mr. MEIGHEN: I need not refer to the portions of the hon. gentleman's speech which were repetitions of his stand previously taken. The United States legislation makes certain specific exceptions, just as ours makes certain specific exceptions, and much along the lines of our exceptions in the schedules. It then proceeds to authorize the President to make more exceptions—it does not make them—and included in the further exceptions which the President is authorized to make are pilots, mariners, and a great many people, and then persons engaged in industry, including agriculture, found to be necessary to the maintenance of the military establishment and the effective operation of the military forces or the maintenance of the national interest during the emergency. Then it provides that notwithstanding such exceptions that may thus be made, or may not be made, the men must be secured, so that if the securing of the men invades the exemptions the men have to be obtained all the same. What is the difference between that and ours? We also say that we exclude industries essential for the national interest, and we say that we exclude them only to such an extent as will enable us to get the men. What is the real fundamental difference there? Does any one suggest that we in Canada should say that all engaged in industries beneficial to the national interest shall be excused? Does any one say that, out of mere idlers left in Canada, doing nothing, engaged in no industry whatever for the national interest, we could pick up the 100,000 men fit for military service, physically fit. No one would suggest that. We would have to do as they provide for here, if enough men were not secured without invading the exemptions then you would have to invade industries, first those not essential and then those essential. So, in effect, it is the same. They establish tribunals to determine these things and do not say that the President shall exempt these men; they simply authorize him to do so. It is true that we have responsible Government here and it has a fairly faithful adherent in myself, so much so that on questions of very great and insistent responsibility I think it is the province of the Government to discharge that responsibility and not shift it to the people, not try to relieve itself of the responsibility. Such is my adherence to the principle of responsible government. But the principle of responsible government is not impaired by leaving to the judicial authorities the determination of questions of law and fact, nor, I submit again, is it impaired by leaving to the jury of tribunals simple questions of fact such as are left to them by this Bill.

Mr. OLIVER: I do not wish to pursue the discussion, but I again ask the minister to state as shortly as possible the specific reason why the proviso of the United States Act does not appear in connection with the Bill.

Mr. MEIGHEN: Because we in Canada prefer to regard the whole of Canada as one nation. In the United States it is more a collection of states, and their constitution is based on that principle. Here we are not a collection of provinces; we are one nation divided into provinces only for purposes of the local jurisdiction.

Mr. OLIVER: If that is the reason it is not a good reason, because if there is a distinction in parts of the United States on account of geographical or other considerations, these considerations are very much more marked in Canada, and, indeed, it is because of those distinctions, geographical and other, that Canada is a Confederation to-day, instead of being a country. We have the Federal system in Canada as they

have it in the United States, but my hon. friend, in this Bill, sees fit to ignore the existence of the federal system in Canada, though, I am compelled to say, with a purpose which would be absolutely prevented if this provision were adopted, with the absolute purpose of not having an equal enforcement of the Act as between the different sections of the country. Can the hon. minister give us any reason why the provision in paragraph (b), subsection 1 of section 11, which has no parallel in the United States Act, is inserted in this Bill?

Mr. MEIGHEN: In the United States the framing of the principles is left to the executive. Under this Bill, we submit the principles to Parliament in the same way as they do in England. The clause which my hon. friend has before him shows that the framing of the principles is left to the executive. We set them out, as they do in England, practically in the wording of the English Act.

Mr. OLIVER: I will not deal with that, but I will only say that I do not agree with the hon. gentlman; the United States Act declares the principles just as our Act does, and specifically imposes upon the President the responsibility of providing the details, which ours should do as well.

Mr. MEIGHEN: I will have to read it. I have not made a statement which I cannot support. In section 4 of the United States Act, I find the following:

> Such boards shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this Act, and all question of or claims for including discharging individuals or classes of individuals from selective draft, which shall be made under rules and regulations prescribed by the President.

Then it goes on to provide that the President may authorize definite exemptions under the previous clause. Of course they can not evade the President's rule, unless of course they fail otherwise to secure the men. So that the President sets out the statement of principle which apply to exemption. Here we set them out as they do in England.

Mr. NESBITT: Do I understand the hon. minister to say that he intends to pass paragraph (a) in the form in which it appears in the Bill?

Mr. MEIGHEN: Yes, the only amendment that I propose as to section 11 is to change the words "at the date of the passing of this Act' in subclause 1 (f) to "6th July, 1917."

[Mr. Oliver.]

Section adopted.

On section 12—regulations:

Mr. MEIGHEN: The only portion of this clause that stood was paragraph (c) of the first subsection. That stood over, in order to consider a proposal made by the leader of the Opposition, to the effect that there might be conflict of the different sets of regulations. Section 10 of the Bill provides for regulations to be made regarding appeals from the appeal tribunal to the central appeal, and those regulations must be made initially by the central appeal judge and approved by the Governor in Council. All regulations not made by the Governor in Council are approved by the Governor in Council, and, consequently, we are responsible for all the regulations made. Clause 12 provides for regulations that are made initially by the Governor in Council, and inasmuch as subclause (c) refers to the question of procedure on appeal, it was urged that it should go rather into section 10. The difficulty in meeting the suggestion exactly is that section 10 deals with the appeal tribunal and appeals from it, and, consequently, the whole of paragraph (c) would be rather inappropriate there, but it is fully met by an amendment which I now propose—that the words "on the recommendation of the central appeal judge" be inserted before the first words of paragraph (c), subsection 1, section 12. It will then read:

> On the recommendation of the Central Appeal Judge prescribe the conditions as to time or otherwise under which applications for certificates may be made, deferred applications received, appeals entered and heard and re-hearing had, and prescribe forms.

Mr. McKENZIE: I do not understand clearly when a man may appeal. Is it after he registers? Supposing a man answers the call, comes in and registers his name, does he then make his appeal?

Mr. MEIGHEN: The better word would be "report." There is no registration. He reports, as required by the proclamation under section 4. The local tribunal will, I think, sit before the date for reporting at all, and those desiring exemption will present their case to the local tribunals, and if they are aggrieved by the finding of the tribunal, they will enter their appeal at once, or at such time as the regulations provide, and send it to the registrar of the province, and, perhaps, the appeals will be all over by the date of reporting, and if the appeals are not concluded, he will be considered as on leave of absence, without

pay, until the appeal is decided. If it is decided against him, it is his duty to report.

Sir WILFRID LAURIER: As soon as a man receives notice that he is enlisted, he must at once take advantage of the exemption provision, and send his application to the provincial registrar, saying, "I claim exemption."

Mr. MEIGHEN: The proclamation will state that the tribunal will sit to hear applications for exemption at such-and-such a place. Then, if you claim exemption, you go to one of these points where the tribunal sits, and make out your case. If it is against you and you wish to appeal, send the notice of appeal to the registrar, or hand it in to the tribunal, and the tribunal will forward it to the registrar, if the regulations so prescribe. At any rate, a notice of appeal should go to the registrar, as soon as the adverse decision is given by the local tribunal.

Sir WILFRID LAURIER: He can make his application when he is notified.

Mr. MEIGHEN: He can make it as soon as the tribunal sits.

Mr. LEMIEUX: When the proclamation is issued putting in force this Act, the various classes are conscripted, ipso facto.

Mr. MEIGHEN: Yes.

Mr. LEMIEUX: When the proclamation is issued, those who are liable under the Act are conscripted.

Mr. MEIGHEN: I do not know about that.

Mr. LEMIEUX: They need not register, but they are conscripted by law, unless they get exemption from the tribunal to which they must address themselves. Suppose I am conscripted by this law, the moment the proclamation is made by the Governor General, if I wish to be exempted, I address myself to the tribunal, go before them, and the tribunal may exempt me.

Mr. MEIGHEN: The proclamation bringing the Act into force does not call out any men at all. There must be a subsequent proclamation under section 4, which calls out a class of men, and the moment that issues all men in that class are soldiers, and it is their duty then, if they wish exemption, to go to the tribunals, which will sit on the day named and at the place mentioned in the proclamation.

Mr. LEMIEUX: Are they called individually?

Mr. MEIGHEN: Oh no.

Mr. LEMIEUX: It is just a proclamation that such a class by proclamation are liable to service?

Mr. MARCIL: What is the meaning of these words?

> And any person aggrieved by the decision of a local tribunal and any person authorized by the Minister of Militia and Defence may appeal against any such decision.

If they are not satisfied with the decision of the local board, must an authorization be obtained from the minister before an appeal can be registered?

Mr. MEIGHEN: No, there is an absolute right to appeal.

Mr. MARCIL: Section 10 provides that any person aggrieved by the decision of a local tribunal, or any person authorized by the Minister of Militia, may appeal.

Mr. MEIGHEN: Any person aggrieved may appeal; that is absolute. Any one authorized by the minister may appeal; that is the other side of the case. In a word, either side may appeal.

Mr. C. A. WILSON: As my hon. friend knows, in the Criminal Code provision is made as to the time within which appeal may be made. Would it not be proper to embody in this Bill a provision as to the time within which appeal may be made from the decision of the local tribunal? If regulation in that respect is made by Order in Council, the House will not have a word to say about it.

Mr. MEIGHEN: Anything as to the period within which appeal may be lodged will be clearly set out in the proclamation itself, which will be published everywhere.

Mr. C. A. WILSON: Why not put it in the law?

Mr. MEIGHEN: There would be just the same reason for working into the Bill all the other details of the law. The principles of the machinery of the Act are all here; the rest, which is mere detail, could not be embodied in the Act. There never was an Act of this kind in which such details were embodied. As a matter of fact, the proportion of work left to regulation is infinitely greater in the Militia Act than it is in this Act.

Mr. CURRIE: I have had inquiries by letter whether a man will be allowed to be represented by counsel before these tribunals. Will the Solicitor General inform me on this point?

Mr. MEIGHEN: The Bill does not say yes or no. The Bill leaves it to regulations formulated by the Central Appeal Judge, for this reason: It was the general feeling that persons acting as counsel should not be heard before the local tribunals. It was felt, however, that in certain cases coming before the local or appeal tribunals there might otherwise be hardship, and the matter was left open to regulation to be framed by the central appeal judge.

Mr. CURRIE: If the regulations that are to be laid down follow the customary military regulations, then persons will not be allowed to have or be represented by counsel.

Mr. MEIGHEN: I believe that is correct.

Mr. CURRIE: Then, unless there is a direct—

An hon. MEMBER: This is not a military Bill.

Mr. CURRIE: Excuse me, it is a military Bill and will be dealt with almost entirely by military men. If the judges who frame these regulations follow military rule, they will not permit the employment of counsel. I think, therefore, that some provision should be put in to allow a man to have counsel.

Mr. MEIGHEN: If the precedent of military courts is followed, I have no doubt that the hon. gentleman is right. But those having charge of the framing of the regulations would not be obliged to follow military precedent, because while this is a military Bill, the tribunals are civil tribunals administered by the Minister of Justice under civil law.

Mr. NESBITT: Do I understand that when the proclamation is issued the men do not have to report to anybody?

Mr. MEIGHEN: The proclamation will fix a day for reporting, and they have to report on that day.

Mr. NESBITT: To whom?

Mr. MEIGHEN: To whomsoever is named in the proclamation. I assume that there will be hundreds of places at which to report.

[Mr. Meighen.]

Mr. NESBITT: The men so called out shall report and if they desire exemption they may appeal to the tribunals. Will the tribunals be set up before the issuance of the proclamations?

Mr. MEIGHEN: Before the date of the reporting, I think.

Mr. NESBITT: They will be mentioned in the proclamation?

Mr. MEIGHEN: Oh, yes.

Mr. NESBITT: The men do not report to the tribunals?

Mr. MEIGHEN: No.

Mr. NESBITT: They appeal to the tribunals only for exemption?

Mr. MEIGHEN: That is all. From the records kept of reports and appeals we shall be able to get what is, in effect, a full registration.

Mr. LEMIEUX: As I understand the machinery of this Bill, it is as follows: The Bill becomes law by proclamation. Then another proclamation issues, fixing the time and place of reporting. Then the local tribunals are set in motion; they are established by proclamation at different points throughout the country. Those who seek exemption will go before these local tribunals, which will pass upon each case as speedily as possible. Then there may be an appeal from the Minister of Militia or from the parties seeking exemption; that appeal goes before the appeal tribunals. Then there may be another appeal from that higher court to the central authority, and when the central authority has made its decision, the man is exempt or must report for the fulfilment of his duty. I understand the central authority will be a member of the Supreme Court of Canada. Has the Government selected a judge to fill that position?

Mr. MEIGHEN: I am not in a position to state who that person will be.

Mr. LEMIEUX: I understand that a man seeking exemption can do so orally or in writing, in the briefest form possible. He may or may not be represented by counsel before the local or the appeal tribunal.

Mr. MEIGHEN: According as the regulations set out.

Mr. LEMIEUX: This will be set out in the proclamations or regulations issued?

Mr. MEIGHEN: Yes.

Mr. NESBITT: To whom will the appeals be sent if written?

Mr. MEIGHEN: To the registrar. It may be that provision will be made for the leaving of the appeals with the local tribunals, by whom they will be forwarded to the registrar. They must, however, reach the registrar, who allocates them for hearing.

Mr. NESBITT: While the appeal is being determined, the applicant goes back to his ordinary employment?

Mr. MEIGHEN: Yes.

Mr. CURRIE: In every other conscription measure, provision is made as to where and to whom the conscripts must report. Provision is made for the enrolment and registration of the men.

Mr. LEMIEUX: That will be done by proclamation.

Mr. CURRIE: I do not see what merit there is in omitting that provision from the Bill. I have been told that the purpose was to enable the tribunals to sit on the cases before the men were enrolled. What does it matter when the men are enrolled? In France the conscript reports to the clerk of the commune. In Canada, under the Militia Act, a man is supposed to report to some local militia officer, but if we follow this regulation we will find that we have no local militia officers left who can be called upon to perform that service. The militia of Canada, with the exception of four or five battalions, is all at the war. The other battalions are virtually denuded of officers. Perhaps there may be a lame lieutenant who cannot pass for overseas service. There are in the country no available officers whom you can utilize to go to those centres to take the men's names and attest them.

Mr. COPP: There have come back from England some officers who are not doing anything.

Mr. CURRIE: There are not many of them altogether, and there would not be nearly enough of them for the work. I suppose the hon. member may know some in his county. He knows something about the militia there. There are no officers left to take charge; they are all either on overseas service or out of the service altogether.

Mr. COPP: Some from my province are in England doing nothing.

Mr. CURRIE: There are some on the opposite side of the House who have never gone to the war, and who are still drawing very large pay as members of this House, whilst all the other members belonging to the Expeditionary Force are off the payroll and attending to their duties in this House. As in the greater portion of Canada there are no militia officers left to look after this work, civilian officials would have to be appointed, and for that reason I cannot see that there is any merit in evading in this Bill what is in every other Bill. I would like to know what was in the mind of the Solicitor General when, in drafting the Bill, he did not make some special provision as to whom the men should report to, for instance, the mayor, or the clerk of a municipality, or somebody of that kind. The Bill does not state to whom the men are to report, and it would help in the administration of the Bill if that point were clearly laid down.

Mr. MEIGHEN: All that was in my mind was that there was no need of encumbering the Bill with a list of several hundred persons and places——

Mr. CURRIE: That is not necessary.

Mr. MEIGHEN: —to whom and at which men should report. That wi'l all be fixed by the militia authorities. There may be difficulty in getting such persons. I know the country is pretty well denuded of militia officers and men, but the Minister of Militia believes suitable men can be secured, and of course, suitable places will not be hard to find. They will be set out in the proclamation.

Mr. NESBITT: The officers are supposed to keep a list of the men who report to them?

Mr. MEIGHEN: Yes. By means of the tribunals before whom all who get exemptions will have to have gone and their records, and by means of the reporting officers to whom the men report and their records, we shall have a register of every one, and I have not been able to see how we can either ease the work or add to the efficiency by duplicating that by a separate registration.

Mr. NESBITT: The only selection is really by the exemptions?

Mr. MEIGHEN: That is correct.

Sir WILFRID LAURIER: That is not the Bill at all. The Bill says that everybody who is notified is a soldier and remains a soldier until exempted.

Mr. MEIGHEN: I thought the hon. member for North Oxford (Mr. Nesbitt) said that the real selection was by

the exemptions. That is the case. The selection is made by the exemptions.

Sir WILFRID LAURIER: The Bill says that everybody who is notified is a soldier. If he can be exempted, that is all right; if he cannot be exempted, he remains a soldier. There is good ground for the suggestion made by the hon. member for North Simcoe (Mr. Currie). If a man is a soldier, to whom is he to report?

Mr. MEIGHEN: The same notice that tells him he is a soldier will tell him where he is to report.

Mr. COPP: When the Solicitor General was answering a question put by the hon. member for North Simcoe in regard to allowing counsel to appear before the different tribunals, did I understand him aright to say that this was a matter that was left to the regulations to be made by the Central Appeal Judge?

Mr. MEIGHEN: Yes.

Mr. COPP: Did I also understand him to say that all the regulations made by the Central Appeal Judge were subject to the approval of the Governor in Council?

Mr. MEIGHEN: Yes.

Amendment to section 12 agreed to.

At six o'clock, the committee took recess.

After Recess.

The committee resumed at eight o'clock.

On section 14—burden of proof:

Mr. MEIGHEN: I move that this clause be struck out and the following substituted therefor:—

If in any prosecution under this Act any question shall arise in respect of the matters hereinafter mentioned the burden of proof shall be upon the person charged to establish by satisfactory evidence—

(a) that he does not come within any specified class called out;

(b) that he has duly reported in accordance with section 4;

(c) that he comes within any of the exceptions set out in the schedule hereto;

(d) that he has been duly exempted under the provisions of section 11.

And in the absence of such evidence the contrary shall be conclusively presumed.

This is much the same as the original section, but I think better expressed. It will be apparent at a glance that the proof in each case would be very readily at hand on the part of the person charged, but would be practically impossible for the prosecution to secure. For instance, the fact of a man not coming within the class alleged depends upon his age, and whether he is a British subject. Now, he knows his age; that can be very easily established, but it would be a very difficult matter for the prosecution to establish. With regard to coming within the exceptions, it is a principle very frequently adopted in law that the exception must be proved by the party claiming it. Again, it is very easy for a man to prove that he has been exempted by producing a certificate, but it would be very difficult for the prosecution to show that he had not been exempted. The burden of proof is also on the person charged to show that he has reported. If the bruden of proof was on the Crown they might have to search the records of every reporting office in Canada, but the man can prove it very easily by producing evidence of it. So I think it is not only fair, but necessary, that the clause should read as amended.

Mr. NESBITT: Will a man be given a certificate to show that he has reported?

Mr. MEIGHEN: Very likely he will. I think they are always given a certificate on enlistment. But even if a man is not given a certificate showing that he has reported his own evidence would be proof of it, whereas to establish the negative would be practically impossible.

Mr. OLIVER: This provision applies, I suppose, to the case of men who desire to be exempted on the ground that by reason of age they do not belong to the class called up. In a country like ours with so large a portion of our population coming from other countries, and where there is so much moving about on the part of our people, it may be very difficult for a man to produce proof of his age. Has that been taken into consideration, and what steps will be taken to meet that condition?

Mr. MEIGHEN: My hon. friend is not, I think, quite right in his idea that exemption is in any way related to this question. A man would not be able to go to a tribunal and say: "I am not in that class at all; therefore, give me a certificate of exemption." If he believes that he is not in the class called, he should not go to the tribunal at all, but simply stay at home. Then if he should be prosecuted he would come and give the best evidence of his age that he could, and however difficult it might be for him to show his exact age, it would be infinitely more difficult for the Crown to show what his age was. He will be in the possession of the best evidence that is procurable, whatever that evidence may be.

Mr. OLIVER: That latter instance is what I had in mind. I am sure the minister will appreciate the difficulty that a very large part of the population of our western country would have in establishing their age before a tribunal. I do not know whether it is possible to make a provision recognizing that difficulty, which is peculiar to our country and did not exist in any degree in England.

Mr. MEIGHEN: To a great many it would be very, very difficult to establish their age. But this must be remembered; they will try to show their age not before any tribunal we are establishing but before the regular courts—before the magistrate or county court judge in appeal, as the case may be—because that is where any prosecution would take place at which they would have to show their age. While they might not be able there to show their exact age, still they would be able to give much evidence as would persuade the judge one way or the other, and if he was of the opinion that the man was really outside of the class called up I have no doubt that on the ordinary principles of law he would say: "That is a reasonable excuse, anyway," and the man would not be punished.

Mr. LEMIEUX: Suppose that A is called up but is really not in the class. He would have to furnish the best evidence he could that he was not of the age called up. In our province the best evidence would be a certificate of birth, and that costs something like a dollar. I know that from personal experience, because not very long ago I was asked by an insurance company with whom I had carried a policy for several years, to renew the evidence of my age, and I had to go to the registry office and get a birth certificate and pay for it. Where there are many young men in a community, quite a number of these certificates would be obtained from the registry office. Who is going to pay the costs?

Mr. MEIGHEN: That is not provided for. While the production of certificates might be, I might say, final evidence, still it is not the only evidence. A parent may swear to his son's age, and that is very strong, if not final evidence.

Mr. LEMIEUX: I understand that this Bill will be reprinted.

Mr. MEIGHEN: Oh, yes.

Section as amended agreed to.

On proposed new section 16—penalties:

Mr. MEIGHEN: I move that paragraph 1 of the new section 16 should be the following:

> Any person who comes within any of the classes set out in section 3, and who contravenes any of the provisions of this Act, or regulations made thereunder, for which contraventions no other penalty is herein provided, shall be guilty of an offence, and shall be liable upon summary conviction to a penalty of not less than $100 nor more than $500, or to imprisonment for a term of not less than one month nor more than twelve months, or to both fine and imprisonment.

It will be observed that in this section as transcribed in Hansard the word "or" appears after "contraventions," and the word "and" appears after "$500." The word "or" should be "no," and the word "and" should be "or."

Mr. McKENZIE: As I understand it, under this Act the penalty is always fine and imprisonment.

Mr. MEIGHEN: I think that would be the effect, as it reads.

Mr. McKENZIE: Does not the minister think that "not less than $100" is a very severe penalty for what may be a very trivial offence? There are a great many provisions in this Act, and a person may inadvertently transgress in a small way. If the court is obliged to say that he is found guilty of any offence under the Act, there is no alternative but to fine him $100 or more. It seems to me that is rather severe. I have always been opposed to those minimum sentences. I think there should be discretion left to the courts.

Mr. MEIGHEN: Of course this is the first time the clause has been before the committee, and the Government will be very glad to hear the views of hon. members on the question of the minimum fine.

Sir WILFRID LAURIER: In my judgment there is much more than that. This paragraph is most drastic. I do not believe it is possible to find in any law anything so vague, so general, and so severe. There are special penalties provided in the Act for specific offences. I have two in mind at the moment, but there are others. A man who neglects to report is liable to a fine, and a man who has not a certificate to exhibit to a peace officer is liable to a fine. Of course, I cannot find fault with the principle that there should be penalties for specific offences, but here is a penalty of $100 and an imprisonment of twelve months for a contravention of something which is not defined in the Act. Read it again, Mr. Chairman, and I will leave it to the common sense and fairness of both sides of the House. What contravention is here contemplated You have specific offences already provided for, but here is a vague

enactment that if any one contravenes something which is not defined he is liable to a fine and imprisonment. That is not fair or right; it is not justice. I cannot imagine what contravention is here contemplated, which would subject a man to a fine of $100 and imprisonment for twelve months besides.

Mr. MEIGHEN: That is not at all an unusual type of section in a Bill. I am sure my right hon. friend will remember other Bills where a general clause is inserted providing against infractions not specifically mentioned in the Bill. I have in mind a clause in the Criminal Code, which is even a great deal more general than this. I think it was passed under my right hon. friend's Government, but of that I am not sure. It says that any one contravening any of a certain class of laws not mentioned in the Code shall be liable to a certain penalty.

Mr. C. A. WILSON: That is disobedience of a statute.

Mr. MEIGHEN: Exactly. Such contravention renders a man guilty of an offence, and the punishment is set out. A more extreme case than that can scarcely be conceived. It does not even say what the statute is.

Sir ROBERT BORDEN: It includes the provincial statutes.

Mr. MEIGHEN: My right hon. friend (Sir Wilfrid Laurier) asks me what is the offence contemplated. There is no special offence contemplated, but by reference to section 12 it will be seen that the Governor in Council has power to make regulations to secure the full effective and expeditious operation and enforcement of the Act. Under paragraph 2, subsection 1, they may appoint such peace officers, or other officers, and give them such powers, and impose on them such duties as may be deemed necessary. Under subsection (g) they may prescribe penalties for peace officers or other officers appointed under the authority of the Act, who are convicted of neglect or refusal to perform duty without reasonable excuse. They may not only prescribe penalties for refusing to perform the duty, but may also make regulations binding on the men who come within these classes.

They may make duties in connection with reporting on the nature of their exemptions, etc. But it is well to have a general clause covering it. I am not insisting on the $100 minimum; in fact, I was impressed by the suggestion of the hon. member for Cape Breton (Mr. McKenzie) that there might be quite a trivial offence, and that it would be well to make the minimum fine much smaller.

Sir WILFRID LAURIER: My hon. friend's arguments confirm my objection. I can well understand that power can be given to the Government to make regulations under this Act, and, following the example set forth in paragraph (g), subsection 11, section 12, prescribe penalties which would be in accordance with the offences created by the rule. I have no objection, no one has any objection, to this paragraph (g), subsection 1, section 12, which reads:

> Prescribe penalties for peace officers or other officers appointed under the authority of this Act, who are convicted of neglect or refusal to perform duty without reasonable excuse.

If regulations were made by the Governor in Council, the Governor in Council could provide penalties in accordance with the offences. The regulations may provide for punishment for neglect of a duty which is of a trivial nature, and then impose a penalty in accordance with that trivial offence. But here you provide a double penalty of $100 and imprisonment besides for an offence which is in the air, breach of a regulation which has not been made. The regulation may be absolutely trivial, and for the breach of that trivial regulation you have a double penalty of such a grievous character as this.

Sir ROBERT BORDEN: Why a double penalty?

Sir WILFRID LAURIER: It provides for imprisonment or fine or both. It is an extraordinary penalty for an offence that may be most trivial. Let the Government take power to make regulations and to make penalties to suit them, but let them not make a penalty and then make the offence afterwards.

Mr. DOHERTY: There is no doubt that the specific nature of the offence is not stated in this section, but no man will be charged, nor will he be subject to be tried, for a general statement of contravention of this statute; when he comes to be charged he will be charged with some specific thing which it will be on the prosecutor to show was a contravention of this statute, or of such regulations as may be made.

As to the wide nature of the penalty, as the Solicitor General said, I quite appre-

ciate that it may be desirable to make the minimum lower than is fixed here; but within the limit so prescribed it will be the function of the court to make the punishment fit the crime, and it is precisely because there may be varying degrees of gravity that we give this wide margin of punishment. No obligation is imposed upon the court, for any one of these contraventions that may arise, to impose the maximum penalty, but there may be contraventions of such gravity as to justify the imposition of the maximum penalty. Surely we are not exposing anybody who may be guilty of violation of this Act to any undue consequence when we are leaving him in the hands of the court to appreciate the gravity of his offence, and, within the limit fixed, to impose a penalty that may be suitably applicable to the particular offence.

Mr. McKENZIE: Up to $100 you leave the court no decision.

Mr. DOHERTY: As to that I think there will be no difficulty about reducing that minimum penalty. I have no objection to saying that it may be fixed at $10. Even in cases where specific cases are dealt with, the courts are given in most instances, a wide margin of discretion; you cannot determine the gravity of any particular violation in advance. You may have the same technical violation of the law committed under circumstances where the court would impose a trivial sentence and under other circumstances where the court would feel called upon to inflict a serious penalty. It is for that reason that we give the court this wide discretion. It is a most usual provision. I know of cases where one man has been sent down for fourteen years and another man for one month for what was technically the same offence. It seems to me that we would have been more open to criticism if we had asked for an indiscriminate power, on our own authority, to fix any penalty or punishment, without limit. This is a section which has been mentioned as being contained in the Criminal Code, 164:

> Every one is guilty of an indictable offence and liable to one year's imprisonment who, without lawful excuse, disobeys any Act of the Parliament of Canada or of any Legislature in Canada by wilfully doing any act which it forbids, or omitting to do any act which it requires to be done, unless some penalty or other mode of punishment is expressly provided by law.

Here we have a penalty provided for any violation of any law of the Dominion of Canada or of any province thereof.

Sir ROBERT BORDEN: More than that, of any law that any province may make in the future.

Sir WILFRID LAURIER: Is that an example to be followed?

Sir ROBERT BORDEN: It is my right hon. friend's example.

Sir WILFRID LAURIER: No, not mine. I have sins enough, but not this one. May I ask the Minister of Justice (Mr. Doherty) if he can suggest what contravention of this Act has not already been provided for by penalty? There are already six or seven different penalties in the Bill, and what is there left which is to be covered by this penalty?

Mr. MEIGHEN: Suppose that in the regulations certain duties were imposed on the man reporting; that is to say, as to how long he should remain at the office, or as to his duties during that time. If a man were to report all right, but did not obey the balance of the regulations, there would be no penalty provided under the Act as it stands. No penalty could be provided under subsection 9 of section 12; there would be no way of punishing a man under it.

Mr. OLIVER: The question simply seems to be the imposition of a minimum penalty.

Mr. MEIGHEN: I suggest that the amount should be fixed at $10, and that the minimum imprisonment be cut out.

Mr. LEMIEUX: Can the hon. minister give a concrete case?

Mr. MEIGHEN: I just gave one to my hon. friend.

Sir WILFRID LAURIER: Will the hon. member repeat it?

Mr. MEIGHEN: The regulation made in pursuance of this Act, under the authority of section 12, will necessarily impose duties upon men reporting in a class. It may impose duties on them in respect of their applications for exemption, should they make any, or in respect of their reporting. I exemplified the duties, namely that they should remain a certain number of days, and how they shall conduct themselves, and so on. If a man fails to report he comes under another section, and is liable. Supposing he reports and fails to carry out the other provisions of the regulations, and so gets out of hand before he is placed on active service, there is no

clause to cover his case, and, so far as that goes, while he would be disobeying the Act, there is no specific penalty provided for that offence.

Sir WILFRID LAURIER: If he does not report, he is liable to imprisonment.

Mr. MEIGHEN: But in case where he does report, and before being placed on active service, does not comply with the regulations.

Sir WILFRID LAURIER: Then he comes under the Militia Act, and there are numerous ways of enforcing discipline.

Mr. MEIGHEN: But these remedies cannot be enforced till he is placed on active service.

Sir WILFRID LAURIER: He is placed on active service as soon after reporting as can be arranged. The words are "he shall report and shall be placed." But if men report at one time, they cannot be placed at the moment, and there should be some regulation covering their case. Until they are so placed they do not come under the Army Act, and consequently some penalty has to be imposed.

Mr. OLIVER: For the information of the House, I will read the following provision in the United States Act.

Any person charged as herein provided with the duty of carrying into effect any of the provisions of this Act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said Act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this Act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this Act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this Act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

It will be observed that the principle in this Act is that there is no minimum punishment.

Sir WILFRID LAURIER: I will quote something better than the Act. I will quote the hon. minister's own Bill, that a man is a soldier enlisted the moment the proclamation issues.

Mr. GRAHAM: Hear, hear.

Sir WILFRID LAURIER: Clause 4 reads:

4. (1) The Governor in Council may from time to time by proclamation call out on active service as aforesaid for the defence of Canada, either in Canada or beyond Canada, any class or subclass of men described in section three and all men within the class or subclass so called out shall, from the date of such proclamation, be deemed to be soldiers enlisted in the Military Forces of Canada and subject to military law for the duration of the present war, and of demobilization thereafter, save as hereinafter provided.

Mr. MEIGHEN: That is quite true.

Sir WILFRID LAURIER: And, therefore, the man would be liable to punishment.

Mr. MEIGHEN: They are soldiers in such a case and subject to military law. but we impose penalties on them while they are soldiers, for example, for not reporting. We enable penalties to be imposed on them by this provision, if, though they may report, still they consider they are not in the National Service, or in the hands of the military authorities, and commit an offence. If there is no offence the statute can do no harm. I appeal to the clause read by the hon. gentleman from Edmonton, which is in exact spirit with this clause, but much wider.

Mr. OLIVER: But there is no minimum penalty; that is the point.

Mr. MEIGHEN: I am quite agreeable that there should be no minimum penalty as to imprisonment. In the United States they have no fine. We have a provision for a fine, and I do not think we should permit the magistrate to make it less than $10, because that would be enabling men to utterly evade the Act.

Mr. McKENZIE: I think $10 is far too high. I wish to point out to the Solicitor General that the policy of the criminal law in Canada is to inflict no minimum penalty. If the hon. gentleman will run through the Criminal Code, he will find that the offender is liable to such and such penalty. He is liable to be fined the whole amount or any small part of it. I cannot recall any case where the imposition of a minimum penalty is made obligatory under the Code.

Mr. DOHERTY: The case which comes to my mind is the offence of stealing from the mail, for which offence a man must be sentenced to three years imprisonment, and

no less. I am quite satisfied there are others.

Mr. McKENZIE: That is a grave and serious offence. We are dealing with minor offences. Stealing from the mail is one of the most serious offences dealt with by the Code, but hon. gentlemen opposite always have the happy faculty of passing off anything on us that may appear to have gone through this Parliament when we were in power. One of the things of which the Conservative party in the country is proud —and they have reason to be proud——is that the Right Hon. Sir John Thompson was the father of the Criminal Code, and we always gave him credit for it, so that the Liberals are not responsible for anything found in the Code. But they throw the Code at us and say, "This thing is in the Code, and so you cannot complain of it." Although we are not responsible for the paternity of the Code, we are proud of some parts of it, and have no cause to find fault with many of its provisions. If my hon. friend will run through the provisions of the Code with reference to assault, which sometimes are of a grave character, he will find that provision is made for a fine not exceeding $20. The Code does not say it must be $5 or $6, but simply says a fine not exceeding $20, or imprisonment not exceeding three months. It tapers to nothing, on the one hand, and may go as high as $20, for the gravest kind of assault on the other hand. I submit the question can be left to the discretion of the court, up to a certain amount. I am not very particular as to what the maximum will be, but I think it will be safe to leave it to the discretion of the judge, as to whether it will be one, two, or ten dollars. I submit that, for a trivial offence, the judge's hands should not be tied, and it should not be compulsory for him to impose as high a fine as $10.

Mr. MEIGHEN. I think we had better retain the $10 minimum. This is a very grave law, and it seems to me we had better take care that it cannot be violated with practical impunity, to the slightest extent.

Mr. OLIVER: My hon. friend is insisting, as against my contentions, that we should trust those whom we place in charge of the administration of the law. I am now asking that he himself have that confidence in those who administer the law.

Mr. MEIGHEN: There is no question about trusting them, but if we leave the penalty without a minimum it will hold out to the violator of the law the prospect of getting off without punishment. An hour in jail is a great disgrace; a fine of fifty cents is not a disgrace. If it is left the way I suggest, the offender has no prospect of getting off without a fairly substantial penalty. While we have every confidence in the judiciary, it will be of assistance in the administration of the law if we point out to all who contemplate its contravention that they will be liable to substantial punishment.

Sir WILFRID LAURIER: Any offender in this case would be young men without knowledge or experience, who might violate the law unwittingly. Under such circumstances a nominal fine and a lecture from the judge would be the best punishment and the most likely to produce good results.

Mr. J. A. DESCARRIES (Translation): Mr. Chairman, I concur with the honourable members who have preceded me in asking the Government not to make $10 the minimum fine. As it was previously stated, the first called under this Act will be young men of twenty and over. Many of them without experience in life, may commit offences through thoughtlessness, not appreciating the seriousness of these offences. A great many young men of twenty, under age and moneyless, will certainly not have the sum of $10, which is the fine that the judge will have to enforce. Consequently, I think that it is proper that honourable gentlemen should urge on the Government the desirability of not fixing any minimum fine, but that the matter shall be left to the judgment of the magistrate who will decide upon whatever fine he will see fit according to the seriousness of the offence committed.

Mr. PROULX: In view of the fact that these complaints will come before magistrates, I am of the opinion that no minimum penalty should be stated; the matter should be left to the discretion of the magistrates.

Mr. KYTE: I assume that a certificate of infirmity or ill-health might be accepted by the tribunal as evidence of a man's unfitness. Is it intended to provide in the Act a penalty for the issuing of a false certificate, such as is provided in the United States Act?

Mr. MEIGHEN: It would appear to me that one of the objections to putting in a penalty would be this: It would indicate that a certificate from a physician would be evidence to a tribunal that they should exempt a man. It is likely that the regulations would provide for exemption in cases where it was absolutely proved that the man in question could not come before the tribunal or, having come before it, was crippled or otherwise disabled and could not possibly become a soldier. We do not want to indicate to local tribunals that a physician's certificate is sufficient to enable them to exempt a man. However, I do not give that as a final reason why there should be no such penalty; it appears to me a substantial objection to there being one.

Mr. KYTE: The regulations to be drafted by the proper authorities for the conduct of these examinations might I assume, provide for the acceptance of a certificate of that kind. Is it not desirable, therefore, that some penalty should be provided for the issuing of a false certificate or the making of an incorrect examination?

Sir ROBERT BORDEN: Is that point not covered by the following provision of the Bill:

Any person who, for the purpose of obtaining a certificate or a condition in a certificate for himself or for any other person, or for the purpose of obtaining the renewal, variation or withdrawal of a certificate, makes any false statement or representation, shall be guilty of an offence and liable on summary conviction to imprisonment for any term not exceeding twelve months with or without hard labour.

Mr. McKENZIE: Is that not as against the person applying?

Sir ROBERT BORDEN: No, it is in reference to a person obtaining a certificate for himself or for any other person.

Mr. McKENZIE: As I understand it, that reaches not the man who issues the false certificate, but the man who makes a false statement in order to get it.

Mr. MEIGHEN: To get a certificate of exemption for some one else he issues a false statement which is his medical certificate. In that case he is clearly liable to the provisions of that section. I did not have that section in mind when I answered the question put by my hon. friend (Mr. Kyte).

Mr. McKENZIE: What is the effect of subsection 3 of the section we are now considering? Would it not take away the right of appeal? It is not very clear.

[Mr. Kyte.]

Mr. MEIGHEN: I think that we had better proceed to subsection 2 now.

Mr. DOHERTY: Subsection 3 does not in any way affect prosecutions taken before the courts for violations. It applies to the proceedings of the tribunals established under this Act; that is, the tribunals that deal with exemptions. But if a prosecution be brought against a man for violation of this Act, he will go to the ordinary court, if it is not a case of summary conviction or indictment, and he will be tried in the ordinary way for the offence. Subsection 3 says that no proceeding authorized or pending before any of the tribunals provided for by this Act and no decision of any such tribunal shall be removed by means of injunction.

The subsection goes on to provide:

Nor shall any such proceeding or decision be questioned, reviewed or reconsidered, collaterally in any action or proceeding, civil or criminal.

That is merely to keep within the hands of the tribunals established by this Act the decision of the questions submitted to them, but when the matter comes to a question of prosecuting a man for violating this Act, the tribunals provided by this Act are not going to try that. The ordinary courts of the country will try it.

Subsection agreed to.

On subsection 2 of proposed new section 16:

(2) Any person who by means of any written or oral communication or by any public speech or utterance advises, urges or advocates that the men or any of the men mentioned or intended to be described or included in any of the classes hereinbefore mentioned shall contravene, disobey or refuse, neglect or fail to comply with all or any of the requirements imposed upon them by this Act or by regulations made thereunder or who wilfully resists, obstructs, hinders or impedes or attempts wilfully to resist, obstruct, hinder or impede, or persuades, induces or influences, or attempts to persuade, induce or influence any person or any body or class of persons to resist, obstruct, hinder or impede the due execution of this Act in any respect according to its true intent and purpose or for the purpose of obstructing, hindering or impeding the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption under this Act or the evidence available in support thereof, or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder shall be guilty of an offence and shall be liable upon indictment or upon summary conviction to imprisonment for a term not less than one year nor more than five years.

Sir WILFRID LAURIER: Has my hon. friend forgotten anything in that subsec-

tion? Is there any possible offence that he has not reached by it?

Mr. MEIGHEN: I hope no serious offence has been overlooked.

Mr. OLIVER: From what source has my hon. friend derived the suggestion for this section?

Mr. MEIGHEN: Just from the ordinary and very common fund of intelligence that I have.

Mr. MARCIL: Is this provision taken from the British Act?

Mr. MEIGHEN: No.

Mr. LEMIEUX: From the American Act?

Mr. MEIGHEN: No.

Mr. LEMIEUX: From the German Act?

Mr. MEIGHEN: No.

Mr. GRAHAM: From the Acts of the Apostles?

Mr. MARCIL: If this provision is not in the British Act, what is the object of inserting it in this Bill?

Mr. MEIGHEN: I observed some threats that action would be taken to destroy the usefulness of the Act. That suggested it to me.

Mr. MARCIL: The Solicitor General is surely not acting on mere hearsay?

Mr. MEIGHEN: We will not act on hearsay, unless it is carried into effect.

Sir WILFRID LAURIER: Here is a part of the subsection:

> Anybody who hinders or impedes the due execution of this Act in any respect according to its true intent and purpose or for the purpose of obstructing, hindering, or impeding the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption under this Act or the evidence available in support thereof.

If anybody advises a young man: Do not go before the tribunal to claim your exemption, he is liable to imprisonment.

Mr. MEIGHEN: No. This assumes the claim is made.

Sir WILFRID LAURIER: No. (Reading):

> To abstain from submitting for decision of the proper tribunal claims for exemption under this Act.

That refers to a man who advises anybody not to submit to the proper tribunals.

Mr. DOHERTY: The right hon. gentleman should read the definition of the offence in its entirety. It is the purpose for which that is done that makes

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the act an offence. There is no offence in a man advising anybody not to go before a tribunal. To make it an offence, there must be evidence in the manner of doing it that the advice is given for the purpose of opposing or defying the Act.

Sir WILFRID LAURIER: Who will go and advise somebody not to claim exemption, and who will follow that advice if it is given by some one? Suppose anybody says to a young man: Do not claim exemption. If he does not, what will be the objection? The young man will remain a soldier. Is there any offence in that?

Sir ROBERT BORDEN: My right hon. friend might see that advice of this character is given to the young men: You are entitled to exemption; you are not entitled to exemption; those of you who are clearly entitled to exemption must not make your claim before the tribunals because, if you do so, you will recognize the Act, and it is the intention not to recognize the Act.

Sir WILFRID LAURIER: If the man does not claim exemption he is a soldier. If he claims exemption and does not get it, he is a soldier.

Sir ROBERT BORDEN: The man who advises is liable in any case.

Sir WILFRID LAURIER: If such a thing is an offence, I wonder who will commit it.

Mr. LEMIEUX: Do the words "in the administration of this Act" qualify the word "embarrass" or the next sentence?

Mr. MEIGHEN: It qualifies the word "embarrass."

Mr. PROULX: Should a minimum term of imprisonment be fixed in this case? It seems to be a large power to put into the hands of a magistrate to permit him to impose a sentence of one year, perhaps on insufficient evidence?

Mr. MEIGHEN: I think in this case a minimum will have to be fixed. We must make it very clear that any attempt to flout or to defy the law of the land in this particular, which has to do with protecting the existence of the State, will be met with a sufficient, and indeed with a very substantial punishment, and there is no hope upon conviction of any escape.

Mr. GRAHAM: I come back to what the hon. member for Rouville (Mr. Lemieux)

asks. Men of journalistic occupation have had experience with the so-called censorship, and some very foolish letters have been written to publishers; in fact, at one time some of the letters practically admonished the newspapers that they must not criticise the Government, lest their doing so might interfere with certain work which ordinary men did not think had anything to do with the matter at all. If the same rule were to be applied and the same judgment exercised here, then a public speaker would be subject, under this Act, to a penalty if he criticised the Minister of Justice, for example, in this way. Under this Act, the Minister of Justice can, under certain circumstances, appoint by wire a member of a certain tribunal. Suppose, on the recommendation of some person, the Minister of Justice recommended for that position a man not fully competent. If the same wisdom is to be used in the interpretation of this Act as has been used in some of the censorship letters, then a criticism of the Minister of Justice for making that appointment would be embarrassing him.

Mr. DOHERTY: Criticism never embarrasses me.

Mr. GRAHAM: But the minister's Government is here passing a law to make it a crime to criticise him.

Sir ROBERT BORDEN: No.

Mr. GRAHAM: If, in administering this Act, the same judgment is used that has been used during the past few months in regard to the censorship, then the Act would make it a crime to criticise the Minister of Justice for making, for the carrying out of this Act, an appointment which was an improper appointment. Perhaps legally I am wrong, but to the layman this statute on the face of it seems to be going very far afield in order to make an offence out of criticism which is perfectly legitimate, and which a public man must make, if he is to perform his duty.

Mr. MEIGHEN: The hon. gentleman forgets that the purpose is of the essence of the offence. The purpose must be to impede the operation of this Act.

Mr. GRAHAM: It does not say so in connection with this.

Mr. MEIGHEN: Yes, all that applies. I have never heard of any censorship of criticism of public men.

Mr. DEVLIN: Le Canada, of Montreal, which criticised the appointment of a certain military official in that city, was notified, if my information is correct, that if it did not cease its attacks it would immediately be suppressed.

Mr. MEIGHEN: I think the hon. member had better check his information up.

Mr. DEVLIN: Does the hon. member deny that to be a fact?

Mr. MEIGHEN: I have not heard of it at all, and I think I should have if it had been a fact.

Mr. DEVLIN: But the hon. member does not deny it.

Mr. MEIGHEN: No. I do not know anything about it. I think I should have heard of it if it were correct.

Mr. GRAHAM: I do not need to have my information checked, because I know whereof I speak, and I say now that if the same wisdom, or lack of wisdom, were displayed in the enforcement of this Act as was displayed in the correspondence with some newspaper men in regard to the censorship, then a man who criticised such appointments as I have indicated would be guilty of an offence under this Act.

Mr. DOHERTY: I am not entirely a stranger to the drafting of this section.

Sir WILFRID LAURIER: Better not boast of it.

Mr. DOHERTY: I have no apologies to make. I have given it some thought, and I think it would be absolutely impossible for it to cover criticism of what the minister did. It says:—

> Any person who by means of any writing or oral communication or by any public speech or utterance advises, urges or advocates that the men or any of the men mentioned or intended to be described or included in any of the classes hereinbefore mentioned shall contravene, disobey or refuse, neglect or fail to comply with all or any of the requirements imposed upon them by this Act or by regulations made thereunder or who wilfully resists, obstructs, hinders or impedes or attempts wilfully to resist, obstruct, hinder or impede, or persuades, induces or influences, or attempts to persuade, induce or influence any person or any body or class of persons to resist, obstruct, hinder or impede the due execution of this Act in any respect according to its true intent and purpose or for the purpose of obstructing, hindering or impeding the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption under this Act or the evidence available in support thereof or in any manner whatsoever—

—tries to induce people to embarrass the Government or the minister in the admin-

istration of this Act or the regulations thereunder shall be guilty of an offence.

Mr. GRAHAM: My hon. friend in reading the clause introduced the word "induce" on his account.

Mr. DOHERTY: All that is governed by the word "induces" in the earlier part of the clause. The whole paragraph,

—or for the purpose of obstructing, hindering or impeding the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption under this Act or the evidence available in support thereof or in any manner whatsoever to embarrass the Government—

—is governed by the phrase "persuades, induces or influences, or attempts to persuade, induce or influence any person or anybody or class of persons to resist." We have tried to make it perfectly clear that the people who are wanted to be got at by this section are those who, I think everybody will agree, should be visited with condign punishment. This section is not aimed at, and does not strike at, the man liable to conscription, but it does strike at those who are standing behind with no obligations of their own and with their skins perfectly safe, they may imagine. We have had a good deal of pronouncement, not only of desire but of full intention to make this an unworkable Act. This section is framed to strike at those who try to induce other people to hinder, and at those who do hinder the operation of this Act after it has been duly enacted and come into force. To my mind that is an exceedingly grave offence; and, to suggest, because we are trying to prevent that exceedingly grave offence—and wording the section so as to make it perfectly clear, in my humble judgment, whom it is intended to hit at—that we are trying to legislate to prevent criticism of this Government seems to me to be going a little beyond the limit at all events of fair criticism of this section. I would have thought that there would have been unanimity in this House that any man or class of men who after this becomes the law of the land seek to hinder its being carried out ought to be punished. The purpose of this section is to reach that class of men, and only that class of men.

Mr. GRAHAM: I, of course, disclaim any desire to protect any man who is trying to obstruct the carrying out of this Act.

Mr. DOHERTY: No other man will be hit under this section.

Mr. GRAHAM: The minister said in his concluding remarks that the section applies to the man who induces another person to do something to embarrass the minister, and applies also to the man who was so induced.

Mr. DOHERTY: Not the man who "embarrasses."

Mr. GRAHAM: If my hon. friend will read Hansard to-morrow he will see that he said the section covered not only the man who induces, but also the man who does something to embarrass the minister in the carrying out of this Act.

Mr. DOHERTY: I said the man who hinders not embarrasses.

Mr. GRAHAM: Embarrasses is coupled with the other. This criticism is not unfair, and it is just as well that we have had this little discussion put on Hansard so that we may know what the intent of the section is. To those who are engaged in newspaper work the following section is even more applicable than the one we are now quoting, and it is very necessary in the public interest that the law be made so clear that no person can take advantage of the Act to suppress what is legitimate criticism in the public interest. No Government, or minister, or tribunal, is infallible, and unless it is made clear that the Act is not to place them above criticism by the press or by the speaker on the platform or in discussion, the Government, with all its goodness, and the tribunals might go astray. I have never taken the ground in the newspapers that the bench itself was above criticism. In some cases it can be legitimately and reasonably criticised. But I want the minister to make it absolutely clear that this clause does not restrict legitimate criticism and that such criticism will not be looked upon as an offence even if it embarrasses the Government or the minister.

Mr. DOHERTY: I do not know if there are words that could make it any more clear. I would be glad to make it clearer, if it were possible. It does not hit at criticism, legitimate or illegitimate, as long as it is kept to criticism. It is the hindering or impeding or wilful attempt to resist, obstruct, hinder or impede; or to persuade, induce, or influence other people; or to embarrass the Government or the minister in the carrying out of their operations. Perhaps it was not proper for me to say I thought the criticism unfair, but it is a great surprise to me, because the thought

never entered my mind that this section affected criticism in any way. Certainly there was no intent to affect criticism in any shape. I have read it again, and I cannot see how anybody could bring "criticism" within the four corners of this section.

Mr. OLIVER: There is an advantage in connection with this section, which we have not had in connection with any of the rest of the Act. When we discussed any other section of the Act that we did not consider applicable to conditions in this country, we were told it was the Act in England, or some place else. Now we are dealing with a section for the origination of which I believe my hon. friend the Solicitor General (Mr. Meighen) and my hon. friend the Minister of Justice (Mr. Doherty) claim to divide the credit between them. That being the case, and seeing that in no country in the world up to the present time has there been drastic enactments of this kind,—I am sure if there had been it would have been referred to before now—I am in agreement with my hon. friend from South Renfrew (Mr. Graham), that it is entirely proper that when this Parliament is passing an Act it should take all reasonable and necessary means to secure, not only the enforcement of the Act, but a proper respect for the Act in its enforcement. So far as this provision goes, if in the wisdom of the Government it is considered necessary to make such drastic provision as this, then I have nothing to say; but I think the Government takes upon itself a grave responsibility to say that in this supposedly free country, and at this date in the history of the world, it is necessary to impose a limitation upon the right of free discussion such as we are told there is no precedent for in any other legislation my hon. friends have made themselves acquainted with. While we have a duty to perform in the passing of suitable legislation, and in regard to the enforcement of that legislation, we also have a duty to perform in maintaining the right of free discussion in this country, and it is to be regretted that the experience we have had in dealing with the censorship which has been imposed has been along lines which certainly give reason for alarm to any person who values the right of free discussion or the common liberty of the subject, when it is proposed to put an enactment in these terms on the statute book.

My hon. friend the Minister of Justice insists that the words "or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder," do not apply to criticism of the Government or of the minister in the enforcing of the Act. Our experience with the censorship would certainly compel us to believe that criticism of the minister or the Government in regard to the administration of the Act would be interpreted as an embarrassment of the Government and the minister, and would render the individual liable to the penalties provided in this section. I am one of the old-fashioned people who believe in the right of free speech, who believe in the liberty of the subject, who believe that there cannot be good administration and good legislation without fair and reasonable criticism; and I say the attempt to impose such a provision as this on the country under the excuse of the existence of war conditions is a deliberate attempt to use those war conditions as a means of depriving the people of Canada of a very considerable share of that liberty for which their fathers fought, and for which our sons are fighting to-day.

Mr. C. A. WILSON: I would suggest that the word "wilfully" be inserted, making the paragraph read: "any person who wilfully by means of," etc. Supposing a lawyer were called upon for his opinion as to whether a man should report under the law and he advised that according to his reading of the law it was not necessary for this man to report, what would be the position? I think everybody would be protected if the word "wilfully" were added to the paragraph. I would also strike out the words which refer to a minimum penalty. It seems to me if they remain the result will be to defeat the purpose of the Act, because there may be cases where the contravention would be very trivial. It might be simply a remark, en passant, "I don't think you are bound to report considering the conditions you are under." The judge will be in the presence of some very trivial offence, for which a most severe penalty is inflicted, and he may force his conscience, and say: "I will render a verdict of 'not guilty'." I am prepared to admit it is a grave offence, but we have a great number of offences provided for under the criminal laws in this country where the maximum penalty is fourteen years and there is no minimum—it is left entirely to the discretion of the judge. I would leave the question of a minimum penalty to the judge in this case. If there is a minimum penalty provided it may place the judge in a very awkward

position, and I endorse what my hon. friend from Cape Breton North (Mr. McKenzie) and my hon. friend from Prescott (Mr. Proulx) have said in this connection. I have seen cases of offences against the Post Office Act, for instance, where judges were very much embarrassed. The minimum penalty fixed was three years, but the judge and especially the juries—as my hon. friend the Minister of Justice well knows—would find the accused "not guilty," because the minimum penalty was too severe. If the Government has any confidence in the judges who will administer this law they should be given a discretionary power to decide whether the penalty will be one hour imprisonment, or five years. I feel it my duty to tell the House, after an experience of twenty-two years before the criminal courts, that there are some offences against an Act which would be amply punished by one hour's imprisonment. I address my remarks particularly to the hon. Minister of Justice, and I know that from his fifteen years' experience on the Bench he would have done away with those minimum penalties if he had had the power.

Mr. DOHERTY: We are dealing here with a criminal offence, and, of course, for any criminal offence there must be criminal intent. It is not a mere accidental interpretation of words that would render a man liable to conviction. I do not think there is any serious ground for apprehension that anybody will suffer undue consequence because of the omission of the word my hon. friend refers to.

As to the question of minimum penalty, laws are for prevention as well as for punishment, and I think that the nature of the offence that is contemplated here is such that it is highly important to have the law produce in the fullest degree its preventive effect. For that purpose and in that view, it is well that it should be made perfectly clear to anybody who may be tempted to offend in this direction from the time that this law comes into force, that there will be grave consequences attached to his action. I can conceive of no circumstances under which one year's imprisonment would be too severe a penalty upon a man deservedly convicted of this offence. The class of men who will commit this offence will be a class of men deserving, in my judgment, of condign punishment. If there should be exceptional cases such as have been referred to, the court would have the privilege of suspending sentence, and there is always the opportunity of exercising executive clemency, so that there will be a remedy for the exceptional cases referred to by the hon. gentleman; and I do not think that to prevent such possible exceptional cases the country should be deprived of the protection resulting from the general knowledge that those who seek, without exposing themselves, to incite other people to unlawful resistance to the execution of this law, will, on conviction, suffer at least imprisonment for one year.

Mr. C. A. WILSON: If a judge, after hearing a case, is embarrassed by finding the punishment too severe and reports to the executive, the Minister of Justice cannot advise the judge to impose a penalty of three months; he will have to tell the magistrate to let the law follow its course. As to suspending sentence, I have grave doubt as to the right of judges to suspend sentences, and this action on their part is often severely, and I think properly, criticised. As to executive clemency, the Department of Justice have simply the printed factums and depositions before them, and have not the same opportunity of judging the evidence as the magistrate who observes the witnesses in the box and can so determine whether they are entitled to credit. This offence would be a most grave, a most heinous one, according to circumstances; but it may be trivial too. Then why not leave it to the magistrate who has the discretion to raise it from one year to five, to exercise discretion in imposing a sentence from nothing up to five years.

Mr. DOHERTY: The hon. gentleman apprehends danger from cases where the magistrate will be of the opinion that this is too severe a sentence. In such a case the executive would be advised by the magistrate of his views, and it would be quite different from a case in which the executive would be called upon to overrule the decision of the judge. I find it difficult to conceive of cases where a conviction would properly be made for this offence where a year's imprisonment would be too severe punishment.

Mr. LEMIEUX: I wish to emphasize what has been said by the hon. member for Edmonton (Mr. Oliver). I am a free British subject, and if there is one thing which I admire in British institutions, it is the freedom of the press and the freedom of speech. I understand that my hon. friend assumes a share of responsibility for the drafting of this legislation.

I am surprised that he should claim the paternity of, and responsibility for framing, such drastic legislation. It is admitted that there is no parallel in Great Britain, or the United States, or even in Germany, for such a law. In none of these countries was similar legislation ever framed to give effect to a law passed by Parliament. Many of us have travelled in Great Britain, and if there is anything which struck me, as a Canadian of French blood, whenever I visited England, it was the great freedom of speech which existed in that country. The first time I went to London I was told by my friends not to fail to go to Hyde Park on Sunday morning, after service, and listen to the various speeches which were delivered there by agitators, socialists, parsons and political speakers, each of them claiming his right, as a free British subject, to criticise, as severely as possible, any legislation which to him appeared obsolete or drastic, and I am yet to be told that the British Government has ever taken any action against the speakers who, from time immemorial, condemned the Government at Hyde Park.

Mr. DOHERTY: In war time?

Mr. LEMIEUX: Yes. I will give a case in point. England is at war, and this evening's papers to-day will show my hon. friend that thousands of people are blaming the Government for not using reprisals against the air raids on London. This is embarrassing the Government, although we have the declaration of several of the ministers of the Crown that it is against the grain for Britishers to make reprisals of the German kind. I desire to give a case in point. I was speaking of the freedom any man has in England to combat legislation which has been enacted.

Mr. MEIGHEN: To resist the operation?

Mr. LEMIEUX: Yes, and I will give my hon. friend a case in point at once. I was in England in 1906, and one of the largest meetings I ever witnessed was one held at the base of Nelson's monument in London. It was after the Balfour Government had passed the Education Act, and that Act was resisted by the various dissentients in England, and by the various sects, and I remember hearing a speech by the Rev. Dr. Clifford, asking the people to resist, by passive resistance the operation of that legislation. So much was that the case, that a few months afterwards, when Mr. Asquith came into office the legislation was repealed. I will give another instance to the Minister of Justice. An Act was passed by the British Parliament in 1914, the year of the war, and what happened? Sir Edward Carson went to Ulster. Did he flout the law? Did he put the law in defiance? Why he addressed the people of Ulster and preached resistance, and, to-day, that rebel is one of the ministers of the Crown. He used freedom of speech. He over-reached it, in my judgment, and in the judgment also of the Minister of Justice, and yet, to-day, in Great Britain, the man who preached treason and rebellion in Ulster against an Act of His Majesty is the First Lord of the Admiralty. The Minister of Justice claims parentage for the very many amendments to this measure; I offer him my sincere compliments on those amendments, and I wish him success.

Mr. DOHERTY: The hon. gentleman condemns the action of Sir Edward Carson, and then condemns me for framing legislation to prevent like action in this country. I ask how he connects the two things. The statement he has just made demonstrates that there ought to be a law in Canada to prevent people doing that kind of thing—taking his description of what Sir Edward Carson did. We have more respect in this country for law than the hon. gentleman represents that Sir Edward Carson had. I am not proposing to be led into a discussion about matters with regard to which my opinions are absolutely well known, but if the hon. gentleman wanted to select an instance to justify legislation of this kind, he has given us instances, as he has described them, of open, flagrant, flouting of the law going uncontrolled. If his description be correct, all I can say is that there was a lack of firmness on the part of those charged with the enforcement of the law. I certainly will not sympathize—and I am quite satisfied that the House does not sympathize—with the advocacy of the doctrine that if we go throughout this wide world and find a place where anybody flouted laws and threatened resistance, such action should be held up to us for our admiration, and as an example for us to follow. I do not think the hon. gentleman has been very happy in the selection of the instance which he has cited.

Mr. GRAHAM: And this is the 12th July.

Mr. DOHERTY: Yes. I do not think he could have combined either time, place, circumstance or illustration to be more unhappy in the combination. The hon. gen-

tleman talks about this awful unprecedented law. I wonder if the hon. gentleman ever read sections 69, 70, 81 or 82, and a number of other similar sections of the Criminal Code, dealing with this grave and serious offence of inciting people to a violation of the law.

Mr. OLIVER: The parent is not going back on his baby.

Mr. DOHERTY: I do not quite see the application of the remark of the hon. gentleman, and I cannot make the connection.

Mr. OLIVER: Everybody else can.

Mr. DOHERTY: When the hon. gentleman talks about an unprecedented law, it is only another instance of the reckless expressions some persons indulge in. The Solicitor General said that in the Conscription Act of the United States there was not a provision like this, nor was there in the Conscription Act of England. Unprecedented law! I am satisfied that in the two countries which I have mentioned, they thought they had provisions to meet the conditions of their particular law —and I am not absolutely certain that we have not such provisions here as well.

Mr. OLIVER: The provisions under which Sir Edward Carson preached rebellion in Ulster and was within the law?

Mr. DOHERTY: I am not going to follow that further. The hon. gentleman wants to get himself in the same unfortunate combination of circumstances as that in which the member for Rouville landed himself. I hope that there will be room for both of them in the same uncomfortable quarters.

Mr. LEMIEUX: It looks as if the hon. gentleman was garrisoned by Ulster.

Mr. DOHERTY: That is another illustration of some of the conceptions of which the member for Rouville is capable.

Mr. LEMIEUX: Do not send me to jail for that.

Mr. DOHERTY: If the hon. gentleman is contemplating committing this offence, I can assure him that the jail will be there for him. I did not know that he contemplated committing it. I shall be sorry if he does, for, of course, there will be no respecting of persons.

Mr. GRAHAM: Will that be embarrassing the minister?

Mr. DOHERTY: That will be embarrassing the member for Rouville.

Mr. LEMIEUX: And all the Irishmen who are "agin the Government" will be embarrassed, too.

Mr. DOHERTY: Another hon. gentleman undertakes to tell me that all Irishmen in Canada are going to violate the law. No man who does not violate the law will be in the slightest degree embarrassed—and my people are as law-abiding as any section of the people in this country. I am not afraid for them, if the member of Rouville is afraid for himself.

Mr. LEMIEUX: My hon. friend well understands the meaning of my remark; I am speaking of those who are "agin the Government."

Mr. DOHERTY: That is one of those cheap jokes that are thrown at my people —the cheap jokes of ignorant people who do not understand my people. My people will know how and when the proper time comes to resent insult. Now, let us come back to this unprecedented law. I was asking the member for Rouville, who is a distinguished lawyer, if he had ever read sections 69, 70, 81, 82, 109 and 110 of the Criminal Code; and if so, whether he had any appreciation of how gravely the general law of the country looks upon incitement to violation of law. It looks upon it so gravely that under section 69 a man who incites violation of the law by the committing of murder is liable to be hanged.

Mr. OLIVER: We do not want to know anything about the man who incites a breach of the law. We want to know about the man who in any manner whatsoever embarrasses the Government.

Mr. DOHERTY: That is not covered by this section.

Mr. OLIVER: Then why is the provision here?

Mr. DOHERTY: Let hon. gentlemen read the section; they understand the English language.

Mr. OLIVER: Yes, we understand the English language.

Mr. DOHERTY: This section does not make it an offence for a man to embarrass the Government.

Mr. OLIVER: Then will the minister take the words out?

Mr. DOHERTY: But it makes it an offence for any man to induce people to embarrass the Government in the administration of

this Act; in other words, to impede the operation of the law.

Mr. OLIVER: And the result is that the man who criticises the minister or the Government does embarrass him and is subject to penalty under this Act.

Mr. DOHERTY: That is the hon. gentleman's view; that the man who criticises the Government is guilty under this Act. I had thought that the man who criticised the Government was in the exercise of his liberty, which this Act in no way embarrasses. This section lends itself so absolutely to no criticism that in order to make an argument, hon. gentlemen have to say that the section is something which it is not, and hence we have condemnation of laws which do things that this law does not pretend to do. I do not want to use too strong an expression; I shall simply say that no lawyer with any respect for his opinion would contend that this law pretends to say what hon. gentlemen have suggested. I am satisfied that any layman who will sit down and read it, not seeking to find what is not in it, would never dream of its talking about criticism of the minister or of the Government. It talks in very clear language of a variety of ways of hindering and impeding the operation of this Act and of a variety of ways of striving to induce people to hinder and impede and embarrass the operation of this Act. That is all it talks about.

Mr. DEVLIN: What is the meaning of the word "influences" in this section? Let me put a concrete case. Some member of this House, in rendering an account to his electors of the position that he has taken may feel disposed to give his reasons for having criticised the compulsory service Bill and may be very strong in his denunciation of that Bill. Some persons in the audience may afterwards take exception to the way that he has spoken, saying that what he said had influenced a number of people to oppose the law. Thereupon they lay a complaint before two judges, who, for argument's sake, may be two tailors. Tailors are very respectable men, but they may not be learned in the law. These two tailors take up the word "influences" and they say: Yes, that member of Parliament certainly has influenced the electors, and, therefore, is guilty under this section of the law. I would like a pronouncement on this subject. The Minister of Justice may be a little bit fatigued; perhaps the Solicitor General will answer.

[Mr. Doherty.]

Mr. MEIGHEN: Where do tailors come in in the matter of trying summary convictions?

Mr. DEVLIN: They might be justices of the peace.

Mr. MEIGHEN: Then there is an appeal.

Mr. DEVLIN: That is not answering my question. I am putting a concrete case and I would like the Solicitor General to give me his opinion. It is a case that might readily arise. If a member of the House, having criticised the Government for bringing in this Conscription Bill, were charged before justices of the peace or your local tribunal, call it what you will, with having influenced his electors to resist conscription, would he, under such circumstances, be found guilty, or what latitude would be shown?

Mr. DOHERTY: Clearly, he would be tried for what he said, not for what he did or for what misinterpretations the electors may have put upon what he said. If he said something in itself influencing them to resist the law, he will be guilty. But the member of Parliament in question would not be guilty if he criticised this law, saying that he was opposed to it, and contended that it should not have been passed.

Mr. DEVLIN: And gave his reasons.

Mr. DOHERTY: And gave his reasons for being opposed to the law. So long as the member invites nobody to resist it; so long as nothing is intended to influence any one to resist the law, the fact that a man goes away from the meeting and proceeds to resist the law would not, I am sure, result in the conviction of the member by any court of average intelligence, upon the ground not of what he said or did, but of the mental operations of some of the people who heard him. I think we can trust the courts to interpret the case in that way.

Mr. DEVLIN: Following that up, we shall see that the next day the city papers, if the case occurs in a city, report what that man has said, and misreport his words. The minister will agree with me that that is very often done. Would the newspaper be considered to be guilty of a crime as having influenced people through the publication of a misreported speech?

Mr. DOHERTY: If the newspaper misreports the speech, that is to say, if it does not reproduce what was said, then that newspaper will have to take the responsibility for what it sends out to the public,

if it sends out matter of a nature to influence men to resist the law.

Mr. DEVLIN: It is the newspapers we shall have to get after.

Mr. DOHERTY: The newspapers will not have any greater liberty to seek to inspire resistance to this law than the individual who does not own a newspaper will have.

Mr. DEVLIN: Of course, I may be pressing these details, but this is the first time, in my existence at least, that in this country I have been up against any law which would tend to limit the right of speech or the liberty of the press. It would be well for the minister to go just as far as he possibly can in giving detailed cases of what latitude will be allowed to men to speak—for instance, members of Parliament or political candidates to their electors, or any citizens, and how far newspapers may go. Because, while I may have implicit confidence in tribunals, I have not always the greatest confidence in the world in Justices of the Peace, although they may be well meaning.

Sir ROBERT BORDEN: I think my hon. friend will see that there is an almost infinite variety of ways in which this section might be contravened, and that it would be absolutely impossible, and more than that a highly unprofitable task, to attempt to enumerate them here this evening.

Mr. OLIVER: The Prime Minister has certainly put the case in a nutshell. There is an absolutely infinite variety of instances in which the terms of this section might be contravened, and the citizen left liable to serious punishment. We do not object to reasonable legislation to secure the enforcement of and respect for any law, but we do object to the use of indefinite and comprehensive terms by the use of which innocent parties are made subject to severe penalties. That is the meaning that I am compelled to take out of the reading of this section. The minister has seen fit to read it in his own way. The way that I read it is this:

> Any person who, by means of any written or oral communication or by any public speech or utterance, or in any manner whatsoever, takes such action as will embarrass the Government or the minister in the administration of this Act or the regulations thereunder, shall be guilty of an offence.

Mr. DOHERTY: If the hon. member leaves out all that intervenes, the section reads in that way, but if he puts in all that intervenes, it reads as in the section.

Mr. OLIVER: I have some reasonable understanding of the English language. I am an average man with an average knowledge of English, and the law should be so framed that an average man can read it understandingly. I understand it as I have read it to the House, and I have every reason to believe that that is the understanding ninety-nine men out of a hundred would have in reading it. If the minister does not mean that, he should not say that.

Mr. DOHERTY: He does not.

Mr. OLIVER: Then he should not put in words that may reasonably be read with that meaning.

Mr. McKENZIE: What the hon. member has left out is merely cumulative of his meaning.

Mr. OLIVER: Precisely. I have read the section as I interpret it, as I believe it is intended to be interpreted, and as I believe, of intent, it is to be interpreted.

Mr. DOHERTY: In that, the hon. member is entirely mistaken.

Mr. OLIVER: Not ten minutes ago, I heard the minister announce to the House that this was to be used as a threat. Its importance was in its preventive capability as much as in its punitive capability. Then, the minister surely must have used a form of words covering the possibility of severe punishment, or there would be no threat in it. When the power is placed in the hands of any authority, the tendency is to use, or even to misuse that power, and the more extensive the power, the greater the liability to misuse it. I am going to contend that such a law intended to terrorize the public from the use of free speech and from the employment of just criticism of matters of administration in which the people are concerned is not a law that tends to the well-being of the country. On July 4, 1917, Lord Northcliffe, speaking to the National Press Club at Washington on the subject of censorship said:

10 p.m.

> The danger of a censorship is that it may be used to exalt incompetence to impair efficiency by hiding mismanagement, to weaken resolution by exaggerated optimism. The dangers of misuse of the power of censorship are well known to those who know what we suffered from the hiding of the truth about the war for the first two years.

That is merely in regard to the censorship of the press, but this is a section involving the censorship of the people, the censorship of the right of free speech. I will not delay the House; I have placed

my opinions before it as clearly and as definitely as I am able to do, and I will only take the liberty of reading from the Orange Sentinel of the 12th of July—

An hon. MEMBER: Glorious day.

Mr. OLIVER: —just exactly what appears to my mind to be the import of this particular enactment. The Sentinel says:

> The glorious revolution of 1688 put an end in Great Britain and throughout the British Empire to the doctrine that Kings rule by Divine Right.

Now all we have to do is to change the word "Kings" to "Governments," and we are not to forget that we have to-day a Government that is putting into force a Conscription Act upon a disfranchised people. The Sentinel goes on to say:

> The Kaiser, posing as the annointed of Almighty God, is sending his people to the slaughter by the hundred thousand. He claims it to be his Divine right to do so. He denies to his people any real share in the government of the country, in the declaration of war, and in the continuance of the struggle. He is an autocrat after the pattern of James II. That monarch claimed the right by Divine appointment to suspend the laws of the country. He aimed not only to suspend the civil laws but the religious laws.

Further on, this article says:

> When William and Mary took the crown from Parliament, they acknowledged the supremacy of the people, and thus founded the first great democratic state among the modern nations. Upon the foundation laid by William of Orange rests the present superstructure of the British Empire.

And the Government of to-day, ruling by Divine right, undertakes to deprive Canada of the right of free speech which was guaranteed to it by the revolution which placed William of Orange on the Throne.

Mr. LEMIEUX: The Minister of Justice was reading the law to me a moment ago. He quoted from the Criminal Code, about the offence of sedition, I suppose; I need not be reminded of the existence of sedition, because I know that it exists. Can the minister find in the Criminal Code any section that will prevent an accused from invoking the writ of habeas corpus which is suspended by this legislation?

Mr. DOHERTY: There are many laws which provide for the suspension of habeas corpus. The one that comes to my mind at the moment is one the paternity for which belongs, I think, to my hon. friend from Edmonton (Mr. Oliver), who has such an antipathy to governments that govern by Divine right. I do not know whether governments that govern by diabolical right are more to his taste or not.

Mr. OLIVER: By democratic right.

Mr. DOHERTY: So far as the suspension of the habeas corpus writ is concerned, the Immigration Act of this country suspends interference with the operations of the inquiry boards, and so forth, by means of any process issuing out of any court.

Mr. OLIVER: That is not applicable to citizens of Canada.

Mr. DOHERTY: I do not think that the principle varies so much.

Mr. OLIVER: I think it varies a great deal.

Mr. DOHERTY: In this particular instance I think the hon. member for Rouville (Mr. Lemieux) does not quite grasp what is meant by the suspension of the writ of habeas corpus. There is nothing in this Act that suspends the writ of habeas corpus in a general way. But we had, perhaps, better discuss this matter on the other subsection, as it is entirely separate and distinct from the question we are now discussing.

Mr. OLIVER: Will the minister not agree to the suggestion that this clause be revised so as to actually convey, even to such a mind as mine, the intent the minister declares it to convey?

Mr. DOHERTY: I speak with all respect, but I do not know any words in the English language that will make it clearer; it must be my limitation, of course, but I must avow my limitation. If the hon. gentleman sees in these words power to punish people for criticising the Government, then I do not know any words in the English or any other language that I could possibly use that would not convey to the hon. gentleman the meaning that people are to be imprisoned for criticising the Government. I do not know how I could alter it. I have left all that kind of thing entirely out. What more can I do? In all frankness, if the hon. gentleman will tell me what words I could use that would not convey the meaning to him that I make it an offence to criticise the Government, and that will convey the meaning that I want to convey as clearly and emphatically as I can, that those will be punished who encourage people to impede or hinder the operations of this law or to induce or persuade people to embarrass the Government or the minister in its operation—if there is any other form that I can use that will convince the hon.

gentleman that I am not making a law to punish criticism of the Government, I will be glad to consider it. I have tried not to say that, and I have not said it, but still the hon. gentleman reads that into the section and says, "Now, won't you reconsider the section and read that out of it?"

Mr. OLIVER: As the minister has appealed to me I think the situation would be relieved if he were to strike out the words "in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder."

Mr. DOHERTY: If the hon. gentleman will read the section I think he will see that it is not made an offence to embarrass the Government or the Minister of Justice in the administration of this Act or the regulations thereunder; that is not what is made the offence. The verb "embarrass" is in the infinitive mood; it is "to embarrass," which necessarily means that it follows on something else. What is made the offence is this: the offence is the inducing or influencing people to do all these things that follow. After making it an offence to impede or hinder, and so on, the section goes on:

—or persuades, induces or influences, or attempts to persuade, induce or influence any person or any body or class of persons.

to do a number of things, the last of those things being "to embarrass the Government." The offence is the persuading or inducing or influencing or attempting to persuade, induce or influence any person to do any of these things, or the persuading or endeavouring to get people to embarrass the Government.

Mr. C. A. WILSON: Why not leave it to the general law? Section 69 of the Criminal Code, to which the minister referred, should cover this.

Mr. DOHERTY: The sections to which I referred have to do with a number of different kinds of offences. The analogy is this. These sections make it an offence to incite people to commit that particular kind of crime. Here we have made a new law; we are imposing new obligations, and we are putting into this Act a provision in substance that inciting any one to a violation of this Act shall be an offence. The Criminal Code says it shall be an offence to kill a man or to incite somebody else to kill a man. We say: Certain things must be done under this Act, and it shall be an offence for anybody to incite anybody else to contravention of this Act. That is following out what is almost the general rule. It is perhaps open to the argument that possibly we might find general provisions which would meet the case. But is it not fair to the public, if it is true, to put them on their guard in this Act, that interference with the Act is an offence? I do not pretend to carry the whole Criminal Code in my mind, but I am strongly of the opinion there is a general provision with regard to obstructing the operation of law, and if there is no special provision, then at common law it would be an offence. But we want to provide appropriate penalties for the incitement to violation of this law or the obstruction of its operation, and we do think—notwithstanding what the hon. member from Edmonton (Mr. Oliver) said about this being a threat—it is important that we should have the full preventive effect that may result from calling the attention of those who may be tempted to offend in that manner to the fact that it is an offence carrying serious punishment. In the second place, I think there is in this an element of fairness to those who may be tempted to offend in this regard. Any one who reads the newspapers is quite aware that there are persons who have been boasting of their intention to hinder the operation of this law, and asserting how easy it will be for them to make it entirely inoperative. I do not wish to refer to previous debates in this House, but I think one could make citations from some speeches in which we were told how absolutely inoperative this law was going to be, and what an arsenal of weapons was in the hands of people to prevent this law from becoming effective. I think people should have their attention called to the gravity of such statements, and perhaps it is only fair to bring it home to them now, that when they start doing it they are committing a grave offence, and will be liable to grave punishment.

Mr. OLIVER: If I followed the argument of my hon. friend, this section applies to the man who incites, but does not apply to the man who personally embarrasses the Government or the minister. Is that the understanding?

Mr. DOHERTY: As regards the particular matter of embarrassing the Government or the Administration in carrying out the law, so far as "embarrassment" is concerned, it has a different meaning from "hinder" or "impede." Embarrassment of the Government is not in itself made a specific

offence. What is made an offence is for people to embarrass the Government in the operation of this law. The provision is not intended to deal with people coming under the direct operation of this law and who disobey it. They are dealt with under other sections of the Act. The people we are trying to reach here are those who set to work to hinder or impede the application of this law by their own actions or conduct, and those who seek to persuade others to hinder or to impede the application of the law. With regard to the offence of seeking to persuade, we have included those who seek to persuade others to embarrass the Government or the minister in the administration of this Act, though we have not taken the act of embarrassing the Government or the minister as constituting an offence in itself. What is sought to be reached, and what I think this House would agree with me ought to be reached, is a class of people who either because they do not come under the Act or because they have not the courage to take any risks themselves, want to stand behind, and through newspapers or by speeches or by any other method, try to rouse up other people—perhaps unthinking people who do not quite understand—and get them into a frame of mind where they will proceed to try to hamper and embarrass the administration of this Act. I should think everybody ought to be agreed that this class of persons should be punished. I can understand there may be a large measure of sympathy with those who are subject to the application of the principal provisions of the Act, and who may be tempted not to submit willingly to its operation, but I cannot understand extending sympathy to or seeking to shield the man who, not coming under the Act himself and therefore taking no risks, seeks to lead other people into committing either a direct violation of the Act or to hinder or impede the operation of the Act or to embarrass the Government in trying to carry it out. A man of that class should have no sympathy from any one.

Mr. LEMIEUX: I quite understand that any man who incites others to resist the law or to disobey the law comes under the provisions of the Criminal Code, and I have no sympathy with such a man. But does not my hon. friend see that this clause deals with a political measure? Conscription is a political measure, passed by a moribund Parliament. By the very nature of things it will be the issue before the people of Canada at the next election. I say to my hon. friend, in all sincerity, that by enacting this drastic condition he is simply sowing the seed for informers in this country. What will happen? Say a meeting is held in my hon. friend's constituency in Montreal. His political opponent, surrounded by sympathizers and political speakers, will criticise the Government or will criticise my hon. friend, not only for having enacted this measure when Parliament was functus officio, but for all the shortcomings and failings of the Government during the last six years. There will be informers at that meeting, and these informers will report the castigations inflicted on my hon. friend or on the Government by the speakers.

Mr. DOHERTY: It is not an offence to castigate me. In any event, I may say they do not do it in my constituency.

Mr. LEMIEUX: These informers will report the castigations, and an information will be laid. My hon. friend knows the political game will be played in his electoral division.

An hon. MEMBER: By you.

Mr. LEMIEUX: The animus is there. An information will be laid against the speaker, and he will appear before the court. He may be found guilty according to the evidence brought by the informers. So far so good. The judgment or verdict of the court is there, he is sentenced. It is a political question arising out of a political meeting between political opponents, and yet the man whose words have been misconstrued and distorted will not have the privilege of invoking the Habeas Corpus Act.

Mr. DOHERTY: My hon. friend is under a misapprehension. There is nothing in this Act to deprive a man of a writ of habeas corpus. This would not be a proceeding before a tribunal, and therefore would not be affected by the section under consideration. Such a man would be brought before the ordinary civil courts and he would have all the rights and privileges enjoyed by any other person who is brought before the courts of the country for any offence. What is sought by this subsection is to avoid having the operation of the tribunals interfered with and retarded by having the tribunals brought before the judges of the courts on injunction, certiorari, mandamus or some other proceeding. I read in the paper the other day the speech of a lawyer, whom I respect

both as a lawyer and a gentleman, who said that this Act would never operate because they would take all cases to the civil courts and keep them there until the war was over. My friend's friend who is coming down to castigate me can castigate to his heart's content, and when he has done castigating, if I have anything to say about it, it will not be in the way of prosecuting him; I will take care of my defence in that matter. But if anybody wishes to prosecute him for that castigation he will take him before the ordinary courts and nothing in this Act will affect any remedy, right or recourse that he will have under the general law of the country.

Sir WILFRID LAURIER: He may be taken before the courts, but he will not have the remedies of the law, he will not have the writ of habeas corpus or the injunction.

Mr. DOHERTY: But the case put by the hon. member for Rouville is not one that would ever come before any of the tribunals. It is not provided that a man who is prosecuted for violating the Act will be prosecuted anywhere except before the ordinary courts, and there he will have all the usual remedies. The only thing that the tribunals provided for under this Act can deal with or decide is the question whether or not a man shall be granted a certificate of exemption from military service; and it is intended that that shall be decided by these tribunals provided for in this Act without interference from any other court.

Mr. LEMIEUX: So that the offence under subsection 2 is of a different nature from that under subsection 3?

Mr. DOHERTY: There is no question of offence in subsection 3.

Sir ROBERT BORDEN: Subsection 3 has nothing to do with offences.

Mr. LEMIEUX: As regards subsection 2, we have all the remedies that the law provides.

Mr. DOHERTY: It creates an offence for which a man is liable to be indicted or convicted on summary proceedings.

Sir WILFRID LAURIER: In other words, if anybody is indicted under the general law, he has all the remedies of the law; but if anybody is prosecuted under this Act, he is deprived of all the remedies of the law.

Mr. DOHERTY: No.

Sir WILFRID LAURIER: How can it be otherwise?

Mr. DOHERTY: Subsection 2 creates a certain offence and says it is punishable on indictment, that is before the ordinary criminal court.

Sir WILFRID LAURIER: I understand all that.

Mr. DOHERTY: Subsection 3 provides:

> No proceeding authorized or pending before any of the tribunals provided for by this Act and no decision of any such tribunal shall by means of injunction, prohibition, mandamus, certiorari, habeas corpus or other process whether of the like kind or otherwise issuing out of any court be enjoined, restrained, stayed, removed or subjected to review or consideration upon any ground whether arising out of alleged absence of jurisdiction in the tribunal, nullity, defect or irregularity of the proceedings or any other cause whatsoever nor shall any such proceeding or decision be questioned, reviewed or reconsidered collaterally in any action or proceeding, civil or criminal.

Now, the general court before which a man is indicted is not the tribunal provided by this Act, it is a tribunal existing irrespective of this Act, and will exist after this Act has ceased to have any effect. The tribunals provided for by this Act are the local tribunal, the appeal tribunal and the Central Appeal Judge. Proceedings before those three tribunals under this Act cannot be removed into any other court by any process whatever, to be reconsidered there. That is the entire effect of this.

Sir WILFRID LAURIER: I understand that. If I impede the Government, and embarrass them in every possible way, I am not liable to indictment, under section 2.

Mr. DOHERTY: The hon. gentleman is liable.

Sir WILFRID LAURIER: If I say to Mr. Wilson, "Now you embarrass the Government," and if he is foolish enough to follow my example, I become liable to prosecution, but if I do the act myself, I am not liable. I may be liable otherwise, but not under this section. The man who induces the other to act is liable, but the man who takes the action is not liable. Then section 3 deals with another class of offence altogether. We pass to the prosecution of the offences which are created by this Act. The young man who goes before the first tribunal, and appeals, and so on, is dealt with by those tribunals, and is deprived of all the remedies of the law. That is what the section means. Why should this man be deprived of all the remedies provided by the law? Why should he not be accorded the privileges of British subjects, when all

these provisions are framed for the protection of the freedom and liberty of the subject?

Mr. DOHERTY: It is not a question of offences under this section at all. It is a question of a decision as to whether a man should have a certificate, or whether he should be refused a certificate, and these tribunals will be established for the purpose of determining that question. It is intended that they should have exclusive jurisdiction to deal with it, and, for the purpose of protecting that exclusive jurisdiction for the determination of that question, interference by other courts is prohibited, and the reason of the enumeration of the different processes by which other courts might interfere in cases in which they are entitled to interfere is simply so that we might make it quite clear that, by no means whatever is any other court to interfere. The effect of this provision is simply to establish that the jurisdiction for the determination of these cases shall belong exclusively to this court.

Sir WILFRID LAURIER: That is what I complain of.

Mr. DOHERTY: If that is what is complained of, that would not apply to the case the hon. gentleman refers to. The matter to be determined requires to be promptly determined, and we cannot wait till the war is over for a decision. The questions, in their nature, are, in the great bulk of cases at all events, questions proper to be determined by a jury, in any ordinary court. More than that, we have taken care to submit the decisions of all of these tribunals to the judges of the ordinary civil courts of the country, in the way specified in this Act, so that we extend to the individual the protection, not only of the judge of first instance, but of a judge of the Supreme Court, to see that this is done rightly. Having given him all of these protections, all that is sought to be done by this provision is to prevent his seeking to have an appeal to other courts, to get them to determine a matter over which to-day they have absolutely no jurisdiction, and, unless this Act gave it to them, could have no jurisdiction. But abuses of the processes of the law happen repeatedly, and if this section be not enacted people, under pretext of lack of jurisdiction, or unconstitutionality, or anything whatsoever, no matter how unfounded may seek to go to some other court or courts, not because they have a right to, but by misrepresenting the situation, and once they get launched before those other courts you would have these interminable appeals.

We have sought to make provisions to enable these tribunals, in a proper way, to carry out this section practically, effectively and within a reasonable time, and to throw round them the protection of the judiciary of this country in this way; and having done that, we say now we shall make it absolutely impossible for anybody acting in bad faith to seek to remove this question from the tribunals appointed to deal with it, and by means of processes of different kinds, to spin out the litigation in regard to it until the war is over. That is what we have to guard against, and this is not at all unusual. Wherever, with regard to a particular question, exclusive jurisdiction is given to a particular court, that ends the remedy in any other court.

Mr. C. A. WILSON (Laval): I may question the jurisdiction of the court itself.

Mr. DOHERTY: Not under this Act.

Mr. WILSON: Supposing John Jones walked into court, ascended the bench and said, "I am the judge to decide on military law," no lawyer appearing before John Jones would have the right to question his jurisdiction, and ask him under what authority he is acting.

Mr. DOHERTY: I never made such a statement, because the law says that a proceeding before a tribunal under this Act shall not be interfered with. The hon. gentleman says that if John Jones went into court and took a seat on the bench and said "I am the tribunal to administer this law" he could not be interfered with. I may tell the hon. member that you could at once obtain your writ of certiorari, or your mandamus, injunction or habeas corpus, or you could take quo warranto proceedings, or any other action you liked against him, in a case such as you suggest. Before you can apply this section, you require to have a proceeding before the tribunal provided by this Act, and it does not say that you may proceed before anybody who may say "I am the tribunal to try this matter."

Mr. WILSON: I am putting the case in an exaggerated manner, to make my meaning plainer.

Mr. DOHERTY: You are supposing a case of somebody acting who is not the tribunal specified under this Act. You cannot be deprived of any remedy whatever by such a proceeding. It is only when

you come to deal with the procedings before a tribunal duly authorized that the protection of this Act will come in.

Sir WILFRID LAURIER: I understand all this, but my hon. friend will understand my objection. There are three tribunals for the protection of a conscript. He is called upon to enlist. He claims the protection of the court and claims exemption, and from the decision of that tribunal he is allowed to have an appeal, and from the decision of the second tribunal he is allowed to have another appeal.

My hon. friend says that all this is for the protection of the conscript. So far, so good. But my hon. friend knows that under the common law, and under the statute law also, there are certain rights and prerogatives which are also for that man's protection. My hon. friend says, in effect, that a man shall not have the use of those rights and prerogatives because if he did we might have litigation that would continue until the war is over. Well, the application for exemption will be either serious or frivolous. If it is serious, it should be argued before the court. If it is frivolous, we can depend upon the judges, who were subjected to the laudation of the Solicitor General yesterday, to throw it out.

Mr. DOHERTY: When they reach it, in the ordinary course of the business of the court.

Sir WILFRID LAURIER: When the application is reached, it can be thrown out if it is frivolous. But my hon. friend here seeks to deprive the British subjects of remedies which have always been sacred to them. Legislation prohibiting the exercise of rights and prerogatives is always looked upon with extreme disfavour.

Mr. MACDONALD: The provisions of subsections 2 and 5 of this section are extreme and unusual, interfering with the right of free speech and of free discussion in the press. These proposed provisions, therefore, are worthy of the closest attention of the committee. The Minister of Justice has indicated the class of people whom he desires to reach through subsection 2. I submit that the cases to which he refers are sufficiently provided for by the first subsection. My hon. friend goes far beyond his stated purpose when he makes it an offence for a person to do anything which will induce any one to embarrass the Government or the minister in the administration of this Act. He says that this section is to come into force when the Act receives the assent of His Excellency and before the Military Service Bill goes into operation. It is constituting an offence that nobody ever heard of to go before a justice of the peace and say that during the course of a political discussion some one used words which were calculated to induce some one else to do something that would embarrass the Government in carrying out the terms of an Act which was not in existence. If you have a court which is willing to receive information of that kind, what matter of proof would be submitted to it in order to get a conviction? My hon. friend is going too far when he leaves it to a gentleman not learned in the law who may happen to be a justice of the peace to say whether a man who criticised the Government, as he had a perfect right to do, during the course of a political discussion which he had a perfect right to engage in, was embarrassing the Government in the operation of an Act that was not in existence. If the justice of the peace was a keen supporter of my hon. friend—and some of these justices of the peace are—you can fancy what sort of evidence he would require in order to satisfy him that the Government was being embarrassed. I think that we ought to have a definition of what the word "embarrass" means. What does my hon. friend mean by embarrassing the Government? The word is capable of definition; the phraseology should not be left in such general form, to be interpreted at will by any justice of the peace in the country. The right to criticise this Government is a right that should be preserved if the democracy which is at stake in this war is to be upheld in Canada. My hon. friend is going too far if he seeks to take away the right of legitimate criticism of those who are entrusted with the conduct of public affairs in this country. My hon. friend will say: You can appeal from the decision of the justice of the peace in this regard. But consider the humiliation of a perfectly honest man who, with no desire to do anything improper, is convicted by a justice of the peace under this provision. That man has certain views which he has a right to express, either in writing or verbally, to those who are willing to attend to him. First, then, there should be a definition of the word "embarrass;" secondly, the right of legitimate and honest criticism on the part of the free citizens of this country should be preserved.

Mr. DOHERTY: If I am not mistaken, the word "embarrass" as applied to opera-

tions of that kind has an understood meaning and has been dealt with by the courts. I rather thought this evening that some hon. gentlemen thought that the minister's being embarrassed meant that I might feel embarrassed—that, perhaps, I might blush. I do not attach that meaning to the word. Embarrassing the Government or the minister in the administration or operation of this Act is the equivalent of creating difficulties or of placing difficulties in the way of putting the Act into operation.

Mr. MACDONALD: What about the right of reasonable criticism?

Mr. DOHERTY: The member for Edmonton (Mr. Oliver) and I threshed that out quite fully; perhaps the hon. gentleman was not here. I need not go over that ground again.

Mr. MACDONALD: Why is that put in? I do not think I have made myself clear to the minister. I appealed to my hon. friend to do this. He is giving jurisdiction to a tribunal which is not learned in the law. He is asking it to interpret language which is specially technical. In that, he is asking it to find, as a matter of fact, that somebody had said something which in effect was intended to induce somebody else to embarrass the Government in regard to the operation of an Act which had not been declared to be in force. I am dealing with the period that exists between the coming into force of this section after His Excellency sanctions the Act, and the time when the Military Service Act is declared to be in force. Too much power is put into the hands of a justice of the peace if you enable him, at the instance of any informer, to ruin the good name of any man so that he would have to go to a higher court to get rid of the stigma attached to his name. Why should not the minister preserve the reasonable right of criticism to a decent citizen of the country who does not pretend to take the position of that class of men which the minister says is the class he intends to go after?

Mr. DOHERTY: As to reservation of the reasonable right of criticism, I should be glad to reserve it if I saw in the section anything that attacked it.

Mr. McKENZIE: That is a new law and an extraordinary law. If the minister would agree to insert a provision that no proceedings should be taken under this Act except with the consent of himself or his department, that would relieve the minds of the people very materially.

[Mr. Doherty]

Mr. DOHERTY: I should be very glad to give thought to that. At first glance, it seems as though there might be no objection to it.

Mr. McKENZIE: Trivial actions might be brought.

Mr. DOHERTY: I should be glad to do anything to disabuse people's minds of the idea that this has in contemplation the prevention of criticism of the actions of the Government. As regards

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what the hon. member for Pictou (Mr. Macdonald) said about this being in force before the Act itself came into force, I quite realize that the embarrassing operation cannot begin to operate until the Act is in force. But, on the other hand, if the people are going to utilize the period before the Act is proclaimed to get all their plans made and to circulate their instructions—

Mr. MACDONALD: You reach them by the first part of the section. Why put in this verbiage?

Mr. DOHERTY: I understand the hon. member's objection. What he is anxious about is the provision with regard to inducing the people to do anything to embarrass the Government in the operation of the Act.

Mr. MACDONALD: In the interim, before the Act comes into force.

Mr. DOHERTY: After this Act has come upon the statute-book of the country—although it has not come into force—and the people know that it is liable to be put into force by proclamation at any time, if they are left free during that period of time, if it should be of any notable length, to make their arrangements openly and publicly and to counsel each other as to what action to take to thwart this Act or to embarrass its administration when it does come into force, it might be very little use for us to put the Act into force at all. To me, it is a contemptible thing for people to be making such arrangements in advance.

Mr. MACDONALD: The minister reaches all that class of people by the ample provision he has in the first part of the section. The rest is superfluous.

Mr. DOHERTY: Then I understand the hon. member's criticism is that we make it an offence for people to embarrass the Government? I am convinced that the section would convey a fairly clear idea that I think any average judge would understand.

Mr. MACDONALD: Not judge—justice of the peace.

Mr. DOHERTY: Well, justice of the peace. Whatever class would be empowered to try cases under this section would be quite able to grasp the meaning of the section. I do not see quite the same difficulty about the word "embarrass," but I have no objection to give that thought, and to see if I can find some word that will be less embarrassing to hon. members and on which we can all agree.

Mr. E. LAPOINTE: I hope the Minister of Justice will accept the suggestion of my hon. friend from North Cape Breton (Mr. McKenzie), and that it will be made clear that citizens of this country will not be deprived of their right of criticising even this Act or any other piece of legislation of this Government. According to subsection 6:

> This section shall come into force on the day of the sanction of this Act.

The Prime Minister, when he appealed to my right hon. leader to form a coalition Government, stated that this law would be passed and then an appeal to the country would follow. In addition to that the Prime Minister, when introducing this Bill, said that he was considering the advisability of submitting this law to the people of Canada before enforcing it. Further than that, the constitution of this country prescribed that there shall be an election in a few months. Evidently the issue at this election will be this very law of conscription. It was, I believe, in the mind of the Prime Minister when he made his offer to the leader of the Opposition to appeal to the country for the purpose of submitting this law. If the issue is conscription, is it fair to put into force subsection 6, and thus make it an offence for any one to criticise this measure? I am sure the Government, in appealing to the country on this issue, does not intend to prevent the opponents of the Bill from presenting their case to their electors. When the Conscription Bill was introduced in the British House of Commons, somebody stated that to apply the Bill to Ireland would be a national crime and a folly. I believe myself that imposing conscription on Canada is a folly and a crime, and I intend to say so to my electors.

Mr. LEMIEUX: Then you will go to jail.

Mr. E. LAPOINTE: Will that be embarrassing the Government in contravention of the provisions of this section?

Mr. DOHERTY: It will not embarrass me.

Mr. E. LAPOINTE: I understand my hon. friend to say that it will not be considered as coming under the provisions of this section.

Mr. DOHERTY: I confess I do not see how it can be considered as coming under the provisions of this section. The hon. member can see the distinction between criticism of the law and either himself hindering its operation or administration and advising the people to hinder its operation or administration. The two things are, to my mind, perfectly distinct.

Mr. E. LAPOINTE: Supposing any hon. gentleman opposite comes to the Minister of Justice and asks him not to prosecute any of his electors who might be refusing to answer the call of his class—suppose the Minister of Inland Revenue (Mr. Sévigny) who stated to his electors in the County of Dorchester a few months ago that they would not be conscripted—went to the minister and tried to prevent him from prosecuting those who come under these provisions, would he be considered under these provisions to be hindering the operation of the Act or embarrassing the minister?

Mr. DOHERTY: No, most certainly not, because it would not hinder or embarrass me in the slightest degree. But my hon. friend had better ask that question of my hon. friend from Cape Breton (Mr. McKenzie) because unless I accept his suggestion the prosecuting will not rest with me. The hon. member himself could go out and lay an information, and the Minister of Justice would not be able to be embarrassed with regard to it.

Mr. OLIVER: Is it the understanding of the law that it will be no part of the responsibility of the Minister of Justice or of the Government to prosecute the man who does not answer the call of his class?

Mr. DOHERTY: I was dealing, and I understood the hon. gentleman to be dealing, with the question of the punishment of people who seek to hinder the execution of this law. I pointed out that it would not be necessary for the Minister of Justice to intervene in order that there should be a prosecution unless I accepted the suggestion of my hon. friend from Cape Breton. If I did not do so, I could not intervene to prevent the supposed constituents of the Minister of Inland Revenue from being pros-

ecuted if anybody wanted to prosecute him. I cannot see how from what I have said the inference has been drawn that I would not be interested in seeing the law enforced. I have already pointed out that I would be neither hindered nor embarrassed if the Minister of Inland Revenue should call upon me under those circumstances. In the first place I do not think he would ask me to refrain from action in any circumstances where it was my duty to act, but if I did accept the hypothesis of my hon. friend, I do not think it would make any difference to my action in the matter.

Sir ROBERT BORDEN: The provisions of clause 2 are not aimed at persons who use thoughtless words. They are not aimed at all at criticism. It is one thing to criticise those responsible for the enactment of a law; it is another thing to incite people to refuse to obey that law after it has properly passed.

The two things are absolutely distinct and apart. This clause does not touch the first case at all; it is designed most distinctly to touch the second. But even so, it is not designed to prosecute every person who may utter some thoughtless word. It is designed to prevent a serious attempt to reduce this law to a mere nullity; that is its purpose, and that purpose, I think, ought to commend itself to the judgment of every member in this House and every man in the country, because when the people fail in their respect for a law which has been properly passed a condition will have been reached which will not augur well for the future of the country.

The suggestion of my hon. friend from North Cape Breton is quite in line with the purpose for which this section has been proposed. If he will be good enough to let the Bill pass, with the understanding that we will take his suggestion into consideration, I shall be obliged, and if it is desired to revert to the matter again in case we should not accept his suggestion we shall be very glad to do so.

Subsection 2 carried on division.

On subsection 3 of proposed new section 16:

No proceeding authorized or pending before any of the tribunals provided for by this Act and no decision of any such tribunal shall by means of injunction, prohibition, mandamus, certiorari, habeas corpus or other process whether of the like kind or otherwise issuing out of any court be enjoined, restrained, stayed, removed or subjected to review or consideration upon any ground whether arising out of alleged absence of jurisdiction in the tribunal, nullity, defect or irregularity of the proceedings or any other cause whatsoever nor shall any such proceeding or decision be questioned, reviewed or reconsidered collaterally in any action or proceeding, civil or criminal.

Sir ROBERT BORDEN: This clause has been fully explained by the Minister of Justice. As he has pointed out, it is not designed to deal with cases of prosecution for offences. It is merely designed, like a great many similar enactments, to prevent interference on technical grounds with the operations of the tribunals. Innumerable sections of this kind are to be found in legislation in this country; they are to be found in the Canada Temperance Act, in the enactments of provincial legislatures with regard to liquor, in the Immigration Act, and in many other Acts which one could enumerate if it were necessary. The object is a very clear one. The enforcement of laws of this character is very often confided to persons who are not thoroughly versed in the law, and are therefore liable to make mistakes of which advantage might be taken by application to a higher court. It is the purpose of these enactments that technical objections of that character shall not be available to those who seek to defeat the law; that is clarly the purpose of section 3, as it has been drafted and as it is now proposed.

Sir WILFRID LAURIER: The object is well known. There are, however, precedents of this character, and they should not be considered as precedents. I think it is very dangerous legislation.

Mr. McKENZIE: I would suggest that this clause is in the wrong place. The connection is bad, and it is very apt to be misleading. If this clause were at the end of clause 5 there would not be so much danger of misunderstanding.

Sir ROBERT BORDEN: I think my hon. friend is quite right. If he will let the Bill pass as it is, we will endeavour to put the clause in its proper place. It really ought to be in a section by itself.

Subsection 3 carried on division.

On subsection 4 of proposed new section 16:

Nothing in this Act contained shall be held to mitigate or affect the punishment provided by any other Act or law for the offence of assisting the enemy; nor shall anything in this Act be held to limit or affect the powers of the Governor in Council under the War Measures Act, 1914.

Sir WILFRID LAURIER: What is the meaning of this?

Mr. DOHERTY: There are matters dealt with in this Act—for instance, the matters we were speaking of a moment ago—that might be considered, according to the circumstances, as amounting to giving assistance to the enemy. There might be such hindrance of the operation of this Act as might be assisting the enemy. It is not intended by reason of the provisions here made to prevent the application of existing laws in regard to assistance of the enemy. We do not want to reduce the responsibility of any man for actions that may possibly be covered by this section, if the conditions and circumstances make them such as to amount to assisting the enemy; we do not want to withdraw such a man from the operation of the general laws upon that subject.

I am not prepared to point out particular cases where it does, but I think it is so highly probable that you might find cases of actually assisting the enemy which might come under the letter of this provision, that it is wise to make it clear that it is not intended by enacting this provision with regard to the operation of this Act to mitigate the law wherever it may be applicable with regard to assistance to the enemy.

Sir WILFRID LAURIER: Is there anything in this law so far which may be of any assistance to the enemy?

Mr. DOHERTY: This law is intended to hinder and impede the enemy. A man might carry on his operations for the purpose of hindering this law, and might so conduct himself for that purpose as to assist the enemy in effect and bring himself within other provisions dealing directly with assisting the enemy.

Sir ROBERT BORDEN: For which a more serious punishment is provided.

Mr. DEVLIN: Who will have the say as to whether the other prosecution will be instituted or not? Is it the local tribunal that will decide the point?

Mr. DOHERTY: Of course if it belonged to the Minister of Justice to order prosecutions under this Act, it would be for him to determine upon the facts of a case whether it constitutes a violation of some other law with regard to assisting the enemy for which the punishment may be heavier than this, and whether he should proceed under that other law, or whether the case merely came under this law. If it is open to any one to lay an information without authorization from the Minister of Justice, it will be for the person laying the information to make up his mind what he wants to charge the party accused with. If he thinks he has a charge against him under this Act, he will proceed under this Act. If he thinks he has a charge involving more severe punishment under another law, he will proceed under another law.

Mr. DEVLIN: Will the local tribunal have the decision of the point of law?

Mr. DOHERTY: Nobody will be tried before the local tribunals for an offence. Persons charged with those offences will be brought before the criminal courts. The local tribunal has power to decide only one question, and that is, is a particular man entitled to an exemption certificate.

Subsection 4 agreed to.

On subsection 5 of proposed new section 16:

(5) Any person who prints or publishes or causes to be printed or published in any book, newspaper, periodical, tract, pamphlet, circular or printed publication whatsoever any editorial, article, letter, correspondence or other matter intended or having effect to advocate, advise, persuade, instigate or influence the public or any person, body or class of persons to resist, obstruct, hinder or impede the due execution of this Act or compliance therewith in any respect or particular according to its true intent, meaning and purpose or for the purpose of impeding or defeating the operation or administration of this Act to abstain from submitting for decision of the proper tribunals claims for exemption or the evidence available in support thereof or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act or the regulations thereunder shall be guilty of an offence and shall be liable upon indictment or upon summary conviction to imprisonment for a term not less than one year nor more than five years; and whether the printer or publisher of any such book, newspaper, periodical, tract, pamphlet, circular or printed publication shall have been first convicted or not the same shall be summarily suppressed and shall remain suppressed for the duration of the present war; and moreover the further publication of any book, newspaper, periodical, tract, pamphlet, circular or printed publication whatsoever in any issue of which any such editorial, article, letter, correspondence or other matter shall have been published is prohibited and the same shall be summarily suppressed and remain suppressed for the duration of the present war.

Mr. GRAHAM: What does that mean? What effect does it have on the prosecution of the case? It says whether the man responsible for the printing or publishing of the article be convicted or not the newspaper will be suppressed. Does that involve the suppression of the newspaper even if the man were acquitted?

Mr. DOHERTY: As far as the offence constituted here is concerned, it is precisely the same as the offence dealt with in subsection 2, except that this deals with the printing and publishing of it. If the party were acquitted, he might be acquitted because he was not the man who published it. Still, the publication is there to speak for itself, and if on its face it comes under this section, then that publication ought to be suppressed. Perhaps it was not the fault of the owner, and perhaps he is not responsible for what happened, but you must have the power of suppression even though you may not be able to find out who is the person responsible for the publication. The man who did it may not be convicted and punished, but the publication tending to hinder the operation of the Act is there—it is a substantial thing—it is not a question to go to the law courts about. We may not be able to find the man who published it, and the publisher of a particular paper may be able upon his prosecution to establish that the article slipped in unawares, but we do not want it to remain in circulation simply because it is not possible to convict somebody of having produced it. I think in the majority of cases, where it was called for, there would be no difficulty in convicting the publisher; still the two things are provided for—the possible conviction of the publisher and the suppression of the paper, and it is pointed out that it is not essential for the one to be done that the other should be successful.

Mr. GRAHAM: I can see that clearly; but suppose this were the case: that the proprietor who may be his own editor goes away temporarily and in good faith installs somebody else as editor in his absence. It very often occurs that the temporary man may publish something diametrically opposed to the policy of the paper and to the wishes of the proprietor. Does not the hon. minister think it a hardship that the owner, who is entirely innocent, and who has been taken advantage of, is to be robbed of his property by this Act. His paper is suppressed until the end of the war.

Sir ROBERT BORDEN: What my hon. friend means is that under the provisions of this section the suppression would be obligatory; that we would be obliged to suppress it, because we use the word "shall?"

Mr. GRAHAM: It looks like that to me.

[Mr. Graham.]

Mr. DOHERTY: There is some force in that. We might substitute the word "may."

Mr. OLIVER: An editor accused of being responsible for the publication of matter which is an infringement of this section has an opportunity on his trial of giving evidence in his own behalf and of being represented by counsel. Should not the proprietors of a newspaper have a similar right to be heard before their paper is suppressed?

Mr. DOHERTY: The section merely makes provision that suppression may follow. It would be necessary to make provision by regulation for the steps which would lead to suppression. The power of suppression under the censorship regulations for the publication of seditious matter is exercised on the responsibility of the Government through the Department of the Secretary of State. It is a power that can only be exercised effectively by somebody acting in an executive capacity. If you have to go to the courts, the publication continues in the meantime and may render nugatory the purpose of the suppression.

Mr. OLIVER: Surely the men who have their money invested in a newspaper enterprise ought to have the right in the protection of their interests and property of having the question whether the article is an infraction of the law tried out in exactly the same way as the accused man would be tried. That would seem to be elementary.

Mr. DOHERTY: It would, of course, be highly desirable to have the matter tried out before any suppression was made, but I do not see how that could be done effectively. Suppression is a power that is only effective if it is susceptible of prompt exercise. It would expose people to serious damage in their property if that power were unwisely exercised, but I do not see how it could be effectively exercised by the ordinary process of law. It goes without saying that the power of suppression would not be exercised by any minister without very grave consideration or on any but the clearest justification.

Mr. DEVLIN: Who will have power to suppress a paper pending trial?

Mr. DOHERTY: The particular minister will have to be designated by regulation. In a general way the censorship is in the Department of State.

Mr. DEVLIN: Is that not against the principles of British justice that no man shall be declared guilty until he is found

guilty? You suppress the paper although the court has not declared whether there is anything in it which calls for suppression.

Mr. DOHERTY: Because under this law it is not made a matter for the court to determine, and the reason for that is that it does not seem to be a matter that is possible to confine to the determination of a court if you are to have an effective censorship. The hon. gentlemen talked about British justice. I think, if he would look up what took place in the operation of the British censorship, he would find that we were not going any further in this regard than the authorities in the old countries found it necessary to go within their own country on more than one occasion. We have only found it necessary to suppress a paper in one instance. I hope we shall have very few instances, but if a case should arise, it will certainly not be an effective remedy, if we are asked first to find the defendant, or somebody to prosecute, and obtain a decision of the court in the matter. With all respect to my hon. friend, in matters of this sort, which, after all, are matters for the protection of the country, heavy as the responsibility may be, I do not think any other course is open than to place the responsibility on the Government and let them decide what shall be suppressed and what shall be permitted. We are exercising that responsibility already with regard to anything in the nature of seditious publications. Under the Post Office Act, the Postmaster General closes the mails to publications without going to any court or without asking whether it should be done or not. I am not quite sure that a court is very much better qualified than anybody else to determine who ought properly to be entrusted with the responsibility that generally belongs to ministers, of saying whether a publication is of a nature to produce certain results. A judge is no better qualified to appreciate these matters than any other educated man with a sense of responsibility who would approach the case with the view of acting impartially and doing what is right under the circumstances.

Mr. DEVLIN: If that be the case, and the court is not supposed to determine whether the newspapers should be suppressed or not, how can a judge be supposed to condemn the man who printed the article?

Sir ROBERT BORDEN: Those are two distinct things. The prosecution is one thing and the suppression of a newspaper, either altogether or during the war, is another thing. In the course of this war, we have to deal with all the publications, for example, that come into the country. A number have been prevented from coming in because they were distinctly seditious. I think, in one case, a newspaper published in this country was suppressed for a certain length of time. These are not matters which could very well be determined by the adjudication of a court. Any government that is conscious of its responsibility will exercise such powers most sparingly. I may take the committee into my confidence to the extent of saying that many communications have been sent to the Government from different parts of the country with regard to newspapers which, perhaps, were publishing matter of a detrimental character, but we have always felt, when such matters were brought to our attention, that it was only in a rather extreme case that the Government should exercise such extreme powers, and it is with a strong sense of responsibility that this Government, or any government, would take into consideration any such question.

Mr. C. A. WILSON: The proposition to suppress the paper first and try the editor afterwards reminds one of the policy adopted by Cardinal Richelieu, where the man was executed first and tried afterwards.

Sir ROBERT BORDEN: We were obliged to deal in that way with a number of seditious publications that were coming into this country. There was no other way of dealing with them.

Mr. GRAHAM: The Prime Minister has suggested that the word "may" be used instead of the word "shall"—"This publication so found guilty shall be suppressed to the end of the war." I am not speaking from the standpoint of sympathy for the man responsible for the publication, but I may say that in every locality a weekly paper particularly is an institution. In punishing the guilty, you may be robbing a locality of an institution, which would mean a great deprivation to the people of that locality. Would it not be wise for the Government to take, by this Bill, powers of discretion to say whether the paper shall be suppressed till after the war, or for a period? For this reason: there might be some man who would take that paper who would perhaps assist very much in the prosecution of the war by his articles, and if the paper were suppressed, it could not be conducted at all thereafter. I make this suggestion

because if you rob some of the localities of their weekly paper, you might almost as well take their prayer books from them. I know the objection which might be made would be that the paper might be transferred to some person else, but really remain the property of the same individual. But if a bona fide sale were made, and the paper were conducted properly under the new management, it would save the locality from being deprived of what is an institution in a great many sections and a great benefit to the people.

Sir ROBERT BORDEN: It might be suspended for a period not exceeding the duration of the war.

Sir HERBERT AMES: As a mere layman, who has listened to lawyers for four hours, I will make a suggestion before this section is adopted. Most of us will be called upon to try and explain the meaning of the clauses to people who are not perhaps as familiar with these matters as we in this House are. Would it not be possible to paragraph these sections in such a way that the meaning would be a little bit clearer? For instance, that subsection 5, which we have been dealing with, and make it read something like this:

5. Any person who prints or publishes or causes to be printed or published in any book, newspaper, etc.,

(a) or influence the public or any person, body or class of persons to resist, etc.,

(b) or for the purpose of impeding or defeating the operation or administration of this Act to abstain from submitting for decision of the proper tribunal claims for exemption of the evidence available, etc.,

(c) or in any manner whatsoever to embarrass the Government or the minister in the administration of this Act, etc.

If they were placed in that form, we should be able to see them, one after the other, and we poor laymen, who have not had the benefit of a legal education, might be able to explain it to our friends so that it would be understood.

Mr. OLIVER: I hope the hon. gentleman will be more successful than I was in getting the minister to break the section up into paragraphs. I tried to get it divided into sentences.

Mr. DOHERTY: We will make an effort to get back to our A. B. C.'s, and perhaps we will reach the comprehension of everybody.

Mr. OLIVER: In regard to the question of the proprietor of a newspaper and the newspaper itself, we have always had the understanding that the manager or the proprietor, when accused, would be brought up for trial, and would be tried on the merits of the question as to the offence committed through the publication of the article. Am I to understand, however, the Prime Minister has said that the trial of the man is only a question of establishing his identity or responsibility, but the question as to the nature of the article is a matter entirely for the Government through its censorship? If so, it is an arbitrary authority to be exercised by the Government; it is not to be a matter for the consideration of the court which tries the owner or manager of the paper.

Sir ROBERT BORDEN: I think my hon. friend must be referring to something that was said by the Minister of Justice; I do not remember touching upon the part of the question that he first mentioned. I pointed out that in these cases of censorship in respect of something that is regarded as detrimental to the public interest, the executive must exercise a certain responsibility, and that that responsibility, by reason of its character, must be, and had been up to the present time, exercised sparingly. The Government has possessed full powers to deal with this subject, and the cognate subject defined in this section will be approached in the same spirit and with the same sense of responsibility, looking to its being sparingly exercised and only in absolutely plain cases.

Mr. OLIVER: I understand, then, that the Government takes upon itself the responsibility of deciding as to the criminality of any published article?

Sir ROBERT BORDEN: Yes.

Mr. OLIVER: And that the court is only for the purpose of establishing the responsibility of the individual?

Sir ROBERT BORDEN: No, I was speaking with reference to the suppression of the newspaper. When you come to the prosecution against the individual, then you come to the court and the whole matter is fully opened.

Mr. OLIVER: When a person is prosecuted because of an article published in a newspaper it is the character of that article, not himself personally, that is in question, and upon the character of that article he suffers the punishment provided in this section. What I was urging upon the Minister of Justice was that the suppression of a

newspaper, which is a very serious matter, indeed, should in the same way be made the subject of consideration by the court; that newspapers should not be suppressed unless an independent court had decided that the article published was in contravention of the terms of this section of the Act. I was claiming the same consideration for the property rights centred in the newspaper as is conceded to the individual in his personal rights—the right of trial and of evidence as to the facts. I see no reason why that cannot be done; I see every reason why it should be done.

Sir ROBERT BORDEN: I really do not think that it is practicable. In the cases to which I have referred it would hardly have been practicable for the Government to go to the courts for the purpose of obtaining a determination respecting the publications coming into the country from abroad or with regard to the newspaper which was suppressed for a certain time. The Government has never acted, nor would it propose to act, unless the case was so manifestly plain and beyond question that there could be no doubt about it.

Mr. OLIVER: The case of papers coming into the country is not at all on all fours with the case to which I am referring.

Sir ROBERT BORDEN: I think that it really is; I will tell my hon. friend why. In the case where a newspaper coming into this country in the ordinary course under postal convention is virtually suppressed by being refused admission, a question as to the action taken arises with the proprietors of the newspaper; sometimes it is made the subject of diplomatic inquiry. So that the same question does arise, although the persons who publish the newspaper do not happen to be citizens of this country.

Mr. OLIVER: That is what strikes me as constituting a great difference between the two cases. In the one case, we may do as we please, or as our neighbours will allow us; in the other, we are dealing with our own citizens and with investments of property very much out of proportion to the property affected by the suppression of the circulation of a paper coming into this country. The citizens of our country who have property rights in a newspaper are entitled to the benefit of every law that exists for the protection of their property; they are entitled to different consideration from that accorded to the citizens of any other country whose news papers may achieve some small circulation here. I will mention another point of difference between this Act and the censorship or the stoppage of papers coming into this country from a foreign country. The censorship as it stands to-day is a censorship on account of treason or the giving of information of military value to the enemy. This is censorship directed against criticism of a government policy and administration—a different matter altogether. A discussion of the Government's policy and administration is essentially the right and business of every public newspaper in the country and the assumption of authority of the Government absolutely to destroy a newspaper without let or hindrance, without trial or consideration of any kind, is a very serious matter. I submit that that authority should not be assumed in the terms that the Prime Minister has laid down. Under the conditions which I have tried to sketch, the right of the citizen in his property should be protected by proceedings before the courts.

Sir HERBERT AMES: I understand that if a paper transgresses it shall be summarily suppressed and shall remain suppressed for the duration of the war. As that is provided by Act of Parliament, I suppose that if a paper so suppressed should endeavour to make amends, apologize profusely and promise never to repeat the offence, that paper could only be reinstated by Act of Parliament.

Mr. DOHERTY: On the suggestion of the member for South Renfrew (Mr. Graham) it was agreed that for the word "shall" we should substitute the word "may," to provide for possible limited duration of suspension.

Mr. GRAHAM: The Prime Minister intimated that the term might be for a period not exceeding the duration of the war.

Sir ROBERT BORDEN: Yes.

Mr. OLIVER: The application of the censorship in the past has, I am sorry to say, not been such as to inspire confidence in the good judgment or in the fair dealing of the Government in the administration of that censorship. We have the very startling instance of the suppression of a newspaper published at Sault Ste. Marie. I am not aware of the grounds upon which that paper was suppressed. We are, however, aware that every week day since the war began there has been published in the city of Montreal a paper that, to my mind, has carried treasonable utterances in a large

majority of its issues, and it has not been touched by the censor.

Mr. SINCLAIR: Why?

Mr. OLIVER: I cannot say why. I am only stating the fact, and the fact, according to my judgment, is such as to render the newspaper proprietors of this country very much alarmed at an enactment, proposed as this is, by which a paper, for criticism of the administration of this Government in regard to a matter which is of most intimate interest to the people of this country, is to be liable to arbitrary suppression. I am under the impression that no such law exists in any other country. In no other country are the newspapers placed under such conditions as to carrying on their business. That being the case, perhaps the Government has not yet considered the actual circumstances in regard to the newspaper business, the enormous amount of money invested in newspapers, the responsibilities that have to be carried by those who are concerned in their conduct and in connection with those investments, and—I am sorry to have to say it—the grave possibility of the power vested in the Government by this section being used otherwise than on principles of absolute fair play and justice. The Government should systematically, for its own credit and for the credit of the country, absolutely avoid placing itself in a position where it could be accused of unfairness in the enforcement of this law. I am not objecting to the principle already stated, that when a law is passed it must be enforced and should be respected; but as to the provisions in regard to newspapers, I am compelled to think the Government has not had sufficient information as to the circumstances or conditions or it surely would not have framed this section in this form.

Mr. MORPHY: Will the hon. gentleman kindly name the paper to which he refers, which has, prior to this date, been publishing seditious articles in the city of Montreal?

Mr. OLIVER: The paper that is publishing articles that I consider have a very strong seditious tendency is Le Devoir.

Mr. MORPHY: A French paper?

Mr. OLIVER: Yes, the paper that was largely responsible for the return of the present Government.

Some hon. MEMBERS: Oh, oh.

[Mr. Oliver.]

Mr. MORPHY: When the hon. gentleman says that does he refer to articles published prior to 1911 or since?

Mr. OLIVER: Prior to 1911.

Mr. MORPHY: He is complaining of the seditious character of articles written since 1911?

Mr. OLIVER: The articles written since 1911 have, in large measure been, in my humble judgment, of a seditious character. Some hon. gentlemen asked why the discrimination between the paper published at Sault Ste. Marie and the paper published at Montreal. I want to be understood that I did not say that the failure to suppress the paper in Montreal was because it had been largely instrumental in returning the present Government to power. I wish to draw attention to this far-reaching provision of this section, by which not only is the paper that publishes an objectionable article suppressed, but another paper that copies that article is, if I understand the section correctly, automatically suppressed. Perhaps those who drafted the section hardly realized how far-reaching that provision was. In the preparation of a newspaper, while the pen, now largely displaced by the typewriter, occupies a very important place, we will admit that the scissors are also used.

12 m.

Mr. GRAHAM: In Edmonton.

Mr. OLIVER: In using the exchanges for the purpose of providing matter for a paper, it is not the responsible editor who makes the selections, it is usually some subordinate member of the staff who does so, and I think it would be a most terrible thing that a paper should be absolutely suppressed because, through inadvertence, an objectionable article had appeared in its columns. Perhaps my hon. friend did not appreciate the technical points in that connection, or he surely would have thrown some saving provision around that penalty.

Mr. DOHERTY: I think the last observation is met by the substitution of the word "may" for the word "shall." The paper does not become absolutely suppressed, and I think circumstances such as the hon. gentleman mentions would have great weight in determining whether the paper that republishes should be suppressed or not. On the other hand, I think the hon. gentleman will admit that it would be a very foolish position to take to say: Well, the paper that contains the original article we will suppress, but all the other papers in the

country can print that article and keep it in circulation, and they will go on with impunity. I quite understand that the case the hon. gentleman suggests would not be a case for the exercise of the power, and his objection was very well taken so long as the imperative "shall" remained in the section, but the use of the word "may" would appeal to the judgment of anybody charged with the exercise of this power.

Some hon. MEMBERS: Carried.

Mr. OLIVER: To the hon. members who are so anxious to have this section carried, I say that this is the severest infraction of the rights of the people of Canada that has taken place since this Dominion was formed, and I do not think a few minutes are wasted in just going into the details of it. A little while ago, the Prime Minister, if I understood him correctly, said that there was an absolute distinction between the offence of inciting opposition to the law and criticism of the law. There is a difference between the two things at the two extremes, but there is no sharp dividing line of difference between the two. No man can say definitely just where fair criticism ends and obstruction or interference, or incitement to interference begins.

If I say that the administration and legislation of this Government in a certain particular is wrong, I am thereby inciting people against that administration or legislation. I cannot criticise adversely the administration or legislation of the Government without in some degree inciting people to opposition to that administration or legislation; and so I take the ground that when the Government introduces legislation worded in the general and comprehensive terms of these two sections, it is an attack upon free speech and upon the right and duty of public criticism of the public affairs of this country.

Sir ROBERT BORDEN: There is some force in what my hon. friend says as to the two things shading into each other. The same observation is perfectly true as to the shading between what might legitimately be regarded as sedition and what might legitimately be regarded as the expression of a strong opinion not amounting to sedition. All that is perfectly true, but I do not see that it makes the provisions of the section unwise. We must deal with these things, and we simply have to exercise our best judgment as to whether a particular article is seditious or whether it is something that is just a little short of being seditious.

Mr. GRAHAM: I hope the committee will not be too weary, but my hon. friend from Edmonton (Mr. Oliver) and myself are speaking for a very large and influential class of people in the community. What would the Government do in this case? Suppose a member of this House made a speech in this Chamber that would come under this Act if it appeared in a newspaper as an editorial. Would the newspaper be liable under this Act if it reproduced that speech?

Sir ROBERT BORDEN: I do not know.

Mr. DOHERTY: It is a matter of discretion.

Mr. OLIVER: I just wish to say a last word. From what the Prime Minister and the Minister of Justice have just said, I can come to no other conclusion than that from the passage of this Act forward the press of this country lies under threat from this Government, and to that extent is prevented from the exercise of the right and duty of legitimate criticism of the acts and administration of the Government.

Mr. BOIVIN: I should like to make one suggestion to the committee. Why not leave the question of press censorship, in so far as it is affected by this Bill in the hands of a judge of the Supreme Court. Extensive powers have been given to a judge of the Supreme Court by this Act. We come to one clause where there is absolutely no appeal of any kind, where there is not even a trial, and where the Government is taking upon itself to suppress a newspaper upon the judgment of one of its ministers. Now, there is a great difference, in my mind, between censorship after this law comes into force, and censorship as it has existed in the past. In the past censorship has been directed against sedition, against divulging secrets concerning the army, and so forth, but under these provisions it will be directed against any article which may embarrass the Government in connection with the operation of this Act. That means that the Government is the interested party, the accuser, and also the judge. It certainly is against all principles of British justice to have the same man the accuser, the interested party, and the judge. I know that a lot of confidence is being placed under this Act in the judges of the Supreme Court. I believe the Government believe they will be absolutely fair

in the application of this Act. I feel sure that in the other clauses the Government have introduced all the safeguards they possibly could, and in this particular instance they are taking upon themselves a certain amount of authority that I am convinced at this time they will administer to the best of their knowledge and ability. But they are leaving people under the impression—this has been commonly stated in the few hours since these clauses have been printed—that they are taking this means of suppressing the Opposition press in the event of an election. I do not say that for a moment; I do not believe the Government would use the law for that purpose; but if they can remove that suspicion by placing the administration of this censorship in the hands of a judge of the Supreme Court, or some impartial body, why not do so, and avoid being at one and the same time accuser, judge and jury?

Sir ROBERT BORDEN: I do not think my hon. friend has put it in quite the right light in one respect. He speaks of the Government being the accuser. It is really the state, the Government acting for the time being as its instrument, asserting the rights of the state against organized disobedience to the state's law; that is the position, nothing more and nothing less. Further than that, under the censorship which has had to be carried on not only in this country, but in Great Britain during the last three years or thereabouts, powers quite as extensive as these have been capable of exercise, and, as I have said before, they have been very sparingly used—used almost altogether by suggestion to the press, by communication, and not by infliction of punishment whether in the way of suppression, prosecution, or otherwise. So I think there need be no serious apprehension about this. My hon. friend, however, has made a suggestion that is worthy of consideration. It is an invidious position for a Government to be in; I entirely agree with that. So far as the Government are concerned, we have left these matters altogether to the officers appointed, and have only interfered when the officers came to us for direction or with a recommendation. It has been left absolutely to the officers appointed, and so far as I know, and as I fully believe, they are animated by a desire to exercise their powers fairly and with perfect impartiality. The Government naturally would be sparing in the use of its powers in this connection, because whenever they are exercised those responsible are always open to unfounded imputations and insinuations. My hon. friend says it might be proper that matters of this kind should be left to a judge of the Supreme Court. That is a suggestion which strikes me rather favourably at the moment, and I am prepared to consider it. If my hon. friend would be good enough to let the clause pass, I will undertake to return to it for the purpose of making the necessary amendment, or if we should not see fit to adopt the suggestion of my hon. friend, we will return to it for any purpose that may be desired.

Mr. LEMIEUX: In case a paper is liable to be suppressed for treasonable editorials, would the editor be remonstrated with first? Would he be called before a judge of the Supreme Court, or before the board of censors, to explain or to amend, or would he simply be summarily suppressed?

Sir ROBERT BORDEN: I think that will have to depend on the circumstances of the case. There may be some cases of so glaring a character that they would be beyond remonstrance, there might be other cases in which remonstration would be proper and desirable.

Mr. LEMIEUX: Suppose a paper is circulated publishing treasonable matter, would the editor be liable under subsection 2?

Mr. DOHERTY: He would not come under the present subsection. He would come under the first part of subsection 5. Subsection 2 deals with verbal utterances, and 5 deals with printed or published utterances and adds the power of suppression in the case of printing.

Mr. LEMIEUX: Does the law reach only the editor, or does it reach the proprietor and those who finance the paper—the backers of the paper?

Mr. DOHERTY: I think it does not go beyond those who have to do with the publication of the paper; those who are responsible for or take part in the publication of the treasonable matter. I do not think, for instance, the boy who tied up the newspaper bundles, or the man who packed them for the purpose of sending them away, would be reached by this section.

Mr. LEMIEUX: My hon. friend has sufficient experience in journalism to know that very often the editor is only the instrument of other parties who finance the publication. Are those who are behind

the publication not as responsible as the editor himself?

Sir ROBERT BORDEN: It would depend, I suppose, on how they financed it. If they were really the proprietors and financed it in that way, they might be liable. If they were persons who financed the paper by lending money, they would not be liable because they have really nothing to do with the direction of the paper.

Subsection agreed to on division.

On subsection 6 of proposed new section 16:

6. This section shall come into force on the day of the sanction of this Act.

Mr. SINCLAIR: What is the meaning of the word "sanction" there?

Mr. DOHERTY: The Act is sanctioned when the Crown gives assent to it, that is to say the day the Act is finally passed.

Mr. SINCLAIR: Then, it is intended that the provisions of the section will be enforced between the time the Act is passed and the time it is proclaimed by the Government?

Sir ROBERT BORDEN: As I understand it merely means that after the Act has received the assent of the Governor General it shall not be competent to any person to urge disobedience of it. Its operation has not begun, so far as the calling out of men under it; it has not been proclaimed. But in the meantime it shall be unlawful for any person to urge disobedience of it.

Mr. SINCLAIR: I think it will be difficult to get a judge to convict a man for impeding the administration of an Act which is not being administered, and which has not yet come into force. This Act may be passed to-morrow, and it may be law as far as the assent of both Houses and the Governor General goes. Then it may not come into force by proclamation until the end of the year, or it may never come into force. Can we ask a judge to impose a penalty on a person for impeding the administration of an Act which is not in force and which may never come into force? You cannot stop a horse until you have started him.

Mr. DOHERTY: It is quite clear no one can impede an operation which operation is not going on, but people may advise and urge and arrange in advance to impede it when it comes into force. Under this section, we can reach them.

Mr. OLIVER: I may inform my hon. friend the judge is only necessary to deal with the individual. The Government can enforce the gag on the newspapers without any help from the judge.

Subsection agreed to on division.

Mr. MEIGHEN: I expect the rearrangement of the clauses of the amendement moved as section 16 will make it clear that paragraph 6 applies only to paragraphs 2 and 5. It has not any application to the other paragraphs of the section. The second paragraph of section 17 must be retained. It may be made a separate section, as suggested by the hon. member for South Renfrew (Mr. Graham).

There still remains section 3, which was left last night. That is the section which divides the men into classes. There were many who urged that it would be unfair to call class 1 ahead of classes 2 and 3, some urging that all three should be called together, and others urging that class 2 should precede class 1. Various reasons were given on both proposals. I stated that, while I felt it would be exceedingly inconvenient to call all three together and would result perhaps in impediments being thrown in the way of the operation of the Act, I would reserve the clause and consult with the other members of the Government. I desire now to recommend to the House that the three classes be united. At the same time, I wish to make it clear that we hope to get over the inconvenience that would result by calling them all together by such divisions in the regulations as may enable us to take care of them at times sufficiently separated to prevent congestion, and to ensure that all three will be treated absolutely alike in so far as priority of selection goes. It has been the intention to comb those first three classes at least, and more if required. That being the case I wish to move that clause 1 shall read as follows:

Those who have attained the age of twenty years and were born not earlier than the year 1883 and are unmarried or are widowers who have no child.

Then classes two and three would be struck out. There is no reason why classes one, two and three should be united that does not apply just as well to classes four, five and six. I therefore beg to move that class four be known as class two, and that its description read as follows:

Those who have attained the age of twenty years and were born not earlier than the year 1883 and are married or are widowers who have a child or children.

Classes five and six would then be struck out and the classes that are now classes seven, eight, nine and ten would be

changed to read classes three, four, five and six.

Mr. TAYLOR: I would suggest that the last word in section three be changed from "youngest" to "oldest." The class ranges from twenty to thirty-four, and if they are not called out for another year the thirty-four year old man will certainly not be improved by waiting, while those who are of the age of twenty will be a year better at age twenty-one than they are at twenty.

Mr. MEIGHEN: The intention, in fact the most absolute statement, is that no matter how they are called out there will be no priority as between those calls in the ages twenty to thirty-four. The arrangements for the trial of applications for exemptions will proceed in such a way that all will be taken care of as nearly together as possible, so as not to congest the tribunals. Priority of obligation is abolished.

Mr. TAYLOR: Is subsection 3 to be amended?

Mr. MEIGHEN: No, it does not require to be amended.

Mr. TAYLOR: So long as the word "youngest" remains—

Mr. MEIGHEN: That is only the matter of the order of reporting, so long as you group the three, or are certain that all three are to be called, that priority is abolished.

Mr. TAYLOR: That is not the way the section reads. It says the order in which they are described in this section shall be the order in which they are called out on active service.

Mr. MEIGHEN: Called out is the proclamation, and we will say that the new class one is called out. A division is made in order to avoid congestion, and it is said that the first class will report on such a day and the second class on such another day and the third class on such another day. All of these must report. In so far as the applications for exemptions are concerned, we might have the tribunals sit on the last class first, but so far as this section goes, it is simply reporting to the military officers.

Mr. TAYLOR: I think there is more in it than that. If you enlisted 100,000, under this the oldest man would be left off. I think it should be the youngest man.

Mr. MEIGHEN: No, that would be a matter for determination under the military rules that now exist. Any one can now be released. They could release the oldest or the youngest, or one-half at the top and one-half at the bottom, if there were too many.

Mr. TAYLOR: Why not amend section 3?

Mr. MEIGHEN: It would not affect that question; that is simply a question of the order of reporting.

Mr. LEMIEUX: I may not be here tomorrow. When the Prime Minister considers the section concerning the clergy, will he include the students in divinity and theology as they were considered in Washington when they passed a similar Bill? The term "clergy" is a wide term and it might be well to mention students in divinity and theology.

Sir ROBERT BORDEN: I shall take that into consideration.

Progress reported.

On motion of Sir Robert Borden, the House adjourned at 12.40 a.m. Friday.

Friday, July 13, 1917.

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

PRIVILEGE.—Mr. BARRETTE.

On the Orders of the Day:

Mr. J. A. BARRETTE (Berthier) (translation): Mr. Speaker, I rise to a question of privilege.

I am represented by the Halifax Chronicle in its number of the 7th instant as being a recruiting officer in the pay of the Militia Department.

Allow me to tell you, Mr. Speaker, that I never was a recruiting officer for the Militia Department and that I never received any pay from that department, either directly or indirectly.

COLD STORAGE.

Hon. T. W. CROTHERS (Minister of Labour): I place on the Table the report of the investigation held into cold storage of commodities in Canada. I move that this report be printed and that Rule 74 be suspended in relation thereto.

Motion agreed to.

PRIVATE BILL.

FIRST AND SECOND READING OF SENATE BILL.

Bill No. 110, to incorporate Canadian Ukrainian Institute Prosvita.—Mr. J. J. Hughes. Read a first and second time.

EXTENSION OF TERM OF PARLIAMENT.

On the Orders of the Day:

Right Hon. Sir ROBERT BORDEN (Prime Minister): I would like to give notice to my right hon. friend (Sir Wilfrid Laurier) that on Monday next I purpose moving the resolution which stands in my name on the Order Paper with regard to the extension of the parliamentary term.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

House in committee on Bill No. 75, respecting Military Service.—Sir Robert Borden (resumed from Thursday, July 12).

Mr. Rainville in the Chair.

On section 3—division into classes:

Mr. J. GIRARD (Chicoutimi-Saguenay): (translation): Mr. Chairman, I trust the House will allow me to draw the attention of the hon. Minister of Justice to the peculiar conditions which owing to its immense area, exist in the district I have the honour to represent.

If I may judge from the explanations given us by the members of the Government, since this bill is under consideration, I do not think these particular circumstances have been absolutely met.

The hon. Minister knows that the front line of the Chicoutimi-Saguenay county, between Chateau Bay, the intersection point between Labrador and my district, and Mistassini, extends over some 800 miles. From the Labrador coast down to Tadoussac, there is a population of 15,000 inhabitants divided into groups living at distances of twenty-five, fifty and even one thousand miles respectively from one another. I may also point out that, for a certain portion of them, there is no regular means of communication between these communities, no boat service, and that the mail service is most irregular and slow. It is easy to realize what difficulties these people will have to contend with, in order to obey the law, on account of that very distance. Let us now suppose that they were called to the colours by a proclamation of the Governor-General; they would never hear of it, in all probability; and, by the terms of this Act, they should be considered as slackers and as deserters.

I therefore believe that these special cases should be provided for by the Act itself, for they might arise in some other parts of the country. The people I refer to, although most honest, cannot afford to lose a cent, no more than a day's work. They are all fishermen who go, day after day, to make a living from the products of the sea and as the returns are not always satisfactory, they are not well off. It is therefore necessary to save them every possible expense. It will then be seen how difficult, it is, not to say impossible, for them to navigate for three or four days, often under contrary winds, to reach a place where a tribunal may be sitting, and then they would be liable to pay a fine for not appearing within the delay fixed by the Governor General. At Lake St. John, supposing the tribunals would be located where the court is held, either at Chicoutimi or at Roberval, the people called out under this Act, may however have 75 or 100 miles to go in order to put in an appearance. I want it to be understood that the people of my district find themselves under most difficult circumstances to comply with the law and that they should not be held liable to any penalty if it is impossible for them to obey this law within a certain delay. It seems to me that the remarks I have just made are as much in the Government's interest as in that of that portion of the population. I know that my people are earnest; I will not say that they are partial to the Act, but I am positive that they will submit when it will be finally passed. My only object is to protect them against hardships which will surely arise.

Mr. H. BOULAY (translation): I agree with my hon. friend of Chicoutimi and Saguenay in the remarks he has made. I might say the same about a large portion of the people of Matane county and also, seeing the absence of the hon. member for Gaspé (Mr. L. P. Gauthier) about that part of the population living along the sea-cost in the county of Gaspé. All those people are subjected to the same inconveniences just mentioned by the hon. member for Chicoutimi and Saguenay. I hope the Government will also pay attention to them when the time comes.

Hon. Mr. DOHERTY (translation): I may assure both hon. members that the Government will take every possible means so that all can fill their due obligations.

As I stated yesterday in answer to the hon. member for Bonaventure (Mr. Marcil), we will try and put tribunals in sufficient numbers, so they may be easily reached in every part of the country where a community is found large enough to justify the location of such a tribunal.

Now, as to the suggestion that some might be liable to penalties for not having reported upon the date fixed in the proclamation; I might first say that we will always consider those people's conditions and that different dates will chosen on account of the difficulties peculiar to each locality. At all events, according to the law, if the hon. members will look it over, they will see that no one is liable to be sentenced for not having reported in due time, as long as there is a reasonable excuse, and the conditions set forth by the hon. members who cannot be suspected, would be, I believe, accepted as reasonable excuses.

If, on account of the physical conditions of the country he lives in, or from lack of facilities or of means of communication, a man found himself in the case of being utterly unable to appear, I think I may safely say that such would be considered a fair excuse; but, we will do every thing humanly possible in order to give every one the means of discharging his obligations.

Mr. GIRARD: The hon. Minister states that the tribunals will be as numerous as possible, according to population. With his leave, I will give him a few details as to these people's situation. Along the northern shore, there are villages of some 600 souls; others contain only a score of people and some localities where there would be only four or five families at the most. Without deprecating them, they are all fishermen who are not wealthy, therefore the expense they will be put to should be reduced as much as possible. It is for the cause's own success. Every thing is not accurately reported and I would like to have the interested parties absolutely satisfied as a result of the hon. minister's statements that they are fully protected. These small communities are sometimes scattered at a distance of some 60 miles from quite an important centre; there are some 75 and even 100 miles away. How are you going to reach those little villages very thinly populated; how do the Government intend to protect them, to save them from travelling expenses? Would it not be preferable for the tribunal to move from place to place?

Hon. Mr. DOHERTY: In reply to the hon. member, I may state that as far as possible, we will try to have the tribunal go to those who should appear, whenever it may be shown that it is absolutely impossible to do otherwise, in order to save these people too long journeys to reach the court. Of course, the hon. member will not pretend, I hope, that a tribunal should be constituted for some four or five families. We will try and meet such cases. The same tribunal would have the care of those small villages or communities. Evidently, the tribunal cannot be expected to go from house to house; but, at all events, we will take every possible means to help the population, that they may fill their obligations, as I have already stated, and with the smallest expense possible to them. It seems to me that the hon. member as well as those he represents need have no uneasiness. We will recall to them the "ad impossibile nemo tenetur", and no one will be punished for not having done what he could not do.

Hon. Mr. MARCIL (Bonaventure): (translation): I entirely approve the remarks made by the hon. members for Chicoutimi-Saguenay and for Rimouski. I am glad to hear that the hon. minister will give special attention to these regions. There is one point, however, which these hon. members have not mentioned and upon which I wish to call the Government's attention. About August or September, a large number of young men leave Bonaventure and Gaspé and the two other counties mentioned, to go and pass the whole winter season in the lumber camps, some in the Ottawa district and others around Tupper Lake, in the United States; they are then absent five or six months a year. Should the call be made during their absence, the case of these young men should, I think, be taken into consideration, for they will be away from their homes. I would like the hon. minister to consider this case in his regulations.

Mr. TURGEON (Gloucester) (translation): It is important, in my opinion, to consider the peculiar case of the fishermen who are in very large numbers in the Maritime Provinces. I second the remarks made by the members who have just spoken and I must tell the hon. Minister of Justice that the county of Gloucester has a fishing population perhaps larger than that of the other neighboring counties. We have a fishing fleet of more than two hundred boats, schooners, manned by four or five fishermen each; the father with one or two of his sons, or with the hired help of neighbours, to develop the resources of the sea as well as those of the land; just as do all our Acadian families in Gloucester county and other districts.

For these reasons, I join the hon. members who have preceded me and I ask the hon. Minister of Justice to so fix the regulations that the tribunal which may sit in

Gloucester county as well as in the neighbouring ones, be duly notified of these special cases.

Hon. Mr. DOHERTY (translation): In answer to the two members—it would be useless to repeat what I have just stated—but I can assure them we shall try and give every possible facility to everyone that he may fulfil his obligations.

It may not be out of order to ask the hon. members, when the time comes to apply the Act,—if there are any special circumstances in their counties or in their districts, to communicate them to us—if they have any suggestion to offer as to the best way of meeting such special difficulties, they may submit them to us and I may assure them that we will give their suggestions all due consideration.

Now, as to the possibility of the absence of persons called to serve, I may point out that, as provided in this Act, it is not necessary to apply to one's home tribunal; the application may just as well be made to the nearest tribunal to the place where one happens to be. Thus, for instance, if a young man residing in Gaspé should be in Ottawa when the Governor General's proclamation is issued, he may apply to the tribunal sitting in Ottawa and obtain an exemption certificate from that tribunal. We have no intention to make special provisions so that every young man be compelled to apply to his respective tribunal; I repeat it, the nearest tribunal shall be authorized to hear his case.

Hon. Mr. MARCIL (Bonaventure): (translation): Mr. Chairman, I beg leave to draw the attention of the Minister of Justice to the conditions created by the lumber companies. These companies are often located at forty miles, fifty, seventy-five and sometimes at more than one hundred miles from any settlement; it is useless to add that there exists no means of communication. I do not suppose that the proclamation calling a certain class of men to the colours will be posted in the woods for these lumbermen in particular; it will, therefore, be entirely impossible for these men to know what is going on, their own relatives not knowing where to find them. These men go away in the fall and only come back in the spring and, during this whole period of time, it is almost impossible to communicate with them. Therefore, if the tribunal should sit in any of the months during which they are away, I cannot see how they will be able to obey the law, unless an exemption be provided for in the Act itself.

Hon. Mr. DOHERTY (translation): We will do all we can in order that all classes of people may comply with that Act, and no one shall be held responsible for not having done what he could not do. The Act provides for a fine only against those who do not fulfil their obligations. Now, impossibility is the best of excuses and I do not believe it would be necessary to insert a special clause to declare not guilty the party who has not performed an impossibility.

Mr. GIRARD (translation): Let us suppose a proclamation is issued during winter. As there is no possible means of communication with Clark City, on the island of Anticosti, it is therefore impossible to send them any news of this proclamation. Generally, there are between 600 and 1,000 men who work in the woods; these men come from almost everywhere and a large number of them are from my district. I then understand, from the words of the hon. Minister of Justice, that this would be a case of impossibility, and there is no doing impossibilities.

Hon. Mr. DOHERTY (translation): I understand that, if it is impossible for those people to reach a tribunal, or for a tribunal to reach them, that is a case of impossibility.

Mr. MEIGHEN: Section 3 has not yet been passed by the committee. A suggestion by the hon. member for Halifax (Mr. A. K. Maclean) as to subsection 2 stood over for consideration. Earlier in the debate the hon. member for Chambly and Verchères (Mr. Rainville) urged very strongly that the date of the marriage, after which the marriage should have no effect upon priority of call, should be changed to the date of the acceptance of the principle of the Bill by the House of Commons, instead of the date of the introduction of the Bill. The hon. member further urged that the Bill should take into account marriages that were contracted for prior to the introduction of the Bill. I think the suggestion of the hon. member will be met by adopting the date of the acceptance of the principle by this House. That date could not have been determined upon at the time of the introduction of the Bill, and it is in reality the more logical date of the two. Once the House of Commons accepts the principle of the Bill it is fair to assume that the people of the country will accept it as the law when passed. I therefore move that in place of the words "11th" and "June" in sub-

clause 2, there be inserted the words " 6th " and " July."

Mr. NESBITT: Did my hon. friend take into consideration the suggestion of my hon. friend from New Westminster? (Mr. Taylor).

Mr. MEIGHEN: We have all taken it into very careful consideration from the beginning. The hon. member for New Westminster and the committee will agree that, after the grouping of the first, second and third classes together, and after the abolition of even the semblance of priority as to obligation between the former three classes of these two groups, no purpose will be served by making a further alteration in the Bill.

Mr. CURRIE: I do not see why we should put any unmarried men in the third category. I think that every unmarried man should go before we call on any of the married men, regardless of age. It may be said that the older unmarried men are not as fit for war service as the young married men. In that case the medical certificate will let them out. There is no other country in the world where the unmarried men are held back and the married ones sent to the front. I do not think it is fair that unmarried men, many of them wealthy, driving their automobiles, men who are too mean to marry, should be left at home and the married ones sent.

Mr. MARCIL: Perhaps some of them could not find a girl.

Mr. CURRIE: Yes. They constitute two classes, one class very wealthy, who drive automobiles, are selfish, and do not get married; and another class of fellows who are of no value to the community—perhaps marking in billiard rooms or holding horses in livery stables. That class, if physically fit, should go before the young married men, and I appeal to the justice of the House and of the minister in that respect. We have already sent too many married men, and the country will have greatly increased financial burdens in consequence.

Mr. MEIGHEN: I think there is a great deal more to be said on the other side of this married men's question than has yet been uttered, although I certainly do not wish to prolong the discussion. We cannot get over the necessity, from the point of view of national interest, of calling the single men before the married men. But there is a great deal to be said for the contention that the unmarried women of this country have to be considered as well as the married women. The married women, when their husbands go to the front, are entitled to separation and to consideration of one kind or another; but the unmarried women have none of that. I do not want to pursue the matter further. No doubt the unmarried man, other things being equal, is freer, and his domestic position has not the same encumbrances. But we cannot shut out of consideration the other point of view, which I venture to suggest to the committee. I think, in a word, we have gone as far as we can in putting priority of obligation upon the unmarried men.

Mr. NESBITT: Was it not suggested that divorcees should be considered as unmarried?

Mr. MEIGHEN: Yes. Divorced men are not married, and consequently come in as unmarried men here. Of course, if they have other domestic obligations, they can claim exemption under section 11.

Mr. E. M. MACDONALD: The figures showing the relative numbers of married and unmarried men given by the Prime Minister when introducing this Bill are six years old, and for the moment it is impossible to tell how many there are of each class in Canada and how many of each class have enlisted.

Mr. MEIGHEN: The Minister of Militia informs me that we have no figures of that.

Mr. PARDEE: The ultimate cost of sending unmarried men is not as great as that of sending married men. I can only reiterate that, in my opinion, the unmarried men should be the first to go.

Mr. CURRIE: The one thing that has brought the voluntary system into disrepute more than anything else is the tremendous amount of red tape that has surrounded the separation allowance. Under the King's Regulations, a soldier has to get the consent of his officer to marry. The common soldier is not allowed to address his officer on any matter of business or discipline unless he is brought before the officer by a non-com. That is the rule of the army. A young Canadian desires to get married, He asks his corporals or sergeant to bring him before his officer. When brought there he states his case. The officer is perhaps a young subaltern, who says, "That is all right, I will tell the commanding officer." Then he forgets all about notifying the commanding officer, or goes off with the men to

Europe and the department is not notified that consent has been given to that marriage. Very many cases constantly come to my attention, and I am sure every member of this House is aware of cases of that kind, where no separation allowance was allowed, all through the carelessness of the officer not giving notice to the department that he had given consent. There is no form which the officer can fill in, showing that he had given his consent. This is an old army regulation made at the time when men were living in quarters, quarters had to be provided for the men, and only a certain number of men were allowed to get married in each regiment of the regular army. The regulation was framed to prevent a man marrying an undesirable. I think, as far as we in Canada are concerned, we can safely assume that every man who has joined the forces and married, has married a good woman, and no objection can be taken on that score. The next point is the obtaining of the consent of the commanding officer. In every case I have had occasion to investigate, I found the officer had given his consent, but neglected to notify the proper authorities. The result is that these women have suffered, and are suffering, great hardships, and the system has been brought into contempt. I submit that it is not too late for the department to adopt a regulation, which they can do at any moment by Order in Council, providing that every women married to a Canadian soldier is entitled to separation allowance, without hunting up the officer, and that, in no case, will the allowance be kept away from her, unless the commanding officer has notified the department that the man has married an undesirable. I think the members of this House will consider such a regulation very fair and just, and it will prevent a lot of red tape. These conscripts will be getting married, and we may have a lot of difficulty. It will simplify matters if it is presumed the consent was given, and in no case should the separation allowance be withheld, unless the commanding officer notified the department that it was not in the interest of the state that the separation allowance should be paid.

Sir EDWARD KEMP: My hon. friend refers particularly to marriage in England?

Mr. CURRIE: No, in Canada. I have in mind two cases.

Sir EDWARD KEMP: So far as Canadian marriages are concerned, we need not worry very much, because there has been no great restriction placed upon young men marrying in Canada, but there have been very great difficulties encountered in this regard in England, for reasons that are apparent to any one who has studied the situation. An Order in Council has been passed to safeguard the public and to safeguard individuals. Our young men in this country have not been accustomed to all the conditions which exist in London and in other places in England, and it has been with a view of preventing a certain kind of marriage taking place in England that restrictions have been placed upon the soldiers marrying. It is not desirable that the young men of this country should contract hasty marriages in England, and marriages, perhaps, in some cases, with women who are not desirable wives for young Canadians, and, therefore, safeguards have been provided. After giving the matter a great deal of thought and consideration, an Order in Council was passed a short time ago, whereby a young man desiring to get married must obtain the consent of the officer commanding, and the officer commanding was directed to secure the best evidence he could to show that the woman was a desirable woman for the young man to marry. He was also directed to call to his assistance the clergyman of the parish, if possible, to certify as to the character of the woman whom the soldier desired to marry. I think these safeguards were necessary. Therefore, I am sure the course that has been adopted will be approved.

Mr. CURRIE: I am not dealing with the question of marriages in England. That is a seperate matter altogether. I stated that the regulations should be such that it would be presumed that any young fellow who married in this country had received the consent of his commanding officer before being married. I have a case in mind of which I was notified the other day. I have the letter of the commanding officer, written some months ago, that he gave his consent in the town of Barrie to the man marrying a respectable woman, and her separation allowance has not been granted. Other cases have been brought to my attention all over the country. Men have been married, and the officers commanding have neglected to send the notice to the department. I believe, after the men go abroad, the regulations should be much stricter. My own experience in the matter bears out every word the minister has said, but I think a regulation should be made, dealing with conscripts and with those who have been married already in Canada, giving the separation allowance, without any

further red tape. I ask the minister to facilitate this, so that we will not have any question about the separation allowance to the wives. Many separation allowances have been standing for three years, and are not settled yet.

Mr. NESBITT: A month or so ago, I took up a case with the department. The young man claims his name was posted on the bulletin board at the barracks for two weeks previous to his getting married, and I have not had any satisfaction from the department. In that case, the woman is just as good as any woman in Canada.

Mr. SMITH: I desire to emphasize the remarks of the hon. gentleman from Simcoe. I think the line is drawn too tightly in connection with some of the separation allowances. I have a case in mind where a soldier in England had not only been reduced in rank, but his wages or earnings had been withheld from him, and the separation allowance was withheld from the mother. It appears to me that the poor mother in Canada should not have to bear any of these hardships, because of what takes place in England.

Mr. BARRETTE (translation): Will the minister allow me a question?

Hon. Mr. DOHERTY (translation): Certainly.

Mr. BARRETTE (translation): Are the members of this House exempted from the operation of this Act and if not will the members who voted for the bill be the first called in the service?

Mr. DOHERTY (translation): Under the provisions of this Act the members of the House of Commons are not exempted from compulsory military service. I do not know, of course, who are those who will have the honour of the first call. I am inclined to believe though, that all members of military age are anxious to serve.

Mr. THOBURN: A peculiar case was brought to my notice yesterday. A family living in my county, father and mother, had five sons at the front, and these sons had been the sole support of their parents. One of the sons was killed, and one of the remaining four was a married man, consequently there was a separation allowance for his wife. Unfortunately the mother of these boys died. The three remaining boys had not made any provision for assigning their pay. Consequently, the father received nothing. No blame is to be attached to the Militia Department because no provision has been made for such cases. But this is the case of a father and a mother whose five sons, their only support, are in the army, the father being in poverty. My hon. friend (Mr. Bradbury) says they should get the assigned pay accordingly. But it appears that when they do not get separation allowances, they are not entitled to assigned pay. Appeal has been made to the department in charge of such matters, and a remedy will, perhaps, be afforded. Under present conditions, however, if special provision is not made to cover such cases, the father will get nothing.

Mr. OLIVER: I wish to give an instance somewhat similar to the one my hon. friend has mentioned. A widow living in Inverness, Scotland, has four sons, one of whom is in the British service. Of the other three, who are living in Canada, two, being unmarried, volunteered in 1916. The other son in Canada was married. The three young men in Canada were jointly supporting their widowed mother in Scotland. When the two unmarried men volunteered it was arranged that the third brother should assume the whole of the charge in respect of the mother that the three had previously been carrying. This brother afterwards applied to the department for a separation allowance for his mother so that he might volunteer and his mother still be protected in her support. The allowance has been refused to the mother, who is entitled to separation allowance for only one son. When application is made for separation allowance on behalf of that son the reply is that he was not the sole support of his mother and that she is, therefore, not entitled to separation allowance on his account. If this widow had had only one son in the army and two others in civil life—married men—she would have been entitled to separation allowance, but having three sons in the army, she is not, according to the regulations, entitled to any consideration. I think that is a strange rule. The widow whose two sons in Canada have gone to the front, to say nothing of the one son in the British army, should not be penalized as the result of greater sacrifice on the part of members of her family.

Sir EDWARD KEMP: Many different combinations arise in respect of the adjustment of separation allowances. The member for North Lanark (Mr. Thoburn) mentioned one case and the member for Edmonton (Mr. Oliver) referred to another that was

not on all fours with the case mentioned by the member for North Lanark. But they are both exceptional cases; I have no doubt that many other members have in mind similar cases of what might be called—well, not quite irregularities, but something of that kind. The rules have been amended over and over again in order to meet different conditions. As soon as those conditions are met, we hear no more about the difficulties which the regulations were designed to remove. But new combinations and new difficulties arise, and in order to meet these and to clean up some old claims which have been accumulating, I appointed a board of two officers—lawyers—who had returned from the front. I associated them with the Assigned Pay and Separation Allowance Branch. They have been going over these cases, but have not yet caught up with them all. It is the desire of the Department to cover all these cases and to endeavour to get them straightened out, but it is a very difficult task. I do not think that it is possible to make rules and regulations which will cover every case which is bound to come up. At the same time, I admit that such cases of hardship as the hon. gentlemen has referred to ought to be covered in some way. I think that the board to which I have referred will be able to accomplish that.

Mr. OLIVER: I wish to complete the statement of the case to which I referred. The latest report I had from the Board was that inasmuch as the widow was receiving support from her married son in Canada, she was not entitled to separation allowance. I pointed out to the minister that the arrangement made by the son in Canada to enable his brothers to go to the front was not an ordinary family obligation. It was an exceptional obligation, assumed purely from patriotic motives, and should not debar the mother from the right to separation allowance, in respect, at any rate, of one son.

Mr. BARRETTE (translation): Has the Minister of Justice thought of enlisting the inmates of the State penitentiaries and prisons and does he not believe it would be better to enrol them instead of enlisting our farmers. It would certainly be a saving to the country and it seems such a suggestion should meet the approval of the Minister of Justice.

Mr. DOHERTY (translation): In answer to my hon. friend, I may observe that the inmates of the State penitentiaries and prisons are not exempted under this Act. I think they could claim exemption just now, for their answering the call would be found impossible unless we set them at liberty. As to what should be done towards those inmates. the question has been and will still be considered. There are a great many things to be pondered over before we reach a definite conclusion as to the enlistment of those prisoners and inmates, and I have already had occasion of making some remarks in this House upon that matter. However, I do not think it would be possible or desirable to send all of them to the front, without discrimination. There are many of them whose crimes and character would render such a move altogether undesirable, and who could not be enlisted with the other respectable citizens forming part of our military forces under this Act. Therefore a choice would have to be made and the matter will be considered.

Section agreed to.

Mr. MEIGHEN: Coming to section 5, which is already carried, I beg to move:

That subsection 3 of section 16 be struck out of section 16 and be made subsection 6 of section 5.

This follows a suggestion made last night by the hon. member for North Cape Breton (Mr. McKenzie). The reading is just the same as it was in subsection 3 of section 16 except that in the second line there is a word or two changed. There is no change in meaning. It now reads:

No proceeding authorized or pending before any of the tribunals described in section 5—

The rest is just the same.

Sir WILFRID LAURIER: Will the Solicitor General read the subsection as amended?

Mr. MEIGHEN: (Reading):

No proceeding authorized or pending before any of the tribunals described in section 5, and no decision of any such tribunal shall by means of injunction, prohibition, mandamus, certiorari, habeas corpus or other process whether of the like kind or otherwise issuing out of any court be enjoined, restrained, stayed, removed or subjected to review or consideration upon any ground whether arising out of alleged absence of jurisdiction in the tribunal, nullity, defect or irregularity of the proceedings or any other cause whatsoever nor shall any such proceeding or decision be questioned, reviewed or reconsidered collaterally in any action or proceeding, civil or criminal.

Amendment agreed to.

Mr. MEIGHEN: All the sections up to section 13 are now carried. In regard to section 13, I wish to have added as sub-

section 5 what was formerly subsection 4 of section 16 shortened a little. I therefore beg to move:

That the following be added as subsection 5 of section 13:—

(5) Nothing in this Act contained shall be held to limit or affect punishment provided by any other Act or law for the offence of assisting the enemy nor the powers of the Governor in Council under the War Measures Act, 1914.

Amendment agreed to.

Mr. MEIGHEN: Sections 14 and 15 are already carried. Section 16 has now removed from it subsections 3 and 4. The remainder of the section has been abbreviated chiefly by combining what were formerly subsections 2 and 5. It has also been abbreviated with a view to meeting the suggestion made last night by the hon. member for St. Antoine (Sir Herbert Ames). This is what I propose as section 16:

4 p.m.

16. (1) Any person who comes within any of the classes set out in section 3 and who contravenes any of the provisions of this Act or of regulations for which contravention no other penalty is herein provided, shall be guilty of an offence and shall be liable upon summary conviction to a penalty of not less than ten dollars nor more than five hundred dollars or to imprisonment for a term not exceeding twelve months or to both fine and imprisonment.

That is virtually the same as it was last night.

(2) Any person who by means of any written or printed communication or publication or article, or by any oral communication or by any public speech or utterance,

(a) Advises or urged that men described in section 3 shall contravene this Act or regulations, or

(b) wilfully resists or impedes or attempts wilfully to resist or impede or persuade or induce or attempts to persuade or induce any person or class of persons to resist or impede the operation or enforcement of this Act, or

(c) for the purpose of resisting or impeding the enforcement or operation of this Act, persuades or induces or attempts to persuade or induce any person or class of persons to refrain from making applications for certificates of exemption or submitting evidence in respect thereof,

shall be guilty of an offence and shall be liable upon indictment or upon summary conviction to imprisonment for a term not less than one year nor more than five years.

In subsection 3 the chief amendment is that a suggestion made by the hon. member for Shefford (Mr. Boivin), which I hope the committee will permit me to say is one of the most valuable we have received, is adopted. Subsection 3 will now read as follows:

(3) Any newspaper, book, periodical, pamphlet or printed publication containing matter prohibited by subsection (2) of this section, may whether the printer or publisher thereof be previously convicted or not, be summarily suppressed and further printing or publication thereof and of any subsequent issue of any newspaper or periodical containing such matter may be prohibited for any term not exceeding the duration of the present war; provided no action shall be taken under this subsection or under subsection (2) of this section without the approval of the Central Appeal Judge.

Mr. OLIVER: There is no doubt that this section shows a vast improvement as a result of the discussion of last night. I am not going to find fault with the introduction of the provisions under their present limitations if the Government thinks it is necessary to have such provisions in the Act. That is within their judgment. I must congratulate them on having decided not to insist on the very comprehensive and indefinite provisions which appeared in the section as we were discussing it last night and which the Minister of Justice seemed to consider so very essential to the value of the Act.

Mr. DOHERTY: It is all there still.

Mr. OLIVER: The minister's eyesight must be very much better than mine. I again desire to bring to the attention of the Government the view that I expressed last night with regard to the rights of property in newspapers, and to claim for the newspapers the same protection of the courts that even under this law is not taken away from the individual. This section provides that action shall not be taken to suppress a newspaper except with the approval of the Central Appeal Judge, and is a great improvement over the clause as it read last night; but it will be observed that under this provision the newspaper has no opportunity of justifying its position. There is no provision for consideration of the circumstances; no provision for the taking of evidence, no provision for the consideration of the case except such as the Central Appeal Judge may see fit to give. I claim as a newspaper publisher that a case of this kind, dealing with the administration of our own domestic affairs, is in a different class from the application of the censorship in the matter of treasonable utterances or giving information to the enemy. This clearly and distinctly deals with a matter of internal administration—with the administration of the internal affairs of this country by a party government, and as such, is on the one hand entitled to be criticised in the public interest, and on the other hand is subject, when power is given

as it is given here, to action being taken from motives of party prejudice rather than from motives of the public interest. All I ask is that the newspaper be treated as the individual is treated, and that those who are responsible for its management have the same privilege of showing cause, under the same circumstances as the individual against whom proceedings are taken under the previous part of this section. I think the Prime Minister or the Minister of Justice said last night that that was not practicable. I say that it is practicable absolutely, so far as civil matters are concerned. I have had some experience, and I am aware that a newspaper in actions for libel is dealt with as if it were a person; that is, the suit is against the owners of the paper. In the case of an accusation being made against a newspaper such as is contemplated in this section, there is no reason, from the point of view of the administration of law, why the newspaper should not be given the same rights and standing as the individual. I claim that the large investment in the newspapers of this country, the importance of their work, and the very difficult position that they have to fill in their service to the public, renders them essentially entitled to at least the same protection that the individual enjoys.

Mr. MEIGHEN: I beg to move that the new section 16 which I have just read be substituted for the old section. I also move that subsection 6, which provided for the coming into force of the section under the sanction of the Governor in Council, be struck out. When we come to section 17, I will move that the second subsection also be struck out.

Mr. MARCIL: I presume that a newspaper proprietor will be given a hearing before action is taken by the Central Appeal Judge to suppress his newspaper. Newspapers employ quite a large number of men, and the sudden suppression of one without giving the proprietor an opportunity to be heard might not be in the public interest.

Sir ROBERT BORDEN: My hon. friend will realize that, except in a very flagrant and outrageous case, the suppression of a newspaper for one offence would not be probable at all. If any action were taken under this provision I should imagine the newspaper would be first warned, if it were publishing matter that came within the provisions of this Act; perhaps it would be warned more than once, unless its conduct was exceedingly outrageous and detrimental to the public interest.

Sir WILFRID LAURIER: I would point out to my hon. friend from Bonaventure (Mr. Marcil) that a newspaper cannot be suppressed except with the approval of the Central Appeal Judge. He would not suppress a newspaper without just cause.

Mr. MARCIL: I have had some experience in reporting public speakers, and I have in mind a case in Montreal which went as far as the Privy Council. If members of this House, after listening to a speech, were asked what the speaker had said there would be many different versions. Before action is taken against a newspaper will steps be taken to obtain an authentic report of what the speaker really said?

Mr. MEIGHEN: Before a prosecution was entered, the very best means of getting an authentic report would doubtless be adopted.

Sir ROBERT BORDEN: It would be useless to bring a proposition otherwise.

Mr. MACDONALD: I am very glad to see that the provision, which I considered very anomalous, making it an offence to induce other people to embarrass the Government, has been struck out. The section is now very much more intelligible. Referring to what my hon. friend from Bonaventure has said, I would assume that the evidence necessary to prove the utterance of the speaker would be the same as to prove a fact in any other court. I might ask the Solicitor General if there are any provisions by which a newspaper is given any particular credence, or is the whole matter to be left as if it were the proving of any other fact?

Mr. MEIGHEN: In the case of subsection 2, the prosecution is on the same basis as any other prosecution. Section 14 is the only clause in the Act containing anything about the burden of proof.

Sir ROBERT BORDEN: Which does not relate to this.

Mr. MEIGHEN: Which does not relate to this.

Section as amended agreed to.

Mr. MEIGHEN: I beg to move that the last clause of new section 17 be struck out. In view of the fact that the section relating to defiances of the Act can be most usefully brought into operation when the Act itself is in operation, and of the further most important fact that there is really no executive

action taken under the Bill until the proclamation referred to in section 4 is issued, the object of this subsection is really obtained by the presence of section 4 of the Act.

Mr. A. K. MACLEAN: It may be quite correct that it serves no useful purpose, inasmuch as the machinery putting the Act into operation must be proclaimed under another section, still, I think it would be a mistake to eliminate this section. I was in hopes that before the Bill came into operation there would be a further effort made for voluntary enlistment in this country, which might possibly obviate the necessity of ever putting this Act into force, and for that reason I would like to see this clause remain in the Act.

Mr. MEIGHEN: I think it rather complicates matters to leave it in, for this reason: section 16 must be brought into effect as soon as the Act is sanctioned. It would not do to leave section 16 utterly wanting of operation until the Act was called into operation, because if that were allowed the Act might be made very difficult of operation in advance, by means that would be legal. With this clause in the Act, one requires a section calling section 16 into effect previous to calling the Act into effect. If my hon. friend will read section 16 he will find difficulty in getting a very decided or certain interpretation as to just what a court could do under it, if the rest of the Act were not in effect. I do not see any reason for retaining this section, and I can assure my hon. friend from Halifax (Mr. A. K. Maclean) that the object he has in mind will be just as well attained with the Act in the form I moved it.

Mr. E. M. MACDONALD: Would it be out of place to remark that I am very glad the Solicitor General has seen fit to take the view he has of the anomaly that would have existed in asking the courts to impose a penalty on a man for contravening an Act which had not come into force. I pointed this out last night to my hon. friend the Minister of Justice, and he argued at some length that the view we took on the subject was not worthy of very much consideration.

Mr. DOHERTY: I do not think I stated it exactly as my hon. friend says. On the contrary, I gave it a great deal of consideration, and the result has been very satisfactory.

Motion agreed to.

Mr. MEIGHEN: All that remain are exceptions 6 and 7 of the schedule.

[Mr. Meighen.]

Sir ROBERT BORDEN: Following the precedent of the United States Act for compulsory service in that country, I would move that section 6 be amended by inserting after the word "including," in the first line, the words "divinity students and."

Sir WILFRID LAURIER: The Militia Act has numerous classes of exemptions. Section 10 says:—

10. All the male inhabitants of Canada, of the age of eighteen years and upwards, and under sixty, not exempt or disqualified by law, and being British subjects, shall be liable to service in the militia; provided that the Governor General may require all the male inhabitants of Canada, capable of bearing arms, to serve in the case of a levee en masse.

Section 11 provides:—

11. The following persons only shall be exempt from liability to service in the militia:—

Members of the King's Privy Council for Canada.

Judges of all courts of justice.

Members of the Executive Councils of Provinces.

Deputy Ministers of the Federal and Provincial Governments.

Clergy and ministers of all religious denominations.

Telegraph clerks in actual employment.

Officers and clerks regularly employed in the collection of the revenue.

Wardens and officers of all public prisons and lunatic asylums.

Members of the naval militia.

Members of the police force and fire brigade permanently employed in incorporated cities, towns and villages.

Professors in colleges and universities, and teachers in religious orders.

Persons disabled by bodily or mental infirmity.

The only son of a widow, being her only support.

Pilots and apprentice pilots during the season of navigation.

Persons who, from the doctrines of their religion, are averse to bearing arms or rendering personal military service, under such conditions as are prescribed.

This last provision is also included in this Act, but all the other classes of exemptions are not exempt under this Act. For instance, judges are not mentioned in the Act, nor are members of the Executive Councils of the provinces, deputy ministers, telegraph clerks in actual employment, etc. What is the intention of the Bill? We have made the Militia Act a part of the Bill, and as I understand it, all the exemptions under section 11 of the Militia Act would apply under this Act. There is some confusion in my mind, because only one class mentioned in the Militia Act is included in this Bill. What is the explanation?

Mr. MEIGHEN: The circumstances under which this Act is passed differ very

very radically from the circumstances under which the Militia Act was passed. Furthermore, the requirements of the country, the prospective circumstances, differed very radically from the corresponding circumstances in 1905. A great many classes are exempted under the Militia Act of 1904, and I think I could name three or four times as many who would be as well entitled to exemption from that standpoint as those who happen to be mentioned there. In the forming of this Act we endeavour to keep the exceptions down to the minimum, and, in a word, they include only the following. First, contractual exceptions; that is to say, exceptions that, as a nation, we have contracted to make, covered by exception 7; then we except those who are serving or have already served, that is an exception of those who have done their duty: then we make an exception under the heading of religion, having in mind the paramount necesssity of maintaining the moral and religious strength of the community; that is an exception that I think appears in the military Acts of every nation. We have reduced to a minimum these classes of exceptions, and inasmuch as we have adopted the tribunal system or the judicial system of selection, we do not undertake to dictate to these tribunals or quasi-judiciary what should be their action. Under the Militia Act the selection is made purely by lot, and, unless there were specific exceptions, those men would be as likely to go as any others. Consequently there was a necessity for specific exceptions, and I think that they might have gone further, for, in the operation of the Act, they would have run against the most marvellous results. With a system of ballot, the draftsman of the Act had to make specific exceptions; but where the selective system is adopted, it is best to leave discretion to the tribunals.

Sir WILFRID LAURIER: I wanted to know where we were. I do not object to the clause, far from it; I think it is very well conceived. If I had any suggestion to make it would be to make it wider. I would except religious orders from the operation of the Act. As to the contractual exemptions, I do not know that that is a good reason. The only contractual obligation entered into with the Mennonites, when they came here in 1877 or 1878 under the Government of Mr. McKenzie, was that the Government undertook that their religious scruples would be observed. There is no such contract with the Quakers, but they are exempted on the ground of religious conscience.

Sir ROBERT BORDEN: Not an absolute exemption.

Mr. MEIGHEN: The right hon. gentleman fails to distinguish between exemptions and exceptions. Exceptions are given only to those whom we contracted to except. Then there is another class, who may claim exemption if they can prove their case on the ground of conscientious objection. The Quakers would come under that if they could prove their case.

Mr. NESBITT: I am quite sure that many of the parsons do not want to be excepted under this Act. Any I have heard from do not. I do not know why they should be if they are liable to go, any more than any one else. Then why select theological students as among those entitled to exemption?

Mr. MEIGHEN: It is all on the one principle.

Mr. NESBITT: You are making them exceptions. I do not see any reason for that or any reason why the clergy should be exempt. In my section of the country they are not demanding to be exempted; in fact a good many of them have gone to the front voluntarily, some as chaplains and some as fighters—and some of them can fight as well as any one. A good many of them have been preaching to every one else to go and fight, and I do not see why they should not go and fight as well as any one else, especially the theological students.

Sir ROBERT BORDEN: It is quite true that a great many of the clergy have gone overseas in the Canadian Expeditionary Force and that they have rendered very fine service to the State in Great Britain and at the front. That is still entirely open; it is not proposed by this Act to take away that privilege of the clergy.

Mr. NESBITT: It is not proposed to take away the privilege of volunteering?

Sir ROBERT BORDEN: Not by this Act.

Mr. NESBITT: That is referred to in one clause.

Sir ROBERT BORDEN: I am quite sure there is a specific clause to that effect. So far as the clergy are concerned, I think it is proper to follow the precedent of our own Militia Act, which has been in the statute book for 49 years, and also the precedents in Great Britain and the United States. So far as divinity students are concerned, we are following the precedent of the neighbouring nation—and for this reason, as I under-

stand it, that the absence of a very large number of clergymen of various denominations has made it necessary, from time to time, in some of the churches at least, to utilize the services of divinity students, and in some of the churches the student becomes dedicated to the ministry almost from the time he commences his studies. So, under all these conditions, with the precedents we have, with the varying arrangements of the different churches in the country, it seemed proper to make this slight addition to clause 6. May I say to my right hon. friend that members of any recognized order of an exclusively religious character are, in terms, excepted.

Sir WILFRID LAURIER: Yes, I see that.

Mr. MARCIL: My attention was called by some members of a religious order yesterday to the fact that in January, 1916, when the third reading of the Military Service Bill was under debate in the English House, it was moved that the exemption to the clergy be struck out, and that this motion was opposed by Mr. Bonar Law and was withdrawn after a short debate. It also appears that the Archbishop of Canterbury and the Archbishop of York both refused to give their clergy permission to enlist. As the Prime Minister has said, in the United States the law explicitly exempts them in these words:

> Regular or duly ordained ministers of religion, students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools.

The words used in the English Act are:

> Men in holy orders or regular ministers of any religious denomination.

I may say that a large number of the Roman Catholic clergy in Quebec have voluntarily enlisted as chaplains, and that all of those who belonged to the religious orders which have been expelled from France and who have taken up their residence in this country went back to assume their military duties in France. I think the Capuchins in this city lost three or four of their members on the firing line. None of them tried to evade service in any way. I think it a proper position to take that in the public and moral interest of the country these young students should remain at their calling.

Mr. MORPHY: I decidedly dissent from the proposition that divinity students should be placed in the same category as the clergy. I fancy the colleges of this country up to date—at least in many places throughout Ontario—have sent to the front their young vigorous manhood, irrespective of what the future had in store. They have gone boldly to the front, under the voluntary system. I speak for myself only, but it seems to me quite improper that the young manhood attending universities throughout this country—where the universities have not, as universities, shown the same patriotic and loyal feeling that other universities have shown, where, in fact, divinity students have been requested in some cases practically not to go as volunteers—should be exempted under this section. It is incompatible with the dignity of this Parliament that any such exemption should be placed in this Bill. It is not fair to the young men of the country who are not divinity students. One man is as good as another before the law. Each has a duty to perform to the state, and to specialize and single out one body of students, because they may be denominated divinity students, is not to my mind compatible with the true spirit of democracy. We boast to-day about democracy that we all love so much and I do not think there is any distinction, when you come down to ordinary human flesh and blood. I do not think it is fair to the others, who may be conscripted under this Bill, that any class of students should be exempt. The Prime Minister, in my hearing, has given the only good reason that has been advanced why divinity students should be exempted, namely, that, owing to so many of the clergy having gone to the front, the services, in a religious way, of these students must be utilized. But I have never heard it stated that there was any shortage of clerics in any denomination. Consequently, I do not believe that the argument is a fair one, nor is it in the public interest that we should give weight to an argument that thousands of young men throughout this Dominion, who are attending the various universities or schools of a semi-religious nature, or purely and simply divinity schools, should be exempted from the operation of this Bill. I speak absolutely freely, without any sectarian feeling, and I enter a personal protest against any such legislation going upon the statute.

Mr. OLIVER: Does not subsection "C" of section 11 cover the case of all students?

Mr. NESBITT: No, these are different.

Mr. OLIVER: Why are they different?

Mr. NESBITT: That is what I want to know.

Mr. OLIVER: Subsection "C" of section 11, reads:

> That it is expedient in the national interest that, instead of being employed in military service, he should continue to be educated or trained for any work for which he is then being educated or trained.

I think I spoke on that point before, and, for my part, I do not see why there should be any special exemption of those who are being educated or trained for any calling in life in our educational institutions. I alluded to the fact that there has been a magnificent response from those institutions of higher education to the call for men, in spirit and in numbers, and in every other way, and of all our population it seems to me that those in attendance at our educational institutions and our institutions of higher learning are the last who should be put on the Indian list.

Mr. SCHAFFNER: I agree entirely with what the hon. gentleman from North Perth and the hon. member from Edmonton have stated. I think among all the classes of young men throughout Canada, no class has been more ready, and more willing, and has, to a greater extent, volunteered to go to the front than university students. I think that can be proved beyond doubt. But if it is intended to exclude or to exempt university students, I cannot see any argument for so doing. I wish to enter my protest, without any further argument. I cannot see any reason why the divinity students should be exempt. Some hon. gentleman thought we would be insulting the farmer by even offering to exempt him from service at the front. I think the divinity students would feel much more insulted, if they were exempted. They have shown that they are ready to go forward and serve their country, and I hope what has been said along this line will change the minds of those who have the Bill in hand, and that divinity students will not be exempted.

Sir ROBERT BORDEN: The conditions in this country are very much like those in the United States and in this, we are following the precedent which has already been established by that country, and one to which I think there can be no reasonable exception taken.

Mr. NESBITT: If the Premier is following the example of the United States, why did he not exempt the farmers, as they do in the United States?

Sir ROBERT BORDEN: I am informed that they do not.

Mr. NESBITT: I understand they do exempt them.

Sir ROBERT BORDEN: I have not read the Act carefully, but if I am right, that answers the hon. gentleman's question. I have no personal knowledge of the matter, but it has been represented to me that divinity students have been called upon in this country to undertake duties such as are ordinarily performed by the clergy. In addition to that, there is another circumstance, which I think might fairly be taken into consideration, that in some of the churches of the country, one church at least, the divinity student is dedicated to the ministry from the time he commences his studies, or almost from that date, and, therefore, he is looked upon and regarded as, in effect, a member of the clerical order from that time. It has been admitted that it was a proper thing to exempt the clergy. I am well aware, because I have received telegrams and messages from gatherings of clergymen of some of the churches in the country, that they would be content not to be exempted— in fact in some cases they rather suggested that they had rather not be exempted.

I know that clergymen who have gone to the front have been animated by a sense of duty, and they have performed their duty well. But, if we admit that we ought to except the clergy—and they have been excepted in this country for forty-nine years—we are not taking a very pronounced or dangerous step in advance when we except divinity students as well. That is why the Government thought it advisable that this slight amendment should be made in clause 6.

Mr. BURNHAM: I cannot understand why divinity students should be deprived of the privilege of going to the front.

Mr. PROULX: They are not deprived of it.

Mr. BURNHAM: I do not believe that they should be excepted or exempted. I have yet to find a divinity student who is better than any other man. As to his being dedicated, I think it is assumed that he is dedicated only when hands are laid upon him. Technically speaking, that is the time of his dedication. After that, if he does not pass his examinations, he is not dedicated at all. After all, it is a very

mundane affair. I do not agree that the clergy should be excepted. Certainly that provision will look very bad; it will make the clergy look as if they were a poor, miserable lot of people.

Mr. PROULX: I agree with the views of the Prime Minister on this point. Speaking in respect of the Catholic clergy, I know that many divinity students are engaged also in teaching in colleges and seminaries, and it would be a great handicap to those educational institutions if the divinity students were taken away and sent to the war. They have been exempted in the United States Act, the provision reading, in part:

> Regularly or duly ordained ministers of religion, students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools.

A similar exemption should be provided in this Act.

Mr. NESBITT: If these students are teachers, they would be a proper class to exempt; why they should otherwise be specially considered, I do not understand. With reference to my suggestion that those engaged in agriculture in the United States are exempt, I do not find that provision in the United States Act; therefore I was misinformed. When the member for West Peterborough (Mr. Burnham) was speaking, I was reminded of a young man who went to college and had been well and sufficiently educated for the Church. When he came home, his father said: Well, John, you have the education, but you lack the grace of God; so you can go at something else.

Mr. OLIVER: In France, the clergy are not exempt. In 1914 or 1915 I met a priest of the Catholic Church, a native Frenchman, who at that time expected to be called as a reservist to France. The clergy there are subject to the same regulations as those applying to other people.

Mr. MARCIL: But French precedents do not go very far in this country; we generally follow British precedents. If the hon. gentleman goes far enough into French precedent, he will see that France has done a great many things in the religious domain during the last ten or fifteen years. For one thing, it has suppressed the Sundays—a highly respectable institution in this country.

Mr. OLIVER: My hon. friend should be more familiar with the current history of the country of his forefathers. The observance of Sunday has been restored in France by recent authority.

Mr. MARCIL: There was an arrangement by which a man could choose one day in the week during which to take a day's rest —jour du repos hebdomadaire, as it was designated then. The day might be Saturday, Monday, or any other day in the week. All the elections and other kinds of state business were carried out on Sunday. I think, therefore, that French precedent will not go very far in this country. I would point out to the member for North Oxford (Mr. Nesbitt) that Roman Catholic divinity students enter the Holy Orders at the age of about twenty or twenty-one. Although they do not receive full orders until they finally reach the priesthood, in the eyes of the Church they are part and parcel of the Church from the time they receive their first minor orders. They are more than students, in the ordinary sense of the word; they form a part of the clergy, even though final degree of priesthood is not conferred.

Mr. NESBITT: Then they are all the better prepared to die.

Mr. MORPHY: If divinity students are part of the clergy I see no reason why they should be specially mentioned—but I do not say that that is a proper interpretation of the meaning of the words as used in the Act. It is extraordinary that a matter of this kind should not appeal to the sense of the committee in a directly opposite manner. The member for Bonaventure (Mr. Marcil) has just told the committee that they have suppressed the Sunday in France. There is no question of that kind here. But, if I am correctly informed, over 11,000 of the priesthood of France are in the front line trenches doing the duty of soldiers. In Italy about 11,000 priests are fighting in the trenches for the cause of civilization and liberty. It is beyond my comprehension why, at a time when Canada is calling for 100,000 men, whom she badly needs, we should insert in this Bill a clause to withdraw from the young manhood of the country a large amount of splendid fighting material. I can scarcely conceive that such a thing is possible. Are these young men asking for this provision? Who has asked for it? Why is it put in? It seems to me most outrageous that this class should be specifically exempted—a class including men from 20 to 28, the very life-blood of the country that should go and support our soldiers at the front. I pro-

test most strongly against this invidious distinction, especially in view of the assertion of the member for Bonaventure that divinity students are part of the clergy. There are Protestant students who are not part of the clergy; let us get them. If, having regard to his assertion that divinity students are part of the clergy, my hon. friend wants to withdraw all his co-religionists from the operation of this Act, then it is time for us to define what "clergy" shall mean under this Act. If what the member for Bonaventure says is true, the Bill is radically wrong in its use of the word "clergy." If divinity students are included in the word "clergy," I would ask the committee to define the meaning of the word, and to provide that it does not include students who are liable to become clerics. If from the use of the word "clergy" we are to infer that students are part of the clergy, I most emphatically protest against the inclusion of the words "divinity students."

Mr. OLIVER: This is a Bill for military, not for religious purposes. While I, for one, would not agree to follow the precedent of France in matters of religion, I think we could not do better than follow the precedent of France in military matters.

Mr. MICHAEL CLARK: I find myself in entire sympathy with the Bill as it stands on this question. Two considerations occur to me that will help us to a rapid decision. In the first place, the number affected as divinity students would be comparatively limited; the loss to the fighting forces would not be very great if we kept all the divinity students at home. I must say that it is strongly present to my mind that in all English-speaking countries the clergy have been held to occupy a special position. The second consideration that arises in that connection is this: That there is no intention, as I understand the Bill, of preventing them from enlisting voluntarily. They have full freedom to go voluntarily, as some of the best men in England and Scotland have gone, and have made the supreme sacrifice. But when the matter comes to compelling men to leave the spiritual avocation of the clergy of the community, then I think the sentiment of all English-speaking countries would be in favour of the Bill. From our youth up, we have rightly regarded, and been taught to regard, the clergy as being a special portion of the community dedicated to the most solemn work that can occupy human beings. They baptize us in childhood; they solemnize our marriages; they console our relatives when we are dying and they say the last rites over our clay. For that reason, as I say, they have always been held in special regard, at least in the countries that compose our Empire, and I certainly think that to compel them to leave what is the highest avocation that can occupy the minds and energies of men in order to fight would be an act which would not meet with the general approbation of our people.

As to the practical point raised by the Prime Minister in regard to students being used to occupy the position of clergymen who have gone to the front, once a student of divinity has embarked on his course and been given the mark of his calling, it would be a foolish act on the part of this Parliament to use compulsion to make him leave those studies and his high calling for the purpose of serving his country at the front. For these reasons I endorse very strongly the Bill as it stands.

Mr. CURRIE: I desire to call the attention of the Prime Minister to the case of the medical students. There are a great number of medical students. Many medical students enlisted in the various contingents before completing their studies and went to the war. A number of them were sent back last fall to complete their studies so that they might later on return to the front to engage in work in the medical service. I do not think it is fair to take any student of medicine. If you are going to exempt any class of students, you should exempt any student who desires to dedicate his services to the war. When he is called out, you should make some arrangement whereby he would, whilst a conscript, be permitted to finish his medical studies in his university, so that he may qualify himself to be of service in the war. Skilled medical men are very much needed in the war zone or in the hospitals behind the firing line. The last resources of medical men are being drawn upon, and hundreds of students have been allowed by the British Government and by our Government to return home in order to complete their studies.

So far as divinity students are concerned, I have no hesitation in agreeing with the remarks of the hon. member for North Perth (Mr. Morphy). I think we have gone far enough in linking up this Parliament to the church. There is no Church and State in this country any more, but we are linking this Parliament up even with divinity students. Most divinity students

never become clergymen. One-half of the students that I have known that have taken up a divinity course have finished in law or something else, so that whilst I have every deference to the desire of the Prime Minister to grant exemption to divinity students, there are divinity students and divinity students, and it would take us all night to make a distinction between the different classes. What about students of Christian Science, which is considered a form of religion, and various other beliefs? The gate for exemption would be very wide. When I hear of riots and troubles in various cities over this Bill, I find that the people raising most of the row are divinity students who are throwing bricks and other things of that sort. When you are not exempting the farmer, and not even giving an intimation to the tribunal that special consideration must be given to the claims of agriculturists—

Mr. NESBITT: That was ruled out.

Mr. CURRIE: —it is going too far to say that the tribunals shall not be allowed even to look in upon a divinity student. With all due deference to the minister in charge of the Bill, I must say that my experience with tribunals of various kinds is that they will hew to the line, and unless you give them some special intimation as to how you desire their decision, they will decide strictly according to the letter of the law. Whilst this is called a selective measure, there is not in it a single line which indicates that the agriculturist, the munitions maker, the shipbuilder, the man who transports food to the cities—men who are needed if anybody is needed— are to be exempted, and still we go to all the trouble to say that we will exempt a section of the community that, from a purely economic standpoint, is of no use to us. I respect the clergy; I think it is only right that men engaged in the avocation of clergyman should be exempted; but if you exempt divinity students, the divinity colleges will not be able to hold all the students. It is time that we drew the line somewhere, and if divinity students are to be exempted, we shall have to adopt some method of intimating to the tribunals that the agriculturists will have their claims considered when they come before the tribunals. Fancy a poor farmer's boy who has never been before a tribunal in his life, appearing before one to claim exemption. Who is to speak for him? Nobody. And these tribunals are composed not of farmers but of professional men, and the professional classes of this country are constantly saying: Oh, the farmers have not volunteered in sufficient numbers—and they will not let off the farmers. My experience of my county is that the farmer's son has gone to the front more readily than the young man from the town or village, and the farmer is therefore entitled to every consideration. He is giving his share to this war, and he is more entitled to consideration than the divinity student. But more especially is the medical student entitled to consideration, and I think the Prime Minister should insert in the Bill a provision that medical students shall not be conscripted until they get their degrees.

5 p.m.

Mr. A. K. MACLEAN: I suppose it is understood that under paragraph (c) of subsection (1) of section 11, medical students may be exempted.

Mr. CURRIE: They are not specifically exempted by the Bill.

Mr. A. K. MACLEAN: The remarks made by the hon. member for North Simcoe (Mr. Currie) are very applicable, and it might be satisfactory if the Solicitor General said, as a matter of record, that medical students would be exempted under that paragraph.

Mr. MORPHY: Also agricultural students.

Mr. MEIGHEN: All students may apply for exemption under that paragraph.

Paragraph 6 agreed to.

On Schedule; paragraph 7:

Those persons exempted from military service by Order in Council of August 13, 1873, and by Order in Council of December 6, 1898.

Mr. MACDONALD: Who are those persons?

Mr. MEIGHEN: By the terms of each of those Orders in Council, there is specific exemption from military service. The first one refers to the Mennonites, who come from the slopes of the Caucasus in Russia. Previous to their coming, certain representatives were sent to Canada, and the land was spied out and the conditions discussed. One of the conditions was that if they were to settle in Canada they would be exempt from all forms of military service. Practically similar provisions are inserted in the Order in Council which followed on the trip of inspection by these representatives. The Doukhobors, who came in 1898, were also promised exemp-

tion from military service by specific terms of an Order in Council. It was felt that as the honour of the nation was pledged to these people, they should not have to prove their case before tribunals, and consequently they have been definitely exempted.

Mr. MARCIL: Are they very numerous?

Mr. MEIGHEN: I do not wish to say that the Order in Council applies to all of them, but those to whom it does apply make up a substantial number.

Mr. OLIVER: Does the Order in Council carry the exemption down through succeeding generations, or is exemption guaranteed only to those who came to Canada under the terms of the original Order in Council?

Mr. MEIGHEN: The point raised by the hon. member has been in my mind. The Order in Council does not in definite language carry the exemption to succeeding generations at all. Whether or not it could be contended that was the intention of the Order in Council is a question that, I think, we should not now determine. We should abide by our contract as it may be interpreted by the tribunals. The question may finally come before the Central Appeal Judge. The Order in Council simply says that these people are exempt from military service. It would appeal to me that the intention of the country was to exempt them as a community. I could scarcely argue before this House that the intention was simply to exempt the actual men who came originally, and not their children. However, I do not pretend to give a decision; it is not for me to do so. The Order in Council does not in specific terms exempt the children.

Sir WILFRID LAURIER: The Mennonites, when they came to this country, followed the tribal system, living in villages and communities of their own. I suppose those who have adhered to that system will be entitled to exemption, but that may not be the case with those who have gone to our cities and towns and have been absorbed into our population.

Mr. MEIGHEN: That seems reasonable.

Mr. CURRIE: The Mennonites have been proselytizing all over the country, and have formed churches of their own amongst our Canadians. I have in mind a number of such churches. There are two in my riding formed by Mennonites, none of whom came from the Old Country. I do not think the exemption should be granted to them, just because it is being granted to those who originally came from Europe.

Mr. MEIGHEN: Exemption will not be granted to all, but simply to those to whom the Order in Council applies.

Mr. MORPHY: Only to those who came at the time the Order in Council was passed?

Mr. MEIGHEN: That is the way the Order in Council reads. I would not care to take the responsibility of deciding whether it applies to their descendants also.

Mr. MORPHY: In the western part of Ontario there are communities of Mennonites in the counties of Waterloo, Huron, the two Perths, and part of Bruce. Many of the children and grandchildren of these men have left the Mennonite church as they grew up and joined some other, possibly the Evangelical Methodist. Where do they stand? The same answer, I suppose?

Mr. MEIGHEN: I do not think the Order in Council applies to any Mennonites in Ontario, but to those who came to this country and settled chiefly, if not altogether, in Southern Manitoba; perhaps some went further West. I would say with some deference that the Order in Council could scarcely be held to apply to any who left the Mennonite faith, no matter whether they were Mennonites originally or not.

Mr. McCRANEY: I represent a considerable number of the Mennonites to whom this Order in Council applies. Briefly, their history is, I believe, that they originally lived in Germany and were put under military service by Frederick the Great. On the invitation of Catherine of Russia, about 125 years ago, they removed to the neighbourhood of Odessa, in Southern Russia and established themselves in large colonies there. They were allowed to use their own language—they speak Low German—and they grew up enjoying their own customs and living at peace with the Russian Government. Although they speak the German language I find that their sympathies in this war are with Russia, because of the very friendly attitude which the Russian Government had always assumed towards them, and of the way in which their rights had been preserved in that country. About 1873 the Russian Government began to impose military service on the Mennonites, and in consequence they sent a delegation to Canada. I believe this delegation went to southern Manitoba, and, finding conditions satisfactory,

correspondence took place between the Minister of Agriculture and representatives of the Mennonites in which they set forth that they would like to come to this country if they could be guaranteed exemption from military service. It was because of opposition to military service that they had left Germany in the first place, and also why they wished to leave Russia. So the Order in Council was passed. My Mennonite friends tell me that they are not exempt in Russia to-day; they are not, however, engaged in combatant service, but work with the Red Cross and that sort of thing. Notwithstanding the fact that the Mennonites in this country are exempt from military service, a number of the young men of the Mennonite families in my constituency have volunteered and have lost their lives at the front in the defence of this country.

Mr. MACDONALD: Would the Solicitor General be good enough to put on Hansard or lay on the table of the House these Orders in Council, because this question will undoubtedly come up in the enforcement of the Act, and it is very important that the exact terms of the Orders in Council be known?

Mr. MEIGHEN: I will see that copies of the Orders in Council are laid on the Table. I might add to the remarks of the hon. member for Saskatoon that these communities of Mennonites who are here exempted, including those in his own constituency, have expressed since the war began their very deep appreciation of the fidelity with which the bond given to them has been lived up to, and they have sent down very large sums of money indeed, collected amongst themselves for the Red Cross and other patriotic purposes.

Mr. OLIVER: For what purpose are the words "those persons exempted from military service by Order in Council of August 13th, 1873" inserted? The persons who were exempted from service by the Order in Council in 1873 must, by reason of the lapse of time, not be subject to military service at the present time.

Mr. MEIGHEN: If the wording of this should be held to include the children, then the children are exempt from military service.

Mr. OLIVER: Does not the Government intend to reach a decision on its responsibility or on some other definite responsibility in regard to that matter? This is a question in which the honour of the country is involved, and I should think it is not wise to leave it to the decision of an inferior tribunal which might be appointed to hear appeals against the call for men. I would respectfully suggest the matter is of sufficient importance that a definite decision should be reached.

Mr. McCRANEY: I hope there will be no question on the part of the Government as to the fact of these Orders in Council including all the members of the Mennonite sect to which the original arrangement applied, and to their children who are connected with the church.

Mr. MEIGHEN: Hon. gentlemen must remember that it is no light thing to exempt any section of the community from liability to military service or to any national service. It has already been done by Orders in Council. I think it is scarcely within the province of the Government to say the extent to which these Orders in Council went, if there is any doubt about it. It would appear to me better to leave the limitation of these Orders in Council to the determination of a competent tribunal. As the Act reads now, it would be for the Central Appeal Judge—who would be a member of the Supreme Court of Canada—to decide whether or not those Orders in Council should be applied to the protection of the children of the persons who came under them. For myself, speaking personally only, I would be disposed to agree with the hon. member for Saskatoon and the leader of the Opposition that the interpretation might well be put on them that they included children so long as those children remained members of a recognized Mennonite or Doukhobor community, holding like faith as to military services.

Mr. OLIVER: Does that mean the immediate children?

Mr. MEIGHEN: The descendants.

Mr. OLIVER: For all time?

Mr. MEIGHEN: Yes.

Mr. NESBITT: In my riding we have a sect called the Omish, who are Mennonites. They are really German Quakers, and they certainly do not believe in fighting. They do not even believe in voting, let alone fighting.

An hon. MEMBER: Have you many of them?

Mr. NESBITT: Yes, we have a great number of them, and they are wonderful citizens. They are the best farmers in Canada.

An hon. MEMBER: Excepting the Scotchman.

Mr. NESBITT: Not even excepting the Scotchman. Those people have been there for a number of years, and I was wondering if they would come under clause (f). They certainly conscientiously object to the undertaking of combatant service.

Mr. MEIGHEN: They will come under clause (f) if they prove their case under it. As I understand, they disbelieve in military service.

Mr. NESBITT: Absolutely. If you were to strike them on the right cheek they would turn the left.

Subsection agreed to.

On the preamble:

Mr. OLIVER: Some days ago I asked the Parliamentary Secretary (Mr. McCurdy) for a statement of the number of men who had gone to England and had been declared unfit for service and returned to Canada. I assume it is in order to deal generally with the conditions which have led up to the necessity of the bringing in of this measure. In other words, that this is the time and place when it is in order to discuss the general administration and policy of the Miltitia Department in connection with the war. In that connection I desire to have the information which I asked of the parliamentary under secretary, and which he promised to secure.

Mr. MEIGHEN: If the information has not been furnished, it will be secured at the earliest possible date and an opportunity will be given for discussion upon it.

Mr. OLIVER: When the Bill went into committee there arose a general discussion in regard to the military policy and administration of the Government. That was diverted into the consideration of the clauses of the Bill. I then asked the Prime Minister if it would be in order at a later date, and when it would be more convenient to the minister, to resume the general discussion that had been initiated by the Prime Minister himself. I was told that it would be arranged for. I assume that this is the time and place when it would be in order to take up such a discussion.

Mr. MEIGHEN: The Militia Estimates, I understand, are not through, and the hon. gentleman might take up the discussion on them. The parliamentary secretary is not here, and in his absence I cannot give a definite answer. The information may be almost ready. My hon. friend will lose nothing in the way of opportunity for discussion by permitting the preamble to go through.

Mr. OLIVER: I do not think it would be fair to allow the preamble to go through without some consideration or discussion. If it is not convenient or practicable to discuss the general question, I wish to draw attention to this statement in the preamble:

> Whereas enough men do not volunteer to provide such reinforcements.

I claim, on behalf of this House and this country, a statement from the Government from the authorities who are bringing in this Bill, as to why enough men do not volunteer to provide such reinforcements.

Sir ROBERT BORDEN: I do not precisely gather what my hon. friend intends by the question. Enlistment is voluntary under the system hitherto pursued, and every possible effort, so far as I am aware, has been made to induce enlistment in sufficient numbers. I have given statistics which indicate that not enough men are at present enlisting to provide for the wastage which is going on in the Canadian forces at the front.

Mr. OLIVER: So the only reason that the Prime Minister can give is simply that enough men do not volunteer. That is the reason why we must have this Bill. We have had discussions in the House between the Prime Minister and his ex-Minister of Militia in which it was stated very definitely by the ex-Minister of Militia that one reason why men did not volunteer was because the opportunity was not given them to volunteer owing to pressure brought to bear by friends of the Government upon the Government. I want to know how far that statement is justified.

Sir ROBERT BORDEN: I have already given my statement in regard to that in the House, and I have nothing to add. So far as I am aware, there was no such condition at any time. I read a letter which embodied my views on the subject, and I said that those views were reiterated some six or eight months afterwards.

Mr. OLIVER: The hon. member for South Cape Breton (Mr. Carroll), who is a member of the expeditionary force, stated in the House that when he was assisting in recruiting for a certain battalion in that locality they were not allowed to hold recruiting meetings in the vicinity, I understood, of the Sydney Steel works, because it was not desired that men should be recruited from that vicinity. I should like

to know by what authority such meetings were prevented.

Sir ROBERT BORDEN: I really have not the slightest idea. I never heard of any such prohibition.

Mr. OLIVER: The Prime Minister is aware, I presume, that the hon. member for Cape Breton made that statement.

Sir ROBERT BORDEN: I was not at all aware of it, no.

Mr. OLIVER: He did make the statement, and I think it is a sufficiently grave statement to have either the Prime Minister or the Minister of Militia answer it, and either specifically deny it or show reasons why such instructions were issued.

Sir ROBERT BORDEN: Who is supposed to have issued them?

Mr. OLIVER: I do not know.

Sir ROBERT BORDEN: It would be rather important to find that out in order to investigate it.

Mr. OLIVER: The gentleman who was speaking is a member of this House; he is also a member of the Expeditionary Force; he was engaged in the work of recruiting. He made his statement on his responsibility as a member of Parliament. I do not think that any further steps need be taken to call the attention of the Government to the fact or to demand an answer in the interest of the country.

Sir ROBERT BORDEN: The hon. gentleman says that some investigations should be made. I asked who issued the instructions. Apparently the hon. member for South Cape Breton did not give that information.

Mr. OLIVER: No.

Sir ROBERT BORDEN: Until he does give that information I do not see how any investigation could be made.

Mr. CURRIE: About that time complaint was made by munition plants that unauthorized persons were holding recruiting meetings in the munition plants while the plants were in operation. That was becoming an abuse, because a lot of these chaps, instead of confining their energies to recruiting idle men on the street, were going into the munition plants and stopping the work, holding meetings, like revival meetings, on the floors of these plants. I understand that an intimation was about that time sent by the Munitions Board to these plants that unauthorized persons were not to be allowed into these plants to hold meetings. I know something about this war; I know how great the necessity for munitions was about a year ago, for steel for shells even more than for men. There were lots of men at the front, but we need more than brawn and muscle to hold the Germans back. I think it is altogether illogical for any person who wanted to enlist soldiers to hold recruiting meetings on the floors of munition plants, as they did a year and a half ago. But that was not what stopped recruiting. It was the great volume of political meetings that were being held all over the country by hon. gentlemen, with the call at once to put up candidates against the Conservatives. In my own case, I was not taking any part in politics, but an hon. gentleman, who shed crocodile tears over his leader in this House because recruiting had fallen off, and who had to part with his leader and vote for conscription, was up in my riding, nominating a candidate against me, who was of military age and should have volunteered. That checked recruiting far more than the preventing of recruiting in munition plants. Too much politics caused the trouble. If politics had been thrown aside, it would have been all right. Voluntary recruiting was progressing, and when it was at its height, immediately after the House closed last year, there was a wild rush to get candidates in the field, because it was said there was to be an immediate election. The public mind was diverted from the war to politics. I confess my own mind, after a while, was taken from the war, and I had to take part in a political campaign, in which we soundly trimmed our opponents.

Mr. OLIVER: What my hon. friend has said bears out my contention that a great deal more attention was given to the interests of the munition plant than to the interests of recruiting.

Mr. CURRIE: I did not say so.

Mr. OLIVER: That is what I gathered.

Mr. CURRIE: It was to the interest of the British Government, who had placed the orders, to have munitions turned out, but all these mattters delayed the manufacture of munitions. Clergymen were trying to stop munition work on Sundays. Recruiting agents were wanting to get into the munition plants, to get men away from the machines, and send them to the war. Necessarily, those in authority endeavoured to stop that practice. There is no change politically to be got out of that phase of the question.

Mr. OLIVER: I do not know why my hon. friend objects to political talk, when he uses so much of it himself, and when he claims to be so successful in its use. This is not a matter of political talk. We are dealing with a measure whose importance I need not attempt to exaggerate, a measure which, in its terms, in its introduction, in every argument that is used for it, is a slur against the patriotism of the people of Canada. I want to say that, in my humble judgment, the patriotism of the common people of Canada, as shown by the service they have rendered in this war, does not warrant a slur by anybody, whether they hold a high or a low position, and when this Government declares, in the preamble of the Bill, that it is rendered necessary because our people have not shown a sufficiently enthusiastic military spirit, I claim it is for them to justify that assertion, and not merely to declare it. They throw that slur against the people of the country, and demand the passage of this measure. There are other industries in this country, besides munition making. We have heard a great deal about the industry of agriculture. The district I come from is one of the leaders of this country in the matter of agriculture and production. To-day the need of food is as great as the need of munitions. The production of food is the great demand of all the Allies. But there was never any protest from the food producers of Alberta against enlistment in Alberta, and there was no slackening of enlistment in Alberta, because of politics, or because of anything else.

Mr. CURRIE: I would agree that in Alberta they did keep out of politics, and that they did more than any other section of the country on that account, but that statement did not hold good down in Ontario and other parts of the country, and that is one of the reasons why recruiting did not go on as it should have last year. I agree with the hon. member thoroughly. I should like to ask him, in all kindness, does he not know a number of men, even in Alberta, who should have volunteered, and did not do so, whom this law will take?

Mr. OLIVER: I know very few.

Mr. CURRIE: Everybody knows that he himself and all belonging to him have done their share in the war. His heart and soul have been in the voluntary system, and are in the national conscription law to-day, because he has said so in this House two or three times. He has been most urgent in favour of that system. We have tried to frame a Bill as nearly perfect as possible, although many features of it have been criticised by the hon. gentleman. Every man whose heart is in this war will pay deference to the hon. gentleman's province for its splendid record in recruiting. It has done better than any other province—because there were no politics there.

Mr. OLIVER: For myself and my province, I resent the spirit in which this Bill has been introduced and placed before the country. It is not warranted, and I am asking for justification, if justification can be given. In the province of Alberta, the production of food is the great industry. That production is more important in the winning of the war than anything else, except the supply of fighting men; yet there was no slackening of recruiting in that country, and no consideration was given to food production. Nobody in Alberta, so far as I know, has ever challenged the most extreme efforts of the military authorities to secure men in that province. I shall read a statement of the different corps of men enlisted from the city of Edmonton and surrounding country, to show how little regard was paid to food production, the basic industry of the country, in connection with voluntary enlistment. No such consideration was given to it as was given to the industrial enterprises mentioned by my hon. friend.

Mr. CURRIE: Any munition works there?

Mr. OLIVER: Yes, two small places where they machine shells. I will give the enlistments up to August 6, 1916. These are not men who enlisted and were discharged as unfit; these are men who went forward from Edmonton, as being fit at that time, whatever happened to them afterwards. The enlistments were as follows:

Name of Unit.	Number of Men.
Princess Pats	310
101st Fusiliers, Col., Osborne	1,358
19th Alberta Dragoons, Col. Jamieson	208
31st Infantry, Calgary	400
23rd Infantry, Montreal	200
28th Infantry, Quebec	200
13th C.M.R., Medicine Hat	492
University drafts, Princess Pats	250
61st Artillery, Lethbridge	60
3rd C.M.R., Major Fane	164
3rd C.M.R., Major Whittaker, Medicine Hat	164
113th Highlanders, Lethbridge	50
8th Field Ambulance, Calgary	35

Name of Unit.	Number of Men.
University Field Ambulance	150
49th Infantry, Col. Griesbach	1,300
51st Infantry, Col. Harwood	1,167
Three drafts from 51st	750
1st Pioneers	195
63rd Infantry	1,150
One draft from 63rd	252
66th Infantry, Col. McKinnery	1,176
Two drafts from 66th	500
French Canadians	97
50th Battalion	223
27th Battalion, Winnipeg	13
97th American Legion	100
53rd Battalion, Saskatoon	14
138th Infantry, Col. Belcher	1,140
143rd Bantams, Victoria	112
151st Infantry, Col. Arnott	1,250
187th Infantry, Red Deer	350
194th Infantry, Col. Craig	1,350
196th University Infantry	300
197th Vikings, Winnipeg	250
202nd Infantry, Col. Bowen	800
210th Frontiersmen, Moosejaw	150
211th American Legion	150
218th Irish Guards, Col. Cornwall	850
223rd Scandinavians, Saskatoon	250
233rd French Canadian, Col. Leprohon	560
239th Railway Construction	22
238th Forestry, Ottawa	200
Queen's Artillery, Kingston	50
Engineers	600
4th Canadian Pioneers	150
Army Service Corps	50
Army Medical Corps	

The men of the 13th Canadian Mounted Rifles enlisted at Edmonton, but joined the unit at Medicine Hat. Those of the 61st Artillery, Lethbridge, enlisted at Edmonton for the Lethbridge Artillery. That gives a total of about 19,512 men who enlisted at Edmonton from August 4, 1914 to August 6, 1916. I read this list not only to show the number of men who enlisted, but to point out that the Government or the Militia Department in recruiting made absolutely no allowance for the condition of any industry in that country. They provided for the raising of ten full battalions; besides, everybody who wanted to secure enlistment for any form of service in any part of Canada was permitted to go to Edmonton and enlist—and no man in Edmonton complained or found fault. I mentioned this on a former occasion to show that the multiplicity of the demands for men in a certain locality tended against rather than in favour of successful recruiting. But no such condition prevailed at any time in Edmonton as certainly prevailed in and about those industrial centres in eastern Canada. Since it has become necessary to enforce conscription in the country at large, I desire to say that no necessity existed in the part of the country from which I come for compulsory service in order to secure a response to any reasonable demand that could be made upon that country for men.

Mr. CURRIE: I do not think the hon. member would say that half a dozen recruiting speakers and about a hundred of the riffraff of the streets should be allowed to go into munition plants that are under guard and hold meetings at the noon hour. That is what was objected to. Munition plants were being burned and blown up in the United States, and even in Canada. I think that the action taken by the British authorities in asking the manufacturers of munitions not to permit the holding of those irresponsible gatherings in the factories was amply justified. I do not think that that had any influence upon recruiting.

Mr. OLIVER: I do not know anything at all about what was done in munition plants. I have been alluding to the passage between the Prime Minister (Sir Robert Borden) and the ex-Minister of Militia (Sir Sam Hughes). The latter has made certain definite statements which have been contradicted by the Prime Minister. But, the drop in recruiting synchronized—to use the expression of the Minister of Finance—with the dates given by the ex-Minister of Militia as to the official stoppage of recruiting.

Mr. CURRIE: In the section of the country in the vicinity of Parry Sound a large number of men were being rapidly recruited. The member for Parry Sound (Mr. Arthurs) raised a fine regiment there and after he had gone to Niagara for training, recruiting was proceeded with. The member for West Lambton (Mr. Pardee) the Chief Liberal Whip, called a meeting at Emsdale and proceeded to put a candidate in the field against the member for Parry Sound while he was on his way across the ocean with his battalion. Everybody asked: Is the war over? I happened to be in that section of the country at the time, and I heard the remark made: Do they want to defeat Colonel Arthurs, who is doing his duty, who has not taken any part in politics? This occurred not only in that district, but in the majority of the ridings in Ontario. The party press became violent, and everybody holding a view opposite to theirs suffered more or less from their attacks. One would have thought that the question bothering some people was not, win the war, but win an election. That was the chief cause of the stopping of recruiting in Ontario.

Mr. OLIVER: I do not know what my hon. friend has in his mind. There may have been isolated instances such as he speaks about.

Mr. CURRIE: They prove the rule. They were not isolated cases; there were a great many cases of that kind.

Mr. OLIVER: The hon. gentleman must be aware that when the Prime Minister made the announcement that 500,000 men would be raised, Parliament unanimously agreed to an extension of time so that there would be no need or reasonable ground for political action. That was the only ground upon which I, for one, agreed to the extension of the term of Parliament, so that political activities might be avoided and so that a fair opportunity would be given of fulfilling the pledge that I felt had been made not only on behalf of the Government, but on behalf of the country. So that if there was political activity, it must have been of an isolated character; it could not have been general. The members on this side unanimously voted to extend the term of Parliament for one year—contrary to fundamental Liberal principles—simply in order that there should not be need for political activity until the promise made by the Prime Minister should have had reasonable opportunity of fulfilment.

Mr. CURRIE: The hon. gentleman is absolutely correct in that.

At six o'clock, the House resumed, and then took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 95, to incorporate the Imperial Order Daughters of the Empire and the Children of the Empire (Junior Branch).—Mr. Macdonnell.

Bill No. 106, for the relief of Rozilla Lamb. (Without amendment.)—Mr. Douglas.

DOMINION GOOD ROADS ASSOCIATION.

Mr. M. STEELE (South Perth): I desire to move, seconded by the hon. member for North York (Mr. J. A. M. Armstrong):

That the Order of the Day for House in Committee of the Whole on Bill No. 96, (Letter E2 of the Senate), intituled "An Act to incorporate the Dominion Good Roads Association," be discharged and the Bill referred back to the Select Standing Committee on Miscellaneous Private Bills for further consideration.

He said: After the committee rose yesterday information was received from the representatives of the Ontario Government in Ottawa that they desired to make some representations on this Bill, and in order that those representations may be made to the committee I make this motion.

Motion agreed to.

SECOND READING.

Bill No. 109, for the relief of John Newton Salter.—Mr. Northrup.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

The order for Private Bills having been exhausted, the House went into committee on Bill No. 75, respecting Military Service.—Sir Robert Borden.

Mr. Rainville in the Chair.

Mr. OLIVER: When the House rose at six o'clock I was discussing the success of voluntary enlistment in the province of Alberta, and comparing the efforts made there on behalf of military service—the unrestricted efforts that were made to get men not only for the battalions that were being raised in that part of the country, but for every branch of the service and in every part of the country, these men being taken from a centre of agricultural production, which agricultural production is at the very foundation of our success in the war—with the restriction of efforts that were made in the collection of men from other parts of the country, especially in the eastern provinces and in those parts where industrial occupations are generally followed. It is a fact beyond all question that the Government in securing men to represent this country on the other side of the water was willing to take the men wherever they could most easily be got it followed the line of least resistance and took the men from those districts where they could most easily be got, without regard to the proportion taken from the population, and without regard to the basic importance of the industries thereby affected. That being a fact, I think, beyond all argument, when the conscription Bill is brought in, and when, so far from finding in the Bill any provision for equality of service I find that every provision is framed especially to avoid that essential principle, I am compelled to come to the conclusion that the policy of the Government in framing the Bill, and

its policy in giving effect to it, will again be to follow the line of least resistance, taking the men where they can most easily be got. So that in this so-called selective system which my hon. friend calls conscription, and which he expects those who believe in compulsory military service to support, I find that the principle is the very same that was objectionable in the system of voluntary enlistment, namely, the principle of requiring the willing horse to carry the whole load. As it happens, our section of the country has played the part of the willing horse, and had voluntary enlistment been continued we were still willing to play that part. But when a compulsory service Bill is brought in, recognizing that the basis of any proper compulsory Bill is equality of service, we protest against this Bill, which most certainly does not provide for equality of service.

We must admit that enlistment had decreased, in our part of the country as in other parts, and there are many reasons for that. One reason which I propose to touch on here to-night concerns the peopeople of the western provinces very intimately, and I think it will be found to concern the people of many other parts of the country as well. In Edmonton, up to the 6th of August, 1916, we had enlisted altogether ten battalions, fully organized, with additional contributions to other units comprising almost 20,000. These battalions went forward from Edmonton as battalions, but to-day we have only one battalion at the front out of those 20,000 men. Every other battalion when it got overseas was broken up; the men were drafted into other units, and the officers who had organized the battalion were left without occupation, or at any rate without the position which they had expected to retain. Although we are through with voluntary service—the honour and glory that belonged to that service have been taken from us by the Bill now before the House—may I say that those who had charge of our military affairs, and who without the slightest compunction broke up battalion after battalion from every part of the country, seem to have been so utterly unable to understand those forces of the mind which cause men to offer for military service, and which accompany that offer, that it is almost inconceivable that they could have taken the action they did as they did. Men join the military forces in the expectation of risking their lives in military operations, and in those military operations it is a rule of war as old as the world itself that a man's welfare and safety depend upon his comrades. Comradeship and mutual confidence is the greatest security a soldier can have, and when men enlisted for military service have knowledge of each other's personality, character and antecedents, when they are really friends, they know they can depend on each other and they will go into the horrors of battle with all the greater confidence because they are fighting with men they know. But when these men who have enlisted in the expectation that they will go to the front under those circumstances are scattered hither and thither without any regard to promises or expectations, when they are compelled to go to the front with men they never saw before, and of whom they have no intimate knowledge——

Mr. BURNHAM: Would the hon. gentleman allow me to ask him a question? If under the very circumstances he has supposed he found a request calling on him to send a draft immediately, would he refuse that draft in order to carry out and complete the conditions he is now urging?

Mr. OLIVER: If I had charge of our military affairs I would not allow such a condition to arise.

Mr. BURNHAM: It is the generals at the front, and the enemy, who cause those conditions to arise. They are not caused by the people at home.

Mr. OLIVER: I must differ with my hon. friend. The generals at the front and the enemy do not control our conditions of enlistment. The handling of our military business as it has been handled, is absolutely detrimental to the efficiency of our forces, and whether that condition was or was not necessary, there can be no argument that the breaking up of the battalions and the breaking of the solemnly pledged word to the men and their relatives and friends, that a battalion once organized would go forward as a unit and the men would serve with other men whom they knew must have had a most important and detrimental effect on the securing of further recruits. It is useless to expect that men will make this sacrifice without regard to the conditions which surround them. We have killed voluntary enlistment in our country not because our people lacked enthusiasm or lacked the spirit of sacrifice, but because the administration of our military affairs killed military enthusiasm and the spirit of sacrifice, so far as it has been killed. We have sent ten organized battalions overseas. The of-

ficers of nine of those battalions are not now in military occupation, or at least not in the occupation for which they enlisted. Most of the men who raised battalions occupied positions of some importance in the communities in which they lived. They were given the responsibilities of raising battalions on the strength of their reputations and experience, or for some good reasons. In any event, they were men of account in their respective communities, otherwise they could not have been successful in raising the battalions. Those men offered themselves, their business, their prospects, and everything else, in sacrifice for the common cause, yet what can one of them say when he comes back? Their commands were taken from them. Why? The inference is obvious, and those men can never escape from that inference. This Government has put that disgrace upon them because of the system, or lack of system, with which it managed its military affairs. I have a case in mind which I will mention to the House. When war broke out a volunteer battalion then existing at Edmonton offered to go as a unit. Of course, it was not accepted as a unit, but it was allowed to enlist as an overseas battalion, which was done. It was one of the first battalions at Valcartier, although it came from a greater distance than almost any other. When it got overseas it was broken up and its commanding officer, Col. Osborne, was relieved from military duty. He is in civilian life in Edmonton to-day. In the late fall of 1914, or the early spring of 1915, the formation of the 49th and 51st Battalions was authorized. Both were authorized at the same time, and the work of recruiting was carried on at the same time by both colonels. It happened that the gentleman chosen to organize the 51st Battalion was the man who was then colonel of the local volunteer battalion. This gentleman was a French Canadian Roman Catholic. His name was Harwood, and he belonged to a family resident in the county of Vaudreuil. I believe it is a family of some distinction in that part of the country. I may relieve the mind of any person who has any doubt on the subject by saying that he was not a Liberal: As a matter of fact he was a very staunch Conservative. It may be that Colonel Harwood, who was a practising physician, had some idea of doing credit to the not undistinguished family to which he belongs by rendering military service to his country and to the Empire. In any event, the two battalions were recruited together, but for some reason or other Colonel Harwood was not as anxious as was the other gentleman to make a record in completing his battalion. He took more time about it, and was careful as to the men he accepted. The fact that he was a French Canadian and a Roman Catholic may have attracted eligible men of that religion or of that race to his battalion, so that he had rather the advantage over the other colonel in securing eligible men because he had a larger field to select from. It was admitted, after both battalions were up to strength that he had the finer body of men. The battalions were completed early in 1915. In May, or June, 1915, the 49th went overseas, and is to-day an embodied battalion, the only battalion existing from that northern part of Alberta. The 51st was held in Edmonton during the whole of the year 1915, and finally, in the spring of 1916, it went overseas with two other Edmonton battalions that had been organized in the fall of 1915. When it arrived in England, Colonel Harwood, who had hoped, I say, to add some credit to the family to which he belonged by rendering military service to Canada and the Empire, and who was no doubt competent in every way to render that service, was relieved of the command of his battalion; it was broken up into drafts, and Colonel Harwood has been given employment as a medical officer in England. The cruelty of that is, that so long as Colonel Harwood lives or his children after him, instead of his service to the country bringing credit or glory to his name, there is a stain against him from which he can never relieve himself.

Mr. BLAIN: Does my hon. friend suggest that Colonel Harwood was singled out more than any other colonel of other battalions in Canada? In my own county of Peel such a history may be written as my hon. friend has stated. When the Peel battalion arrived in England it was broken up also, and so were many others. Therefore Colonel Harwood was not singled out by the military authorities. I am quite sure that the officer commanding the Peel battalion, Colonel Hamilton, who has returned home, never thought that the breaking up of his battalion was any stain upon his military record. It was a policy adopted for military reasons, and a great many battalions had to come under the rule.

Mr. OLIVER: My hon. friend would have avoided the interruption if he had followed what I said, that we have sent ten battalions from Edmonton, and only one of them is now maintained as a unit.

Mr. BLAIN: I gathered that my hon. friend had said that the Edmonton battalion was singled out from others in this respect.

Mr. OLIVER: I did not suggest that, I was giving instances of how this impolicy of the department operated.

Mr. BLAIN: Would my hon. friend suggest that the breaking up of the battalions in the Old Country was a wrong policy? They either had to go over and go into the trenches as units or else be broken up. Those in military authority, who knew most about the war, decided that the best policy was to have them broken up. Does my hon. friend differ from that policy?

Mr. OLIVER: I certainly do in this way, that we should not have organized battalions that we did not intend should go overseas and remain as battalions. We should have had enough business administration to recognize how many battalions were intended to be kept in the field, and having organized those battalions and sent them forward, then it was our business to find sufficient men to keep those battalions up to strength. That is the policy that should have been pursued.

Mr. BLAIN: But it was found to be in the best interest for the prosecution of the war that they should not be continued as units, but rather that they should be broken up.

Mr. OLIVER: My hon. friend has a wrong understanding.

Mr. BLAIN: It is my hon. friend (Mr. Oliver) who has the wrong understanding.

Mr. OLIVER: Is it my hon. friend's suggestion that there was any advantage or merit in breaking up battalions?

Mr. BLAIN: I do not think that my hon. friend, with all his knowledge, would set up his opinion and say that it should prevail in preference to the opinion of those who are controlling the prosecution of the war on the other side of the water.

Mr. OLIVER: It was not the people on the other side of the water who were to blame, but the people on this side, who authorized the raising of battalions that, if they knew anything, they knew could not remain as embodied battalions after they went overseas. They selected men—I am glad to say most of them their friends, but men generally of character and standing—authorized them to raise battalions, gave them to believe that they would serve overseas as officers of those battalions. I myself heard a Lieut.-Colonel appeal for recruits on the ground that he could assure the relatives of the men who would join his battalion that he would be in a position to see that they got justice wherever they went.

Mr. BLAIN: Granting that; were all correct—and I rather agree that possibly in some parts of Canada such a promise was given, although, for my own part, I know parts of Canada where no such promise was given—but suppose it be correct, does it follow that if, after a battalion went overseas, they found it was in the best interest for the prosecution of the war to change that policy, my hon. friend would say that the change should not be made, simply in order to carry out the promise made to the men when they enlisted?

Mr. OLIVER: I say the promise should not have been given to the men unless it was to be carried out, and it was the duty of this Government—if we had a Government—to know what promises they could make to the men and the officers before they made it. Heaven knows we have had enough officers on both sides of the Atlantic, enough men in supposed authority, carrying all kinds of titles and drawing all sorts of pay, who ought to have known, and if they did not know theirs must be the responsibility. That is one responsibility which they cannot shoulder on the British authorities. We have sent battalion after battalion of men who were enlisted on the promise that they would remain as parts of an embodied battalion under officers who were promised that they would have command of the battalion on active service, and when they got over there, without the slightest regard to promises of any kind, the battalion was broken up, the men were separated from their friends, and the officers were stranded, so far as their proper military occupation was concerned. We undertook to raise 500,000 men and attempted to do so, and it may be that in order to raise men quickly it was thought to be a good plan to make these promises, to establish battalions all over the country, to give Edmonton and other cities the idea that they were each to be represented at the front by eight or ten battalions, to give the gentlemen who would undertake to raise the battalions the same idea. But when the battalions were raised, when the men were overseas, when the battalions were broken up and the officers discredited, and when news of all that came back to Canada, what happened? Only one

thing could happen: voluntary enlistment died a natural death—no it did not die a natural death, it was murdered by the policy or impolicy of the administration of our military affairs under our friends who are in control of them.

Mr. MEIGHEN: I thought my hon. friend said it was a magnificent success in that same province where he has discredited it.

Mr. OLIVER: Surely it was when we sent 20,000 men. But it came to a finish in that province, as it did in other provinces where they did not recruit, in proportion to population, as they did in Alberta.

Mr. MEIGHEN: Nothing could be very much more than "a magnificent success."

Mr. OLIVER: It could continue to be a magnificent success, instead of a tremendous failure.

Mr. MEIGHEN: There is a limit to everything.

Mr. OLIVER: While in the province of Alberta there was that measure of success in enlistments, it is not remarkable that in the province of Ontario, of Quebec, or in the Maritime Provinces, where the people are more rooted to the soil, and where they are more closely interwoven in their social relationship, such a policy, whatever effect it may have had in Alberta, had certainly an absolutely destructive effect. We have enlisted probably as many men as we can afford to enlist and carry on our productive industry.

Mr. MEIGHEN: How could the voluntary system continue to be a magnificent success, if you have enlisted as many as you can afford to enlist?

Mr. OLIVER: It was a magnificent success as long as it continued.

Mr. MEIGHEN: If all the men are gone, how could it continue longer?

Mr. OLIVER: I am speaking of conditions throughout the Dominion.

Mr. MEIGHEN: I am speaking of Alberta.

Mr. OLIVER: I am speaking of Alberta also.

Mr. MEIGHEN: The hon. gentleman said it was a magnificent success.

Mr. OLIVER: So it was.

Mr. MEIGHEN: Until all the men who could be taken enlisted.

Mr. OLIVER: Yes.

Mr. MEIGHEN: How could it continue any longer?

Mr. OLIVER: It did not have to be a magnificent success in Alberta any longer, but it could have been a magnificent success in other parts of the country, where there were plenty of men.

Mr. MEIGHEN: The hon. gentleman said it was murdered in Alberta.

Mr. OLIVER: Beg pardon.

Mr. MEIGHEN: That is where all the crimes were committed.

Mr. OLIVER: I have instanced the crimes that were committed in Alberta, but I do not pretend that those were all that were committed, or that the commission of those crimes killed recruiting in Ontario, Quebec, New Brunswick, or Nova Scotia.

Mr. MEIGHEN: It could not have done any harm in Alberta, if all the men were got by voluntary enlistment.

Mr. OLIVER: I will admit it could not have prevented the enlistment of another 20,000 men, because the men were not there to enlist.

Mr. BRADBURY: Does the hon. gentleman suggest that it killed recruiting in Quebec?

Mr. OLIVER: I certainly think recruiting in Quebec could not be expected to succeed, under those circumstances. Perhaps there was some other reason for it. But I say, that being the fact, I would consider it would be little less than a miracle if recruiting had not failed in Quebec, or if it were a success in Ontario. It will be admitted—if my hon. friend is so anxious to get down to details—that there are a great many more available men in Ontario, and the Bill says the men are not coming forward in Ontario.

Mr. W. H. BENNETT: Would the hon. gentleman be surprised to know that I have actually seen letters from soldiers who went over there, who were in a battalion that was broken up, who were very pleased, that, instead of being kept together, they had been distributed among seasoned men, who had been a long time in the trenches and under officers who had been there for some years. They were well pleased that the change was made.

Mr. OLIVER: They may have been. I do not know in what estimation my hon. friends's constituents hold each other, but

that is not the attitude of my constituents, so far as I have heard from them. They prefer to remain with those of their own acquaintance.

Mr. W. H. BENNETT: My constituents went over there to fight—not to have a convivial time.

Mr. OLIVER: I do not think the hon. gentleman need draw any comparison between his constituents and mine. Perhaps my constituents have been a little more unfortunate than the hon. gentleman's, and got a little closer to the front, and consequently have had more casualties to report. I have stated a certain case, according to my understanding of it, but I will not ask the House to depend on my word in the matter. I have here a clipping from the Ottawa Journal of June 30. It reads as follows:

(Special Correspondence to The Evening Telegram from Douglas S. Robertson.)

London, June 12.—England contains many dissatisfied Canadian officers to-day, and no doubt many have arrived in Canada with grievances. These are the senior officers, who, there being no vacancies for them, have under the now more stringently enforced regulations, either to revert to lieutenancies or go home.

It does seem hard, and it is hard, that captains, majors and lieutenant-colonels who have recruited enthusiastically in Canada, and rallied thousands of men to the colors, should on arrival find themselves in such plight. Many a colonel has told me his story. After gathering what he deemed with proper pride "one of the finest battalions in Canada" about him, spent much of his own hard cash on it, learned to know his men personally, and generally put his whole soul into the work, he is told that the battalion must be broken up for drafts, and stands broken-heartedly by as company after company is sent off to reinforce other regiments.

As for himself, failing some job at the base, there is only one finale. After a brief sojourn in England, perhaps a two-weeks' tour of the front, if he be lucky, and a taste of the real thing in the trenches, he must go home. A lieutenant-colonel cannot become a subaltern.

With the majors it is scarcely less hard. A lieutenancy is no small step down in pay, and for married men with families a positive financial barrier forbids the reversion. Majors, too, are generally on the elderly side for lieutenants' work. So they, too, unless one of the rare base jobs comes their way, must, after an interval, take ship back to Canada.

For captains there is less excuse. Most of them are youthful enough for subaltern duties, though in the case of captains with families the consequent reduction in pay is also a serious matter.

"They put it up to me," declared a Toronto captain not long over with a battalion which has been broken up. "They told me I would have to revert to lieutenant or go home. Well, I told them that I would revert if they could assure me that I would be sent to France at once, but they couldn't. Now, scores of lieutenants are waiting to go over, and some have been waiting months. I guess I will go home. I can't afford the long reduction in pay." This captain is a young married man with a wife and two children.

"Just picture me going back to Canada, back to the town where I recruited a battalion, and facing the mothers whose sons they thought would be under me at the front! What am I to tell these people? What will they think of me for not going to France?" Such was the lament of one lieutenant-colonel I talked to.

He goes on to say:

The whole iniquitous system of raising battalion after battalion in Canada with full complements of officers, in face of what was happening on their arrival in England, was the fault of the old regime at Ottawa. The reserve battalion system should have been adopted long ago.

I have a clipping from the Montreal Star which quotes an article from the New York Evening Post from Lieut.-Colonel Henry J. Trihey, who commanded the now disbanded regiment of Irish Canadian Rangers. He says in part:

At the end of 1915 the Canadian Government having given evidence of its desire to feature battalions representing different shades of national sentiment in Canada, with a view to encouraging voluntary enlistment, was asked by me for authority to raise an Irish Canadian regiment for overseas service. This authority having been granted, patriotic Irish Canadian citizens provided a fund of $40,000 to defray the cost of recruiting and of organizing.

In February, 1916, the organizing of the Irish Canadian Rangers was begun. The first poster issued bore the legend "Small nations must be free." The particular appeal was to those who desired to share in the honor of representing, in this unit, Irish Canadian loyalty to Canada, at the front, fighting for the principle proclaimed on the poster.

Two members of Sir Robert Borden's Cabinet—one of them Minister of Militia—from platforms, in the city of Montreal, stated that the Government of Canada pledged itself that the Irish Canadian Rangers would go to France as a unit representing Irish Canadians. This statement was made at recruiting meetings as a special inducement to Irish Canadians to enlist in this regiment. Relying on this pledge and animated by loyalty to Canada, Irish Canadians volunteered, despite the aftermath of the Irish rebellion of Easter, 1916. The Irish Canadian Rangers, fully organized, arrived in England on December 26, 1916. On January 3, 1917, I learned that the disbandment of the regiment had been officially decreed in England, but that it was the intention of the English Government first to send the Irish Canadian Rangers to parade through Ireland. On confirming this I tendered my resignation as officer commanding and returned to Canada. All efforts from Canada were unavailing; the parade through Ireland occurred and the regiment was disbanded May 23, 1917.

The disbanded men were scattered among English Canadian regiments.

Not one of the Irish Canadian officers, not even our Catholic chaplain was sent with the

men. The officers were not used; they were simply ignored.

This is a case in the province of Quebec.

Mr. BLAIN: What authority made the change?

Mr. OLIVER: The military authority.

Mr. BLAIN: Where?

Mr. OLIVER: In England.

Mr. BLAIN: In spite of protests from this side of the water?

Mr. OLIVER: Yes.

Mr. BLAIN: And now my hon. friend is making an effort to place the responsibility wholly upon the Government in power here?

Mr. OLIVER: Surely.

Mr. BLAIN: Would my hon. friend say that the officials in Ottawa knew more about the conditions in England than the military authorities over there?

Mr. OLIVER: We had a Minister of Militia in England; I do not know whether he is there to carry out any duties—I suppose he must be; at any rate this transaction would take place under his administration. I think, therefore, that the responsibility may easily be properly placed. There is no argument as to why voluntary enlistment could not go further in Canada; the miracle is that it went as far as it did. The reason why it did not go further was the maladministration of our military forces by the Government now in power, which, having failed in administering our military forces on a voluntary system, now comes forward to enforce a conscription without the authority of the people.

I have touched on what strikes me as being the most outstanding fact in connection with the failure of voluntary enlistment. But I have during the discussions on the Bill gone over, in my mind, the events that have taken place since the war broke out and since Canada undertook to take part in that war, and I have taken the trouble to put down a list of the factors that, it seemed to me, militated against the success of voluntary enlistment and brought about the conditions which the Prime Minister and his colleagues declare to have existed and upon which they found this conscription Bill.

1. Party considerations taking precedence of military needs.

2. Officers appointed for political, not military, reasons.

3. Men offering service in earlier stages of the war treated as trespassers or as applicants for bounty.

4. Carnival of graft in outfitting contingents and in war contracts.

5. Unfit men enlisted to make a record in filling battalions and then discharged without consideration when fit men were secured.

6. Insufficient provision for and insulting treatment of dependents.

7. Inconsiderate treatment of disabled returned men.

8. Inadequate pensions and unsatisfactory administration by Pension Board.

9. Inadequate provision for totally disabled men.

10. Inefficient rifles and insufficient field equipment.

11. Refusal to allow recruiting effort in vicinity of certain industrial centres.

12. Breach of faith with officers and men in breaking up battalions.

13. Inefficient men taken overseas and carried on strength in England.

14. Officers kept on strength when useless or unfit.

15. The safety first brigade.

16. Censored and untrue reports of field operations.

17. Talk of preparation for peace by prominent public men and newspapers.

18. Talk of compulsory service a year before introduction of measure.

19. Favouritism, graft and inefficiency in all lines of military administration.

Sir EDWARD KEMP: My hon. friend has gone the limit in his criticism of the Government in respect to the conduct of the war. I do not think that I ever heard him say, on any single occasion in this House, since the war commenced that the Government have done properly one single thing in connection with the prosecution of the war. I do not expect him ever to say anything like that. This country—not this Government—has done a magnificent thing in sending overseas such a large number of troops; between 330,000 and 335,000 men. If my hon. friend had been in power; if he had been in a position to control all matters connected with the training, equipping and transportation of these men overseas, would everything that he did have been perfect? Would no one have had occasion for criticism? Does he take that position?

Mr. OLIVER: No.

Sir EDWARD KEMP: Then I think he should be a little more generous in respect to those who have conscientiously tried to perform a service to their country. My hon. friend has sat in the House from week to week and from month to month during the sessions that have been held since 1914. We started out to recruit by battalions. The member for Edmonton knew that that was the system upon which we were working, but I never heard him say in this House at any time, as a military expert, that we were not pursuing the proper course. But we did pursue that course; for a long time after the war started, recruiting by battalions was considered to be the proper method. No one is more sympathetic than I, with the officers who have from a spirit of great patriotism recruited battalions, who expected to go to the front, and who were told that they could not do so owing to military conditions which were unforeseen at the beginning of the war. Among those officers are men just as brave as men who have been in the trenches for one or two years; if they had been able to get to the front they would have done just as good service, I believe, as the men who were fortunate enough to get there. Why were they not able to get to the front? Immediately after the outbreak of the war we started to obtain recruits. Prominent men were asked to organize battalions; others offered their services, and the work proceeded in that way. It never occurred to those men, nor did it occur to the member for Edmonton, that many things that have since happened would have happened during the course of the war. These officers, with their men, commenced to go forward after their battalions had been completed. They went to Valcartier, to Quebec to board ship, to England; gradually some of them got to France. As they got into the fight, their battalions became depleted. The morale of a battalion decreases in proportion as the battalion becomes smaller by wastage; this emphasizes the necessity of keeping the battalions up to strength. The military authorities in France adopted a policy designed to accomplish that end. They sent to England for reinforcements. I am sure that every hon. member was deeply impressed by the story told by the member for New Westminster (Mr. Taylor) one evening in this House. He was asked to send over 400 or 500 men, owing to a battalion, I think from Vancouver, having met with tremendous losses. He was the colonel of a battalion; he would have been glad to go to the front and do his duty just as other officers from Vancouver, Edmonton, or any other part of Canada did. Did he hold back? Did he say: No, I will not allow my battalion to be broken up? It is true that he might not have been able to control the situation even if he had said that, but he did not say it. He said: these men are needed to reinforce the magnificent battalion from Vancouver—and his battalion was broken up. Who can accuse the member for New Westminster (Mr. Taylor), the member for Selkirk (Mr. Bradbury) or any of those Canadian officers who did their best to assist recruiting and who did all the country asked them to do, with not having fulfilled their duty? I shall always contend that those who were not enabled to go to the front and who had to come back to this country did their duty just as well and just as honourably as the men who were fortunate enough to get to the trenches. They need not ask, in those parts of the country whence they came: what will the people say to me? Many of these officers have come back and I have met them and talked with them and I know how badly they feel about it. An officer came into my office yesterday, a splendid man; he complained because he had been asked to go back into private life for the reason that there was nothing further for him to do.

9 p.m.

He said, "I do not know why I should have been written to in such an unceremonious way." I knew that he had been at the front, although he did not say so. He is one of those officers who have been overseas and at the front. He won the Military Cross. He asked his boy not to go to the front, but after this officer went away with the battalion of which he was colonel, his son enlisted contrary to his wish, and his son won the Military Cross and later was killed. This officer said to me: "I am back here, and my fate is to be relegated to private life again. I thought that perhaps a more sympathetic letter might have been written to me in regard to this matter by the officer commanding the district in which I reside." I talked with him for half-an-hour regarding the situation. I said, "There are many surplus officers in England and in Canada, and they must of necessity revert to private life at some time, and the proper time seems to be now before demobilization of the whole force takes place." Finally he said to me: "I never looked at the matter in the way I do now." He thanked me for my explanation, and he said: "I am perfectly satisfied; I

have no fault whatever to find with your explanation." That is the attitude of 49 out of 50 officers who have come back from overseas, many of whom have not been so fortunate in getting to the front as was this particular officer. We have done the best we could, and those officers, from the colonels down to the lieutenants, have done the best they could to serve their country. There are, proportionately to total enlistments, more casualties amongst the rank and file than amongst the officers, and as the gaps in the battalions had to be filled out, drafts had to be sent over. My hon. friend from Edmonton should have put himself on record earlier in the war in order to justify the criticism he has made here to-night in respect to the question of returned officers. He did not point out these things to us before, and he could not do so because he did not know, any more than any of us knew, that this situation would arise. Nor did any other hon. gentleman say to us: You are pursuing an improper course in raising a voluntary force by the battalion system. In my judgment, our course was the proper one because it enabled the voluntary system to be the success it has proven, and I believe that had we at the outset tried to recruit by drafts, as the hon. gentleman says we should have done, we could not have made the success of voluntary recruiting that we did, and we would not have been of such service in the war as we have been. I do not know that I need say any more on this particular point, but I want to repeat that the officers who were not fortunate in getting to the front, but who did all they could do and all that the country asked them to do, are in just as honourable a light before their fellow-countrymen as the officers who did get to the front.

Mr. OLIVER: I hope my hon. friend does not expect, by the strength of his voice, to place upon me the idea that I made any suggestion against these officers. I was making my suggestion against the administration of the Government that left these officers in that position. I made no suggestion against the officers. I quite agree with my hon. friend that those officers did the best they could. They offered themselves in good faith; they offered all they had and all they were in the service of the country. The fact that they did not get to the front was not their fault, but their misfortune, and that misfortune lies at the door of the administration of this Government. My hon. friend asks me why I did not tell this Government in years gone by how to carry on its administration. That was not my business; it was their business. If I had undertaken to instruct them as to how to conduct their military affairs I am sure they would have resented my action, and they would have told me that I was tampering with recruiting, and that I was interfering with the winning of the war. Therefore I did not offer any criticism. I am criticising now only in defence of the people of this country against the accusation made against them by the Government that they have failed in patriotic enthusiasm to the extent that they must be made subject to a measure of conscription, and be made to do that duty that they were doing enthusiastically and well and would be doing to-day if they had had the benefit of a sane and reasonable administration of military affairs.

Mr. BRADBURY: I do not intend to take up the time of the House. I really do not know what good the hon. gentleman (Mr. Oliver) thinks he is going to accomplish by a speech of this kind at this stage of the history of this Bill. The most important measure, perhaps, that has ever come before this House is before us at the present moment. The country is waiting to see this Bill put into force; the men at the front are waiting for recruits, and my hon. friend, hour after hour, and day after day, is taking up the time of the House in regard to matters that I consider utterly irrelevant to the question before us. As one of the officers, whose fate my hon. friend is bemoaning, who took a battalion across the seas and saw it broken up, I confess frankly that at the moment when I was informed that my battalion was to be broken up and my men were to be taken from me to go to the front, I felt hurt; I felt it was an injustice to myself and to my battalion. But as soon as I received an explanation from those in command, who knew more than I did, I immediately acquiesced in their decision, realizing that it was the only thing that could be done at the time. What were the conditions? When I reached England we had three divisions at the front, all that we could maintain. When those divisions went into action, serious casualties occurred from time to time. It was impossible to send out fresh divisions; it was not the policy of the British Government that such should be done. We were doing our best to maintain those three divisions, and recruits had

to come from somewhere. The authorities did not want a whole battalion; they only wanted part of a battalion. Would my hon. friend expect that the officer commanding a battalion would be so unpatriotic as to say to the military authorities: You cannot have 500 of my men to send to the front; if you want any you must take my whole battalion. So far as I heard, not an officer in England, after he understood the circumstances, made any serious complaint in regard to what took place.

Mr. OLIVER: Would it have made any difference if he had?

Mr. BRADBURY: It would not have made the slightest difference simply because we were soldiers there to obey, and we did obey. My hon. friend has made a good deal out of the manner in which this whole matter has been handled. There is no doubt serious mistakes have been made. I remember speaking to some British officers about some of the mistakes I realized I had made. An officer, who had been in the service for 25 years said to me: "Colonel, for every mistake that you or your people have made, the British Government, which has been in this business for hundreds of years, has made twenty." Surely the hon. gentleman must realize that if the foresight had been as good as the aftersight, we would have known better how to take care of the different battalions. I agree with some of the remarks my hon. friend has made, but I do not think this is the place or the time to make them. After we had got three or four divisions in the field, it might perhaps have been well to cease taking over complete battalions. The officers who went over with the battalions have done their duty as the men have done theirs. I do not see what good can be done by such speeches as the hon. member has placed on record to-night. I do not think his speech was made for the purpose of assisting the Government; I do not think it will assist the Government in winning the war, and I am sorry he has seen fit to import it into this discussion to-night. He complained very bitterly about the officers who went across, and spoke of some gentlemen he knew himself. He insinuated only a moment ago that a large number of the officers were picked out and given commands for political reasons.

Mr. MOLLOY: So they were.

Mr. BRADBURY: They were not. My hon. friend is not well informed or he would not have made that statement. There are just as many Liberals as there are Conservatives occupying the position of commanding officers to-day, so the statement that commanding officers have been picked out for political reasons is utterly without foundation.

My hon. friend talked about the officers being relieved of their command and feeling hurt in consequence. It was mentioned here to-night that the battalion raised by the hon. member for New Westminster (Mr. Taylor) was broken up when it got overseas. I know dozens of battalions that were broken up as soon as they landed in England—battalions from Winnipeg and other points in Manitoba, and from Ontario and from every other part of this country. Why? Simply because drafts were needed, and the officers were not needed. The casualties among the senior officers at the front were, of course, not so great as the casualties among the junior officers and the men, for the simple reason that colonels in command of battalions are not in front of their regiments. It was impossible to send to the front all the colonels who went over to England from Canada. I took a battalion overseas with the full expectation of going with it to the front. When I landed in the Old Country I was put in training at one or two camps for two or three months, which was absolutely necessary. I did not feel so very much hurt when I realized the conditions. I went over to France myself and visited the trenches. I saw what was going on and I should like to have commanded my battalion there. I really did not rise to make a speech, but I could not refrain from saying what I have said. In view of the critical condition this country is in at this moment one would think that an hon. member who knows the condition of affairs would try to assist the Government, but the hon. gentleman (Mr. Oliver) has not given the Government the support I think he ought to have given in connection with this Bill. His speech will not help to get recruits to assist the men in the trenches who are offering up their lives for us.

Slurs have been thrown across the floor by more than one hon. gentleman opposite regarding the colonels who have gone overseas. I should like to say to some of these gentlemen that they would occupy a much higher position in this country than they do occupy if they had done what some of these returned colonels have done. There are some sitting on the other side of the House who have been colonels longer than I have. I am looking at one now. The

hon. member for Pictou has been a colonel for a good many years.

Mr. OLIVER: An honorary colonel.

Mr. BRADBURY: An honorary colonel who was always glad to parade himself in uniform and show his magnificent form.

Mr. OLIVER: An honorary colonel is not a combatant colonel.

Mr. BRADBURY: He might easily become a combatant colonel.

Mr. MACDONALD: I might say to my hon. friend that my boy went in my place.

Mr. BRADBURY: I give his son all the honour that is coming to him, but I might say that it would have been better if his son had gone a year sooner than he did, as he would have gone had he been allowed.

Mr. MACDONALD: My hon. friend does not know what he is talking about, and his statement is untrue. My boy was ready to go at the very beginning of the war, but he declined to go in the 17th Battalion, commanded by a political colonel, who, being a major in the 78th, asked the colonel of the 78th Regiment to give up his place, and told him that he could not go as a colonel because he was a Grit, and that he would take him as his major if he would agree to the change.

Mr. BRADBURY: People who live in glass houses should never throw stones. My hon. friend threw a slur across the floor of this House about my services when I happened to interject a remark in the discussion. I only want to say to him that with his experience—he was in uniform long before I was, and is seven or eight years younger than I am —he would have been in a much better position to criticise others if he had raised the battalion which he might have raised, and taken it across the seas in the defence of his country.

Mr. OLIVER: Might I ask my hon. friend what would be the chances of himself or some other gentleman recruiting another battalion in the district from which he raised his battalion?

Mr. BRADBURY: We have sent five battalions from that district and have drained it pretty well, but I know the feeling amongst the British and the Canadians there, and if a call comes I know there will be no hesitation on the part of our young men in responding again. I could raise half a battalion in that district in a very short time.

Mr. OLIVER: If that is a fact—and I certainly will not question the hon. member's word—he proves there was absolutely no necessity for this conscription Bill. If my hon. friend is correct, the statement that is made on the face of the Bill must be incorrect, and the Bill has no proper foundation. In regard to myself and the proper time to speak, the minister complained that I did not criticise the Government or give them the benefit of my views in the early stages of the war. And now my hon. friend complains because I venture to speak at this particular stage, when voluntary enlistment has ceased and is to be replaced by compulsory service. Surely this is the time and place and occasion to settle the responsibility for that change of conditions, and I have been rendering what little help I can towards the settlements of that question.

Would it be agreeable to the Government to allow the Bill to remain in committee until we get a reprint of the Bill? It could be reconsidered in its reprinted form tomorrow. I have been asked by the leader of the Opposition to make this request.

Mr. MEIGHEN: We are anxious to have the Bill reported, but we will not oppose the request the hon. member makes on behalf of the leader of the Opposition.

Progress reported.

SUPPLY.

House in Committee of Supply, Mr. Rainville in the Chair.

Canadian Government Railways: Construction and betterments, $6,500,000; Dartmouth to Deans branch line, $65,000; to provide car ferry-construction terminals, etc., $310,000.

Mr. SINCLAIR: Will that complete this road?

Mr. COCHRANE: This $6,500,000 is on capital account. It is not to complete any road. It is a betterment.

Mr. SINCLAIR: I was referring to the Dartmouth to Deans branch line.

Mr. COCHRANE: That is the second item. It will complete that road, but that is not the item under discussion now.

Mr. SINCLAIR: As I understand, it is supposed to be sufficient to complete the road.

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Will the minister tell us something about that road? Is it turning out profitably?

Mr. COCHRANE: I cannot say it is paying very well, but still for a branch line it is doing better than we anticipated.

Mr. SINCLAIR: For a good many years it has been a question in the province of Nova Scotia whether the Intercolonial should not undertake the building of certain branch lines, and take control of the traffic in those localities. This was one of the branch lines that was put forward, and it would be very interesting to know how it has turned out. I have heard that it has been very successful and that it has been a profitable feeder to the Intercolonial railway. If this be so, it might be a reason why the minister should continue the good policy of opening up some other branches which are very much needed in our province, especially one in my own constituency which was projected at the same time as this. If the minister has the information as to how traffic has grown on this road, it will be very interesting to the House and to the people of Nova Scotia.

Mr. COCHRANE: The road has done very well. It only started last year, and we have not a full years' report on it as yet. The traffic has certainly been very encouraging, to say the least. I do not mean to say it has paid, and I do not think we can expect any of the branches down there to pay, but, as the hon. gentleman has said, it has been an exceedingly good feeder for the main line of the Intercolonial.

Mr. A. K. MACLEAN: Has there been a telegraph line installed on that branch?

Mr. COCHRANE: I think so.

Mr. A. K. MACLEAN: I wish to bring the matter of the naming of the stations on this railway to the attention of the minister. The line runs through what is known as the Musquodoboit valley, and there are three places in that valley of the same name, Musquodoboit Harbour, Middle Musquodoboit, and Upper Musquodoboit. For probably three-quarters of a century those places have been known by the names I have given. Some time last year the names of the stations were changed and it is very confusing to the public. I think protests have been registered with the department against the changes. I know personally of very serious inconveniences caused to travellers by reason of these changes, because the travellers did not associate their destination points with the new names of the stations. I know of no reason why these stations should not have the name of the locality. Very strong representations have been made to the minister to revert to the old names, and I think it should be done.

Mr. COCHRANE: It was to avoid confusion that the changes were made. Having three Musquodoboits was liable to cause trouble in orders, and so on.

Mr. A. K. MACLEAN: A good way to avoid confusion among the people who know a locality is to allow old places to retain their old names. Who suggested the change in the first place?

Mr. COCHRANE: The railway people.

Mr. A. K. MACLEAN: So far as I can gather from the correspondence, the whole matter was put in the hands of Mr. Hector McInnes of Halifax to determine.

Mr. COCHRANE: He was asked to make the change, as an old official.

Mr. MACDONALD: But he does not belong to Halifax county, he is from Pictou.

Mr. COCHRANE: He has not been in Pictou for some time has he?

Mr. A. K. MACLEAN: I do not think that Mr. McInnes should be consulted as to the names to be given to railway stations in Halifax county. He wanted the name of a place in Halifax county named Chezzetcook changed to Joffre. The department did not carry that out.

Mr. COCHRANE: It was not in the interest of the railway that we should have three Musquodoboits.

Mr. A. K. MACLEAN: It would not diminish traffic or hurt the business of the road.

Mr. MACDONALD: What special function had Mr. McInnes that would enable him to select the name?

Mr. COCHRANE: The change was made to avoid confusion, as I have said.

Mr. MACDONALD: Why did not the minister consult my friend from Halifax (Mr. Maclean)? Mr. McInnes is an estimable man and a good lawyer, but what he does not know about Musquodoboit would fill a good many books. My hon. friend from Halifax could have given better advice.

Mr. SINCLAIR: He might have asked the Prime Minister.

Mr. A. K. MACLEAN: Does the Prime Minister, my colleague, concur in this?

Mr. COCHRANE: I do not know.

Mr. A. K. MACLEAN: You never asked him?

Mr. COCHRANE: No.

Mr. TURGEON: Has the minister given any consideration recently to the taking over of the Caraquet and South Shore railway?

Mr. COCHRANE: I have not given any consideration to taking over any road during the war. It has been well understood that Canada cannot borrow money except within her own borders, and how long we can continue to finance, even without buying railways, is hard to say.

Mr. TURGEON: I admit that the reason given by the minister is a plausible one under present conditions. Meanwhile we must not neglect our home trade and commerce, but should endeavour to do what is right in the interest of our internal trade. The taking over of that road would mean a considerable increase of trade to the Intercolonial. It already furnishes quite a quantity, but with a good service much more would be provided and the people would be better served. I hope that, notwithstanding what the minister says about financing, he will still look into the question.

Mr. SINCLAIR: This is a very large item, $6,500,000 for construction and betterments. If the minister is going to spend all that in war time, he is evidently not very short of money. What is it proposed to do with this very large sum?

Mr. COCHRANE: This $65,000 is one of the items. The next item is to complete the car ferry between New Brunswick and Prince Edward Island; that will take $310,000 more. Then the Halifax terminals alone will take $3,000,000 out of this vote. It is felt that with the need for overseas shipments we could not discontinue that work or I would certainly have closed it down before now. Last winter we were seriously crowded as we had not enough berths there. We hope to have the first unit finished this fall.

Mr. SINCLAIR: Will this amount complete it?

Mr. COCHRANE: Yes. It may not complete the station, but it will complete the harbour end of it.

Mr. COCHRANE: The total amount under Government railways is as follows:

Construction and betterment, $6,500,000; Dartmouth to Deans branch line, $65,000; to provide car ferry, $310,000; total, $6,875,000.

The first item for construction and betterment, is subdivided as follows:

Intercolonial—Buildings, $571,000; roadbed and track, $333,000; bridges, $365,200; miscellaneous, which includes $3,000,000 for Halifax terminals, $4,158,000; total for the Intercolonial, $5,426,200.

Prince Edward Island—Roadbed and track, $7,600; bridges, $900; miscellaneous, $2,200; total, $10,700.

New Brunswick and Prince Edward Island Railway—Buildings, $14,500; roadbed and track, $64,000; bridges, $55,600; miscellaneous, $4,000; total, $138,100.

International Railway—Roadbed and track, $5,390; bridges, $1,010; total, $6,400.

National Transcontinental—Buildings, $118,900; roadbed and track, $151,100; bridges, $74,000; miscellaneous, $22,700; Winnipeg elevator, $425,000; total, $791,700.

Lake Superior Branch—Buildings, $3,800; roadbed and track, $15,400; bridges, $87,700; miscellaneous, $20,000; total, $126,900.

Mr. COPP: I think the hon. gentleman told me that $14,000 was provided for betterment on the New Brunswick and Prince Edward Island Railway?

Mr. COCHRANE: $14,000 for buildings; roadbed and track, $64,000; bridges, $55,000; and miscellaneous, $4,000.

Mr. COPP: If I recollect correctly, $14,000 for buildings was for the round house or repair shop at Sackville, which was recently burned. The road running from Sackville to Cape Tormentine is 36 or 37 miles in length. When that road was operated by the company, it was pretty well run down, as the hon. minister well knows, and at a number of the villages through which the road runs and serves the public there were no station houses. Some places there would be a shed-way, where a person could get shelter in a storm. Would it not be possible to provide small station houses in these localities, to give the people an opportunity to patronize the road? There is a number of villages along the road, and it is an important part of the community. I think there are only two station houses, one at Baie Verte and one at Port Elgin. Of course, there is a station house at each end of the line, but there are a number of stopping places where we should have some accommodation for the travelling public. I hope the hon. gentleman will see that the much needed accommodation for the travelling public is provided.

Mr. COCHRANE: It is better, first, to get the road in shape, so that we can run trains over it. We hope this season to have it completed and re-railed. We are getting 12,000 tons of rail rolled at Sydney, and intend to relay it with rails taken from the

main line, and we want to get that in shape, so that when the car ferry is completed, which will be done in a short time, we can establish a proper service. I understand what the hon. gentleman has said in reference to the stations, and I thoroughly agree with him. If he will let me out this year, I will try to have the stations in proper shape next year.

Mr. MACDONALD: When we were in Supply before, the minister promised to give me some information in reference to the coal question.

Mr. COCHRANE: I have it ready. The hon. gentleman will remember that he got most of this information once before. The statement is as follows:

Bituminous Coal.

Orders have been given for coal required on Canadian Government railways for the year 1917-18 as follows:

American Coal.

W. H. Bradford & Co., Philadelphia—95,000 gross tons at $3.45 f.o.b. cars, mine; 50,000 gross tons at $3.25 f.o.b. cars, mine.

Buffalo & Susquehanna Coal & Coke Co., Buffalo—16,000 gross tons at $3.75 f.o.b. cars, mine.

Andrew Baille Ltd., Montreal—50,000 net tons at $6.70 f.o.b. cars, St. Lambert.

Canadian Import Co., Montreal—50,000 net tons at $3 f.o.b. cars, mine.

Century Coal & Coke Co., Montreal—100,000 net tons at $6.55 f.o.b. cars, St. Hyacinthe.

Gano Moore & Co., Philadelphia—9,360 net tons at $5.50 f.o.b. pier, Philadelphia and Newport News.

Valley Camp Coal Co., Cleveland—20,000 to 40,000 net tons at $2.50 f.o.b. cars, mine.

Canadian Coal.

Dominion Coal Co., Sydney—160,000 net tons at $3.79 f.o.b. cars, Sydney; 50,000 net tons at $4.60 (plus trimming if required), f.o.b. vessel, Sydney or Louisburg; 50,000 net tons screened at $4.02 f.o.b. cars, C. G. Ry., Springhill Jct.; 30,000 net tons at $3.79 f.o.b. cars, C. G. Ry., Springhill Jct.; 20,000 net tons slack at $3.79 f.o.b. cars, C. G. Ry., Springhill Jct.

Nova Scotia Steel & Coal Co., New Glasgow —3,010 gross tons at $4.25 f.o.b. vessel, N. Sydney.

Bras d'Or Coal Co., North Sydney—10,000 gross tons at $4.25 f.o.b. cars, Bras d'Or.

Milford Coal Co., Coalburn—5,000 gross tons at $4.25 f.o.b. cars, C. G. Ry.

Intercolonial Coal Mining Co., Westville—90,000 net tons screened at $4.02 f.o.b. cars, C. G. Ry. (what coal shipped to P.E.I. at $4.25 f.o.b. cars, their shipping pier, Pictou Harbour); 3,000 net tons slack at $3.73 f.o.b. cars, their shipping pier.

Acadia Coal Co., Stellarton—25,000 gross tons at $4.25 in pile.

Maritime Coal, Railway & Power Co., Joggins—100,000 gross tons at $4.25 f.o.b. cars, C. G. Ry., Caccan.

Minudie Coal Co., River Hebert—5,000 gross tons screened at $4.50 f.o.b. cars, Maccan.

[Mr. Cochrane.]

Jones & McKinnon, Caccan—8,000 gross tons screened at $4.50 f.o.b. cars, Maccan.

Sterling Coal Co., River Hebert—Small quantity at $3.79 net ton f.o.b. cars, Maccan.

Dr. M. F. Keith, Moncton—7,200 gross tons screened at $4.50 f.o.b. cars, Adamsville.

Mr. MACDONALD: The department paid the freight from the Pennsylvania mines?

Mr. COCHRANE: In some cases.

Mr. MACDONALD: I assume that the figures that the minister has given as to the prices of coal delivered at some point on his road indicate the amount that would be added to the cost of the coal f.o.b. cars in United States.

Mr. COCHRANE: I can give the hon gentleman the cases in which the freights were prepaid, and the prices. The Andrew Baille Company, for instance, 50,000 tons, delivered at St. Lambert, $6.70. Century Coal Company, Montreal, 100,000 tons, $6.55. The others, I think, are at prices which include freight and duty.

Mr. MACDONALD: The minister has given us in certain cases the prices paid for coal at St. Lambert or St. Hyacinthe, delivered. The difference between that amount and the amount which he has given under other contracts for coal f.o.b. cars in Pennsylvania would indicate the amount of freight paid and thus give us some idea of the cost of coal delivered in Canada as compared with the cost of Nova Scotia coal.

Mr. COCHRANE: I think that the prices would be a litle cheaper on the American coal, including the freight from the mines to those places in Quebec. As I stated when we were on the Estimates before, we bought two boats for running coal up to Chaudiére and other places. We had to put one of them in the dry-dock, but it will be ready in a day or two. The other has made about six trips.

Mr. MACDONALD: Will the minister explain the changes that have taken place in the Intercolonial consequent upon the resignation of Mr. Gutelius? Did Mr. Gutelius leave of his own accord? There is some misapprehension about that.

Mr. COCHRANE: He left of his own accord; he is getting $5,000 a year more than we were giving him. The people with whom he has gone knew him; they had worked together before.

Mr. MACDONALD: What about the changes that have been made? Who has taken his place?

Mr. COCHRANE: Mr. Hayes has been appointed general manager of the Eastern Division and Mr. Brady of the Western.

Mr. MACDONALD: What is Mr. McNeilly?

Mr. COCHRANE: He is general superintendent. There has been no change in his position.

Mr. MACDONALD: What is Mr. L. F. Brown's position?

Mr. COCHRANE: Assistant to Mr. McNeilly.

Mr. MACDONALD: Over what territory has he jurisdiction?

Mr. COCHRANE: Over the Intercolonial and the Transcontinental east of Quebec.

Mr. MACDONALD: Does the minister expect to take over this autumn the operation of the connection between Nova Scotia and Prince Edward Island by the use of the car ferry between Carleton Head and Cape Tormentine?

Mr. COCHRANE: Yes.

Mr. MACDONALD: Will the minister discontinue the connection between Pictou and Charlottetown and between Summerside and Point du Chene when he does that?

Mr. COCHRANE: We have not decided that; the matter is under consideration. Perhaps we shall have to operate that service as well as the car ferry.

Mr. MACDONALD: I think the opinion of the people of Prince Edward Island is that it would be better to maintain steamboat connection between those points than to centralize the whole service in the car ferry. The car ferry is a very satisfactory steamer; it is a good boat and has done very well, particularly in winter. The minister has told us that naturally no one could expect during war time the tremendous expenditure that would be necessary for the changing of the grade of the Prince Edward Island railway. To make the connection between Price Edward Island and the mainland dependent upon the one link between Cape Tormentine and Carleton Head would, I am sure, not be satisfactory to Prince Edward Island; certainly it would not be satisfactory to the mainland. Although the adoption of a standard gauge on the Prince Edward Island railway would result in convenience in the moving of cars across the straits, the inconvenience and the dislocation of trade that would be occasioned in a province such as that province is, with its seaports at every part and with the well-settled lines of travel from Charlottetown and Summerside, by attempting to divert it to this particular point until new conditions had arisen, would be very great, and I suggested to the Minister of Trade and Commerce, and I would like to suggest to the Minister of Railways, having regard to conditions during the war, the advisability of maintaining the communications by the old line until the time arises, if it ever does arise, when the standard gauge will be put on the Prince Edward Island railway. I hope the minister will take that course. It will be in the interest of the country, and there does not seem to be any reason why, under existing conditions, there should be any dislocation of the old passenger routes when you have not the facilities which you would have if the gauge were changed.

10 p.m.

Mr. COCHRANE: As I have said before, the matter is under consideration, and we will certainly remember what the hon. gentleman has said in reference to it.

Mr. BOULAY: Is there anything in this estimate for a tunnel or subway at St. Fabien?

Mr. COCHRANE: No.

Mr. BOULAY: Is there anything provided for a new station on the division between Campbellton and Rivière du Loup?

Mr. COCHRANE: No.

Mr. BOULAY: Is there anything provided for the building of a tank near St. Leon le Grand on the Intercolonial?

Mr. COCHRANE: There is not any in the Estimates, but if there was a tank there before, a renewal would have to be made out of earnings instead of out of capital.

Mr. BOULAY: In regard to St. Fabien, of course, while the war is on, I have not been insisting on that improvement, but it is such a dangerous place, and the people there have been annoyed for so many years by the trains crossing at that station, that as soon as possible after the war is over, I would like if the minister would provide a subway for the people to cross. I have travelled from Montreal to Halifax over the Intercolonial railway, and I have not seen another crossing where the people are so much bothered by the trains. During the winter they are compelled to wait half an hour or forty-five minutes, and any one who is accustomed to deal with trainmen

knows that they are not always obliging enough to afford facilities for the people to cross. The poor farmers have to wait with loads for about half an hour before crossing on account of the road being blocked by the trains. I have complained to the superintendent several times, but the reply has always been that the matter will be seen to. There are many trains passing through every day, and the people, from the beginning to the end of the year, and principally in the winter time, suffer considerable inconveniences. This subway should have been constructed long ago. Some time in 1910 one was built, but it was not at the proper place, and we could have done without that subway for a few years more. The one that it wanted is at the station. I understand that some large expenditures are to be made at Halifax. I do not know much about the circumstances there, but from the criticism of my hon. friends opposite, I think perhaps it would not hurt them very much if a few thousand dollars were cut out of that amount and expended in my county. In regard to the tank at St. Leonard, it is greatly required. Nearly every day during last winter trains were kept about two hours behind time just on account of being obliged to take in water from a hose instead of from a tank. There is another improvement that should be made on the International railway, and that is that waiting rooms should be provided at two important stations, that is, Kedgewick and Anderson. The first village has a population of about 2,000, and the second about 3,000. The waiting room at each is only about eight feet square, and is for both ladies and gentlemen. For a small expense something could be done to improve the situation so that the people would have more convenience while waiting for trains. I have already spoken —and perhaps I have annoyed the minister—in regard to the personnel on the Intercolonial railway on the division between Campbellton and Mont Joli. I want to come back to his matter again, and I will do so until I get satisfaction. I see that there has been a change on the Intercolonial since the last time we discussed it in the House, but this change does not give me any more satisfaction than I had before.

Mr. A. K. MACLEAN: I have heard it stated that the hon. member himself was slated for the general managership of the Canadian Government Railway system. Is that correct? If it is, I do not wonder that he is not satisfied.

Mr. BOULAY: I do not know where the hon. gentleman got the information, but it is not correct. I never asked for any position on the Intercolonial railway. I see that Mr. Louis Brown has been appointed assistant to the general manager. The poor Frenchmen in Quebec are no good for anything; they cannot be superintendents; they cannot be assistant superintendents. When there is a vacancy on the Intercolonial, officers to fill it are sought in New Brunswick or Nova Scotia. I am not jealous of my friends from Nova Scotia or New Brunswick, but what I want is justice for my province. It is all right for the Frenchmen to go to the front, to shoulder a rifle, but when we come to ask for positions on the Intercolonial, we do not get fair treatment. Other hon. gentlemen from the province of Quebec as well as myself have given plenty of reasons why the French Canadians are not as fond of enlisting as are the people of the other provinces. One reason is because we are not treated fairly.

We are not treated fairly as regards such positions as superintendent and assistant general manager, which positions our men could easily fill. I do not want to say anything against Mr. Louis Brown. I have known him for 33 years, and I was employed on the Intercolonial railway at the same time he was, but because he comes from New Brunswick or Nova Scotia, and does not speak French, is no reason why he should be given the position in preference to a French Canadian from the province of Quebec. The county of Bonaventure and part of the county of Rimouski have always been under the rule of New Brunswick. Why is it that the people of Quebec are not allowed to run their own affairs? When I spoke on behalf of some of my friends some time ago I was told that men qualified for the position could not be got in the province of Quebec. The Government never even tried these men; they did not even know who they were. In the province of Quebec we have men just as well qualified as the men of the provinces of New Brunswick or Nova Scotia, and we are just as jealous of our rights as the people of any other province. It was a good chance to give us fair play when the change was made in the management of the road, I do not see why justice is not done to our province, at least as regards these minor positions.

Only twelve miles of the road from Mont Joli to Campbellton is in the province of

New Brunswick; the rest of the 105 miles is in the province of Quebec, and yet the despatcher's office is in New Brunswick. The line between Lévis and Rivière du Loup is controlled by the despatching office at Lévis. Every one who is familiar with this district knows what is the situation from Lévis to Rivière du Loup. The despatching office is at Lévis. For the section between Rivière du Loup and Mont Joli, the despatcher's office is at Rivière du Loup. Why is not the despatcher's office at Mont Joli for the division Mont Joli to Campbellton? Why not do justice to our province? Our men are quite competent to fill these positions. The despatchers know nothing about the condition of the road in the province of Quebec. Sometimes they do not even know the distance between the stations, except by referring to the sheets; they do not know the agents, and they do not know the grades. This is not in the interests of the road, because being unfamiliar with the grades they will put trains in the sidings needlessly for two or three hours. If the despatching was done from Mont Joli by men who knew the road this would not happen. It would be better for the railway, and it would only be doing justice to the population of the counties of Rimouski, Bonaventure and Matane.

Some justice has been done to our province as regards the less important positions. The conditions have improved in that respect since Mr. Gutelius became manager of the road. Previous to that, masons, foremen, carpenters, bridge repairers and so on would be sent from Moncton to repair our bridges and do the ordinary labouring work on the road. I spoke to Mr. Gutelius about this, and he agreed that it was only fair that the work west of Campbellton should be done by men from the province of Quebec. But the big positions are not given to the men of our province, and it is high time that we got satisfaction in this respect.

If it is impossible to make two divisions of the road between Montreal and Campbellton— the distance is 475 miles and the divisions in New Brunswick and Nova Scotia are a good deal shorter than that— let us have one division, and let the superintendent at Lévis have charge of the whole line from Montreal to Campbellton with an assistant superintendent, chosen from amongst the French Canadians of our own province. Let us have a board of telegraph despatchers at Mont Joli, as they have at other places, and we will be satisfied.

Mr. COCHRANE: There is no doubt that the subway is very much needed. I am very glad that my hon. friend is willing to put up with the present conditions until finances are a little easier. I have given some attention to having an assistant superintendent at Mont Joli, and I hope to accomplish something in that direction before long.

Mr. COPP: I think there is a great deal in the complaint made by my hon. friend from Rimouski in regard to the appointment of officials on the Intercolonial railway. I do not know that New Brunswick and Nova Scotia are to blame as regards the officials on that portion of the road running through the constituency of my hon. friend. The complaint I would make is that the high salaried positions on the road are filled by men from outside the Dominion. I am sure the minister will agree that we have men on the Intercolonial whose training and experience makes them quite competent to fill these positions. But this matter has been discussed in the House several times, and I do not propose going into it now. I understand that the Government systems of railways has been divided into two portions with a manager for the eastern section and another for the western section. Does this involve any increased cost, and what are the salaries of the managers?

Mr. COCHRANE: So far, the two men are receiving the salaries they got before, but there has been a demand for an increase in the salaries of both managers. Even if the proposed increase is granted, the total cost of the management will be less than it was before.

Mr. COPP: That is a matter for congratulation. I am sure that the promotion of Mr. Hayes from general traffic manager to general manager meets with the approval of the people along the eastern section of the road. Of course, he is a new man, and has not had much experience as a general manager, but his promotion is very gratifying to the people down there. I think that his salary as traffic manager was $10,000 a year with free house rent. I would suggest to the minister that, in keeping with the policy of economy which the Government has pronounced in favour of so very often, Mr. Hayes might very well get along on his present salary, especially during these war times.

Mr. COCHRANE: As a matter of fact he does pay rent.

Mr. COPP: Then, I beg your pardon. I understood the house was furnished him free by the Government.

Mr. COCHRANE: No, they all pay rent.

Mr. COPP: During the past few years, efforts have been made to avoid the grade between Sackville and Dorchester. Many surveying parties have been over that section of the line, but I have never heard of any conclusion being arrived at. Has the minister any report on the matter?

Mr. COCHRANE: We have spent considerable money in surveying to get the best route possible, and had it not been for the war I have no doubt we would have made the change before this. Of course the hon. gentleman understands we will have to build nearly 100 miles to get around the grade he speaks of. Last winter the line from Truro to Halifax was exceedingly busy. There is certainly not in Canada, and I question whether there is on the continent, a single track line that did as much business as that line last year. We would be very glad indeed if we could go on with the work, but it is impossible now. I think we have a grade there that will give satisfaction; it is four-tenths grade both ways.

Mr. COPP: I understand the Government has located a road that will eliminate the grade.

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Coming back for a moment to the Halifax expenditure, I have turned up the minister's speech of June 11th, and I find he did not give any estimate of the cost of the improvements made at the Halifax terminals. I notice the minister has his officers with him, and I have no doubt he has the information.

Mr. COCHRANE: $3,400,000, up to February last.

Mr. SINCLAIR: Does that include the branch railway?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Can the minister tell us how much that railroad cost per mile, or what was the total cost of the branch railroad.

Mr. COCHRANE: I have not the information to-night. I will get it for my hon. friend.

Mr. SINCLAIR: Are we to understand that the $3,000,000 we are voting now, in addition to the expenditure already made, will complete the terminals at Halifax?

Mr. COCHRANE: Complete that unit, which is all we propose going on with at present. It will not complete the station. It will complete the hydraulic work and the docks, but the station will have to be built afterwards.

Mr. SINCLAIR: What will the station cost?

Mr. COCHRANE: I believe the estimate for the station and train shed is something over $1,000,000.

Mr. McKENZIE: Is the station at Halifax to be near the docks?

Mr. COCHRANE: Yes.

Mr. McKENZIE: And, I suppose the old station will be abandoned?

Mr. COCHRANE: We will make use of it for something.

Mr. McKENZIE: When the minister was last before the committee on his estimates, I made a request for certain information in regard to cost of maintenance on the Intercolonial railway beyond the Strait of Canso and to Sydney, in two different years, for the purpose of comparison. Has the minister the information?

Mr. COCHRANE: The amount spent for betterments between Point Tupper and Sydney, both inclusive, for the fiscal year ended March 31st, was $180,600.

Mr. McKENZIE: I wrote the hon. minister a letter which is no doubt on his file. If he will consult it, he will find I asked for a good deal more information than he has given. Possibly the information may be forthcoming at some other time. I presume the figures just mentioned includes the building of the new bridge across the Grand Narrows.

Mr. COCHRANE: No, I do not think it would.

Mr. SINCLAIR: Has the minister had any request from the Minister of Marine and Fisheries to improve the appliances for the transportation of fresh fish from Nova Scotia to Montreal and Toronto?

Mr. COCHRANE: No, I have not had any request. In what way would the hon. gentleman suggest improvements should be made?

Mr. SINCLAIR: No doubt the minister is aware that a very lengthy and import-

ant investigation was held last year before a committee of this House on this question of improving the transportation of fresh fish. In the course of that inquiry we discovered that the business between the Eastern seaboard and the market is in a very backward state, and that it is not growing as satisfactorily as we would like.

Everybody knows that fresh fish is the most perishable of all products, and that if it is not quickly placed on the market it becomes useless. The Canadian Pacific railway have developed a very large trade from the Pacific coast to the eastern markets by means of improved facilities for carrying fish, which we have not yet in eastern Canada. It is a reproach to the Intercolonial that, after it has been running for forty years we are to-day not able to send a box of fresh fish in ice from the eastern seaboard to Montreal in an express train.

Mr. COCHRANE: You would not be able to do that from Vancouver.

Mr. SINCLAIR: I think so, they are doing it now.

Mr. COCHRANE: You can send a car, but not a box.

Mr. SINCLAIR: We will never be able to develop the trade in eastern Canada until we can do that. The western trade is carried on because it is handled in very large quantities. The fish is taken in refrigerator cars and the minister will find, if he looks into it, that it is delivered at proportionately a very much cheaper rate from western Canada to the eastern markets than it is delivered over the short haul from the eastern seaboard to the markets of Montreal and Toronto. Surely we can get some system by which small quantities of fresh fish can be sent in ice from the Atlantic coast to the cities in Canada. The system exists in all other civilized countries. In the United States, fish that is landed at Boston, one of the largest fish markets in the world, is distributed over the eastern states as far west as Chicago and delivered in good condition in express trains.

Mr. COCHRANE: By carloads.

Mr. SINCLAIR: Not all by carloads, by smaller lots also. The evidence in the investigation was that it was sent in small lots as well as in carloads and I do not think there can be any good reason why that cannot be done.

Mr. COCHRANE: Can you get fish now anyway? Is not the overseas demand so great that there is no surplus?

Mr. SINCLAIR: Of course the trade is a little abnormal at present on account of the war and the demand for fresh fish on the Atlantic coast is so large that it can hardly be met and the prices are good. But that will not last very long. That has been going on for the last year or so because frozen fish is being sent over to the troops on the other side. But we have to develop one or other market; we must get into the American market or into the Canadian market if we are to build up a large fish industry. We are depending on the Intercolonial to get into the Canadian market, and it is up to the minister to find some means of doing this. As it is at present, if you want to send a ton or half a ton of fresh fish from Halifax or Mulgrave to Montreal, you have to send it in a heated car. You put your fish in the box with the ice and put it on board a car where there are steam pipes, and by the time it gets half way the is ice is melted, the fish is soft and unfit for use. That is the present condition with small lots of fish. With a great railway system of that kind there must be some method of overcoming that difficulty. One proposal was what is called a peddler car by which these small lots could be delivered at various points along the road on some express trains. I am not able to propose a system to the minister, but if he will read the evidence taken by that committee he will find that the present conditions are not satisfactory. The Intercolonial should take that matter up and deal with it so as to enable us in Eastern Canada to get into the Canadian market with good fish. It is needed in those cities; it is the best kind of food, and it would be appreciated if the people could get it in good condition. Why is it that we cannot get a nice piece of fresh fish from Eastern Canada in any restaurant or hotel in the city of Ottawa?

Mr. COCHRANE: You cannot get it in Halifax.

Mr. SINCLAIR: Generally you can. I do not think it is the experience of the people of Ontario that they get the fish from the seaboard in good shape.

Mr. COCHRANE: I think that is quite right.

Mr. SINCLAIR: I mean the ordinary every-day fish such as mackerel, cod and haddock. Cod and haddock are caught practically the year round, and it should

be delivered in such shape that you could depend upon getting it in prime condition in any hotel. The whole trouble lies with our transportation system.

Mr. COCHRANE: I shall be very glad not only to read the report of that committee myself, but to send it to my officers and have them read it and see if some system cannot be devised before the war ceases which will help out in the fish business, because there is no doubt that fish is an excellent food which is quite unfit for use if not in good condition.

Mr. COPP: Will the vote for the car ferry and construction of terminals for the Prince Edward Island ferry be part of the contract price, or is that an extra?

Mr. COCHRANE: That is to complete the work; it is part of the contract.

Railways and Canals—Chargeable to Capital. Hudson Bay Railway—Construction of railway terminals and elevators, $3,000,000.

Mr. ROBB: Can the minister inform the committee if the National Transcontinental has an interchange of rates with the Canadian Pacific and the Canadian Northern railway at points to and from the Northwest?

Mr. COCHRANE: There are through rates on each road. I do not suppose the Canadian Pacific would turn us over any freight, nor will the Canadian Northern. We have to depend on getting our freight from Winnipeg through the Grand Trunk Pacific.

Mr. ROBB: I think the minister should have an official to look into the question. I understand the National Transcontinental railway and the Grand Trunk Pacific, like all railways in Canada, are very arbitrary in their dealings with other roads. I will give the minister a concrete case. They quote a rate on flour from Portage la Prairie of 36 cents a hundred pounds to Manuan, a short distance west of Quebec. The rate would be 34 cents from St. Boniface, but a mill situated 100 miles south on the Canadian Pacific, or Canadian Northern line, cannot get this particular rate unless they pay an extra ten cents, pay the local rate from the point of shipment to the nearest Grand Trunk Pacific point, plus the through rate from there. I suggest to the minister that this sort of thing should be stopped on all the railways in Canada, and it is up to the Government railways to compel the other roads to make a fair exchange of rates. It will help them to get business, and it will help the National Transcontinental railway, because they will have reciprocal advantages.

Mr. COCHRANE: That matter is under the Railway Commission.

Mr. ROBB: The minister should see that the grievance is remedied. Another matter in which the railways are very arbitrary is in regard to the exchange of cars on their different roads. All last winter, as the minister knows, traffic throughout Canada was practically tied up, and the railways were so arbitrary that you could not get stuff delivered from Montreal. I must say that the Canadian Northern gave as good service as any of them, but they arbitrarily stated, "You must take delivery of this stuff on our tracks. You cannot ship it out on any branch lines." I think that should be corrected. A shipper does not want to go to the expense of transferring from one car to another, and the railway should be compelled to have an interchange of business, so that we would not be tied up, as we were last winter.

Mr. COCHRANE: The trouble last winter was that pretty nearly every railroad on the continent was tied up for the want of cars, and it was practically, I won't say stealing, but getting hold of the cars, and keeping them as long as they could. I have tried this year to get our own road in such shape that we will be more independent of them in the lower provinces. We are in bad shape in that respect. There is so much pulpwood shipped down there that it takes our cars over to the United States, and it is almost impossible to get them back. We scarcely ever have less than five or six thousand cars over there, and it makes a big hole in our system of cars. It became so bad last year on all roads that we had to put an embargo on it. I will bring it to Sir Henry Drayton's attention and see what can be done.

Mr. ROBB: Part of this congestion was caused by the railways themselves, and they would admit it when you went to them. They had an inefficient staff in their offices. Their good men had gone away, and they were taking whatever men they could get. They were using very arbitrary methods, not allowing cars to go off their own tracks, because of the congestion, and it tied up their own yards. The minister should see that this practice is stopped, and that the railways shall allow traffic to flow freely. Let them look after their own cars.

Mr. SINCLAIR: The trouble was that there were too many cars. All the sidings

were filled with cars from Montreal to Nova Scotia.

Mr. COCHRANE: That was after the embargo in Montreal. The Grand Trunk put an embargo on the cars, and would not allow a car to be taken away, and we had to run trains from Halifax to Montreal empty, on account of our overseas traffic.

Mr. SINCLAIR: I hope it will not occur this year. It was a great loss to the business people of Eastern Canada. I have known men who were getting a carload of pig iron to send a man to stay with the car, and when the car was placed on the siding, the man got off the train, and waited for days, till he managed, by giving tips and all kinds of schemes, to get the car on the track again, and finally, after several weeks' delay, he reached home with his carload of pig iron. If he had not been able to do that, his factory would have been closed down, and his hands idle. Those were the difficulties people had last year. I hope that if there is any way of preventing it, the minister will take care that it shall not occur this winter.

Mr. COCHRANE: I hope not.

Mr. OLIVER: I wish to bring to the minister's attention a condition that arose in Edmonton last winter, or last fall. It is under the jurisdiction of the Railway Commission, but we have no means of reaching that body. The three railroad systems, the Canadian Pacific railway, the Grand Trunk Pacific and the Canadian Northern all run to Edmonton and radiate from there. There are coal mines on all three lines in the neighbourhood of Edmonton, but it happens that there is only one of these mines, if I remember correctly, on the Canadian Pacific Railway line. The others are on the Grand Trunk and the Canadian Northern. It also happens that the Canadian Pacific railway has the largest system of distributing lines in the prairies. The coal mines sell their own coal, and the coal mine that is on the Grand Trunk line, we will say, sells coal on the Canadian Pacific Railway line or on the Canadian Northern, as the case may be. It is desirable that it should be so, and up to last fall there was no difficulty in getting the necessary cars. I do not know what the arrangement was previous to the time the condition complained of arose, but it was about the time of the coal strike in southern Alberta, when there was a pinch of cold weather. The coal mines in Edmonton had plenty of labour, and plenty of demands for their coal, and all of a sudden one bright day an order was issued by the railroads that they would not exchange cars. That is to say, the Grand Trunk would not supply cars to take coal from a point on their line to a point on the Canadian Pacific railway.

Mr. COCHRANE: How many miles is it from the mine to the Canadian Pacific railway?

Mr. OLIVER: From three to five miles; it is only a short haul. The mines that I speak of are within a few miles of the city. It had simply been a matter of shunting, and the companies had been co-operating amicably, with great benefit to the coal trade. Suddenly the companies refused to exchange cars. The Canadian Northern railway would take coal from one point to another on their own line, but they would not give a car to take coal from a mine on their line to a point on another line. It was the same all round, and businesss was shut out at once. The coal miners appealed to the Railway Commission, and an order was issued by that body. But even after the issuing of that order, the railways had apparently made up their minds to be ugly—why, I do not know. They obeyed the order of the Railway Commission, but so grudgingly as to make the order not as of much benefit as it should have been. I cannot understand why an enterprise like a railroad should take an attitude which is detrimental to their own business. The railroads should understand, great enterprises though they be, that their business is to serve the people.

Mr. MACDONALD: I saw in the press not long ago a report that 5,000 box cars had been ordered by the Railway Department. Where were they ordered, and when is delivery expected?

Mr. COCHRANE: 1,000 were ordered from the Eastern Car Company of New Glasgow, 1,000 from the Rhodes Currie Company, 3,000 from the Canada Car Company, Fort William, and 1,000 from the National Car Company of Hamilton—6,000 in all. We hope to get the greater portion of them before the end of the year. As my hon. friend knows, we are often disappointed in these deliveries, but they have promised delivery and have agreed to pay a penalty of 75 cents a day for each day of non-fulfilment of contract for delivery.

Mr. SINCLAIR: Is there a standard price?

Mr. COCHRANE: The price is whatever we can get the cars for. During the

last month there has been a raise of nearly $300 on each car.

Mr. McKENZIE: Are these steel cars?

Mr. COCHRANE: Steel frame. It is impossible to get a steel car now.

Mr. ROBB: Are the railways making provision to get a sufficient supply of coal for next year's operations?

Mr. COCHRANE: I have been trying hard to get a good supply, but it is coming in very slowly. We are pressing the matter as hard as we possibly can. The Government has brought the matter to the attention of the Fuel Controller, and we have appointed a man on the other side to follow up the shipments and see that they come over. The Railway Commission has undertaken to keep the cars moving when they get on this side. We are directing our efforts to securing a supply not only for the railways but for the general public as well.

Mr. OLIVER: I do not know whether I have discussed with the minister the embargo that was placed by the railroads of Alberta last winter upon the shipment of grain east. From time to time the railroads refused to haul grain, and we were told that an embargo had been placed on the carrying of grain to Fort William. Can the minister give any reason why that condition existed and tell us whether it is within the law for a railway company to refuse to haul grain?

Mr. COCHRANE: Congestion on the railways or in the elevators is the only reason I can see for the placing of an embargo upon the carrying of grain to Fort William. Two years ago the Canadian Pacific railway absolutely refused to take grain shipped by the Grand Trunk Pacific, although there was room in their elevators. They controlled the elevator space as well as the tracks running to the elevators; so much so that in some cases we had to haul grain back from Fort William to Quebec or Montreal.

Mr. OLIVER: I can appreciate the difficulties of the year before last, when the crop was abnormally large. But last year there was no such crop to block the roads. According to the records in the Trade and Commerce reports, the elevators at Fort William were never in a condition that they could not receive grain. Nevertheless, the railroads refused to haul grain there.

[Mr. Cochrane.]

They would accept grain to be deliv-
11 p.m. ered at the interior storage elevators at certain times, but they would not furnish cars to be delivered at Fort William. A railroad, being a common carrier, must carry to order, subject to its ability to do so; but in this case there was a public announcement that the railroad had placed an embargo upon—that is, had refused to carry—grain from the local elevators to Fort William. Does the minister believe that the railroad is within its rights in doing that?

Mr. COCHRANE: I agree that if it is within their power to carry the grain, they must carry it. However, owing to my illness last winter I am not as familiar with the matter as I should be. I hope that this year there will be no such difficulties.

Mr. OLIVER: I desire, then, formally to bring the matter to the minister's attention and to ask his protection in the future, so that the railroads shall be required to discharge their duty to the public, subject to the ordinary limitations of possibility. It struck me as a most arbitrary action that they should publicly announce their intention not to haul grain after a certain date from one point on their system to another.

Mr. SINCLAIR: Where is the minister going to get his coal for the Hudson Bay railway? I assume that he intends to run it this winter.

Mr. COCHRANE: I am afraid that we will not

Mr. SINCLAIR: It is absurd that we should vote $3,000,000 to spend on the Hudson Bay railway when it will be of no use to anybody even if it is completed in November. At all events, it will be of no use during the winter season. It is an insane proceeding to spend money on a project of that kind at a time like this, especially in view of the fact that if it were ready, there would be no traffic and no possibility of getting coal to run the road.

Mr. COCHRANE: I do not agree that there is no possibility of getting coal to run the road after it is finished. I think the road will certainly justify its construction. In any case, the contracts were all let before the war, and it is sometimes hard to get out of a contract. The penalty is too heavy.

Mr. SINCLAIR: I do not take the ground that the road will never be of any use. I

do not know. But my point is that at the present time when the minister is very properly saving money in other directions, this is a case in which he ought to save money.

Mr. COCHRANE: The contractors have their plant and a quantity of material on the road, and the penalty on us, if we were to shut down the work would be very severe. I admit that if we could shut down the work without too much expense, that matter would be well worth considering, but I am afraid the expense would be too great. The contractor would be justified, if we did so, in demanding a heavy bill of damages. I think the hon. member will understand that.

Mr. SINCLAIR: Does the minister intend to work the road this winter?

Mr. COCHRANE: I do not think we shall.

Mr. SINCLAIR: I understood, in the statement made to the House some weeks ago, that in November it would be ready to Port Nelson.

Mr. COCHRANE: That is true.

Mr. ROBB: Are many men employed at present in the construction of the Hudson Bay railway?

Mr. COCHRANE: I understand there are more men this year than there were a year ago. The contractor got the men early this year and he was more successful in getting them. The road was delayed considerably a year ago.

Mr. SINCLAIR: I suppose he will get some soldiers up there.

Mr. COCHRANE: No, I think the men are regular railroaders.

Mr. MACDONALD: Will the minister give us the last figures he has in regard to the cost of operation of the Transcontinental railway and the receipts?

Mr. COCHRANE: I gave a very full account of both the Intercolonial and the Transcontinental some weeks ago. The hon. member will find the figures on page 2296 of Hansard.

Mr. MACDONALD: Will the minister tell us whether he has been hauling grain on that road?

Mr. COCHRANE: We did not haul much last year.

Mr. MACDONALD: Has he hauled some?

Mr. COCHRANE: Yes, we hauled some oats to Quebec.

Mr. MACDONALD: What has been the general character of the traffic? Has it been mostly from West to East or from East to West?

Mr. COCHRANE: At certain seasons of the year the traffic is mostly from East to West, and at other seasons from West to East.

Mr. MACDONALD: Have the terminals of the Transcontinental at Quebec been completed, and is the minister in a position to ship from the cars which he sends East?

Mr. COCHRANE: Yes.

Mr. OLIVER: Will the lifting of the rails on the east end of the road interfere in any degree with traffic facilities?

Mr. COCHRANE: If I remember aright, I informed the hon. member that we replaced the sidings with second-hand rails. Of course, the facilities are not as satisfactory as they were before, because we had so much room not only at the sidings but at divisional points. The traffic is somewhat impeded, but we hope to overcome that as soon as the war is over.

Mr. MACDONALD: Has the minister settled all the claims in connection with the construction of the railway?

Mr. COCHRANE: No. There are still some at Winnipeg and some in Quebec, and, I think, at one or two other places. It seems almost impossible to get them settled. Some people do not want to go into the Exchequer Court, and I do not want to pay the big prices they are asking. The case of Mackenzie and Mann at Winnipeg went into the Exchequer Court, and then it was appealed. It has not yet been decided whether they will take it to the Privy Council or not. The claim is for quite an amount.

Mr. MACDONALD: A number of claims have not gone to court for adjudication?

Mr. COCHRANE: A number have not. Outside of Mackenzie and Mann's claim, the others are all small.

Mr. MACDONALD: Mackenzie and Mann's claim would be in regard to terminals, not construction.

Mr. COCHRANE: For right of way and terminals also.

Mr. MACDONALD: The minister is asking for an appropriation for claims for right

of way of $500,000. Will that amount pay all the claims for the right of way?

Mr. COCHRANE: I hope so, but I am not sure. As I say, there has been great difficulty in getting proper settlement with the claimants. As my hon. friend knows, if any person has a claim against the Government he wants to salt it. I want to do what is fair and right, and I hope this amount will cover all the claims.

Mr. OLIVER: Did I understand the minister to say that the lifting of the rails would not interfere with traffic?

Mr. COCHRANE: Not on the Transcontinental.

Mr. OLIVER: That is what I mean. Perhaps the minister has available the information in regard to the lifting of the rails west of Edmonton. I notice in the Edmonton papers that some of the Edmonton settlers who are on the Canadian Northern, the rails of which have been lifted to be transferred to the Grand Trunk, are making very serious complaints. Have those complaints reached the minister?

Mr. COCHRANE: Some of them have and we are investigating the claim of each settler to see what crop he has and what the damage to him will be. In some cases we are offering, if necessary, to take them out and put them in some other place.

Mr. OLIVER: The department is prepared to pay damages to these people.

Mr. COCHRANE: Yes, we shall have to do what is right with them in every case.

Mr. MACDONALD: Where does the minister get the recompenses for the rails and for the damages? Do they form part of the war expenditure, or are they paid by the Imperial Government?

Mr. COCHRANE: By the Imperial Government.

Mr. OLIVER: In the statement I saw in the newspapers there are some small timber limits which were operated by small local mills and which are affected by the moving of the track.

Mr. COCHRANE: There is one.

Mr. OLIVER: The timber will be taken into consideration also.

Mr. COCHRANE: Yes.

Mr. OLIVER: These people are my constituents, and I feel somewhat strongly in regard to their situation. They are pioneers. Their improvements, of course, are not very valuable from a money point of view, but they are all these people have, and they have been made in the expectation of railroad facilities. Although the distance between the track that has been lifted and the track that remains is in some cases short in miles, I want to impress on the minister that in the greater part of the country affected there is a very great deal of muskeg, and in many cases the building of a number of miles of road is involved in order that the settler may travel from the point he expected to reach on the old track to the point he is to reach on the new track. What I desire to impress on the minister is that the map does not tell the story of the difficulty that has been placed upon the settler by the lifting of the track. There should be taken into consideration not only the distance, but the actual difficulty of traversing that distance or of getting a permanent and suitable way of traversing it. The provincial government will ultimately provide the road, but they have a great many roads to provide, and they can hardly be expected to provide for the expenditure on this road which the people need, and need so suddenly by reason of the action of the Government. I hope that in dealing with this matter the Government will treat these people generously, having regard to their pioneer conditions, the enterprise that took them there, and the actual difficulties that face them as a result of the moving of the track

Mr. COCHRANE: I do not propose to be niggardly at all. I appreciate what my hon. friend has said about these people being pioneers with their all invested in that part of the country, and we shall bear that in mind in dealing with this matter.

Mr. OLIVER: There is a fairly large settlement called the Carrot Creek settlement.

Mr. COCHRANE: They get their mail from the Grand Trunk Pacific.

Mr. OLIVER: Yes, at Peers. The distance is six or seven miles, but the map shows it to be only five, and I fancy it is a pretty bad road. There must be quite a number of settlers in that settlement, because they were there before the railway, I do not know what representations have been made to the minister, but I am just drawing to his attention that the pioneers of

this settlement were there before the railroad.

Mr. COCHRANE: I think the mill was there before the railroad.

Mr. OLIVER: Very likely. I never travelled through that country before the railroad was built, but I have been on the railroad since.

Mr. MACDONALD: Referring to a previous item, last year and the year before a survey was made for a proposed short line leaving the Intercolonial at some point about Glengarry and making for the straits of Canso. Has anything been done in regard to the matter?

Mr. COCHRANE: Nothing has been done, and it is not likely that anything will be done until after the war.

Mr. COPP: About a month ago I drew the minister's attention to the taking up of the tracks leading to the Sackville wharf. The minister replied, reasonably enough, that the tracks had been taken up for shipment to France to be used by the Imperial Government. It is a matter of only a few hundred yards, and I think the officials of the road were a little panic stricken when they took up these rails, for they are pretty old, having been there for a number of years, and weigh 56 pounds. I have been home since last speaking to the minister about this, and I find that the people are absolutely held up because of the lack of this little piece of track. Is it not possible for the minister to give the people of that section this wharf accommodation?

Mr. COCHRANE: I hope to be able to do it very soon. We are getting 12,000 tons of rails rolled at Sydney, and I think most of them are ready now. As soon as we can get the rails out of the main line and put these in, we shall attend to this matter.

Mr. COPP: In the fall coal comes in by schooner, and it would be a very great convenience to the people of that section if the minister could get the rails put down at as early a date as possible.

Mr. COCHRANE: We will do it as soon as possible.

Progress reported.

On motion of Hon. Mr. Rogers, the House adjourned at 11.25 p.m.

Saturday, July 14, 1917.

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

MR. O'CONNOR'S REPORT ON FOOD PRODUCTION AND COLD STORAGE.

On the Orders of the Day:

Mr. OLIVER: May I draw the attention of the hon. Minister of Labour (Mr. Crothers) to the report that was laid on the table of the House yesterday and which was ordered to be printed? Apparently there has arisen a very interesting discussion in the public press in regard to the subject matter of the report. May I suggest that the printing be expedited as much as possible so that the House may be made aware of what it actually contains.

FISHERIES ACT, 1914, AMENDMENT.

House in committee on Bill No. 74 to amend the Fisheries Act, 1914.—Mr. Hazen.

Mr. Rainville in the Chair.

Hon. J. D. HAZEN (Minister of Marine and Fisheries): This Bill was submitted to the Standing Committee on Marine and Fisheries, which has considered and recommended it to the House with a few amendments.

On section 5—fishing outside territorial waters when fishing inside territorial waters is prohibited not to be carried on from Canada:

Mr. MACDONALD: Is this the Bill that my hon. friend (Mr. Hazen) introduced by way of resolution and on which we had a discussion?

Mr. HAZEN: It was introduced by resolution, discussed in the House and referred to the Committee on Marine and Fisheries, which considered and reported it to the House. The Bill provides that licenses at the nominal sum of one dollar shall be given to people operating fish canneries. They are to be required to take out a license and pay that nominal sum. That is the law now in regard to salmon and lobster factories, and it was felt that it was desirable that the same provision should apply to factories canning other fish as well in order that it might be uniform. When the Act was originally passed this provision was not necessary because there were no other factories besides lobster and salmon canneries, and they were specified. There was a provision in the Act that factories which are manufacturing oil from fish

could not operate within fifty miles of one another. This has been found to be altogether unnecessary. No ill-effect has occurred because of their being nearer one another, and this Bill changes the law in that respect. The next section is in regard to fish guards. Fish guards are now compulsory in the case of irrigation ditches running into streams. It has been found that this is not necessary in some cases, and the law thus causes needless hardship. The Bill provides that guards shall be placed only where the minister, or the officers of his department, think it is necessary to provide them for the preservation of fish. Then, there is a section changing the name of dogfish to grayfish.

On section 6—returns of quantity of fish caught, etc.:

Mr. MARCIL: In view of what appears in to-day's paper to the effect that the food controller has taken it upon himself to appoint a special committee to look after the inland fisheries of Canada for the purpose of bringing the fresh fish supply within the reach of the consumers of Central Canada at reasonable prices and still give a legitimate return to the fishermen, is it contemplated to limit the operations of this committee merely to fresh fish, or is the same provision to be later on applied in regard to ocean fish?

Mr. HAZEN: I have seen the paragraph to which my hon. friend (Mr. Marcil) refers. It tells of some action taken by the food controller. We have had no communication with the food controller on the matter. When I saw this paragraph to-day I gave instructions to have the information we have in our department communicated to him, together with the intimation that we would be very happy to render any assistance we could. What the food controller apparently has in mind is the fish that are caught in the inland waters—whitefish, salmon trout and fish of that character. There have been complaints in the past that while very large quantities of fish are being caught in our inland waters, they are being shipped to the United States, especially the Chicago market. I presume the food controller, Mr. Hanna, has it in mind to make some arrangement by which these fish will be more available to the consumers of Canada and will be more generally distributed in this country. I gave instructions to send him the information we have dealing with the subject, and we will be very glad to co-

[Mr. Hazen.]

operate with him in any way that seems practicable.

Mr. MARCIL: If the food controller should take similar action with regard to the ocean fisheries I suppose the department will co-operate with him?

Mr. HAZEN: We will give him any assistance we can.

Mr. SHEPHERD: I was under the impression that while this Bill was in committee paragraphs (b) and (f) of this section would be so amended as to provide that not only should a return of the number of fishermen and shore workers be given, but that the return should also include their nationality. Has the minister any reason to offer why the particulars should be omitted?

Mr. HAZEN: This Bill was before the Committee on Marine and Fisheries and was amended. Subsection "e" now reads:

The number of fishermen employed and their nationality.

That meets the hon. gentleman's suggestion.

Mr. SHEPHERD: Yes.

Bill reported, read the third time, and passed.

MEAT AND CANNED FOODS ACT AMENDMENT.

House in Committee on Bill No. 73, to amend the Meat and Canned Foods Act—Mr. Hazen—Mr. Rainville in the Chair.

Mr. HAZEN: This Bill was introduced by resolution, and was discussed in the House on the 7th June last, and was referred to the Committee on Marine and Fisheries, which considered the measure and made a report to the House, recommending the Bill, with certain amendments. I explained to the House that about two years ago the administration of the Meat and Canned Foods Act, so far as concerned canned fish and canned shellfish, was transferred from the Department of Agriculture to the Department of Naval Affairs. The work is carried on at the present time by the fishery inspectors throughout the country. But it was found that it was impossible for them, in addition to their other duties, to inspect the different canneries, and, in order to carry out the work of inspection, certain amendments had to be made in the Meat and Canned Foods Act. The committee made certain suggestions in regard to one section, and after considera-

tion it was thought desirable to change the prescribed weights of meat in the cans.

On Section 12 D—contents and sizes of cans of lobster:

Mr. COPP: Suggestions were made in the committee with regard to the size and weight of the cans. Can the minister tell us if the section was left as the committee adopted it?

Mr. HAZEN: Section 12 D now reads:

Cans of lobster shall contain the following minimum amount of dry lobster meat:
A one-pound can, sixteen ounces avoirdupois;
A three-quarter pound can, twelve ounces avoirdupois;
A half-pound can, eight ounces avoirdupois.
A quarter-pound can, four ounces avoirdupois.
A picnic can, twelve ounces avoirdupois.
No other size of can shall be packed, unless the written permission of the minister has first been obtained.

The hon. gentleman will remember that that was the amendment agreed to, after discussion.

Section adopted.

Bill reported, and read the third time and passed.

ST. JOHN AND QUEBEC RAILWAY ACT AMENDMENT.

Mr. COCHRANE moved the second reading of Bill 91, to amend the St. John and Quebec Railway Act. He said: This Bill was introduced at the request of the New Brunswick Government, the object being to extend the time for the construction of this road.

Mr. MACDONALD: Where are the termini of this road?

Mr. COCHRANE: St. John is one of the termini and the road is constructed for about ten miles above Woodstock. This is simply extending the time within which the road may be completed. I had a consultation with the hon. gentleman from Carleton (Mr. Carvell) who has interested himself very much in this legislation, and he agreed that this was a very proper measure.

Motion agreed to and Bill read the second time, and the House went into committee thereon, Mr. Rainville in the Chair.

On section 1—Time for completion of Gagetown to Westfield line extended:

Mr. MARCIL: Is it contemplated to take over this road as part of the Government system, or what is the reason of the Bill?

Mr. HAZEN: Time is being extended for completion in order to suit the convenience of the New Brunswick Government and to provide that subsidies voted to the road by this Parliament shall not lapse.

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

INTEREST ACT AMENDMENT.

On motion of Hon. C. J. Doherty (Minister of Justice), Bill No. 99, to amend the Interest Act, was read the second time, and the House went into Committee thereon, Mr. Rainville in the Chair.

On section 1—Manitoba added to the provinces where the rate of interest on judgments is fixed by statute:

Mr. DOHERTY: The purpose of this Bill is simply to include Manitoba with those provinces—Saskatchewan and Alberta, and the Northwest Territories—in which, under the Interest Act at present applicable to those provinces, interest runs on judgments at 5 per cent. It has been pointed out that in Manitoba judgments bear interest only at 4 per cent, that being the provision of the English statute at the time the English law became applicable to Manitoba. It has been further held—and I do not think that it can be disputed—that it is not within the power of provincial legislatures to legislate upon the subject of interest with a view to modifying that law as it stands. A general desire has been expressed that the rate of interest be increased in Manitoba and the purpose of this Bill is to increase the rate of interest to 5 per cent, assimilating the rate in Manitoba with that of the other two provinces that I have mentioned, and also with the rate of interest fixed by the Interest Act for all cases where interest is payable and where, by agreement or by law, the rate is not fixed

Sir WILFRID LAURIER: My hon. friend has rightly stated that the provinces could not legislate in this matter. I assume that there have been communications with the governments of the different provinces on the subject?

Mr. DOHERTY: This affects only Manitoba. I cannot say that I have had any communications from the Government of Manitoba, but quite a number of communications have been received from people in Canada expressing a desire for this legislation. It seemed to me, upon its face, to

be desirable that we should have uniformity.

Section agreed to.

Bill reported, and read the third time and passed.

INSPECTION AND GRADING OF HAY.

On motion of Sir George Foster (Minister of Trade and Commerce), the House went into committee to consider the following proposed resolution. Mr. Rainville in the Chair:

Resolved, that it is expedient to provide for the inspection and grading of hay, the licensing of pressers of hay for sale or exportation, the charging of a fee of one dollar for such licenses, the labelling of pressed hay for sale, exportation or importation, and the imposition of penalties for violation of the law.

Mr. MACDONALD: What is the necessity for this amendment?

Sir GEORGE FOSTER: It is to provide for the inspection of hay. Under the present law there is no provision for the inspection or grading of hay in the West. There have been several demands for such legislation. A year ago or more an officer of my department went through the whole of the western country and consulted the provincial governments and other authorities having to do with the matter; and the basis of the legislation was settled. The Bill will be brought in and printed, but it may not be proceeded with to a finality this year. There will be an opportunity of discussing it in the House, however, so that the country may know what is proposed.

Sir WILFRID LAURIER: Is the Bill intended to apply also to home consumption?

Sir GEORGE FOSTER: It has reference either to sale or to exportation.

Mr. MACDONALD: Is it to apply all over Canada?

Sir GEORGE FOSTER: Yes. There are provisions for the inspection of hay in Quebec and Ontario.

Resolution reported and concurred in.

SUPPLY.

House in Committee of Supply, Mr. Rainville in the Chair.

Railways and Canals—chargeable to capital —Welland Ship Canal—Construction, $200,000.

Mr. GERMAN: The minister should explain why the work on the Welland Ship canal has been stopped, and what is to be done so far as the contractors are concerned, because I understand they are putting in claims for damages by reason of being stopped in their work. This canal will eventually cost $50,000,000, and about $10,000,000 has already been spent. There are large walls partly erected which, when I was on the spot recently, looked as though they might depreciate very considerably in value and usefulness unless they were looked after. In regard to such a gigantic undertaking as this, the House and the country are entitled to an explanation from the minister as to the situation of the whole work, and what the policy of the department is as to the future operations.

Mr. COCHRANE: Perhaps the hon. gentleman was not present when I made my statement to the House in reference to this work. I explained then that the work was stopped on account of financial stress. We feel, and the engineer feels, that the walls are not going to deteriorate while standing there. The time of starting the work again depends to a large extent on the war. The contractors have so far not put in any claim, although there has been some talk of their doing so.

Mr. GERMAN: Has the chief engineer, Mr. Weller, recommended that there should be any supervision of the work?

Mr. COCHRANE: Mr. Sullivan is looking after the work.

Mr. GERMAN: I understand the services of Mr. Weller have been dispensed with?

Mr. COCHRANE: Yes, for the time being.

Mr. GERMAN: I doubt very much the advisability of dispensing with the services of an engineer of the capabilities of Mr. Weller, who initiated this great work and who has had the supervision of it from its beginning until the present time. His services may be obtained by some other Government or party. For the small salary Mr. Weller was receiving, he should be retained in charge of the work. I cannot believe that money would be improperly expended to retain him in the service of the Government in control of the work even during the time that active operations are suspended. Mr. Weller has been an official of the Government for many years, and he knows all about that work. I have never had any word with him about the matter, but, knowing the situation as I do, I think it is in the interest of the work and of the department that his services should be re-

tained, and I would ask the minister to consider the matter very carefully.

Mr. COCHRANE: I appreciate what the hon. gentleman has said in reference to Mr. Weller, against whom I have nothing to say in any shape or form; but he is a large salaried man, in fact, he had the largest salary in the department, and as this is a time of stress, I think we should save all we can. Even if Mr. Weller should obtain another position, as I hope he will, the main part of the work is completed, so that with the officials we have we could really get along without him, although if Mr. Weller is available when the work is started again, I shall be very glad to retain him.

Mr. GERMAN: I must again enter my protest against this sort of economy. The Government is economizing at the wrong end. I think I could show them where they could economize to much greater advantage. There are several thousand employees in the Inside Service in Ottawa and, so far as I can see in going through the different departments, the offices are so full that outsiders can hardly get in.

Mr. COCHRANE: That is not the case in my department.

Mr. GERMAN: No. In the Militia Department, it is most extravagantly so.

Mr. COCHRANE: That is a very busy department at the present time.

Sir EDWARD KEMP: How does the hon. member know that is the case in the Militia Department?

Mr. GERMAN: In the Militia Department there are hundreds of employees who are doing nothing.

Sir EDWARD KEMP: There is not one who is doing nothing.

Mr. GERMAN: The offices are so full of employees that one can hardly get into them, and when one goes in, there is not a man that one can find who knows anything about what one wants to learn.

Sir GEORGE FOSTER: That is an awful state of affairs.

Mr. GERMAN: It certainly is, and, to my mind, the Militia Department is the worst department I ever saw. The Department of Railways and Canals is, in regard to the number of employees, economically managed, but the minister is managing it too economically so far as the Welland Ship Canal is concerned, when he is laying off from duty the man who drew the plans and who knows all about the work. To my mind, the minister is mistaken when he says he can get along without this man when work starts up again. The Government is continuing to spend many hundreds of thousands of dollars on the Hudson Bay railway notwithstanding the war, and that road is not to be compared with the Welland canal in its usefulness to the country. The Welland Ship canal is a necessary and exceedingly important link in the transportation business of this country. The Hudson Bay railway, no matter who originated it, will be practically of no use when it is completed, and yet the Government are continuing to spend millions of dollars on it. The Government could well afford to stop work on that road, and continue with the work on the Welland Ship canal. The Public Works Department is spending money in Toronto for beautifying the harbour front.

Mr. COCHRANE: The city of Toronto is paying two-thirds.

Mr. GERMAN: Still, this Government is paying a large amount towards beautifying the city of Toronto. The Government have not stopped expenditure on that work.

Mr. COCHRANE: The work it to improve the harbour.

Mr. GERMAN: There is no necessity of this Government expending such a large sum there just because Toronto is a Tory stronghold. That work is not to be compared in usefulness with the Welland Ship canal. I cannot see why, when the Government is spending millions of dollars on public works which are of absolutely no benefit to the country at the present time, and will not be for many years to come, they should cease expenditure on such a necessary work as the Welland Ship canal. I protest most emphatically against the stoppage of construction there, and more particularly against the closing up of the engineer's office, which leaves the work without any protection so far as engineering supervision is concerned.

Mr. COCHRANE: There is an engineer in charge of it.

Mr. GERMAN: The minister says that Mr. Sullivan is in charge. The minister may know more about it than I do, but I have been over the ground, and Mr. Sullivan is the only man that I have been able to find there. To a layman, it looks as if the work which had been completed was

deteriorating in value very rapidly. It seemed to me so serious a matter that I call the minister's attention to it.

Mr. OLIVER: I do not wish to enter into a discussion of the matter before the committee, but some of our friends seem to have a particular aversion to the Hudson Bay railway. At a certain stage of progress in that work, it would have been just as proper to stop construction on the Hudson Bay railway as possibly it was to stop construction on other important public works. But so much of the road having been completed, and so large a portion of the expenditure having already been made, I think it would be very unwise not to make the expenditure required to complete the work that is necessary to carry the rails to tide water. When that is done, the question of further expenditure must be considered. After the expenditure that has been made—which has created the road throughout, has built the two expensive bridges that were necessary, and provided the rails so that now it is only a matter of completing a little of the grading and laying down the rails—it is hardly fair to put that work on the same basis as other large works which were practically only beginning when the war broke out. I think it is only fair that it be thoroughly understood that there is a difference between the two conditions. Had it been decided to stop all great public works in Canada at the outbreak of the war which were in the stage the Hudson Bay railway was in then, I would have said: Certainly, it is quite proper to do that. But it was not decided to take that course, and I do not think it would now be the part or wisdom or of true economy to fail to complete the road after so much money has been sunk in the enterprise, and when the road is so near completion.

Mr. SINCLAIR: I ventured to criticise expenditure on the Hudson Bay railway last night, and the minister gave as a reason why the Government could not stop construction on that work, that it was under contract, and that the Government would be liable for damages if they stopped construction. That reason does not seem to hold good, because the Welland Ship canal is under contract and work has been stopped there. The minister made a statement to the House some days ago in which he said that the Government proposed to spend $50,000,000 on deepening the Welland canal, and of that amount $13,000,000 had already been spent. Now, there are four sections of the canal under contract, and all these contracts have been held up by the minister. So, I do not see why the same thing could not have been done in the case of the Hudson Bay railway. The hon. member for Edmonton gave, I think, a better reason than the minister's, when he said that construction on the Hudson Bay railway should not stop because the road was so near completion, and we could get the benefit of the road by spending the balance of the money. I do not think the minister's reason is a good one, because the Hudson Bay railway and the Welland canal were in exactly the same position when the war broke out. Contracts had been let in both cases, and part of the work had been done; the two works were on all fours, and it was as easy to stop work in the one case as in the other. The minister cancelled a contract for work in my own constituency shortly after the war broke out, and he does not seem to have suffered in consequence.

Mr. COCHRANE: There is a vast difference between the Hudson Bay railway and the Welland Ship Canal. The Hudson Bay railway covers a great distance, and a large amount of supplies have to be taken in there. The Welland canal, on the other hand, is very accessible and if we went on with that work the expenditure would be from $35,000,000, while the expenditure for the Hudson Bay railway is only about one-fifth of that.

Mr. SINCLAIR: Shall we get any advantage from the money that has already been spent on the canal, before the balance is paid?

Mr. COCHRANE: No.

Mr. GERMAN: The minister discussed the question of the closing down of construction on the Welland Ship Canal on June 11. He said:

> As we could not get a return upon our investment for some years we did not consider the continuance of construction justifiable under our immediate and pressing financial burdens.

The hon. minister must know that, so far as getting a return upon the investment is concerned, the only return the country can get will be by an increase of the shipping facilities.

Mr. COCHRANE: That is an income.

Mr. GERMAN: Certainly it is an income, and that income is immediately available. To my knowledge the canal is more used now than it has been at any time during the last thirty-five years. There are more

ships passing through the Welland canal at this hour than there ever were before. The hon. minister and his engineer must know this. The canal is not being built for the purpose of providing a financial return to the Government.

Mr. COCHRANE: No, I did not say it was.

Mr. GERMAN: But, the minister says: "As we could not get a return upon our investment for some years." What does that mean?

Mr. COCHRANE: It means that we would have to spend from $35,000,000 to $37,000,000 more before we would get that return; and besides that, it would take at least four years to complete the work.

Mr. GERMAN: But, the minister must know the return is immediately available when the work is completed.

Mr. COCHRANE: But, it takes that much money and that much time to get it. It is altogether a different proposition from the Hudson Bay railway.

Mr. GERMAN: The minister's idea and mine are very different. The new canal is being constructed for the purpose of facilitating transportation, by allowing large ships to pass through the canal, through lake Ontario, down to Prescott and Kingston, where the cargo is transhipped to Montreal instead of being transhipped at Port Colborne in the Government elevator. The sooner the work is completed the sooner you get a return for the country. You have now spent $13,000,000, which is wasted until the work is completed. I really cannot see any justification for the minister closing down this work. I know the people in the Niagara district do not approve of this action, and if the people generally were aware of the circumstances I do not think they would approve of it either.

4 p.m.

Railways and Canals—Trent Canal—Construction, $600,000.

Mr. GERMAN: When is the Trent canal to be completed?

Mr. COCHRANE: All the canal excepting the last division will be completed this year, we hope. That division we have not yet started, and it will not be started until after the conclusion of the war.

Mr. GERMAN: That is the section from Lake Simcoe to Georgian Bay?

Mr. COCHRANE: Yes.

Mr. GERMAN: Has not the work been let?

Mr. COCHRANE: No, not the last section.

Mr. GERMAN: When was it started?

Mr. COCHRANE: The Lord knows.

Mr. SINCLAIR: Does the minister expect a return on his investment in this case?

Mr. COCHRANE: It will be more in the way of a rate leveller from Lake Ontario through to Peterborough. It has also developed a lot of power, which is a very important thing in a section like that.

Mr. SINCLAIR: Will there be any through traffic?

Mr. COCHRANE: I hope so. I cannot vouch for it. It will enable them to use barges on that division, and get a lower rate of freight than would otherwise be possible.

Mr. OLIVER: How much has the Trent canal cost so far?

Mr. COCHRANE: I don't know. I could get the information.

Mr. GERMAN: Does the minister intend to let the contracts for the remaining sections of the work?

Mr. COCHRANE: No, we have not let a contract since the war broke out. We are only cleaning up the ones that are left.

Mr. OLIVER: What size of vessel will be able to go through the Trent canal?

Mr. COCHRANE: One thousand tons.

Mr. OLIVER: What size of vessels now go through the Welland canal?

Mr. COCHRANE: Twenty thousand tons.

Mr. OLIVER: The Trent canal will be strictly a barge canal?

Mr. COCHRANE: Yes.

Mr. OLIVER: What are the prospects of barge navigation between Georgian bay and Lake Ontario via the Trent canal?

Mr. COCHRANE: I think there will be considerable from Georgian bay to Peterborough, or the railways will meet the freight rates.

Mr. OLIVER: What freightage is likely to take that route?

Mr. COCHRANE: Grain and coal, largely.

Mr. SINCLAIR: What is the depth of the water?

Mr. COCHRANE: Part of it six feet and part eight feet. The part from Georgian bay to Peterborough will be eight feet.

Mr. OLIVER: I am informed there is what is known as a lift lock at one point.

Mr. COCHRANE: There are two, one at Kirkfield and one at Peterborough.

Mr. OLIVER: Are there any hydroplane stations on the canal?

Mr. COCHRANE: No, I don't think there are.

St. Peter's Canal—Improvements, $45,000.

Mr. KYTE: Has this item been passed?

Mr. COCHRANE: Yes, it was passed on the 11th June.

Mr. KYTE: Is that work about completed?

Mr. COCHRANE: There is some cleaning up to do yet but it is nearly done.

Mr. KYTE: Will this amount complete the work?

Mr. COCHRANE: Yes.

Mr. KYTE: The work has been carried on with great satisfaction to the public generally and to the persons who are most interested in having it done. It will be a vast improvement to the water transportation of that part of Nova Scotia, and if all the work carried on by the department is carried on in the way in which that has been, the country might be very well satisfied with the expenditures of that department.

Mr. McKENZIE: I agree with what my hon. friend from Richmond (Mr. Kyte) has said as far as the carrying on of the work is concerned. I have a matter to bring to the notice of the minister in connection with the construction of that work which has reference not to the carrying on of the work itself but to the personal obligations of the contractor. We have in Nova Scotia, as you have in Ontario, a Workmen's Compensation Act. One of the men who was working for contractor Weller, was sent by the contractor, or by one of his foremen, to operate a defective locomotive. While the man was in front of the wheels somewhere under the locomotive the engine started and the man was badly smashed up. His hand was smashed so badly that it will never be of any use to him, he has a stiff knee and he has not been able to do any work since. This occurred a year ago. My firm, which was dealing with the matter, undertook to get a settlement with the contractor and we agreed to settle without going into court. The contractor agreed to give this young man named Almond, who comes from Georges River, so much a month. Since I came here I have heard from the young fellow that the contractor is not carrying out the settlement and has refused to carry it out. That is absolutely unfair. We thought this contractor was a man of his word and we accepted a settlement. The boy was satisfied with the arrangement. Now, after the time has passed when we can bring our action, the contractor repudiates the settlement and declines to pay. I am sure that the department and the Government would not approve of conduct of that kind on the part of their contractors and would want Mr. Weller to know that this poor boy has somebody who is interested in him. I want the department to give this gentleman to understand that if he is working in any province of the Dominion for the department he must abide by the law of the province and the Dominion.

Mr. COCHRANE: I understand that the contractor himself has gone to the front, and I think that probably is the reason why his word has not been carried out as given to the boy. I will be very glad to bring the matter to the attention of those who are acting for him. I feel satisfied that if Mr. Weller promised to carry out the arrangement he will do so.

Mr. McKENZIE: He carried it out to a considerable extent but the payments dropped after awhile.

Mr. COCHRANE: I am not doubting the hon. gentleman's statement at all, but the only reason I can give is that young Mr. Weller has gone to the front.

Welland Canal—Heavy repairs, $30,000.

Mr. GERMAN: Perhaps the minister might state whether one particular section is included in these repairs, the section of the Welland canal feeder from Welland Junction to the Grand Trunk railway crossing. On the south side of the Welland canal feeder the bank is in an exceedingly bad condition. Petitions almost innumerable have been sent to the minister to have that section of the Welland canal feeder bank improved and stoned so that it will be passable. It is used as a public highway. I was wondering whether this was included.

Mr. COCHRANE: There is nothing in the Estimates this year for it.

Mr. GERMAN: Could not the minister include something for it?

Mr. COCHRANE: I would have to get a report to see what it would cost before I could make such a promise.

Mr. GERMAN: That is quite right, but I would ask the minister to get a report.

Mr. COCHRANE: I will get a report.

Department of Railways and Canals—chargeable to income—Miscellaneous, $405,300.

Mr. OLIVER: Has the minister any information in regard to the lifting of the rails west of Edmonton? The arrangement made is that the Pocohontas mine gets connection by a fifteen mile track of light rails. The difference of condition is, of course, a very important difference to the mine in the handling of its business. Instead of being on the main line, with direct haul both ways and with maximum load, all its access to the main line is by means of this fifteen-mile spur, which runs west from the mine to a connection with the main line track. That places the mine in a considerably less advantageous condition than it was before, in the ordinary handling of its business, especially on the extra haul of the coal shipped. It has thirty miles extra haul of the coal shipped eastward, as compared with its former condition. Has that been taken into consideration with a view to pay compensation to the mine, because of the changed conditions, or is there some arrangement with the railway companies whereby those companies suffer the loss?

Mr. COCHRANE: This has been investigated, and it is left to the Railway Commission to say what damages we will have to pay, I may say, also, that we are investigating now with a view to building across Brulé lake. That is a very shallow lake, and we can build across it very cheaply, but we have not investigated thoroughly, so as to be in a position to make a definite statement. The matter has been looked into with a view to cutting out the extra haul my hon. friend speaks of.

Mr. OLIVER: The point I had in mind was that the department was prepared to recognize the liability to the company for the less advantageous condition in which the coal mine is now operating?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Does the minister intend to put through the Railway Consolidation Act during the present session?

Mr. COCHRANE: I certainly hope so.

Mr. SINCLAIR: I have been watching to see it proceeded with. I suppose there must be some good reason why it has not been placed before us. The minister and other members of the House spent a whole month trying to whip it into shape, and I would not like to think that our work has been in vain. I hope he will have it on the statute book this year.

Mr. COCHRANE: My hon. friend knows that the House has been occupied for the past two or three weeks with the Military Service Bill, but I hope that in the coming week we will take up the Railway Consolidation Act. I do not think it will take very long, as the committee did splendid work on it.

Mr. OLIVER: What is the process by which the extent of damage suffered by the homesteaders and others along the line, as well as the damage suffered by the coal mines I have mentioned, will be arrived at? Is it a matter of litigation in the courts, or arbitration, or is it a matter for the discretion of the department?

Mr. COCHRANE: We propose to use the Railway Commission, where we cannot settle in a fairly decent way ourselves, and if necessary we may go to the Exchequer Court. I do not think there will be much trouble with the settlers or with the coal mines, because the department is supposed to deal fairly in all cases.

Mr. OLIVER: The department is the court of first instance?

Mr. COCHRANE: Yes, if we can we make a settlement. If we cannot, then we go to the Railway Commission, and from there we may go to the Exchequer Court.

Mr. OLIVER: The department is the court of first instance. Then an appeal to the Railway Commission, and perhaps an appeal to the Exchequer Court.

Mr. GERMAN: There is an item here—

Board of Railway Commissioners for Canada, to pay expenses in connection with cases —$15,000.

Why should the department have to pay that sum?

Mr. COCHRANE: For instance, if there is a case before the Railway Commission, and it is thought advisable by the Govern-

ment, or the commission thinks it advisable, to have a solicitor or lawyer to represent the Government, we can employ counsel. I do not think in any case we ever use the full amount, but it has been put in the Estimates and that is the reason for it. It did not cost us anything last year.

Mr. SINCLAIR: Who is the counsel who receives this money? I understand the commissioners have a solicitor whose business it is to advise them.

Mr. COCHRANE: If they want any extra legal advice to watch a case, or anything of that sort, a solicitor is selected.

Mr. SINCLAIR: There is an item here as follows:

To provide for inquiry and report on the railway situation of Canada—$120,000.

I presume that is the investigation which took place recently, and the minister has had the majority report and the minority report for some time. Has he made up his mind as to whether he is going to adopt either of those reports?

Mr. COCHRANE: I have probably made up my mind, but we have been so busy in our council meetings that it has been impossible to decide the question fully. I hope in a short time to be able to bring down the information asked for.

Mr. OLIVER: I desire to again refer to the question of these lifted rails. What is the position taken in regard to the property rights of the railway companies affected? I understand from the papers that there is a divisional point at Tollerton on the Canadian Northern, and that the other Canadian Northern divisional point at Lucerne will be abandoned in favour of the two Grand Trunk divisional points, Edson and Jasper. Is it a part of that understanding or arrangement that the Canadian Northern receives consideration for the loss in value of its property in that case?

Mr. COCHRANE: If the rails are ever relaid, the arrangement will go into effect, and there will not be any damage. In the meantime, the operating of the business of the two roads by one line will more than compensate any expense that had been made in connection with the arrangement. Take the Grand Trunk Pacific alone, where they run on the Canadian Northern line, for a short distance—they had to spend between $25,000 and $30,000 to shovel off the sand and stuff that rolled down on the road. My hon. friend will also realize that, in operating 200 miles, if he can operate one line instead of two, and get the same service, it will certainly be a saving to both of them.

Mr. OLIVER: Am I to understand that the railway companies do not receive any consideration?

Mr. COCHRANE: That is not settled. It has not been discussed with them in that view.

Mr. OLIVER: I would, of course, not expect the railway companies to take the view that my hon. friend has expressed. Is the view he has expressed the view that he proposes to take in the discussion that will take place?

Mr. COCHRANE: I do not know whether the railways will take that view or not, but it is a commonsense view to take.

Mr. OLIVER: Is that the view my hon. friend intends to take on behalf of the Government?

Mr. COCHRANE: I am not going to commit myself on that point. I say it is a commonsense view to take, but it may be that we will not be able to force it through.

Mr. GERMAN: The Minister of Railways and Canals is primarily responsible for the railway legislation of this Government. As he is asking Parliament to vote $120,000 to pay the expenses of that inquiry into the railway situation, which was a very searching and a reasonably effective inquiry, I think that he should state what action he intends to advise in regard to the report which has been made. Before we vote $120,000 to pay the expenses of this inquiry, we should know what effect the report of the commission has had upon the minister's mind.

Mr. COCHRANE: The vote was taken last year; this is only a re-vote.

Mr. GERMAN: That does not affect the situation. The money was voted last year because it was expected that it would be earned and paid. It was not earned last year; consequently it was not used. Now that the report has been made, the minister is asking Parliament to vote that money again. But, I repeat, the minister should state definitely, before the money is voted, what he proposes to do in regard to the report which has been made.

Mr. COCHRANE: I do not think that I should make my report until the Government has made up its mind on the subject. I am only one member of the Govern-

ment; I am not going to give my opinion until such time as the Government has come to a decision in the matter. I do not think that my hon. friend, if he thinks it over, will ask me to do that.

Mr. GERMAN: You are the chief.

Mr. COCHRANE: But I am not the only one, by any means.

Mr. GERMAN: The minister's answer is not entirely satisfactory. The report of the Royal Commission appointed to investigate the railway situation in Canada has been before the Government for two or three months. The session is advancing and will soon, I hope, reach a termination. It is, therefore, highly important that we should know at a very early date, if not immediately, what is the policy of the Government with regard to the railway situation and particularly with regard to the report made by that Royal Commission. The country is anxious to know the policy of the Government on this question, one of the most important questions before the people at this time. The expenditure which has been made in aid of railways is really appalling, having in regard the enormous expenditure which the country is making in the prosecution of the war. Something must be promptly and effectively done to satisfy the people that nothing will be given to railway promoters and railway interests unless the interests of the public are absolutely and thoroughly safeguarded. I repeat that the minister should give us some idea of what the Government intends to do in this matter.

Mr. COCHRANE: I admit that the House should know and know very soon, what is the policy of the Government in this respect. But I do not think it is fair to ask me to state my own opinion until the Government brings down its policy, which, I hope, will be very soon.

Mr. MACDONALD: Has the Government made any advances or given any undertaking in respect of the interest upon the bonds of two railway companies which fell due on June 30?

Mr. COCHRANE: I cannot answer my hon. friend. In any case, that does not come under my department. The interest is handled by the Finance Minister.

Mr. OLIVER: From what the minister has said, is the committee to understand that the Government will declare its policy before the end of the present session?

Mr. COCHRANE: Oh, certainly, it will have to.

Mr. OLIVER: I think that some commendation should be offered or some recognition made of the action of the Chairman of the Railway Commission in returning to the treasury the amount of money that he was entitled to receive for his work on the commission appointed to investigate the railway situation. As a citizen of Canada, I should like to express my appreciation of that action of Sir Henry Drayton.

Mr. COCHRANE: I have already expressed my gratitude and the gratitude of the Government for Sir Henry Drayton's action in this matter. I appreciate what my hon. friend has said.

Mr. MACDONALD: Does the minister not know whether the interest on the debenture bonds of the Grand Trunk Pacific and the Canadian Northern that fell due on June 30, was met by the companies themselves, or whether the Government took any action in the matter?

Mr. COCHRANE: I understand that the interest on the Grand Trunk Pacific debenture bonds was paid out of last year's vote. As to the Canadian Northern, I do not know. The interest on their bonds did not fall due until 1st July. I have not inquired into the matter, and cannot make any statement.

Mr. GERMAN: We spent a lot of time discussing matters which have lasting importance, but this is one of the important questions occupying the public mind at this time, and we must have full information. The minister, therefore, should let this item stand until we receive all the information to which we are entitled.

Mr. COCHRANE: I will get the information for my hon. friend. I do not know that there is any use in letting the item stand.

Mr. GERMAN: After an item is passed, it is pretty difficult to get information.

Mr. COCHRANE: Not when I say so.

Mr. OLIVER: The House will be prepared to take the statement of the minister that this matter will be dealt with during the present session by the Government.

Mr. COCHRANE: Yes.

Mr. OLIVER: And we will also accept his statement that full information will be placed before the House at that time.

Mr. COCHRANE: Yes.

Mr. OLIVER: For my part, I am anxious to see the business of the House progress, and if it is agreeable under those circumstances and conditions, I would be glad to see the item disposed of.

Mr. MACDONALD: Were there any undertakings or commitments on the part of the companies affected when the interest payments were arranged on the 1st of July?

Mr. COCHRANE: I really must plead ignorance as to that. That matter comes under the department of the Minister of Finance, and I have not consulted him in regard to it.

Mr. MACDONALD: Has the report of the auditors been submitted to Parliament?

Mr. COCHRANE: Under the Act, that is not required to be done. The year from their appointment is not out yet. There is no objection to submitting the report to Parliament.

Mr. OLIVER: When will the year expire?

Mr. COCHRANE: A report is made every month, and those reports can be brought down at any time.

Mr. OLIVER: Perhaps it would be satisfactory if the minister would cause to be laid on the Table at an early day the monthly audits up to date.

Mr. COCHRANE: I will bring those down.

Mr. SINCLAIR: Who are the auditors?

Mr. COCHRANE: Price, Waterhouse, for the Grand Trunk, and Marwick, Mitchell, Peat & Co., of Toronto, for the Canadian Northern.

Mr. MACDONALD: Has the Intercolonial railway been placed under the jurisdiction of the Board of Railway Commissioners?

Mr. COCHRANE: Not yet, but we are having an amendment to the Government Railways Act prepared, and I hope to introduce it this week and have it put through.

Mr. MACDONALD: Providing for that being done?

Mr. COCHRANE: Yes, with regard to everything except expropriation of land; that is kept under the jurisdiction of the Exchequer Court.

Canadian Government Railways—working expenses, $25,000,000.

Mr. COCHRANE: Those are the operating expenses for the year.

[Mr. Oliver.]

Mr. MACDONALD: What are the total receipts and expenditures of the Intercolonial for the last financial year?

Mr. COCHRANE: The total receipts were $16,802,290 and the total expenditure $15,664,577.

Mr. MACDONALD: Leaving a surplus of what?

Mr. COCHRANE: $1,137,713.

Mr. MACDONALD: Is that a bona fide surplus or a paper one?

Mr. COCHRANE: I am surprised at my hon. friend asking such a question.

Mr. GERMAN: Knowing that it is a paper one?

Mr. COCHRANE: No.

Mr. TURRIFF: When the minister is asking us to vote $25,000,000, he ought to give us some explanation as to what his estimate is of the revenues from the different roads included in the item and other general information.

Mr. COCHRANE: This covers the operation of the road from Halifax to Montreal and from Moncton to Winnipeg; it also pays the wages of the men and the general expenses of running the railway. It would be difficult to give a detailed statement until the money is spent.

Mr. GERMAN: The minister in his statement to the House on June 11 in regard to the Transcontinental, says:

> The large deficit on the Transcontinental railway is due to the comparatively small amount of traffic offering for that railway and to the fact that we have been obliged to establish trains not at present warranted by the business offering.

Why should the Government run trains not warranted by the business offering?

Mr. COCHRANE: The transcontinental railway runs through a new country practically from Moncton to Winnipeg. The business is growing. The people are continually wanting better accommodation. I hope it will not be long before those trains do pay, but up to the present they have not paid.

Mr. GERMAN: That is a very trifling explanation, in fact, no explanation at all. The Intercolonial railway, if its earnings were figured on business lines, has shown large deficits not only under this Government but under a Liberal Government—under every Government. The Intercolonial has always shown a deficit, and shows a deficit now.

Mr. COCHRANE: No. There was not a deficit even before my hon. friend's party went out of power. They had a surplus too.

Mr. GERMAN: I beg to differ from the minister. If the earnings of the Intercolonial were calculated in the same way as the earnings of the Canadian Pacific, the operations of the Intercolonial would show a deficit. In my opinion the Intercolonial, ever since its inception, has been so operated as always to produce a deficit. The minister says that he has put trains on the Transcontinental which were not warranted by the business. If the business did not warrant it, why put the trains on? The private railway companies, which are run on business lines, do not put on trains unless they are warranted by the business.

Mr. COCHRANE: My hon. friend is wrong. There is not a railway in the country which does not run trains at a loss on certain sections. This is done to give a service to the people and to help build up traffic.

Mr. TURRIFF: What part of this $25,000,000 is for the Intercolonial, and what part for the Transcontinental?

Mr. COCHRANE: Intercolonial division, $16,000,000; Transcontinental, $8,000,000; Prince Edward Island division, $750,000; International Railway, $250,000.

Mr. TURRIFF: Will the minister say why, at this time, when we all know the Canadian Northern will shortly be seeking aid from the Government, hundreds of thousands of dollars have been paid to private-owned roads for carrying traffic that could just as well have been carried by the Government roads? Why was not the Government road made use of, for instance, for transporting soldiers between Montreal and Quebec?

Mr. COCHRANE: In the first place, we did not have rolling stock enough. It taxed us to our capacity to take the troops to Halifax. We might have taken some from Winnipeg to Montreal or to Quebec if we had had the rolling stock, but we did not have it, and have not got it yet.

Mr. TURRIFF: I have been up and down over the Transcontinental to Winnipeg, and on the Intercolonial, and I saw lots of trains that could have carried troops running practically empty. The Government was paying other roads for carrying the traffic and allowing their own road to starve. That, to my mind, is one of the most unsatisfactory features of the administration of the Government roads. What influence it was that enabled these companies to get the business that should have gone to the Government roads I do not know, but the fact remains that the people of Canada have had to pay hundreds of thousands of dollars to private railroads for carrying traffic that should have been carried by the Government roads.

Mr. COCHRANE: My hon. friend is absolutely wrong so far as the Intercolonial is concerned. Until a short time ago that road carried the troops right through to Halifax because, until the United States came into the war, the troops were not allowed to be transported by the Canadian Pacific Railway which has to run through the State of Maine to get to the seaboard.

Mr. TURRIFF: Lots of troops were taken from Montreal to Quebec by private roads that could have been taken just as well by the Intercolonial, and my hon. friend knows it.

Mr. COCHRANE: I do not know it.

Mr. SINCLAIR: Does the Government charge the same rate for transporting soldiers on the Intercolonial as the private roads charge?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: How much was received from the Department of Militia and Defence last year?

Mr. COCHRANE: I will have a statement made up and send it to my hon. friend.

Mr. SINCLAIR: Is it a very large sum?

Mr. COCHRANE: Quite large. We ran as many as twenty-five trains a day.

Mr. GLASS: The observation of the minister as to having to pass up business through lack of rolling stock brings to my mind a statement made by Mr. C. J. McDonald, of the United States Railways War Board. The car shortage situation is not peculiar to Canada; they have the same difficulty in the United States. An investigation was held, and Mr. McDonald found that by reason of delay in unloading, the car shortage in the United States was increased by 515,000 cars per annum. If the cars had been unloaded promptly and proper facilities had been afforded 515,000 more cars would have been available during the year. Mr. McDonald also makes this significant observation: "Cars are being carried from destination to destination not

properly filled." He says that if two tons additional were put in the cars it would not tax them at all, but would release a further 200,000 cars a year. These statements are very important if they are borne out by the facts, and I submit that a good deal of the difficulty in this country might be overcome if the prompt unloading of the cars was insisted on and also the filling of them to their proper capacity when going a long distance. A statement from so authoritative a source as Mr. McDonald, made after a thorough investigation, seemed to me to be worth giving to the committee.

Mr. OLIVER: This vote represents the amount of money that it is estimated will be necessary for the operation of the Intercolonial and Transcontinental during the year. What are the estimated earnings of these two roads for the same period?

Mr. COCHRANE: On account of the terrible cost of everything we have to buy I think we shall do well if we break even this year. The rise in wages during the last few months means an expenditure of $2,000,000 a year more on the Intercolonial and the Transcontinental. The extra cost of coal means over $1,000,000 more.

Mr. OLIVER: When my hon. friend speaks of breaking even, I suppose he means the roads will earn as much as this vote?

Mr. COCHRANE: Yes.

Mr. OLIVER: That leaves the capital charges of both roads unprovided for?

Mr. COCHRANE: Yes, but there are a lot of charges which are paid out of revenue in the operating of a road. We are running the railway on the same basis as it would be run by a private company. The only difference is we do not charge up interest on capital. I think it should be done, but it never has been done.

Mr. OLIVER: That is a very important item, which relates to the whole business of Government operation of railroads, and I think this is a good time to establish the point that in the case of railroads now operated by the Government, Government operation is not expected to provide for capital charges. We are faced with a problem in regard to certain of our private railway corporations, and it is suggested by some that Government ownership and Government operation are what the country needs. Are the Grand Trunk Pacific and the Canadian Northern paying their operating costs and any part of their capital charges?

[Mr. Glass.]

Mr. COCHRANE: I think the Canadian Northern is paying quite a portion of its fixed charges. I am not so sure about the Grand Trunk Pacific, but I think it is only about breaking even.

Mr. OLIVER: Then, those two "lame duck" railways of ours are really doing as well as our Government system is; in fact, one of them is doing better. I do not wish to make any reflection on the Government system or its management, I simply want to have the facts. It seems to me the general impression in regard to the railway situation is hardly in accordance with the facts as we understand them now.

Mr. COCHRANE: I think that is hardly correct. If my hon. friend read the statement I made to the House, he would see the rates on the Intercolonial are based on the mileage to Portland, which is 298 miles. The mileage to Halifax, where a large part of our business went last year, is 841 miles. The mileage over the Canadian Pacific railway, which runs through the state of Maine, is 481 miles. We are handicapped by a greater mileage, so it is hardly a fair comparison. As far as the Transcontinental between Moncton and Winnipeg is concerned, we are not under that handicap, but the road runs through a new country. We know if we had our agents through the West we could then route freight our own way, but as it is we must take it as we get it.

5 p.m.

Mr. OLIVER: Both the Grand Trunk Pacific and the Canadian Northern traverse entirely new country west of Edmonton, and on account of the proximity of another road to the Canadian Northern, that country must necessarily be almost non-productive of traffic, so that the difference is not very great in that respect.

Mr. COCHRANE: There is a great difference, because they are running through a country which is developed, and which is becoming more developed day by day. Through portions of Quebec and Ontario development is going on rapidly, but as yet the traffic is practically confined to wood products, and that is largely short-haul business.

Mr. OLIVER: It is an outstanding fact that there must be business offering, because my hon. friend says we are not able to handle the business on account of the shortage of cars. It seems deplorable that, having made this enormous capital expenditure, we are debarred from getting a return on it because of lack of cars.

Mr. COCHRANE: I stated we had about 6,000 cars last year.

Mr. OLIVER: The idea I wish to express is that the failure is not in the lack of traffic, or because money has been sunk where it should not have been sunk, but is due to the fact that we are not able to take the benefit of the traffic which does exist and which would grow up more rapidly if we were able to take care of it as it came.

Mr. COCHRANE: On the Transcontinental we have been able to handle all the traffic which has offered.

Mr. OLIVER: This is a question of such stupendous importance to the country, when we are on the eve of some great development resulting from the appreciation of the situation by the commission appointed to investigate the matter, that it is very desirable we should have a thorough understanding of the conditions, and how they come about. We have in the Transcontinental the shortest possible line from the prairies to tidewater, and a line which has the best possible grades and curves, and which I believe is very well constructed, so that we are in a position to handle traffic over it to the best advantage, so far as capital expenditure can place us in that position. It seems deplorable that in years past, even since the Transcontinental line was opened, such an enormous proportion of our crop should go forward by United States ports through United States channels.

Mr. COCHRANE: It largely goes over water.

Mr. OLIVER: Precisely. The argument which is generally used is that the water rate is so much lower than the rail rate that it must go that way.

Mr. COCHRANE: No, I think the reason of that is that we are handicapped in getting tramp boats. The tramp boats make the ocean rate and we have not been fortunate enough to get them to come to our ports to any great extent. The shipper is bound to ship his grain, particularly during the winter season, to a port that is always open and where he knows he can get shipping facilities. I do not suppose these times are any criterion of what we may have in the future. There is no money for any railway in hauling grain to Halifax or St. John. You cannot charge enough to make it pay to haul that distance. It is a good deal farther than it is to New York. Then, without making a criticism at all, I would say that the Transcontinental railway was not properly located to make money, or to give cheap rates. It would have been far better if it had taken the course of other roads. It has opened up new country in New Brunswick, Quebec and Ontario, but it would have been better to have built colonization roads, and then, if you were going to build a trunk line, to have built by the shortest route and in the most economical way possible.

Mr. OLIVER: I think I remember having gone over the question of mileage, and I do not think it is any farther to St. John than to New York from Winnipeg by existing lines of railway.

Mr. COCHRANE: But there are 700 miles of water and most of the grain is sent in that direction.

Mr. OLIVER: When the water rate was particularly low I could understand that being advanced as a reason, but this year and last year the water rate has been high and still the grain has gone that way.

Mr. COCHRANE: There is more shipping from New York than from our own ports.

Mr. OLIVER: There is no question about that, but still we have our ocean ports and we have shipping from these ports. I am speaking particularly of our summer port of Quebec. There is an enormous amount of shipping from the St. Lawrence, which passes by Quebec. When the all-rail rate from Winnipeg to Quebec is no greater than the normal lake and rail rate, and when the summer's grain is held up all winter at Port Arthur and Fort William, as it is under present conditions, in order to get the advantage of the lake rate, I am absolutely at a loss to understand why, instead of taking the 420-mile haul from Winnipeg to Fort William, you should not, during the winter time, take the 1,300-mile haul to Quebec at a time when the railways are doing less.

Mr. COCHRANE: Shippers rather object to going to Quebec instead of to Montreal. It is so much farther to haul to any port except St. John and Halifax. They can send their grain to Portland, New York, Boston and Baltimore so much cheaper than they can to St. John and Halifax. Montreal is a better shipping point in that respect with the exception of reaching St. John and Halifax. New York is 375 miles from Montreal and Halifax is 835.

Mr. OLIVER: I quite appreciate the disadvantage of having to ship to Halifax But the great bulk of the grain is shipped at a time of the year when it does not go

from the ocean shipping port during that same season. They would have to hold it in storage either at Quebec or at Fort William. The rates being as low by all rail as by lake and rail in summer time, I cannot understand why that grain could not go forward to Quebec during the winter time and take storage there until navigation opens in the spring. It is a less rail mileage from Winnipeg to Quebec than from Winnipeg to Montreal by the present lines All the traffic must pass by Quebec.

Mr. COCHRANE: No, it does not have to; they ship to Portland and New York.

Mr. OLIVER: All ocean-borne vessels that go to Montreal must pass by Quebec. It seems to me that, instead of being in a disadvantageous position, we are in a position of tremendous advantage to handle our own grain crop through our own port, having a short line of railway and a shorter ocean haul. The route from Quebec to Europe is shorter than from New York or any American port. I cannot see why there is not some way of working out the problem so that, having all these facilities, and having provided them at enormous expense, we can get the benefit of them by sending forward our grain over our own lines and through our own ports. But the main point I have in view is that the grain shall be able to go forward from the prairie storage at any time of the year without distinction as to whether it is winter or summer. That is the essential point that will make an enormous difference to the producers of the West. The attempt to reach lake navigation in the fall has in the past always produced a grain blockade which must affect the price to the farmer because the grain that did not get through by water in the fall has to carry storage charges all winter. That condition lends itself to speculation which is contrary again to the interests of the producer. Whatever difficulties the minister may have found in the past, or whatever difficulties he finds before him at the present time, I desire to urge upon him the desirability of considering and using to the full the advantageous position which we occupy and which should give us an all-the-year outlet for our grain from the Prairie West instead of our being in the position necessarily of having a blockade every fall and having to carry storage charges on our grain thus creating conditions to the advantage of grain manipulators and to the detriment of the producer.

Mr. COCHRANE: The hon. gentleman forgets that in normal times the average rate will be probably three cents a bushel from Fort William down. We did give a rate of six cents from Armstrong to Quebes, but here was no money in it, and it was a question whether we could save ourselves. We could not to-day, haul grain at that rate. The combined rate for lake and rail would not be five cents from Fort William to Montreal.

Mr. OLIVER: The hon. gentleman must be in error, because for a part of the present season it was seven cents.

Mr. COCHRANE: I am speaking of ordinary times. Do not confuse the two things. I think five cents would be a fair rate; at all events six cents would be a very fair rate. Then another feature is that the Quebec section is not equipped yet. I do not know when we will get the money to equip it. There are ten boats going to Montreal where one boat goes to Quebec. I think when the Government gets its own boats, it will make a vast difference, and what my hon. friend has been trying to work out, to get a through rate in summer time, can be accomplished then; but it will not be accomplished until we get our own ocean tonnage.

Mr. OLIVER: This grain that comes forward at the five-cent rate by the lake has been held in storage at the head of the lakes, or at some interior elevator, or some other place, all winter, whereas if it could go forward all winter, it could pay all that increased cost of haul, by the saving in storage.

Mr. BRADBURY: In other words, the farmer could afford to pay a little more?

Mr. OLIVER: He could pay a little more for the haul, if he did not pay so much for storage.

Mr. GERMAN: In connection with the report of the Royal Commission on the railway investigation, the minister will remember that that report intimates, if it does not assert, that the Grand Trunk Pacific Railway company are freed from their local obligation to the Government to operate the National Transcontinental railway under the agreement entered into with the Government. Some weeks ago the minister suggested in the House, in answer to a question I asked, that in his opinion the Grand Trunk Pacific Railway company was not relieved from their leg l obligation by reason of any action of the Government. I should like to know if the minister had any legal opinion from the

Justice Department, or from his own department, or if that is his own individual opinion.

Mr. COCHRANE: The hon. member is referring to the Grand Trunk Pacific?

Mr. GERMAN: Is the Grand Trunk Pacific Railway company relieved by any action of this Government, or the previous Government, from carrying out its obligations under the agreement entered into between the Grand Trunk Pacific and the Government, to operate the Transcontinental railway?

Mr. COCHRANE: No.

Mr. GERMAN: Has the minister had positive legal opinion on that question?

Mr. COCHRANE: No, I have not. I thought the hon. gentleman was first asking about the Grand Trunk Pacific, but I have not had a legal opinion on the liability of the Grand Trunk Pacific to operate the Transcontinental. I do not think, however, that we can hold them. I do not think we could compel them to operate the Transcontinental.

Mr. GERMAN: Why not?

Mr. COCHRANE: Because they are bankrupt.

Mr. GERMAN: I am not suggesting whether they are bankrupt or solvent. Without reference to their solvency or insolvency, is there still a legal obligation, binding on the Grand Trunk Pacific, to carry out the agreement entered into between the Grand Trunk Pacific and the Government to operate the Transcontinental railway.

Mr. COCHRANE: I could not give an opinion on that question.

Mr. GERMAN: I suggest to the minister that he should get a positive legal opinion, because that contention is opposed by the Grand Trunk Pacific, and through the Grand Trunk Pacific by the Grand Trunk—for the Grand Trunk railway is bound up with the Grand Trunk Pacific in connection with that agreement, and if the Grand Trunk Pacific is released, the Grand Trunk railway is released. The matter is very important.

Mr. COCHRANE: The Grand Trunk would not be released in any shape or form. they are not concerned with the Transcontinental at all. They are on the bonds of the Grand Trunk Pacific, and that is why we could not hold the Grand Trunk in that respect.

Mr. GERMAN: That is quite right. The Grand Trunk Railway is only liable by reason of their guaranteeing the bonds of the Grand Trunk Pacific, but if the Grand Trunk Pacific is released from its liability to carry out the agreement by some action of the Government of Canada, that certainly relieves the Grand Trunk Railway company from a serious responsibility, namely, the operation of the Transcontinental railway from Winnipeg to Moncton. If they are not liable to operate that railroad, by reason of some action of the Government which has freed them from liability, that has relieved them from a very great responsibility and placed them in a very much better position than they would be if that legal obligation still existed. And it places the Government of Canada in a very much worse position than it would occupy if that legal liability still existed. So, in view of the fact that the royal commission has not stated, as I recollect it, authoritatively, that the legal liability does not exist still, but have suggested that the Grand Trunk Pacific claims that they are relieved from their legal liability by reason of the action of the Government, it is highly important that we should know the position before the discussion comes up in regard to the whole railway situation. I think the minister should obtain positive legal authority, and the best legal authority he can obtain, on that very question.

Mr. COCHRANE: Speaking frankly, I think if they would assume the responsibility on the Grand Trunk Pacific, we would gladly relieve them of the balance. I cannot say whether technically they are relieved, but we have done nothing to release them. Whether by lapse of time or by our not taking any action they would be relieved, I cannot say. Speaking frankly, if they would assume and maintain their liability on the Grand Trunk Pacific, we would forgive them all the rest.

Mr. GERMAN: The minister understands that the Government would be willing to assume full responsibility for the Transcontinental from Winnipeg to Moncton and relieve the Grand Trunk Pacific from all liability in connection with it?

Mr. COCHRANE: From operating it;—yes, if they will assume their liability with respect to the Grand Trunk Pacific.

Mr. GERMAN: From my present knowledge I would not agree with the minister in that, because the Grand Trunk Pacific entered into an agreement that they would

operate the road and pay the interest for fifty years, I think.

Mr. COCHRANE: After seven years.

Mr. GERMAN: Yes. It is a matter which will have to be considered in connection with the whole railway system, and I think we should have a definite legal opinion in regard to the matter.

Mr. COCHRANE: I do not object to getting a legal opinion on it.

Mr. SINCLAIR: With reference to the shortage of cars, can the minister tell us how the road is affected by the interchange of cars with other roads? I remember seeing a statement made by officials of the Intercolonial that many cars belonging to that railway were going to the United States and were not coming back. Is our amount of rolling stock lessened by the interchange of cars with the United States?

Mr. COCHRANE: I think not; I think that we get about as many cars from them as they get from us. As to losing cars, it is seldom that ours are broken up by other roads, but sometimes they are returned rather badly broken, especially the wooden cars. The steel cars stand much more knocking around.

Mr. SINCLAIR: Do the company roads of Canada take and keep cars belonging to the Government railways? Do we lose cars in that way?

Mr. COCHRANE: A large amount of our wood product is shipped to the United States and the cars are sometimes detained. The roads co-operate in the matter of exchanging cars; if they can do so, they load them up and ship them off to other places.

Mr. SINCLAIR: Does my hon. friend refer to the company roads?

Mr. COCHRANE: Yes.

Mr. McKENZIE: My hon. friend has stated that it is the intention of the Government to put the Intercolonial railway under the Railway Commission. That, I suppose, is a provision of the measure which has been under consideration by a special committee during the greater part of this session. It was intimated to me by one of the members of the committee that provision would be made for bringing actions against the Government as owners of the road in the way that actions are brought against any other railway in Canada. I think that would be only right. In the operating of the Intercolonial Railway many matters arise which cannot be settled by arrangement between the parties, and the cases have to go to the courts. The Small Claims Act is very limited in its application. It does not cover all kinds of action and does not deal with claims exceeding $500. Claims involving a greater amount have to go to the Exchequer Court. We have no Exchequer Courts in Nova Scotia.

Mr. COCHRANE: There is no Exchequer Court at any other place than Ottawa, but the judges visit the different districts.

Mr. McKENZIE: Yes, but only for the trial. It is better for the party who has to go to court that he be able to institute proceedings wherever he may live and carry on those proceedings in a convenient court. That is the principle which has resulted in the establishing of courts all over the country; as a rule, trials take place where the actions are instituted. A Government operating a railway should be subject to the same conditions in the matter of actions for damages as any private company. There is no reason why there should not be the same remedy against the Government for damages sustained through the operation of Government railways as there is against the Canadian Pacific or any other company road in similar cases. I submit, therefore, that the Small Claims Act should be dropped and that provision should be inserted in the Government Railways Act to the effect that actions may be brought against the Department of Railways just as they may be brought against private companies. That is to say, all the remedies that the citizen has against any private concern he should have against the Government in respect of its railways. A provision of this kind would result in great convenience to those who have claims against the Government railways. A very striking case of claim for damages occurred in my county. A certain man's property was quite close to a newly-built section of the Intercolonial railway, where a large culvert had been constructed. The water rushed out in floods around his house. Frost came, the water got into his house, threw it out of position and smashed it up. The man brought action for damages under the Small Claims Act, but as the Small Claims Act covers only cases which arise by reason of the operation of the road, the court held that this case arose out of the construction of the road and that therefore, the claim could not be allowed. To that man, whose house and property were destroyed, the Government, on a mere

technicality, refused to give anything. I am sure that the minister does not want to shield himself or the Government behind technicalities of that kind. Ample opportunity should be given to the people to obtain any remedies in respect of claims that they may have against a government railroad; they should be able to obtain those remedies just as readily as they can obtain them in similar cases from private concerns.

Canals—staff and repairs, $1,440,000.

Mr. SINCLAIR: Is there any revenue from the canals?

Mr. COCHRANE: No.

Mr. OLIVER: What is the reason for the increase in the cost of operation?

Mr. COCHRANE: Increase in wages.

Mr. OLIVER: The labour on the canals is done by permanent employees, is it not?

Mr. COCHRANE: Most of it, but for extra work we have to employ outside help.

Mr. OLIVER: Have the salaries of permanent employees been increased?

Mr. COCHRANE: Yes.

Mr. GERMAN: My hon. friend has not increased them too much; he could reasonably increase them a little more. The employees are not receiving wages which are commensurate with the present cost of living.

Trent Canal—compassionate allowance to the widow of late John Bakes, who was accidentally drowned on August 26, 1916, $2,000.

Mr. COCHRANE: John Bakes, in the employ of the Government as a labourer on the Trent canal, was accidently drowned while assisting to remove a stop-log on dam 19, near Campbellford, Ontario, on August 26, 1916.

Mr. OLIVER: I was wondering how he happened to find a place deep enough to get drowned in.

Mr. COCHRANE: There are places there deep enough for men to get drowned in.

Mr. COPP: I notice differences in the amounts of the compassionate allowances. There is a compassionate allowance of $1,000 to the widow of the late John F. Rogers, who was shot and killed recently at Moncton. This was a very sad circumstance, as the minister knows. The widow is a young woman, and there is a small child in the family. This man had no insurance, and his widow has no means at all. I think the widow is entitled to the full allowance of $2,000 that is allowed to the others.

Mr. COCHRANE: Where a man has been killed in the discharge of his duty, we feel that our liability is greater than it was in this case. We were in no way responsible in this case, and this is truly a compassionate allowance. In the cases of compassionate allowances of $2,000, the men were killed on active duty. This man was not.

Mr. COPP: This man was in the office or building where he was entitled to be. He went down into the basement. He was certainly in the employment of the Government and attending to his duties just as much as any of the others.

Mr. COCHRANE: No. We were in no way responsible.

Mr. COPP: I did not say the Government would be in any way responsible, but the man was attending to the duties of the office in which he was working. I suppose the minister has had a full report on the matter.

Mr. COCHRANE: Yes. The man was not at his duty at all; he was out in the corridor.

Mr. COPP: No, the evidence at the inquest was that he was down in the basement to get some papers from a locker there. He was attending to his duties when he was shot. I do not claim that the Government is at all liable or responsible, but under the conditions of this particular case, if it is possible for the Government to give a compassionate allowance of $2,000, the widow is entitled to it.

Progress reported.

On motion of Mr. Rogers, the House adjourned at 5.45 p.m.

Monday, July 16, 1917.

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

PRIVATE BILLS.

FIRST READING.

Bill No. 111, to incorporate The North American Accident Insurance Company.—Mr. Pardee.

SECOND READING.

Second reading of Bill No. 110, to incorporate Canadian Ukrainian Institute Prosvita.—Mr. Hughes.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

PORTSMOUTH PENITENTIARY.

Mr. EDWARDS:

1. How many convicts were confined in Portsmouth Penitentiary June 30, 1916, and how many guards were employed?
2. How many convicts were confined in same institution June 30, 1917, and how many guards were employed?
3. When did Robert McDonald resign his position as guard at Portsmouth Penitentiary, and for what reason?
4. How long had he served as guard, and what was his age at time of resignation?
5. How much money, if any, was paid him as gratuity at time of resignation?
6. Was he re-appointed or employed on the staff at the Penitentiary?
7. If so, how long has he been so employed, and at what rate of pay?

Mr. DOHERTY:

1. There were 566 convicts confined in Kingston penitentiary on June 30, 1916. There were 50 permanent and 2 supernumerary guards.

2. Number of convicts, 422. Number of guards 50.

3. Roderick (not Robert) McDonald never was a guard or in any way attached to the police staff of the institution. He resigned November 25, 1914, at which time his life was despaired of owing to an acute attack of heart trouble.

4. Service in the engineer's department 20 years and 6 months. Age, 62.

5. $1,500.

6. Yes, as temporary assistant in the engineer's department.

7. Since May 28, 1915, at the rate of $700 per annum.

COMMISSION ON MR. JUSTICE GALT'S REPORT.

*Mr. FORTIER:

1. Is Mr. Paul Lacoste, K.C., representing the Minister of Public Works before the Commission investigating the report of Mr. Justice Galt?
2. Has any counsel been appointed by the Department of Justice to represent the public before the aforesaid Commission?
3. If so, whom?

Mr. DOHERTY:

1. I am informed that the Hon. Mr. Rogers has retained Mr. Lacoste, K.C., in connection with the matter.

2. No. Under the Inquiries Act and their Commission, the Commissioners are authorized to engage the services of such counsel to aid and assist them as they may deem necessary in the public interest.

[Mr. J. J. Hughes.]

DISCHARGE OF PTE. J. I. SMITH.

Mr. TURRIFF:

1. Was Pte. J. I. Smith, No. 907,162, 195th Battalion, discharged on the 30th of September, 1916?
2. Was the discharge certificate withheld from this man until the 9th of March, 1917? If so, why?
3. Why does the certificate of discharge bear, as the date of its issue, second of March, 1917?
4. Is it a fact that everything that medical skill can devise is used to preserve the life of the man who has voluntarily gone forward and offered to give his life, if need be, on behalf of his country?
5. If so, did the authorities refuse to pay the hospital bill in full in connection with this case?

Sir EDWARD KEMP:

1. Yes.

2. No.

3. On February 20, Private Smith apparently applied for duplicate copy of discharge certificate to the officer commanding Military District No. 12, which was supplied under date of March 2.

4. Yes; as far as possible.

5. The hospital bill, including all accounts, has been paid in full, except the charge for private and semi-private wards, which special accommodation was provided at the request of Private Smith's father who was informed by the local military authorties, Military District No. 12, at the time, that the extra expenditure for a private ward would not be defrayed by the department. The department has paid the difference between the rate which would ordinarily have been paid, and the rate for the private and semi-private wards.

LESLIE E. BAXTER.

Mr. A. K. MACLEAN:

1. In what capacity was Leslie E. Baxter, of Canning, Kings County, N.S., employed by the Department of Agriculture in connection with fruit inspection during the fall and winter of 1916-17?
2. How long was he so employed?
3. How much money did he receive for said employment?
4. Is the Government aware that said Leslie E. Baxter was convicted on the 23rd day of June, 1916, for unlawfully keeping for sale intoxicating liquor contrary to the provisions of the Nova Scotia Temperance Act?
5. Is it the intention of the Government to give employment to persons in Nova Scotia convicted of violating the Nova Scotia Temperance Act?

Mr. BURRELL:

1. As temporary assistant fruit inspector.

2. From September 15, 1916, to February 28, 1917.

3. $276.66 ($50 per month), and $334.69 expenses.

4. No, in so far as this department is concerned.

5. No.

ERNEST EATON.

Mr. A. K. MACLEAN:

1. At what date did Ernest Eaton, of Canard, Kings County, N.S., enlist in the 219th Battalion (or one of the other battalions of the Highland Brigade)?
2. Where did he enlist?
3. At what date was he subsequently discharged as physically unfit?
4. For how long was he paid after he was so discharged?
5. Did he subsequently enlist at Halifax? If so, on what date?
6. When was he sent to the Provincial Sanatorium for Tuberculosis at Kentville, N.S.?
7. Was he suffering from tuberculosis at the date of his second enlistment?
8. Was he suffering from tuberculosis at the date of his first discharge?
9. Will the Government pay all charges for his care while in the Provincial Sanatorium at Kentville, N.S.?

Sir EDWARD KEMP:

1. Enlisted March 13, 1916.
2. At Wolfville, N.S.
3. Discharged August 31, 1916.
4. Not any.
5. No record of re-enlistment.
6. There is no record of his admission to the Provincial Sanatorium for Tuberculosis at Kentville, N.S.
7. Answered by (5).
8. Yes.
9. Yes.

ALDERSHOT CAMP—CORDWOOD SUPPLY.

Mr. A. K. MACLEAN:

1. Who had the contract for the supply of cordwood to the Aldershot Camp, near Kentville, N.S., during the summer of 1916?
2. What kind of wood was required under said contract?
3. What was the price paid per cord?
4. How many tenders were received for the supply of cordwood to said camp during the summer of 1916?
5. What are the names and addresses of the several tenderers and the figures of each tender?
6. Did the tenders require delivery of said cordwood at Aldershot Camp?
7. Was any of the said cordwood hauled into Aldershot Camp during the summer of 1916 by the Army Service Corps?
8. If so, how much, and who ordered the Army Service Corps to haul said cordwood to Aldershot Camp?
9. How much did the Government or Department of Militia and Defence receive for services of the Army Service Corps hauling contractor's cordwood to Aldershot Camp during the summer of 1916?
10. Was any deduction made by the Government or the Department of Militia and Defence from the contract for the supply of cordwood to Aldershot Camp during the summer of 1916, for services performed by the Army Service Corps in transporting said cordwood to Aldershot Camp?

Sir EDWARD KEMP:

1. C. R. Bill, Jr.
2. Hard wood, either beech, black birch, maple or hickory. Soft wood, either pine, spruce or mill slabs of white or red pine.
3. Hard wood, 4 ft. length at $7 per cord (English measure); hard wood, 2 ft. length at $8 per cord (English measure); soft wood, 4 ft. length at $6 per cord (English measure); soft wood, 2 ft. length at $7 per cord (English measure).

4 and 5. Public tenders were called for, by poster, the latter part of April, for supplies for Aldershot camp, including the supply of wood, the posters being put up in conspicuous places in and about Halifax, Windsor and Kentville. The last day for receiving tenders was May 9. Although tenders for other supplies were received, none were received for the supply of wood.

On May 13, hand bills, inviting tenders for wood, were mailed to eleven different firms, whom it was thought might tender.

Only one tender was received, that of C. R. Bill, of Billtown, N.S.

6. Yes.
7. No.
8, 9 and 10. Answered by No. 7.

PENITENTIARIES' REPORT.

Mr. EDWARDS:

1. When was the report of the Inspector of Penitentiaries for the year ending March 31, 1915, ready for distribution?
2. When will the report for the year ending March 31, 1916, be ready for distribution?

Mr. DOHERTY:

1. August 15, 1916.
2. The report is in the printer's hands and will be distributed as soon as printed.

QUESTION PASSED AS ORDER FOR RETURN.

Mr. BELLEMARE:

1. How many officers have been appointed as recruiting officers in the province of Ontario?
2. What are the names, the addresses, nature of duties and pay of such officers?

EXTENSION OF THE TERM OF PARLIAMENT.

MOTION OF SIR ROBERT BORDEN POSTPONED.

On the Order being called:

Sir ROBERT BORDEN:

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

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Commons of Canada,

in Parliament assembled, humbly approach Your Majesty praying that you may graciously be pleased to give your consent to submit a measure to the Parliament of the United Kingdom, to amend the British North American Act, 1867, in the manner following, or to the following effect:

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

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

1. Notwithstanding anything in the British North America Act, 1867, or in any Act amending the same, or in any Order in Council, or terms or conditions of Union, made or approved under the said Act, or under any Act of the Canadian Parliament, the term of the Twelfth Parliament of Canada is hereby extended until the seventh day of October, 1918.

2. This Act may be cited as the British North America Act, 1917, and the British North America Act, 1867 to 1916, and this Act may be cited together as the British North America Act, 1867 to 1917.

All of which we humbly pray Your Majesty to take into your favourable and gracious consideration.

Mr. A. K. MACLEAN (Halifax): With leave of the right hon. gentleman, I should like to make the suggestion to the Prime Minister that the consideration of this resolution be postponed for a few days at least. I do not pretend to speak for any other hon. gentleman on this side of the House. It strikes me personally, however, that it would be only fair that consideration of this resolution be postponed at least until the Military Service Bill has passed through this Chamber. The ultimate disposition of that measure may affect me personally very much in reaching a conclusion upon this resolution. I think my request is a fair one, and I trust that the Prime Minister and his supporters will accede to the suggestion.

Right Hon. Sir ROBERT BORDEN (Prime Minister): I should have been glad if my hon. friend had communicated his desire to me a little earlier. I gave notice on Friday last that it was my purpose to proceed with this motion to-day, and I naturally supposed that any request for its postponement would have reached me before the House met this afternoon. I have come here to-day prepared to move this resolution. My hon. friend (Mr. Maclean) suggests that it would be only fair that it should stand a little longer. It has already been on the Order Paper for nearly two months. However, without making any promise as to future postponement, I shall let it stand until to-morrow. I will consider what my hon. friend has said with regard to further postponement.

Mr. OLIVER: I should like the House to understand that, so far as I am concerned, the suggestion of my hon. friend from Halifax (Mr. A. K. Maclean) has no support from me.

Mr. MURPHY: I desire to add that that is my position also.

Sir ROBERT BORDEN: I may add that it really has not any support from me either, but when an appeal is made to me by an hon. gentleman in this House, who suggests that it would be fairer to let the matter stand for a day or two, my usual good nature always impels me to give way if I can.

Mr. MICHAEL CLARK: Mr. Speaker, may I express the hope that the wish expressed by my hon. friend from Halifax (Mr. Maclean) has not been prejudiced in the eyes of the Government in any way by the opposition of my hon. friend from Edmonton (Mr. Oliver).

Mr. PUGSLEY: I came here especially to-day to participate in this discussion, and I am very sorry indeed that the Prime Minister has decided to let the matter stand over. I think the sooner this question is brought up and decided upon the better it will be for the country at large.

Sir WILFRID LAURIER: May I be allowed to say that, while I am ready to go on—my opinion is made up and I do not think any delay will change it—still, when an hon. gentleman of the importance of my friend from Halifax (Mr. Maclean) makes such a request of the Government, I am very glad that the Prime Minister agrees to it. I wish to say that this is a free Parliament, and every member is free to express his opinion.

RAILWAY ACT AMENDMENT.

The House in Committee on Bill No. 13, to consolidate and amend the Railway Act. —Hon. Frank Cochrane—Mr. Blain in the Chair.

On section 5—to what persons, companies and railways applicable:

Mr. GRAHAM: The Drayton-Acworth report, if I remember correctly, recommends that Government railways be placed under the supervision of the Board of Railway Commissioners. That means that if the larger scheme of railway organization and control is undertaken by the Government, the Government railways will be subject to

the jurisdiction of that board. If in this Act, however, no special provision is made in that respect, the Government railways will not come under the control of the Board of Railway Commissioners.

Mr. COCHRANE: It is our intention to introduce an amendment to the Government Railways Act to put Government railways under the control of the Railway Commission. I expected that the Bill would be drawn before this, but my law clerk has been ill.

Mr. GRAHAM: Will not such an Act conflict with this Act as it now stands?

Mr. COCHRANE: No, we are providing that it will not.

Mr. GRAHAM: I am not now expressing any opinion as to the advisability of placing the Government railways under the control of the Board of Railway Commissioners. But we are now passing an Act which provides that Government railways shall not be subject to the jurisdiction of that board. The minister says that later he will introduce an amendment to the Government Railways Act providing that Government railways shall be subject to that board. Should not the words "other than Government railways" be left out of section 5, if a Bill is to be introduced to put the Government railways under the Railway Act?

Mr. COCHRANE: We will let the section stand until the other Bill is introduced.

Mr. GRAHAM: In the first place, by the proposed amendment the Railway Act itself would be made applicable to the Government railways, and by an amendment to the Government Railways Act the latter would come under the Board of Railway Commissioners. To make the matter clear, both Acts should be amended. I agree with the proposal of the minister to let the section stand.

Section stands.

On section 6—Application to railways controlled or operated by Dominion companies.

Mr. J. E. ARMSTRONG: The change is merely a reconstruction. The new words are:

Without limiting the effect of the last preceding section, extend and—

Then, on the 13th line, in paragraph (b), the word " every " is added. The whole of paragraph (c) is reconstructed in the present Bill.

Mr. GRAHAM: If a provincial company with a provincial charter were to be leased to a company with a Dominion charter, the former road, notwithstanding the fact that it was a provincial railway, would come under the Board of Railway Commissioners for Canada.

Mr. COCHRANE: Yes.

Mr. GRAHAM: This also brings up a pretty large question, namely, the joint control of railways operated between the United States and Canada. At one time a proposition was made by the Interstate Commerce Commission, and approved, partially at least, by the late Mr. Justice Mabee, who was at that time chairman of the Canadian Board, that a joint board be formed of representatives from each of these boards, and that all international traffic be entrusted to this joint board. Several hearings were had before the then Minister of Railways as to the advisability of this, and while on a superficial investigation, the matter looked as if it could be worked out quite readily, when we came to the details, there were certain details with regard to the United States railways, particularly in the West, that were not wholly applicable to the Canadian railways. The head of the Railway Department at that time was convinced that the matter was one on which slow progress ought to be made, because there were many pitfalls that we did not see at first. Has the minister considered the possibility of having a board of that kind that would be governed by regulations that would be international and at the same time equitable to the Canadian railways?

Mr. COCHRANE: The matter has not been brought up in my time and I have not paid very much attention to it, but if the proposition could be worked out in a satisfactory way, it would be very desirable. As the hon. member says, it is a matter on which we would have to go slow.

Section 6 agreed to.

On section 7—railroads declared to be for the general advantage of Canada.

Mr. GRAHAM: Section 6, as I understand it, brings roads with a provincial charter under the jurisdiction of the Board of Railway Commissioners, even if they are not declared to be for the general advantage of Canada, while section 7 brings such railways under the jurisdiction of that board by declaring them to be for the general advantage of Canada.

Mr. COCHRANE: Is it not better to have them under the jurisdiction of the Board of Railway Commissioners?

Mr. GRAHAM: Most decidedly.

Section agreed to.

On section 8—Provincial railways connecting with or crossing Dominion railways.

Mr. GRAHAM: Is this section new?

Mr. J. E. ARMSTRONG: The change in this section is to bring it into conformity with the decision in Privy Council vs. The Montreal Street Railway. The words "Street Railways and Tramway" have been taken out in view of the definition of the word "railway."

Mr. GRAHAM: That was a celebrated case.

Mr. CARVELL: I do not think this section differs from the old one to any great extent. I find that the changes that were in the draft Bill have all been struck out and the section is left almost exactly as it was in the old Act. I do not think there is any objection to it

Section agreed to

On section 11—Powers of Deputy Chief Commissioner.

Mr. CARVELL: Subsection 4, of section 11, is an addition or amendment to the original Act, and it is the same as it was in the draft Bill. I think the idea was that, in case of multiplicity of business, they would be able to divide the board, and sit in two or three places at the same time, if necessary, in order to expedite business.

Section agreed to.

On section 23—Duties of secretary.

Mr. J. E. ARMSTRONG: The only change in section 23 is that in the 25th line the words "chief commissioner" are struck out, and in the 27th line, between the words "board" and "sealed," the words "duly signed and" are inserted.

Mr. CARVELL: That means that the secretary shall obey the directions of the board, as well as the directions of the commissioner. It increases the power of the Chief Commissioner, to a great extent.

Mr. MACDONALD: Is there any provision as to what will occur if the board arrive at a different conclusion from that

[Mr. Graham.]

arrived at by the Chief Commissioner? There might be a conflict, and we should insert a section to provide for that.

Mr. CARVELL: I do not remember the explanation given to the commmittee as to the change. There might be a conflict of authority there. These changes were suggested very largely by a gentleman representing the railway board at the sittings of the committee. This amendment was inserted at his request.

Mr. MACDONALD: I think we had better let this section stand.

Mr. COCHRANE: Very well.

Section stands.

On section 31—Annual report to Governor in Council.

Mr. J. E. ARMSTRONG: In the 2nd and 4th lines the word "March" is struck out, and the word "December" inserted.

Mr. COCHRANE: That change was made at the request of the railways; it corresponds with the American practice.

Section agreed to.

On section 33—jurisdiction:

Mr. J. E. ARMSTRONG: The words "under this Act or otherwise for carrying this Act into effect", in the twentieth line, are struck out. Then in the twenty-eighth line the words "conferred by this Act" are struck out. The last five lines in the clause are new:

> And wherever by reason of insolvency, sale under mortgage, or any other cause, a railway or section thereof is operated, managed or held otherwise than by the Company, the Board may make any order it deems proper for adapting and applying the provisions of this Act to such case.

Mr. CARVELL: It means that in case a railway is handed over to a receiver, the receiver is under the jurisdiction of the board. It only extends the powers of the board to cover the receiver.

Mr. J. E. ARMSTRONG: That is the idea. Under the general scheme of this Act, the Board of Railway Commissioners is dealing with a railway company. If the company is handed over to a receiver the question arises whether, as a matter of law it does not cease to be a railway company as a technical entity. It was therefore thought advisable to give the Board of Railway Commissioners jurisdiction over the receiver.

Section agreed to.

On section 34—power to make orders and regulations:

Mr. J. E. ARMSTRONG: The statement made by Mr. Price in regard to clause 34 to 44 is that they are as to the power of the board to make orders and regulations. Subsections 2 and 3 of clause 34 are made more complete in order to obviate any question being raised as to the powers of the board to make orders.

Mr. GRAHAM: It would strike me that provision is made in this Act to cover any of the provisions in any other Act that might be passed.

Mr. J. E. ARMSTRONG: That is what it says.

Mr. CARVELL: If there is an imposition or a penalty of any kind provided by any other Act, the Board of Railway Commissioners has jurisdiction to enforce it. It practically gives the board power over all legislation governing railways, whether included in this Act or in a special Act.

Mr. W. F. MACLEAN: Where is there in the Act providing for its enforcement?

Mr. CARVELL: That is provided for later on; there is a section regarding penalties.

Mr. W. F. MACLEAN: But, where is the imposition of a duty upon somebody to enforce this Act?

Mr. COCHRANE: The Railway Commission will enforce it.

Mr. W. F. MACLEAN: If the Railway Commission see fit to enforce it.

Mr. NESBITT: That is what we have them for.

Mr. W. F. MACLEAN: But, is there a direct clause in this Act for its enforcement? We will shortly be dealing with clause 42, which refers to the employment of counsel in the public interests. According to this clause the board may apply to the Minister of Justice to instruct counsel.

Mr. COCHRANE: That is not at all for the enforcement of the Act.

Mr. W. F. MACLEAN: Of course, there may be provisions later for enforcing the Act, but so far its enforcement is all done incidentally. It would be well for us to know the manner in which the board is to enforce this Act, and who should be held responsible for its enforcement. I dealt with the question in the House the other day, in connection with another Act. I also attended some of the meetings of the special committee which had this matter under consideration, andmet some of the men representing the brotherhoods. They said the great question with them was the enforcement of the Railway Act.

Mr. COCHRANE: Why did they not mention that to the committee?

Mr. W. F. MACLEAN: They did mention it, and I mentioned it also. I mention it now, and I hope the minister will consider it, so that we may have a direct and specific clause in the Act indicating that it is the duty of the Railway Commission, or the Attorney General of Canada, or somebody else, to enforce the Act. It should not be left to any one to go before the board and make an application that the Minister of Justice appoint counsel to conduct an investigation in order to bring out the facts in the public interest. This should be done by the Railway Commission of its own motion, and it should have power to employ special counsel at any time, and the duty should be imposed upon it to enforce and administer this law.

Mr. CARVELL: I understand that the hon. gentleman wants to have a public officer appointed whose duty it is to enforce the railway law of Canada. I am afraid he would have to have a whole army of public officers, as these matters come up in every portion of Canada. There are plenty of powers given to somebody. If the hon. gentleman will look at sections 43 and 44 he will find that 43 provides for a stated case to go to the Supreme Court and 44 gives effect to the judgment of other courts. Then section 49 provides that any court in Canada having the proper jurisdiction can make a decision of the board a rule of court, and then it can be worked out the same as any rule of court would be in any province in Canada. You go on to sections 51 and 52 and these provide for appeal and review. There is plenty of machinery, plenty of law. What my hon. friend wants is some officer whose duty it is to see that the law is enforced and the machinery is put into motion. That is done by the people in the different parts of Canada who are interested. I am a practising lawyer and a client comes to me and says: I feel that the railway company is not carrying out the law; I am damaged or I have a grievance against that railway company. On this I apply through the proper channel and call upon the company to remedy that grievance. If they fail to do so I take whatever action I may think necessary. If you appointed one officer to

carry out the law, you would never have it done, because you would have such a multiplicity of cases that it would be impossible to go on with them all. You might have an officer who would say to me: I do not think that your client's case has very much merit and I do not know why I should bother my head about pressing it. He might in that way take away from my client the right which the law gives him.

We are getting along pretty well and I would be opposed to seeing an officer appointed who could take away from the ordinary resident of Canada the rights which are guaranteed to him by the Railway Act. He has rights now which enable him to go to the courts and enforce those rights under the law and machinery of the Act if necessary.

4 p.m.

Mr. W. F. MACLEAN: My hon. friend from Carleton (Mr. Carvell) has stated my case in another way. He says that the enforcement of this Act rests mainly upon the private prosecutor or the person who feels aggrieved; he must put the law in motion. It is all very well to allow that right to rest with the individual. His right is provided for and I have no objection to that. But I also want something else; I want to have the duty imposed upon the board to enforce the law or I want to do as they do in the United States—in legislation of this kind in the United States they insert a clause which says that it shall be the duty of the Attorney General of the United States to enforce this law, having in view the rights of the public. He is by the Act authorized to appoint special counsel, to engage experts and others who can supply him with information on the subject, and he is further voted a sum of money to be at his disposal at any time for the enforcement of the Act. We in Canada are passing Federal Acts year after year, some of them having very wide powers, but we make no provision for the enforcement of these Acts as they do in the United States. With regard to many of them, we are gradually finding a roundabout way of securing their enforcement. But I should like to see a provision inserted for the enforcement of this Act. There are many instances in which this Act ought to be enforced, but it is not enforced because there is no provision for enforcing it. When we are discussing these wide powers which are to be conferred on the board we ought also to impose on the board the duty of enforcing the law. Representatives of the brotherhoods, as well as individuals all over the country, say that it has been hard to secure the enforcement of this law. That is the line of argument that we have heard, and I would ask the minister to tell us, either now or a little later on, how he proposes to strengthen the uses of this Railway Act to the public by making provision for its adequate enforcement.

Mr. GRAHAM: If this were an ordinary Act that was only enforced through court proceedings there would be a good deal to be said in favour of my hon. friend's contention. But the object in establishing the Board of Railway Commissioners was not to make it a court, but to keep it as far away from being a court as we possibly could. It was to be a quick and ready tribunal before which anybody could state his case. When I was Minister of Railways the question of the appointment of a public prosecutor was urged many times, but in discussing it with the then Chairman and with a great many public men, who have large business interests in shipping, etc., I found that none of them wanted to have a public prosecutor appointed for this particular Act. Among the reasons for that opinion was the fear that it would be surrounded by all the formalities and red tape of a court, and that the ordinary individual would of necessity be compelled eventually to approach that court through the public prosecutor. The object of establishing this Commission was that any person, even a widow with a grievance about a crossing on her farm, could appeal, by letter, perhaps, without going before the tribunal at all, and get substantial justice. Hundreds and hundreds of cases have been disposed of merely by a letter from the secretary to the railway company. The difficulty about appointing a public prosecutor would be that we would possibly get into a condition in which we might as well not have a railway commission at all, but a regular court, to try these cases. This Board hears counsel in any case that is brought before it if the applicant desires to be represented by counsel, but at the same time the humblest individual in Canada can go before the Board, state his or her case, and have it decided.

Mr. W. F. MACLEAN: I agree with what the hon. gentleman (Mr. Graham) says, but he does not meet my case. I do not ask for a public prosecutor. I ask that the duty be imposed on somebody to enforce this Act. I propose to make it the duty of this expensive organization, the

Board of Railway Commissioners, to enforce it and to see that justice is done in any case where an individual brings before it a case of injustice. The enforcement of federal laws should not be left to the individual who feels aggrieved. We trust to the Minister of Customs to see that the customs law is obeyed and that the revenue is not defrauded. That minister makes prosecutions, and sometimes calls in, as he has a right to call in, the Minister of Justice to assist him. Under this Act the duty is not laid upon the Board of Railway Commissioners to enforce this Act. I ask that the Act shall say who is responsible for its enforcement. I am anxious to avoid, so far as possible, all red tape.

Mr. CARVELL: Has my hon. friend heard of a case in Canada since the Commission was created in which it has not enforced any order that was made?

Mr. W. F. MACLEAN: My hon. friend is talking about orders. I want enforcement of the law, not of orders.

Mr. COCHRANE: Do you want it enforced without being heard?

Mr. W. F. MACLEAN: No, it will be heard.

Mr. COCHRANE: Then they will enforce it.

Mr. W. F. MACLEAN: Who will enforce it?

Mr. COCHRANE: The Railway Commission.

Mr. W. F. MACLEAN: It is one of the representations of the brotherhoods that there is lots of power but none of that direct enforcement which the people of the United States are finding necessary in connection with their federal legislation. I want some provision for the enforcement of the Act. If I cannot do any better, I shall submit the clause in the transportation law of the United States which places responsibility for the enforcement of the Act.

Mr. NESBITT: If the hon. member will draft a clause he will consider it when we have gone through the Bill. It will have to come at the end anyway.

Mr. ARMSTRONG: I know that in the United States many Acts passed by Congress have such a clause as the hon. member has mentioned, but it would be impossible to apply such a clause to this Bill. However, we will be glad to consider any clause he may draft.

Mr. COCHRANE: The hon. member has not mentioned one case where the railway commission have not enforced the law.

Mr. W. F. MACLEAN: I will give you cases, and they have been mentioned before the special committee.

Mr. MURPHY: Where the board was asked to act and did not?

Mr. W. F. MACLEAN: No, but cases where there was difficulty in getting any enforcement of the Act.

Mr. NESBITT: If the hon. member will put his suggestion in concrete form we can consider it.

Mr. W. F. MACLEAN: I will put it in concrete form, and it will be the first time in our fifty years of history that we have put direct responsibility on somebody for the enforcement of the laws of this country. I spoke the other day about the attainment of national unity. They are attaining national unity in the United States by federal enforcement of federal law. One great thing about their constitution as compared with ours—and I am not saying which is better—is that the President of the United States has very large powers, and so has the Attorney General of the United States, for the enforcement of federal laws. I will submit later on a specific proposal in this direction.

Mr. GLASS: Would municipalities affected by clauses of this Act have power to pass by-laws consistent with the provisions of the Act and to enforce penalties, also consistent with the Act, on a charge laid before a magistrate? I refer to such matters as the sounding of an alarm, the whistling at crossings, or the destruction of weeds on right of way. There are many matters of that kind upon which municipalities pass by-laws affecting individuals.

Mr. CARVELL: There is a clause dealing with that. I think my hon. friend will find it is all provided for.

Mr. COCHRANE: But it is not for a magistrate to enforce; it is for the railway commission.

Mr. CARVELL: I do not think any one would go so far as to give a municipality power to pass a by-law under the Act and to have it enforced by the magistrate.

Mr. GLASS: The municipality has power, under provincial legislation, to pass laws with relation to the cutting and destruction of weeds. Take that as a concrete case. A serious growth of weeds on a railway right of way running through a municipality is

a serious menace to the surrounding farms. I have known cases where, through neglect, weeds grew in profusion on the right of way and the seeds were carried to farms nearby that had been perfectly clean. This Act provides a penalty if a railway does not destroy the weeds growing on its right of way. But would the municipality have the right, under their by-laws, to take action in the matter?

Mr. CARVELL: The municipalities have no jurisdiction whatever. Section 279 of the Act provides:

> Every company shall cause thistles and all noxious woods growing on the right of way, and upon land of the company adjoining the railway, to be cut down or to be rooted out and destroyed each year, before such thistles or weeds have sufficiently matured to seed.

If a railway company failed to carry out the provisions of this section, application could be made to the Board of Railway Commissioners for action in the matter. The Board would thereupon issue an order, and enforce it. If a municipality were allowed to interfere in this way with the operation of a railway company, the Railway Act would cease to be of any value.

Section agreed to.

On section 42—employment of counsel in public interest:

Mr. W. F. MACLEAN: In this section we find all the provision that is made in the Bill for the protection of public rights under this law. The section is in part, as follows:

> The Board may, in any application, proceeding or matter of special importance pending before it, if in the opinion of the Board the public interest so requires, apply to the Minister of Justice to instruct counsel to conduct or argue the case or any particular question arising in the application.

That is, the public rights will be protected if in the opinion of the Board the public interest so requires. That is my whole case. The duty is imposed on private individuals and on private interests to take care of themselves, but in important cases counsel can be appointed to take care of the public interest. If the Board sees fit to make application for counsel, the Minister of Justice may grant it. A gentleman learned in the law will then state the case, and perhaps justice will be done. But I say that somebody—the Minister of Justice, the Solicitor-General: I care not who—ought to see to these things, and be responsible. I would impose upon the board the duty of enforcing the law and of seeing that the public interest is protected in all cases. We make provision for the protection of the public interest in cases where the board think those interests ought to be protected and where the Minister of Justice is a consenting party. But what about all the other cases? Should the duty not be imposed on the Railway Board of enforcing the law and of protecting the interests of the public, of the individual—of the widow, mentioned a little while ago? There is where the Act breaks down as a protection of the public interest. Later on I am going to ask the committee to insert in this Act a provision for its enforcement in every direction.

On section 49—rule of court:

Mr. CARVELL: There was a discussion before the committee as to the powers of this Parliament to direct a court (or an officer thereof) of a province to carry out the orders of the board. I expressed very grave doubt about our jurisdiction, and I still have grave doubt, but the answer given to me then was, we have been doing this—and, to use the vernacular, we have been getting away with it, so they did not see any reason why we should depart from the practice. I have strong doubt whether this Parliament has power to say that the Supreme Court of a province shall or shall not do a certain thing, or that the registrar of a province, who is purely a provincial officer, shall or shall not do a certain thing. This, however, has been the law in the past, and the special committee decided to leave it in this Bill, and I have no objection to it.

Mr. J. E. ARMSTRONG: We have had this in force for many years.

Mr. CARVELL: That was the answer I received.

Mr. MACDONALD: I agree with the hon. member for Carleton (Mr. Carvell). The fact that such orders have been made and put through in the past is no indication of the legal right to make such provisions in this Bill. At some time, in a very important case, the question will be raised as to the right of making the decisions of the Board of Railway Commissioners a rule of our provincial courts. The matter will form a subject of consideration, and possibly there will be a decision against the right of those courts to accept such rulings. It is the duty of the Minister of Justice to communicate with the attorney generals of the different provinces and ask them to pass ancillary legislation to make this effective. While the Minister of Justice reviews legislation passed by the different provinces, and, if necessary, calls the attention of the Provincial Attorney General to the

validity of any measure, and also informs him whether the legislature have attempted to exceed their jurisdiction, there is no such revising authority over Dominion legislation.

Mr. W. F. MACLEAN: We have reached one stage further so far as the public interest is concerned. The jurisdiction of the provinces over certain matters has been called into question by two able lawyers, one from the New Brunswick courts and one from Nova Scotia. We may have to make provision in connection with federal legislation for the establishment of federal courts where these decrees will be recorded, and whereby they will be enforced. We are coming nearer to the issue that I have presented in this House. This shows how weak our system is after fifty years of experience. It has taken the people of the United States 150 years to find out that if they want to have effective legislation, and to protect the public interest, they must impose upon some federal officer or court the duty of enforcing that legislation, and they must constitute a federal court for registering their decrees and impose upon the officers of that federal court the duty of seeing that the decrees are carried out, not leaving their enforcement to the grace of some court or other organization in a province.

Mr. COCHRANE: I shall be very glad to bring the matter to the attention of the Minister of Justice, and to inform him of the remarks made by the hon. members for Carleton (Mr. Carvell) and Pictou (Mr. Macdonald).

Section agreed to.

On section 52—Governor in Council may vary or rescind:

Mr. J. E. ARMSTRONG: The only changes are in the first line. After the word "may" the words "at any time" are inserted. After the word "interested" on the third line, the words "or in his own motion," are inserted, and the words "within one month after the making of the order, decision, rule or regulation," struck out.

Mr. CARVELL: That leaves it practically as the old law stood—very slight change.

Mr. J. E. ARMSTRONG: Yes. The words were struck out by the committee.

Mr. W. F. MACLEAN: I want to read the section of the United States Act to the House, and I hope to be able to show the committee that there is something in the contention I have urged.

Mr. COCHRANE: The committee instructs us to draft a section, and we will frame it later on, so that the hon. gentleman need not take up so much time discussing it.

Mr. NESBITT: Why not state the point when you introduce the resolution?

Mr. W. F. MACLEAN: I want to place it on record now. I have obtained the document, and it is only common courtesy for the House to allow me to read it. I desire to show how the Public Railway Act is administered in the United States. I will read the section and I hope the minister and hon. members will listen to it. Section 12 reads as follows:

> That the Commission hereby created shall have authority to inquire into the management of the business of all common carriers subject to the provision of this Act, and shall keep itself informed as to the manner and method in which the same is conducted—

Mr. GRAHAM: That is the Interstate Commerce Commission.

Mr. W. F. MACLEAN: Yes. The section continues:

> —and shall have the right to obtain from such common carriers full and complete information necessary to enable the Commission to perform the duties and carry out the objects for which it was created, and the Commission is hereby authorized and required to execute and enforce the provisions of this Act;—

That is what I want in this country. I desire a provision inserted that the Railway Commission shall be required to enforce the provisions of this Bill, and I have not got it yet. All that is provided is that the provisions of this Act may be enforced, if the Minister of Justice, on the request of the Railway Board, appoints a solicitor to enforce the Act. The section continues:

> —and upon request of the Commission it shall be the duty of any district attorney of the United States to whom the Commission may apply to institute in the proper court and to prosecute under the direction of the Attorney General of the United States all necessary proceedings for the enforcement of the provisions of this Act, and for the punishment of all violations thereof, and the costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States; and for the purposes of this Act the company shall have power to require, by subpoena, the attendance and testimony of witnesses and the production of all books, papers, tariffs, contracts, agreements and documents relating to any matter under investigation.

We have no such provision in our Act, and I again direct the attention of the Minister of Railways to it and ask him, in all fairness, to consider this question; and I ask him to ask the Minister of Justice and the Prime Minister whether it is not time that he should enact for Canada a similar provision for the enforcement of our laws. We have spent a lot of time on this measure and I compliment the minister on the excellent Act which has been framed. I say that it is deficient in the essential that no provision is made for its enforcement.

Mr. CARVELL: I must confess that I have never read the United States Intercommerce law as carefully as my hon. friend, and I do not profess to know what the provisions are, and I have been wondering if that Act goes as far as our does.

Mr. GRAHAM: In many ways it does not.

Mr. CARVELL: There is no power that our railway commission does not possess in regard to requiring the railway companies to do anything that can be conceived.

Mr. W. F. MACLEAN: But where is the provision compelling them to do it?

Mr. CARVELL: They have the power to make rules and regulations. If a railway company is not observing the law and is granting exceptional advantages to one company over another—discrimination in traffic or in rates, or anything of that kind —the Board of Railway Commissioners has absolute power to take action. This Act was in force before I came to Parliament, and I have been before this board a great many times, and I have never heard a suggestion that it does not enforce its decree and orders, and I cannot understand why there should be any necessity for a provision of this kind.

Mr. COCHRANE: The commission would be useless if it did not enforce its orders.

Mr. W. F. MACLEAN: The hon. gentleman from Carleton (Mr. Carvell) is talking about decrees. They enforce the decrees, but supposing they do not make the decrees?

Mr. CARVELL: I will give an illustration. I got a letter within the last three weeks from a gentleman in New Brunswick, not in my own constituency, pointing out the fact that a certain railway crossing was not protected and that something should be provided in the way of gates or guards. I at once sent the letter on to the railway company, and asked them to give it their consideration. I received a courteous letter from them, stating that they would hand it over to their traffic department and would give me an answer. I have not received their decision yet, but if they fail to do what the people think they should do, all I have to do is to go to the Board of Railway Commissioners and if they order the company to put on guards or gates or watchmen, the commission will enforce such an order. It seems to me there is nothing to argue about.

Mr. NESBITT: We have given them absolute power to do every conceivable thing in regard to the railways.

Mr. CARVELL: I have never heard of a case where the board has not adjudicated on any matter submitted to them, and if they decide that a person is entitled to relief that relief is granted.

Mr. W. F. MACLEAN: This is an attempt to draw a red herring across the trail. I am not suggesting that the board has not the power, but in many cases they do not take action.

Mr. CARVELL: The hon. gentleman admits they have the power.

Mr. W. F. MACLEAN: Yes, but there is no provision that they must exercise this power. If somebody calls their attention to it they may do it. The United States Act provides that the commission shall keep themselves posted in regard to the requirements of that Act.

Mr. COCHRANE: The hon. gentleman has not given us a case where they have not enforced it.

Mr. W. F. MACLEAN: I will give cases later on, but I want to deal with general principles to begin with. I say that the Railway Commission should be empowered and ordered to enforce this Act, and that they should have the means placed at their disposal to carry out the orders. We could have the Act enforced if the Minister of Justice would appoint an attorney to look after its enforcement. I place this point before the people of the country as the difference between our Railway Act and the Railway Act of the United States. I would like to address a meeting of the farmers of this country, who are studying this question of transportation very closely, and point out to them the difference between the two Acts in the power of enforcement and the protection of the public rights. It should not be left to somebody, or to the Board itself, to ask for the ap-

pointment of counsel to assist in enforcing the law. It should be the duty of the Board to enforce the law. If permanent counsel are required I would not have any objection to their appointment, but I do say the responsibility should be with the Board. Apparently it is a hard thing to persuade this committee to see the question in that light, but that was the experience of the United States.

Mr. NESBITT: Will my hon. friend tell us when the Interstate Commerce Commission was appointed?

Mr. W. F. MACLEAN: Many years before ours.

Mr. NESBITT: My impression was that ours was first.

Mr. W. F. MACLEAN: I am quite sure the United States Commission was first. In any event, they have had a wider experience than ours. I would ask hon. gentlemen to secure a copy of the United States Act, and study it. Clause after clause of our Act has been taken bodily from it.

Mr. McKENZIE: As I understand the point made by the hon. member, he thinks this Commission, or court, should institute proceedings before itself. To my mind, that is not practicable in Canada. If it were done I fear the court would very soon lose its weight, influence and respect. I think it is as well to leave the matter as it is, and when any one has a grievance let the question be taken up in the proper manner before the Board. Perhaps I would go to the extent of agreeing with the hon. gentleman that there might be a public officer appointed whose duty it would be to institute proceedings before the Board.

Mr. W. F. MACLEAN: It is very hard to convince those able lawyers in regard to the jurisdiction of courts. I am only an ordinary layman—

Mr. GRAHAM; No, not an ordinary layman; you are better than that.

Mr. W. F. MACLEAN: For the instruction of the distinguished legal light from Nova Scotia (Mr. McKenzie), who was a judge and who knows a good deal about courts, let me direct his attention to the following:

> And the Commission is hereby authorized and required to execute and enforce the provisions of this Act; and upon the request of the Commission, it shall be the duty of any district attorney of the United States to whom the Commission may apply to institute in the proper court, and to prosecute under the direction of the Attorney General of the United States all necessary proceedings for the enforcement of the provisions of this Act and for the punishment of all violations thereof, and the costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States.

Mr. CARVELL: That is provided for in section 49 of our Act.

Mr. W. F. MACLEAN: But there is nothing to show whose duty it is to enforce the law. My hon. friend from North Cape Breton (Mr. McKenzie) says we do not need any court, or we are imposing an unnecessary duty on the commission. In the United States they impose certain duties on the commission in connection with the enforcement of the law. They go further and say:

> Any district attorney may proceed in any proper court and sue and have due performance of what is called for under the Act.

And penalties are imposed and fines collected. We have not that clear-cut direction for the enforcement of our Act. It has taken me twenty-five years to get a hearing in this House in connection with the enforcement of the federal law. I have been side-tracked twenty times by men who were Ministers of Justice, trying to evade this point. However, this condition of affairs will not continue much longer. There are a number of federal laws on our statute book which are not being enforced and the duty of enforcing them is not placed on any one. After fifty years' experience, I think we ought to change the law in this direction, and I again draw the attention of the Minister of Railways to the fact that he may make this excellent Act of his still more effective by including in it a provision for its enforcement similar to the provision in the United States Act.

Mr. CARVELL: Has the hon. gentleman carefully read the provisions of Section 392 of this Act?

Mr. W. F. MACLEAN: I know the provisions of the section.

Mr. CARVELL: What can be stronger than that.

Mr. W. F. MACLEAN: The hon. gentleman again begs the question. This is the greatest trick which has taken place this afternoon. That sections says "Whenever it is proved." What provision have you made for "whenever it is proved"?

Mr. CARVELL: An order of the board is all that is required.

Mr. W. F. MACLEAN: That is so, in cases where it is proved. But who proves it, or whose duty is it to prove it?

Mr. CARVELL: The interested party, of course.

Mr. W. F. MACLEAN: That is bringing it back again to the interested party. I want a provision in the Act that its enforcement shall rest with some responsible official of the commission, or the Attorney General of Canada, or somebody else.

Mr. NESBITT: If you had a provision in the Act that the Railway Commission should see to its enforcement, and the Railway Commission did not do so, what would be the result?

Mr. W. F. MACLEAN: We could bring them before Parliament.

Mr. NESBITT: Who would know they did not do it?

Mr. W. F. MACLEAN: You would know, as a member of Parliament.

Mr. CARVELL: Let me cite an instance. The law says there shall be proper fences and cattle guards. Does my hon. friend think there should be some official who would go around and see that those cattle guards are in their places, and, if they are not, institute proceedings against the railway company?

Mr. W. F. MACLEAN: The hon. gentleman raises a tu'penny-ha'penny case.

Mr. CARVELL: But, there is no difference in the principle.

Mr. W. F. MACLEAN: I admit the board may make an order, and when they order that so-and-so shall happen the public will be protected; or, when the Attorney General of Canada sees fit to engage counsel to prosecute the case the public will be protected. But again, if that does not happen, who is to protect the public? I appeal to my hon. friend (Mr. Wright) who is a common, ordinary farmer—

Some hon. MEMBERS: Oh, oh.

Mr. GRAHAM: A real farmer.

Mr. NESBITT: He is not a common farmer.

Mr. W. F. MACLEAN: Well we will say an ordinary farmer. I am a very poor farmer myself; I have not got to the high exaltation of being a farmer yet, but a farmer can see that it is one thing to make a law and quite another to enforce it. This is a good law and the farmers of the West as well as the farmers of Ontario are reading up these laws. We see the necessity of improving this law, and this is a vastly improved law, but it must be enforced. They have passed a law in the United States for the enforcement of railway legislation. They not only make provision in that law for its enforcement but they provide the money and they put the duty on the railway commission to keep themselves posted as to the objects of the law. It is their duty to enforce it and to go to the district attorneys throughout the United States and through them to lay information before the court. Why should there not be provision for the enforcement of this law which is based on the Inter-state Commerce Act?

Mr. CARVELL: I want to go back to my little case of a railway company that fails to keep proper guards in place at the highway crossing and I want to ask my hon. friend a question. Would he want a provision in the law that a farmer, or a man travelling along the road, could write to this officer representing the Attorney General and have him take charge of the case and present it to the board and then have the board issue an order. Does he want to have some official to see that the order is enforced, or does he only want to see that the order of the board is enforced?

5 p.m.

Mr. W. F. MACLEAN: I only want to see that the law is enforced and I want to see that when the order is made it is carried out. I want the duty put upon somebody to carry out the law whether it is done by a clause similar to this clause in the Interstate Commerce Act or otherwise. It is very clear what I want.

Mr. NESBITT: Why not get your resolution ready so that we will know what you want?

Mr. W. F. MACLEAN: I am going to get it ready but it takes a great deal of time to get an argument before this committee.

Mr. GRAHAM: You have to prepare the ground first?

Mr. W. F. MACLEAN: Yes, the ground has to be planted and watered, but I think I have made some impression on the committee.

Mr. NESBITT: You sure have.

Mr. McKENZIE: How could this law be different from any other law? There is no person especially appointed to enforce the criminal law. I am sure the hon. gentleman would not like to see the judges of the

Superior Courts of Ontario going out and starting criminal prosecutions and then getting these cases before them. Does he want the members of this board to look for trouble all over Canada, get the cases brought before them and then try them?

Mr. W. F. MACLEAN: I want the board to protect the public rights. The hon. gentleman (Mr. McKenzie) says that we are satisfied with the way the Criminal Code is being enforced. Are we? I am not satisfied with the way that federal law is being enforced by local attorneys in various parts of the country. When I had this question up in another case the leader of the Opposition asked me why I did not go to Mr. Foy for the enforcement of a certain Act in Ontario. I said in reply: You cannot always get enforcement of the Criminal Code by provincial authorities. I want to give another specific instance of that. We have a law against combinations in restraint of trade. The whole prosecution devolves upon the private prosecutor. It is the old story; unload it on the private individual. Of course this federal Act declares that combines are illegal, but it does not say that it shall be the duty of the Attorney General of Canada to enforce this law against combines, nor is there a sum of money set apart for the enforcement of the law or the prosecution of combines against the public interest. Day after day we are passing Acts in this Parliament and making no provision for their enforcement. Of all the humbug Acts that were ever passed by this Parliament, the Acts in connection with federal elections are the most notable. Has there ever been any prosecution of any kind under those Acts? There have been lots of saw-offs and the people know all about that, but there has never been any enforcement of the election law of this country. That we leave to somebody else. I am talking right outside of this House now and to the people of Canada, and I say that when you are making laws in the public interest you must also make provision for their enforcement. I will give another instance where the United States has had to resort to a special federal law. They never could secure the enforcement of the law against some of the worst crimes that were ever committed in the United States in connection with labour troubles. There were lots of statutes in the various states against the perpetration of such crimes but no enforcement of those statutes. The danger to the public from the perpetration of those crimes was so great and the inability to get any of these laws enforced so evident that the Congress and Government of the United States were driven to the adoption of a subterfuge. They passed an Act providing that whoever employed a railway train for the conveyance of dynamite, or travelled on a railway train for the purpose of committing a crime of this kind, would be liable to be indicted in a court and tried for the crime which he committed. These crimes were put down in the United States by the enforcement of a federal law by the Attorney General of the United States, who had all the resources of the country at his back. They got prosecutions and convictions, and they put an end to these crimes. You ask: Why do you not get your criminal law enforced by means of provincial officials and courts? At times you get it and get substantial justice, but there are many cases where you cannot get that substantial justice because you cannot bring about the enforcement of the law. Again I come back to my argument that if this law is to be effective you must make provision for its enforcement and impose the duty primarily on the commission itself and also on the Attorney General of the country, because, perhaps, proceedings in a federal court may yet have to come. That is the question and it must be specifically dealt with in this Act.

Mr. WRIGHT: Do I understand the hon. member to advocate the establishment of two complete sets of legal machinery in the country, from constables up to Supreme Court, one for the Dominion and one for the various provinces?

Mr. W. F. MACLEAN: I do not quite say that, but it is where the United States have landed now. There are United States federal courts and there are state courts. They have marshals of the United States courts who can go out and arrest men, and they have attorneys of the United States scattered all over the union to enforce federal law. They found it necessary to do so in order to protect the public interest.

Mr. COCHRANE: We have a federal court here; we have it under this Bill.

Mr. W. F. MACLEAN: What?

Mr. COCHRANE: Effective means of enforcing the law.

Mr. W. F. MACLEAN: We have and we have not. We have not the effective means, and I will give some specific instances later on. The Act is all right if the duty is placed upon somebody of enforcing it.

Section agreed to.

On section 52—Governor in Council may vary or rescind:

Mr. CARVELL: There is very little change in this from the original law. The first subsection provides that the Governor in Council may vary or rescind an order of the board; the second provides that an appeal shall lie to the Supreme Court on a question of jurisdiction. The third provides that an appeal shall lie to the Supreme Court, upon a question of law or a question of jurisdiction or both, provided leave is granted by the board. The idea is to discourage appeals, so far as possible, and to make the decisions of the board final. The later part of the section is the same as before.

Mr. GRAHAM: Are there many appeals, as a matter of fact?

Mr. COCHRANE: No. Taking the number of cases, the appeals are very few.

Mr. GRAHAM: There are not many appeals to the Governor in Council either, are there?

Mr. COCHRANE: No.

On section 97—calls, how made, etc.:

Mr. J. E. ARMSTRONG: A change has been made in the numbering of the sections. Certain sections respecting calls have been taken from pages 41 and 42 of the Bill and inserted before the sections dealing with meetings of shareholders.

Mr. CARVELL: It was contended in the committee that the sections were not logically arranged; that they did not follow in proper sequence. It was thought that the provisions respecting calls should follow the provisions respecting the taking of stock by municipal corporations, the rights of shareholders, the keeping of the record of shareholders' names, etc. After you have authorized the issuing of stock you ought to provide some means of getting the money on that stock. In the original Railway Act the sections regarding calls do not appear as they appear in the reprinted Bill. Sections 121 to 126, inclusive, of the draft Bill before the committee are sections 97 to 102, inclusive, of the Bill as reprinted. Section 103 of the reprinted Bill was section 97 in the draft Bill.

Section agreed to.

On section 113—qualifications of directors.

Mr. J. E. ARMSTRONG: The first three lines of subsection 3 of the old section—

[Mr. W. F. Maclean.]

If the company has received aid towards the construction of its railway or undertaking or any part thereof from the Government, under any Act of the Parliament of Canada.

—are struck out, and the word "its" is changed to "the" so that the subsection now reads:

A majority of the directors shall be British subjects.

On section 117—president.

Mr. J. E. ARMSTRONG: In the last line of the first subsection the words "one or more vice-presidents" are inserted in place of the words "a vice-president." In the second subsection, the words "be the chairman of" are inserted after the word "present." In the third subsection the words "or one of the vice-presidents, according to such priority" are inserted after the words "vice-president," and in the fourth subsection the words "or vice-presidents" are inserted after the word "vice-president."

Section agreed to.

On section 124—powers of vice-president.

Mr. CARVELL: The real object of the change is, in case of the absence of the president or even of the vice-presidents, that there shall be a presiding officer.

Section agreed to.

On section 132—securities, bonds, etc.:

Mr. J. E. ARMSTRONG: There is a reconstruction in this section. More ample provision is made for the executing of securities. The arbitrary limit as to the amount of a single security which was complained of as inappropriate, has been removed, but this has no effect on the total amount authorized. In subsection 3, the word "five" is changed to "six," providing that the securities may bear 6 per cent interest instead of 5.

Section agreed to.

On section 135—mortgage deeds of trust:

Mr. CARVELL: The change in this section ensures that they can provide for more than one trust deed or mortgage, whereas as the Act read previously there was some doubt. The real change is that it provides for more than one mortgage or trust deed.

Section agreed to.

On section 138—other filing deposit or registration not necessary.

Mr. CARVELL: When the Act was codified in 1906 there might have been liti-

gation pending, but it was thought that, after ten years had gone by, this litigation would be all out of the way, and it was best to strike out those last four lines.

Mr. GRAHAM: It is protecting litigation then under way.

Mr. CARVELL: Yes.

Section agreed to.

On section 139—instruments deposited, evidence of.

Mr. J. E. ARMSTRONG: In the 6th line, after the word "Canada" the word "purporting to be" are added.

Mr. CARVELL: As long as the document purports to be certified, it can be received.

Section agreed to.

On section 146—regulation of stock and bond issues:

Mr. CARVELL: I should like to call the attention of the committee to the fact that section 146 of the draft Bill was struck out entirely by the sub-committee. Personally I had some objection to it being removed. I should rather have seen the section remain in the Bill. In general, section 146 provided that any securities issued by the company must be first approved by the board, but the sub-committee thought it might be better to throw that out entirely. I still believe there ought to be some regulation as to the amount of securities which a railway company can issue upon its undertaking. While I know that stock in the ordinary railway company of Canada has not very much value, because nobody puts any money in railways except the Government, still the principle of this section seems to be a good one. We are legislating for the future. The time may come when people will put up money for the railway companies, and I do not think they should be allowed to issue stock or securities, whether it be stock or bonds or whatever it may be, at their own sweet will. I think there should be some power to regulate the amount of stock they can issue on a mile of railway.

Mr. COCHRANE: Is it not regulated by the charter?

Mr. CARVELL: Yes, but there is no fixed rule followed. The Railway Committee fixes the amount one year, and says, "We are going to keep this down to a certain amount," but the next year they will put it up to a certain amount. I do not think the railway companies should be allowed to pledge these securities, and then come back to some authority in the province, or to the Railway Board, and say, "You ought not to change the rates, because we cannot pay dividends unless we are allowed to charge certain rates." The railway companies may be asking to pay dividends on stock that is of no value, or upon securities which are sold for a mere song. It is the old, old story of watered stock, and I think there should be some regulation of the amount of stock and securities which a railway company can issue. I do not ask for any amendment, but I desire to call attention to that feature.

Mr. J. E. ARMSTRONG: The railway Board appeared before the committee and said it would be impossible for them to undertake the work.

Mr. CARVELL: I know that, and I have heard the story many times as to how impossible it is to control those gentlemen who wish to issue watered stock, not only in connection with railways but in everything else. At the same time, I do not always believe what I am told about these things. I call the attention of the committee to the fact that this clause was included in the draft Bill and was eliminated by the sub-committee.

Mr. MACDONELL: There were two reasons, one being that the Railway Board expressed disapproval of it, and the other, that if the Board of Railway Commissioners authorized or approved of a certain issue of securities, that would be regarded by persons outside of the country as having put the imprimatur of the Board of Railway Commissioners of Canada upon the issue of that amount of securities, and in that way might mislead people who would buy those securities under the belief that the Board of Railway Commissioners, having authorized the issue, certified in a sense that it was a proper and a safe issue.

Mr. CARVELL: I believe that was the argument advanced. No doubt the minister has on many occasions been asked to buy branch lines, and I will venture to say that in every case he has been up against a bond issue which he did not believe to be genuine. The men who worked out the railways in the first instance, are dead, and have been succeeded by other gentlemen who come to him perfectly honestly and say: "Here are the bonds against this railway, and you must pay us sufficient to carry those bonds." If there had been some public body in the beginning, which would have said: "Thus far shalt thou go and

no farther" probably this condition of affairs would not have arisen.

Section agreed to.

On section 162—limitation of time for construction.

Mr. J. E. ARMSTRONG: Section 162 is the same as in the old Act except the last paragraph. It is reconstructed as subsection 2 as follows:

The tracks of every railway, the construction of which is hereafter commenced, shall be of the standard gauge of four feet eight and one half inches, unless otherwise permitted by the Board.

Mr. CARVELL: Heretofore all acts that were passed had in them a clause that the company might construct a railway of a gauge of four feet eight and a half inches. That had to be put in every special Act. By incorporating this clause in the General Act that will not be necessary in future.

On section 166—Commencement of the works.

Mr. COCHRANE: The change in this section is that the board approves the line instead of the minister.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock, Mr. Blain in the Chair.

On section 170—Sanction of plan, profile, etc., by Board:

Mr. J. E. ARMSTRONG: The third subsection of this section has been re-drafted.

Mr. CARVELL: There are two general changes. One is that the old law provided for a deviation of a mile; the present law confines that to half a mile. Secondly, the old law provided that there should not be a deviation of more than so much a mile "from the plan as filed." That, I think, means filed at the office of the registrars of deeds at different places. The new section provides that that plan shall also be filed with the Board. It means the filing of two plans instead of one, and cuts down the deviation from a mile to half a mile.

On section 186—Use of spur for another industry.

Mr. ARMSTRONG: At the beginning of this section, after the word "notwithstanding," the following words were struck out: "any agreement or arrangement made."

[Mr. Carvell.]

Mr. CARVELL: This is a new clause, which is not found in the Railway Act. In general terms, it provides that the Board shall have the power to allow a person or company to use a spur line that has been constructed in connection with the business of another person or company.

Section agreed to.

On section 193—lands of other companies:

Mr. J. E. ARMSTRONG: The last two subsections of this section have been reconstructed. The object is to prevent unnecessary cuttings into cities and towns and the multiplication of highway crossings. Subsection 4 gives the board power to order the company to take the proceedings provided for under the old section, and subsection 5 gives the board still further power as to ordering the joint use of rights of way.

Section agreed to.

On section 197—board may order compensation in certain cases:

Mr. J. E. ARMSTRONG: This is a new provision; it seems to be a reasonable one. It is in conformity with the law that has existed in Ontario for some time.

Mr. CARVELL: The Board has the right to give the railway company occupation of whatever land may be necessary, but if there be valuable minerals under the railway line that cannot be mined because of the construction of the railroad, the company must pay compensation to the owners. I believe that the board have the right to assess damages.

Section agreed to.

On section 198—examination of mine workings:

Mr. GRAHAM: I see that the railway company is supposed to give the owner of the mine twenty-four hours' notice before entering upon his lands.

Mr. COCHRANE: That is enough.

Mr. CARVELL: Having obtained permission of the Board, the company has the right to enter upon the lands and see whether any condition exists which would be detrimental to the safety of the railway. They have the right, not to remove or change anything, but simply to investigate.

Section agreed to.

On section 200—where more ample space required:

Mr. J. E. ARMSTRONG: In the thirty-fifth line, after the word "may," the words

"whether before or after the railway has been opened for the carriage of traffic" have been added. In subsection 7, line 6, after the word "railway," the words "but the deposit with the board and with the registrar of deeds shall be made as in this section provided" have been added. These are the only changes.

Mr. CARVELL: Under the existing law, the railway company has to file a plan and book of reference, having the right to take whatever land may be therein included. This provision in the present Bill leaves it open to the railway company, even after the railway has commenced to operate, to file a new plan and book of reference and take more land. Such a provision may be necessary, and I do not know that I specifically object to it; but it is a rather drastic provision.

Mr. COCHRANE: It is often very necessary for them to take more land. They would have to pay for it.

Mr. CARVELL: Subsection 7 provides that:

> The deposit with the board and with the registrar of deeds shall be made as in this section provided.

That is, the company have to make a new deposit, new plans, new book of reference, and have a new arbitration if they cannot come to an agreement with the owner of the land. This gives the railway companies very large powers.

Mr. J. E. ARMSTRONG: The meaning is made more clear.

Section agreed to.

On section 202—Obtaining materials for construction or operation:

Mr. J. E. ARMSTRONG: Subsection 6 is new. It gives the powers of the board.

Mr. CARVELL: This section means that a railway company will have the right to lay a temporary track for the purpose of bringing material for the use of the railway. They lay that track practically under such directions as the board may issue. After the track has been used and the material provided, then it can be taken up and the company would have to pay as compensation whatever damages the owner of the land had suffered, but they do not have to expropriate. They are given the right to go on the land temporarily.

Section agreed to.

On section 206—Order of judge may be had:

Mr. J. E. ARMSTRONG: This section has practically been reconstructed. The following proviso has been added:

> Provided that where any person interested is absent from the district or county in which the lands lie, or is unknown, the judge may order such substitutional service of notice as he deems proper or may dispense with notice.

Mr. CARVELL: Suppose a man died and left a will and all the terms of the will had not been carried out, and on account of minors or something of that sort, there was no person in a position to give a deed; this section provides that the trustee, or the executor under the will, or some person who occupies a fiduciary position is, in this case, authorized to give a deed, but the change is made that this can be done only by an order of the court. It also provides what notice must be given before the court can exercise the rights conferred upon it.

Section agreed to.

On section 214—disagreement.

Mr. BOULAY: Mr. Chairman, I think the sections are being run through too fast. I would like them to be read in French. As we are endeavouring to improve the law, I would like to have time to read over the sections in order to see what they are.

The CHAIRMAN: If the hon. member wishes a special section to be read, I shall be glad to read it.

Mr. J. E. ARMSTRONG: If there is any special section that the hon. member would like to have read, I am sure we shall be very glad to listen to it and have him make whatever remarks he pleases in regard to it; but might I respectfully ask him to consider the fact that this Bill was before a special committee of this House for seven or eight weeks? During that time people from all parts of the country representing different organizations and institutions, were invited to come, and did come, before the committee. They were given every opportunity of placing their views before the committee. As chairman of that committee, I want to take this opportunity of thanking the members on both sides of the House for the splendid work they did in assisting in every way possible to bring about suitable legislation. I hope the hon. member for Rimouski (Mr. Boulay) will not press his request.

Mr. BOULAY: Not only do I press my request, but I insist upon its being granted, because, not belonging to the Railway Committee I have until now had no opportunity

of studying the Bill. There were several amendments that I was going to suggest when this Bill came into Committee of the Whole. I find now that the Bill is being put through in a very hurried manner, and I have no opportunity of suggesting amendments or even of knowing what the sections are. If the committee is willing to set some of the sections aside for discussion later on, I am willing to agree to that. There are quite a number of sections that have not been amended and that surely should be amended.

Mr. J. E. ARMSTRONG: I am sure the committee will be very glad to hear later on all the amendments that the hon. member for Rimouski cares to lay before it.

Mr. NESBITT: If the hon. gentleman will pick out the clauses, we can take them up.

Mr. J. E. ARMSTRONG: If the hon. gentleman will mention the clauses, we will reconsider them.

Mr. BOULAY: But all the other clauses were adopted. Important objections might have been made to clauses 9 and 10, but they have been adopted.

Mr. NESBITT: Even though they were passed by the committee, if the hon. gentleman desires to discuss them, he should have an opportunity.

Mr. COCHRANE: There would be no objection to that.

Section agreed to.

Section 215—Notice of expropriation to be served:

Mr. J. E. ARMSTRONG: The words "preliminary to proceeding to arbitration to fix compensation or damages" have been added in this section, and paragraph (c) is added so that the owner may have explicit notice of the rights of the company, and as to what he must do, so that he will not be prejudiced by letting the time go by in which he must act.

Mr. CARVELL: I think there has been a material change in that section. Any solicitor who has had much experience in expropriation proceedings must have found a great injustice in the present law in this regard. The present law provides that the railway company shall do certain things—they must serve notice upon the owner, giving a description of the lands to be taken, or the powers intended to be exercised with regard to any land therein described, and the notice must contain a declaration of readiness to pay a certain sum or rent as the case may be, as compensation for such lands or for such damages. But there is no provision to force the company to carry on the proceedings to a finality, and many a man has been held up for months—the railway companies have obtained an order from the judge and got possession through the sheriff, and allowed the matter to drift. Very few are able to realize what their real damages are by simply being told that the railway company is going to build a railway across the land. The railway must be constructed before the owners can ascertain their damages. This section provides that either the railway company or the owner shall have the right to have the compensation fixed by arbitration. It is one of the greatest boons that has been granted to the landowners in the whole Act, because it puts them in a position, immediately after the notice has been given, or within ten days, if the railway company do not proceed to have damages ascertained by arbitration, to compel them to move.

Section agreed to.

On section 216—Certificate of surveyor or engineer:

Mr. J. E. ARMSTRONG: The only change is adding, after the word "who" in the third line, the words "is not interested in the land, or in the amount of compensation or damages." The hon. member for North Oxford will remember that, in the reprint, they appeared to have marked the clauses one number ahead of the numbers appearing on the old Bill. One clause was dropped and that disarranged all the others. In paragraph (c), in the first line, the words "what sum is" have been added.

Mr. CARVELL: I do not raise objection to that section, but it does not mean anything. Any man who has had experience with these matters knows the railway company get a land surveyor and he signs the certificates. The provision may not do any harm, but it does not do any good, simply because, in my judgment, the certificate is no criterion as to the value of the land. The section reads as follows:

> Such notice shall be accompanied by the certificate of a sworn surveyor for the province in which the lands are situated or an engineer, who is not interested in the land, or in the amount of compensation or damages, which certificate shall state,—
>
> (a) that the land, if the notice relates to the taking of land, shown on the said plan is required for the railway;

(b) that he knows the land, or the amount of damages likely to arise from the exercise of the powers; and

(c) what sum is in his opinion a fair compensation for the land and damages as aforesaid.

I would feel better if the section were entirely expunged from the Bill. I think it does more harm than good. I have had a lot of experience with railway corporations—I doubt if there is any man in Parliament who has had anything like the experience I have had—and I have never found a case where I considered the certificate of the surveyor was any good, and I have often found cases where I thought it was an absolute absurdity.

Section agreed to.

On section 217—service by publication:

Mr. J. E. ARMSTRONG: There is an important amendment to this section. At the end of subsection 3 the following words are added:

And in such other newspapers, if any, as the judge may direct.

Mr. BOULAY: Does that provide that the publication shall be made in both languages in Quebec, or only in English? Nothing is said about it in the Bill.

Mr. J. E. ARMSTRONG: The hon. gentleman will notice that subsection 3 says:

The judge shall order a notice as aforesaid, but without such certificate, to be inserted three times in the course of one month in a newspaper published in the district.

If it is in the French district, it would naturally be published in the French paper, or if there is no French newspaper published in the district, then it would be published in a French newspaper in the adjoining district or county, and in such other newspaper, if any, as the judge may direct.

Mr. BOULAY: That is not sufficient to insure that it would be published in French. There might be a French and an English paper, and if the company chose to publish only in English, that would be their own business.

Mr. J. E. ARMSTRONG: The judge has the decision as to the paper in which it shall be published.

Mr. BOULAY: But supposing the judge does not say anything about it, or suppose he decides it shall only be published in English, where will be the fair play for the other section of the population in the province of Quebec?

Mr. J. E. ARMSTRONG: Do you think the judge would show any partiality in that regard?

Mr. NESBITT: Not in Quebec.

Mr. BOULAY: I think it better that it should be published in both languages in the province of Quebec, instead of leaving it to the decision of the judge.

Mr. J. E. ARMSTRONG: It might well be left to the judge.

Mr. BOULAY: The law provides for the manner of publication of such matter in the province of Quebec, and there is no reason why a Bill of this kind should not also provide for it. If there were a general proviso to the effect that it should be published in both languages in the province of Quebec, it would be different. Perhaps we might go back and insert some such clause in one of the first sections of the Bill.

Mr. GRAHAM: There is some reason for what the hon. gentleman says, but I would not restrict it to the province of Quebec, because there are parts of Ontario where at least half the population is French. I would support an amendment providing that where two papers are published, one in French and one in English, the advertisement should appear in both.

Mr. BOULAY: What I have said about the province of Quebec might also apply to the province of New Brunswick.

Mr. CARVELL: There is a great deal, of course in what the hon. member for Rimouski (Mr. Boulay) says. In case the owner of the land is absent, or cannot be reached, the notice should be published in such a way that it would cover him. If there were a French paper in the district it would be only fair that the notice should be published in French also. It would not involve any great expense or difficulty. I think it would be better to provide for this specially, rather than include it in the section regarding definitions, because there you might have to apply it to all notices, and there may be many cases in which it is not necessary to publish or serve a notice in both languages. I had a somewhat similar case a few years ago. Under the law of New Brunswick which has not been changed for a great many years and which was practically the law of Canada prior to about 1890, there was no provision for service upon a man by publication. In the case I refer to, it looked

at one time as if a very great injustice was going to be done, because the railway company made an application without any notice at all, and the parties interested had no knowledge of the matter until after it was settled.

Mr. DESCARRIES: In the province of Quebec all legal notices in addition to being published in the local papers are published in the Quebec Official Gazette, which is printed in French and in English. I would suggest that these notices be published in the Quebec Official Gazette.

Mr. NESBITT: I think it would be as well to let the clause stand, so that the minister may give it further consideration.

Section stands.

On section 218—Notice may be abandoned:

Mr. J. E. ARMSTRONG: There are several important changes in this section. In the sixth line the words "suffered and costs" have been added. In the seventh line, the words "and such damages shall be fixed and such costs taxed by the judge, or as he directs," are added. Subsection 3, paragraphs (a) and (b) and subsection 4 have been added.

Mr. CARVELL: The material change is this: The original Act provided that in case of abandonment the company shall be liable to the person notified for all damages and costs incurred by him in consequence of such notice and abandonment. You will see that in the new Act it is changed to make it explicit that he shall be indemnified for all damages and costs incurred by him. The reason is that there has been a good deal of litigation in various parts of Canada, both under the Dominion and local Railway Acts over the question as to whether the landowner was entitled to his costs or to his costs and damages. There have been decisions both ways. The object of the section is to make it clear that the landowner should get both damages and costs. Subsection 2 provides that in case they want further land, they can abandon the former notice and issue a new notice, but if an arbitration had taken place as to the value of the first land taken, that may be used as evidence in the second arbitration in so far as it is applicable.

Mr. NESBITT: It is to the advantage of the individual?

[Mr. Carvell.]

Mr. CARVELL: Yes, all these changes are intended to inure to the benefit of the landowner.

On section 219—Arbitrator; if sum offered not accepted; appointment of arbitrator; notice; service by publication:

Mr. J. E. ARMSTRONG: In the second line after the word "or" the words "where service is made by advertisement" have been added. After the word "it" in the fifth line, the following words have been added:

Either party may apply to the judge of the county court of the county in which the lands lie, or, in the province of Quebec or in any other part of Canada where there is no county court, to a judge of the Superior Court for the district or place in which the lands lie, to determine the compensation to be paid as aforesaid.

Mr. MARCIL: Does the question of language come in there in connection with these advertisements?

Mr. J. E. ARMSTRONG: The advertisements were mentioned in connection with the clause that has been left over.

Mr. MARCIL: Will that apply to 219 as well?

Mr. ARMSTRONG: I do not know that it would, because the added words have to do with the application and not with the question of language.

Mr. MARCIL: At the beginning of the clause it says "where service is made by advertisement." Will that advertisement be in an English paper or in a French paper? How would that affect a French district?

Mr. CARVELL: That was discussed on section 217, and the clause was allowed to stand for the purpose of providing that if there be both an English and a French paper it should be published in both. The hon. member for Jacques Cartier (Mr. Descarries) suggested that it also might be published in the official Gazette in Quebec which is published both in English and French.

Mr. MARCIL: Will that apply to section 219?

Mr. CARVELL: Yes, because 219 is a necessary corollary of 217.

Mr. MARCIL: Then 219 had better stand?

Mr. COCHRANE: No, put in a clause to cover the whole.

Mr. MARCIL: The committee will appreciate the convenience of publishing a notice

that the people will understand. There are some districts where there are no English papers at all.

Mr. COCHRANE: In that case you will have to publish it in French.

Mr. CARVELL: There is only one suggestion that I would like to make if section 219 is to stand, and it is that in the case of an absentee landowner, six days' notice in a newspaper is absolutely useless. I would suggest that the minister consider the possibility of giving the judge power to extend the time of notice, as well as to shorten it. You will see that subsection 3 of section 219 says:—

Provided that the judge may dispense with, or shorten the time or times for, the publication of the notice in any such case in which he deems it proper.

The judge should have the power to dispense with, shorten or lengthen the time.

Mr. NESBITT: It says that six days' notice shall be given by the company to the opposite party.

Mr. CARVELL: And vice versa. The law has been changed. Either party may move for an arbitration. The notice does not make much difference to the railway companies, because the railway companies are vitally interested; they have their solicitors and engineers; they are always ready and six days' notice to them is just as good as a month. But that will not suit the landowner.

9 p.m. Mr. COCHRANE: How many days would you extend it?

Mr. CARVELL: I should say ten days' notice.

Mr. COCHRANE: Change it from six to ten.

Mr. CARVELL: A farmer out in the country gets notice from a railway company that they are going in a short time to expropriate his land, and it takes him three or four days to wake up and realize what is going to happen. Then he goes to town and looks up his lawyer and it takes his lawyer some time to wake up. A notice of ten days is short enough.

Mr. COCHRANE: Make it ten.

Mr. J. E. ARMSTRONG: Will you move that amendment?

Mr. CARVELL: Yes, I will move:

That the word "six" be changed to "ten" in subsections 2 and 3 wherever it occurs.

Mr. MACDONALD: If there is to be an amendment made to the subsection I would like to suggest that provision be made by which a judge could direct that notice should be given to some relative, or to some other party, who would be in a position to know something about the absent proprietor. In the ordinary legal process, where you have to deal with absentees and you apply for substitute service of the documents or notice, the judge, in providing as to the publication in a newspaper of the advertisement calling attention to the matter that is to be served or that is under adjudication, usually provides that in the event of any relative or representative of the absentee being present he shall be notified

Mr. COCHRANE: Supposing there is not one there?

Mr. MACDONALD: Then you leave it to the discretion of the judge. You go to the judge and he gives an order allowing you to serve the absentee by giving notice in a newspaper for ten days. That may, or may not, be effectual at all. It is usually a fictitious thing any way. I think that my hon. friend from Carleton (Mr. Carvell) would agree that there is no reason why a judge should not exercise that same discretion which he exercises in an ordinary case in which he is dealing with substitute service of notice on some other person who is connected, or has some relation, with the absent owner of the land. This would be a real notice; in the other case it would not.

Mr. CARVELL: I would agree with that. I am speaking with a considerable personal knowledge of these things because I had a case within the last two years where the landowner was an absentee. Our statute in New Brunswick did not require notice at all when he was an absentee. The arbitration was practically over before we knew anything about it. Fortunately, we were able to get wise in time to get in there and we pretty nearly got our rights.

Mr. NESBITT: Would the absentee not have an agent in the district?

Mr. CARVELL: No, lots of men who own land are away; men are in the West, they are at the front or they are anywhere in the world. In a great many cases western lands are owned by people in the East. The railway company can honestly say: we have made diligent inquiry and have been unable to locate the real owner. It is only right that the landowner whose land is being

taken should have notice, or that every reasonable attempt should be made to give him notice.

Mr. COCHRANE: Would you suggest some amendment to cover it?

Mr. CARVELL: I can show one case where the addition of two words would materially affect it. We might say "the judge may dispense with or shorten or lengthen the time."

Mr. COCHRANE: Why not change "shorten" to "lengthen?"

Mr. MACDONALD: There should be some further words there providing for personal service upon the agent of the owner or something of that kind. I should like the clause to be allowed to stand.

Mr. COCHRANE: Will you prepare an amendment?

Mr. E. M. MACDONALD: I will.

Section stands.

On section 220—Judge the sole arbitrator.

Mr. CARVELL: This is quite a change. It provides that the judge alone becomes the arbitrator, unless in a case where he is personally interested, when he can appoint another judge. That is a complete change.

Mr. COCHRANE: The change is not objectionable is it?

Mr. CARVELL: I am not so sure about that. I think the landowners in the vicinity are perhaps better judges of the value of land, or the damages that would be sustained by a farmer through having a railway cross his property, than a judge would be. This is taking away altogether the principle of arbitration.

Mr. COCHRANE: The judge would have to hear the case.

Mr. CARVELL: Under the old law he did not.

Mr. COCHRANE: He would under this.

Mr. CARVELL: He would under this. I should rather leave the law as it stands, and let this matter remain in the hands of the arbitrators. A lot of horse sense is required in settling the amount of damage in such a case, and I would prefer to leave it to the arbitrators. I doubt very much if the ordinary judge would be able to appreciate the probable damage as well as would men living in the neighbourhood. I have had some experience with judges in these things, and I must say that, from the standpoint of the owner, I would prefer the man who I know knows all about it. It is a very serious thing.

Mr. NESBITT: Would not a judge in a case of that kind call in witnesses to prove the value of the land? I cannot agree that the judge would not be a pretty good arbitrator. The ordinary county court judge with us is a very ordinary chap before he becomes a county court judge. He is generally a practising barrister, and has to do with these things.

Mr. CARVELL: Sometimes he does and sometimes he does not.

Mr. NESBITT: He knows a good deal about every deal from a horse trade up.

Mr. CARVELL: Many of these men come from towns and know nothing about damage to land.

Mr. LEVI THOMSON: There are many cases where the county court judge would not be a suitable man. I do not think it would be advisable to make this change; it would be much better to leave it to some arbitrator who, by reason of his particular knowledge, would be suitable. Some old county court judges would make very good men, but remember that they are all new men at some time, and many of the new men coming in as county court judges are about the worst men you could get for that sort of work. The present law is better.

Mr. COCHRANE: I do not know; I feel like trusting the judge.

Mr. J. E. ARMSTRONG: The judge has power to appoint arbitrators.

Mr. MACDONALD: Under what section?

Mr. LEVI THOMSON: Only in case he is interested, and that is the time when he should not appoint another man.

Mr. CARVELL: Under the old law the judge appoints one man and each side has a right to appoint one, and so you get a pretty fair tribunal.

Mr. J. E. ARMSTRONG: The judge has the same power under this clause, has he not?

Mr. CARVELL: No. The judge is the arbitrator under this law; if he is interested in the case, he appoints another judge. I was not present at the meeting of the committee when these sections went through. I did not think for a moment

that you would take from the farmer the right to be represented by another farmer on that arbitration. I object very strongly to that course. The average judge has no conception of the amount of damage done to a farm by its being traversed by a railway. I would not for $1,000 have a railway come across my farm—I suppose the judge would give me about $100, because he would not appreciate what the presence of that railway line on my farm meant. A farmer whose land is traversed by a railway line has to cross that line perhaps half a dozen times each day during the summer—and it is there, not for a year or two years, but for all time, for him and for his children, after him. By this provision we are taking away, without justification, one of the rights which, under the Railway Act, the citizen has had during the last forty years.

Mr. J. E. ARMSTRONG: Under subsection 2, the judge has the power to call witnesses.

Mr. CARVELL: Certainly.

Mr. J. E. ARMSTRONG: And make a thorough investigation into the matter.

Mr. CARVELL: I realize that, but I do not think that a judge is in a position properly to appreciate the amount of damage that is occasioned to a farmer because of the presence of a railway line on his land. The farmer should have the right to be represented in that court by one of his own people—one of his own peers, I might say, who appreciate the real extent of the damage done.

Mr. NESBITT: They can give evidence to that effect.

Mr. MACDONALD: In the case of land expropriated for Government purposes, the law formerly was that the value of the land and the damage sustained should be determined by a board of arbitrators, appointed permanently by the Dominion Government, who had long experience in dealing with cases of that kind. This method was abolished and a judge of the Exchequer Court was given jurisdiction in such matters. The judges of the Exchequer Court have become very competent in dealing with these cases, being familiar with the exceptional circumstances which, as the member for Carleton (Mr. Carvell) points out, arise in a great many cases. But when County Court judges deal with these arbitrations, they are dealing with a class of cases entirely different from those that ordinarily come before them. They are not, therefore, the best authorities for determining such matters. The change proposed is, I think, a very radical one, and my hon. friend is quite right in pointing out its importance and suggesting that the matter should be carefully considered.

Mr. DESCARRIES: Under this section a complete change is proposed in the method of arbitration in matters connected with the operation of railways. Formerly provision was made for three arbitrators; under this law provision is made for only one who, in the province of Quebec for instance, is to be a judge of the Superior Court. Under subsection 2, the decision of that judge is to be final; there is to be no appeal. Under section 224, the party whose property is expropriated has the right to present three experts or witnesses on his behalf, while in civil cases the party to a litigation has the right to produce five witnesses. The man whose property is taken from him by a railway company does not get the benefit of many of the advantages given to him by the ordinary courts. No doubt a judge is able to understand such matters better than the ordinary arbitrator; but valuation is a question not of law, but of experience. Many judges are not experienced in the valuation of land; they are not familiar with all the disadvantages which result to a farmer through his land being crossed by a railway. In view of the fact that only three witnesses are allowed to the person submitting a claim, I think that the provision is not fair; the section should not pass as it stands.

Mr. J. E. ARMSTRONG: I wish to read to the committee the reasons given by Mr. Price, who prepared these clauses, for making the amendments proposed in the Bill. He says:

Arbitration proceedings generally. This part of the Act has been almost entirely remodelled and very materially altered. There has been much complaint both from the companies and owners about the unsatisfactoriness and delays and excessive cost of arbitration proceedings, and the unsatisfactoriness of the appeal and proceedings allowed to impeach awards.

The County Court judge, and in the province of Quebec, a Superior Court judge, is now made arbitrator ex-officio. The costs of the arbitration are left in his discretion.

The absurd provision that if the award was not made within a time fixed, the amount offered by the company should be taken to be the compensation, is abolished, but provision is made to prevent delay.

The number of expert witnesses is limited to three for any one party.

The unjust provision that the owner could not appeal unless the award was over $600, even though he might be entitled to many times as much, is amended so that he may appeal when he claims more than $600.

Wider powers are given the court in the appeal and except where more than $10,000 is involved only one appeal is allowed and no other proceedings can be taken to impeach the award.

Mr. COPP: It seems to be taking a very radical step to take away the right that the people have had in the past and to put this matter into the hands of a county court judge. While a county court judge may be a very creditable individual to try special cases, he may hold his court twenty-five or fifty miles away from where the railway crosses the land and where the damage accrues to the owner. All that he has before him is a plan or profile of the land; he does not understand the situation at all, and it would be very much better to have as arbitrator a person who knows the district and all the conditions. The Intercolonial railway goes through a man's farm close to where I live, and not a year passes but from three to five head of cattle are killed. Last year this man had eight head of cattle killed on the railway crossing his farm.

Mr. NESBITT: Was he paid for the damage?

Mr. COPP: No, the Intercolonial did not pay him a dollar.

Mr. NESBITT: Why?

Mr. COPP: Because they claimed they were not liable.

Mr. CARVELL: They do not pay for such damages.

Mr. COPP: I am positive that on that farm alone during the past fifteen years twenty-five head of cattle have been killed. A judge living a distance away would not realize the great loss occasioned to a farmer residing in that particular locality. Where a railroad company wants to cross a farm with its railway it would be much better to have as arbitrator a man knowing the locality than any county court judge.

Mr. NESBITT: Does not the Intercolonial pay for animals killed?

Mr. COPP: They pay nothing.

Mr. COCHRANE: That is not correct.

Mr. COPP: In ordinary cases of damage the facts are left to be decided by a jury composed of people selected from the locality in which the damage occurred, and that is generally conceded by all interested to be the better way of deciding the matter. It would be a mistake for this committee at this time to make this radical change in this section.

[Mr. J. E. Armstrong.]

Mr. NESBITT: I do not care whether this section is changed back again or not. Although I am not a lawyer, I have had to make for other people a good many settlements for land damages, and I have never yet had occasion to go to arbitration. I have always found the railway companies very reasonable, if they are approached properly. I am much surprised that the minister, if he does not keep up his fences, does not pay damages for cattle killed.

Mr. COCHRANE: I think I can show by returns that the statement made was not correct.

Mr. CARVELL: That must be in other parts of Canada than in New Brunswick.

Mr. COCHRANE: No, in New Brunswick too.

Mr. NESBITT: If a county court judge knows anything about his business, if he does not know the locality, he will visit it and make himself acquainted with it.

Mr. WILLIAM SMITH: This question affects the owner of the land as well as the railway company. There are many things that affect the amount of damages, for instance, where the railway station might be located, where streams might have to be crossed, how the railway would run across a farm. While I have a good deal of confidence in our county court judges, many of them know very little about farm lands, and if a county court judge is to be the sole arbitrator, the whole matter is taken out of the hands of the owner of the land. The owner of the land should have some little say in the matter.

Mr. NESBITT: He has.

Mr. STEELE: I quite agree with the hon. member for South Ontario (Mr. William Smith), the hon. member for Carleton (Mr. Carvell) and some others who have spoken on this matter. We ought to avoid putting into the Railway Act anything that will interfere with the rights of the owner of the land. I, perhaps, have as much experience as most men have with the disadvantages and inconveniences of getting into places across railway tracks, where the railway track crosses a farm between the home and the highway, and I would hesitate a long time before buying a farm with a track crossing between the farm buildings and the highway. Any railway company seeking a right of way should be compelled by arbitration to pay the owner of the land just and generous recompense for the privilege of crossing his farm, especially in that

way. A county court judge is not always to be relied upon to give a just judgment in matters of this character. Not intentionally would they be unfair, but such matters are out of their line of business, and in many cases they are quite unable to come to a proper decision as to the value of the land which the railway company is asking for the privilege of crossing. The rights and interests of the farmer should be protected in a better way than seems to be the case in this section.

Mr. SEXSMITH: We should be very careful before we make the change proposed in this section. The great complaint comes from the corporation, not from the individual farmer. The farmer asks what he thinks is a reasonable damage on account of a railway going through his property, and if the corporation thinks his price is a little too high, it may take two or three years before the farmer can get a board of arbitration and have the question decided. There has been a good deal of trouble on this acount in some districts, and the delay has never been occasioned by the farmer. I have no complaint to make about county court judges, but I do not think they are the proper people to appoint as the sole arbitrators in cases of this kind. Any farmer who has a railway crossing his farm knows what the damage is. The railway companies sometimes seem to think that all lands, fruit and farm, are the same, and that they can run through every part of a province paying the same rate of damages. The old arbitration was better, where the individual farmer had an opportunity of having appointed on the board a man knowing something about the local conditions, the value of the land and so on.

Mr. J. E. ARMSTRONG: Might I call the committee's attention to the fact that changing this section will mean the changing of ten or twelve other sections of the Bill?

Mr. CARVELL: That is simple. There is another branch to this. In many cases railway companies go through timber lands in the rear of a man's farm. I do not know that that would apply to Ontario as much as to some parts in the East, but you would never get a county court judge to go out into the woods, and travel through the right of way, and examine the damage done. It would be impossible.

Mr. DESCARRIES: A Superior Court judge in Montreal would not go there.

Mr. CARVELL: If you have an arbitration composed of farmers, they will take the trouble to go and look over the right of way. I had a case where the company offered $110 damages for going through timber land, and the arbitrators went out to the district, took a competent man with them, counted the stumps, figured the amount of lumber that had been taken, and that farmer got $1,200 and costs. He would never have got that much from a county court judge in the world, because the judge would not go and look at it, and if you told him there was that much damage, he would not believe it.

Mr. COCHRANE: But the farmer could take an expert out there, to value the damage.

Mr. CARVELL: But the judge would not believe it possible that the damage would amount to such a sum. In the case I referred to they brought in a statement of the number of stumps, and the diameter of them, and figured out the superficial feet, and there was a unanimous award of $1,200.

Mr. COCHRANE: The same evidence could have been produced before a county court judge.

Mr. CARVELL: But the judge would not believe there was that much lumber growing on the right of way.

Mr. COCHRANE: He could not help believing it.

Mr. SEXSMITH: I must protest. It seems to me there is no advantage in leaving it in the hands of the county court judge. Why should it be left to him?

Mr. COCHRANE: To save expense.

Mr. SEXSMITH: Why take it out of the hands of the arbitration board, which we have had in the past, and put it in the hands of county court judges? Who asked for it?

An hon. MEMBER: The farmer.

Mr. SEXSMITH: I guess not. The companies have asked for it, and they put up the excuse. I remember of cases where there was delay after delay. The farmer was for months and months trying to hurry it up, and the company, with all their money behind them, tried to keep it back, because they thought they should only pay a certain amount.

Mr. NESBITT: That delay is fixed in a former section.

Mr. SEXSMITH: If it is fixed, why take it out of the hands of the arbitrator, and put it in the hands of the county court judge, who, perhaps, was never on a farm in his life? If a farmer in the country employed an expert who had an idea of the local value of land, and an idea as well of the damage caused by the railway running across his place, and placed the case before a county court judge who had no experience in such matters, I think it would be a great mistake.

Mr. McCREA: I think the majority of cases of this kind are settled between the parties without going to arbitration. If the railway company and the owner of the land can agree, they do not require to go to arbitration, but, in the event of having to go to arbitration, surely it cannot be argued that a judge, who perhaps lives fifty or sixty miles from the seat of trouble, could have as good a knowledge of it as men who go on the ground and examine it. It has been said that companies usually have to pay more when the cases are tried before arbitration. I do not think it will work that way always. I think you can get a just valuation of the damage actually caused. It may be as often in favour of the company as in favour of the individual, but where you have three men selected, one by the railway, one by the owner of the property, and the third appointed by the two as umpire, I think will work well.

Mr. GRAHAM: That is the old law.

Mr. McCREA: It should remain as it is. It seems to me a very much more just way of settling a matter of this kind, where the men who are going to appraise the damage go on the ground and examine it. A judge of the Superior Court is not going to run around examining lands here and there, and he would not know anything about their value if he did. He may know the law, but he would not know much about the value of timber or farm land, and it seems to me to be a mistake to change from the old system in this particular case.

Mr. C. A. WILSON: I think it is always dangerous to make exceptions. There is always better safeguard and more protection for parties interested if they have their disputes disposed of by the old law. As far as arbitration is concerned, in the province of Quebec I do not see that there are any dangers. There may have been complaints. We have had many complaints in regard to judges; that is the reason we have so many jurisdictions. We start from the jurisdiction of the simple justice of the peace up to the Supreme Court of Canada, and then we go to the foot of the Throne, to the Privy Council. I do not think human justice has been so perfect as to please all parties in this country, nor in any other country in the world. Something has been said in regard to the question of costs. If hon. members will look at the Quebec code of civil procedure they will find that every party is well protected, and even the railway companies, who are seeking to have this Bill passed, will be sorry for it after it becomes law, because judges may render decisions that appear favourable to them, but may be adverse to their interests, and they may be tied up. Section 411 of the Quebec code reads as follows:

> The court, of its own motion, or upon the application of either party, or the judge upon the application of either party may refer to the decision of the arbitrators, any case of dispute between relations, concerning partitions or other matters of fact, which is difficult for the court to appreciate, and also any other cases, if the parties consent to it.

I will not read the next section, but it concludes in this way:

> They may not award costs, unless the court has empowered them so to do.

So that, if the court should give power to the arbitration to pass a decree for costs, and if the costs are exaggerated, as the hon. member for Jacques Cartier (Mr. Descarries) who is an expert in arbitration law, knows perfectly well, these costs may be reduced on a civil petition, and be brought down to a just and exact figure. It seems to me we should retain the old law, which is just as old as the first dispute which ever arose in the country. The more we make exceptions in the law the more cases will crop up. Of course, if you go to the lawyers with your disputes, they will not complain.

Mr. DESCARRIES: In the province of Quebec, in a case where it is a question of damages, our judges never decide by themselves. They appoint experts who go over the locality to see for themselves what the damages are. In these cases of disputes with railways, if a judge of the Superior Court were asked to leave the bench, and go far away into the county by himself to ascertain the amount of damage on a certain property, he would refuse to do it.

By this law he will have only three witnesses to present the case before him. I think it is a great advantage to the owner when some one wants to take his land, that he should be judged by his peers, by some

one who knows the local conditions and all the advantages of which the owner will be deprived.

Mr. SEXSMITH: Under the old law there were three arbitrators, one selected by the owner of the land, one by the company, and the third by the other two. What could be more fair than this? Under this Bill they are allowed to have three witnesses. I suppose the landowner would have to bring those witnesses out to see the land, then the judge could hold his court where he saw fit, and those witnesses would have to be brought before the court, where they would be examined by the lawyer and so on. Every member of this House knows what that means. I think the old law was a great deal better and that it should be left to the arbitrators.

Section stands.

On section 222—Company may offer easement, etc.:

Mr. CARVELL: This simply provides that the company may offer an easement back to the landowner. It may be an under-crossing, or it may be an overhead crossing, or it may be a right of use of some kind. It does not make any difference what may be the nature of the court that arrives at the compensation, the principle is laid down there and they can work it out. Whether there is only one arbitrator, or whether there are three arbitrators, the principle is the same. Of course if there are three arbitrators, you will have to use the plural instead of the singular—"arbitrators" instead of "arbitrator."

Section agreed to.

On section 223—Costs of arbitration:

Mr. CARVELL: If you change the law you will have to change this section, because subsection 3 provides that the arbitrator shall not be entitled to any fee beyond his actual expenses.

Mr. PROULX: I would suggest that in cases where the amount asked does not exceed $500 there should be only one arbitrator. I have had cases in which only small amounts were involved, and the costs ate up pretty much the whole compensation paid by the company. The proceedings lasted over several days and a great deal of the evidence had to be given through an interpreter.

Section stands.

On section 224—proceedings of arbitrator:

Mr. COCHRANE: That is also in regard to the calling of witnesses. They want to call as many witnesses as they wish, and put on all the expense they can. This section will have to stand.

Mr. CARVELL: I do not think so. It is copied from the Exchequer Court Act, and it has worked very satisfactorily there. It only applies to three witnesses who are giving their opinions. It does not apply to facts. If you wish you may have half a dozen witnesses to swear to the facts.

Mr. C. A. WILSON: It means if there is only one arbitrator theoretically, practically there will be seven; three on each side, and the arbitrator.

Mr. DESCARRIES: It means there will be only three witnesses, or experts.

Mr. CARVELL: Three experts.

Mr. DESCARRIES: Three witnesses or experts, according to the French version; which says:—

L'arbitre doit interroger sous serment ou sous affirmation solennelle les témoins qui comparaissent devant lui, mais il ne peut être appelé, de la part d'une partie quelconque, plus de trois experts ou témoins exposant leur opinion. Néanmoins, l'arbitre peut, du consentement des parties, decider l'affaire, après avoir vu ou inspecté les terrains sans examiner de témoins; mais il peut être permis à toute partie ou à son représentant, dans ce cas, de signaler et d'expliquer les choses qui paraissent importantes pour sa cause.

That is, the arbitrator must interrogate under oath or under solemn affirmation the witnesses who appear before him, but he is not allowed to call more than three experts or opinion witnesses on behalf of one party.

Mr. CARVELL: Of course, that would be different from witnesses who were swearing to facts. You could have any number of witnesses on the facts.

Mr. DESCARRIES: If that be so it is contrary to what is ordinarily done before the courts, where there is only one judge. A witness has not the right to give his opinion on the merits of the case, which is solely within the province of the judge.

Mr. CARVELL: I will explain the difference. Say there is a farm crossing, which may be over a fill, or through a cut. You might produce three witnesses to swear what in their opinion would be the damage to the remainder of the farm because the owner would be compelled to operate it over that embankment or through that cut. Under this Act you are limited to three witnesses in regard to that, but if there were any question of fact to be decided you could bring as many witnesses as you wish.

This clause has been taken from the Exchequer Court Act and my experience with the Exchequer Court has been that it works out very satisfactorily. In the Exchequer Court you have a judge who is trained to decide this class of cases. If it were possible to have Judge Audette to try all these cases I would never ask for an arbitration, because he is a gentleman who has been trained for many years and who, after examining two or three witnesses and getting a description of the locus, can tell you what the damage is; but, unfortunately, a great majority of the county court judges have not had that experience.

On section 225—powers of arbitrator, etc.:

Mr. J. E. ARMSTRONG: In the first line the words "in any case" are inserted and in the third line of paragraph (a) the words "or other thing." The rest of the clause is the same as section 201 of the old Railway Act.

Mr. WILSON: Why are these words inserted?

Mr. J. E. ARMSTRONG: To make the meaning plainer.

Mr. COCHRANE: This will have to stand the same as section 221.

Mr. NESBITT: There were a lot of changes in section 224.

Mr. ARMSTRONG: Yes, but that was different. Section 225 is practically the same as the old Act.

Mr. NESBITT: But it is "arbitrator" there.

Mr. J. E. ARMSTRONG: Arbitrators.

Mr. CARVELL: There is no change actually between this section and the old Railway Act.

Mr. WILSON: As the question of grammar arises in connection with section 221, I would suggest that as 221 has been allowed to stand, the consideration of the whole chapter should be suspended.

Mr. COCHRANE: Section 221 stands.

Mr. WILSON: The chapter should be allowed to stand in order that the phraseology may be changed from the singular to the plural.

Mr. COCHRANE: Section 221 stands.

Mr. GRAHAM: But there are a dozen clauses depending on it. "He" will have to be changed to "they."

[Mr. Carvell.]

Mr. CARVELL: There is no real change except in section 221. The other is merely a matter of changing the singular to the plural.

Mr. WILSON: The change in that section might lead to some other amendment. If the principle is recognized in that section, I do not see any reason why we should spend time on this clause.

Mr. NESBITT: It would be better to allow them all to stand until we get these words changed.

Mr. J. E. ARMSTRONG: Yes; you will have to allow them to stand down to section 234.

Mr. CARVELL: For fear that I will not be here when section 232 comes up, I would like to call the attention of the minister to what has given the solicitors a great deal of trouble. Section 232 deals with the question of appeals. It provides that where such party in his notice of appeal claims more than $600 or objects to some easement or other thing approved by the arbitrator without his consent under section 222, appeal from the award upon any question of law or fact may be taken. That has created an enormous amount of litigation in Canada. I have always felt that there should not be an appeal on questions of fact. There was a case that went to the Privy Council about 1895, and the Privy Council decided that unless the arbitrators had proceeded upon some wrong principle of law they would not review the question of fact; they would allow that to stand as it left the arbitrator, but they would review the question of law. That was followed for quite a number of years and the courts took the ground that they were bound by this case. But within recent years all our courts have sought on one ground or another the right to depart from that very salutary principle laid down in that case, and to hear argument and decide questions of fact as well as law. There was a case in Alberta within the last four or five years that went to the Supreme Court of Canada. There was a reversal of the finding on a number of questions of fact and the case proceeded until finally the Supreme Court confirmed the decision of the arbitrators. In my own province our courts for a long time held they had no right to review questions of fact, but in the last case brought before the courts they upset what had been the law for the past twenty years, turned down the findings of the arbitrators and found new facts for them-

selves. This has caused a great deal of litigation and trouble in Canada. I hope the minister will take the trouble to consult with the proper officials as to whether it would not be in the interest of all parties concerned if questions of fact were left out entirely and appeals were confined to questions of law.

10 p.m.

Mr. COCHRANE: What if they erred in the facts?

Mr. CARVELL: Questions of fact must be settled by some human mind or minds, and I think the ordinary arbitrator has just as good a mind as the Supreme Court when it comes to the question of fact as to how much damage the farmer has sustained by a railway going across his land. There is no one who is better able to decide those damages than the man who is on the ground and knows the conditions. I would like to see the law so changed that the Supreme Court, or any other appeal court, would have no right to review questions of fact. I entirely agree with Mr. Price in restricting appeals as much as possible. I am altogether in sympathy with subsection 3 of this clause, in which he provides that there shall be no appeals. In Ontario a man could appeal to the High Court or to the Court of Appeal. The Supreme Court decided not many years ago that as there was no appeal from the High Court to the Supreme Court, therefore, if a party decided to go direct from the appeal judge to the High Court, he could go no further. But if, instead of going to the High Court, he went direct to the Court of Appeal, he could then appeal to the Supreme Court and go from that to the Privy Council. That is actually what has happened. There are a great many incongruities as to this question of appeal. There have been too many appeals in the past. I would not only like to see the provision of subsection 3 carried out, but I would like to see the right to deal with the question of fact taken away, allowing the provision as to the question of law to stand.

Mr. C. A. WILSON: I do not agree with the remarks of my hon. friend from Carleton (Mr. Carvell), although I have the greatest respect for his opinion on the question. I see no reason why railways, who are so fully protected in this country, should have more protection in this respect than any other organization or any other citizen. The appeal is a great safeguard, and I believe in the clause as it stands.

Mr. CARVELL: It is the railway company that always exercises the right of appeal. If you examine the reports, where you will find one appeal by a farmer you will find a hundred by the railway company.

Mr. C. A. WILSON: Not necessarily, both parties may feel aggrieved by the award of the arbitrators.

Mr. CARVELL: I am asking the minister to allow this clause to stand, and to consider a real question that should be decided by the minister rather than by anybody else; that is the taking away of the appeal on questions of fact. For a great many years after the decision of the Privy Council, the courts refused to interfere with findings of fact, but within the last four or five years they have entirely thrown that to the winds and now every court in Canada is reviewing questions of fact as well as of law.

Section stands.

Mr. DESCARRIES: In article 218, in the French version, there is an evident misprint. The word "encourir" has been printed where it should evidently be "encouru." I would move that the section be amended so as to read "encouru."

Amendment agreed to.

On section 241—Procedure upon application for warrant in case of resistance:

Mr. CARVELL: An improvement has been effected by providing that the owner of the land shall have the right to bring on the arbitration; formerly he did not have that right. But if the owner of the land says to the railway company: I do not want you on my land until you settle the damages, the railway company can, under the existing law, pay into court fifty per cent more than the amount they have offered as compensation and secure from the judge an order enabling them to tear down a man's fences, turn his cattle out on the road and disturb his property generally. I have always contended that the judge should not be enabled to give this order under these conditions, because a railway company may offer an amount which is grossly inadequate, pay an additional fifty per cent, and then take possession of the land. The fixing of the amount of which due notice should be given should be left to the discretion of the judge.

Mr. DESCARRIES: In response to the demand of the company, the landowner should have the right to present either his

own affidavit or the affidavit of an expert, setting forth his opinion as to what the valuation should be. The judge, who would have beside him the two sides of the case—the company's side and the owner's side—concerning the value of the property, would then be in a better position to come to a sound decision in the matter.

Mr. C. A. WILSON: Would my hon. friend favour the giving of security by the company in lieu of the payment of an extra 50 per cent?

Mr. DESCARRIES: I would suggest that, instead of limiting the judge to the acceptance of the extra fifty per cent, we leave the matter open

Mr. CARVELL: I find, upon a careful reading of the Act, that the judge has the right to demand more than fifty per cent from the company. The provision is that the amount shall not be less than fifty per cent. That takes away much of my objection.

Mr. DESCARRIES: But the land owner should have the right, as I say, to present affidavits setting forth what he considers to be the proper valuation of the land.

Mr. COCHRANE: He can present any evidence he likes.

Section agreed to.

On section 244—respecting wages:

Mr. GRAHAM: Subsection 1 of this section agrees with the general Act and is the basis of the fair-wage clause in contracts. Subsection 2 is as follows:

> In the event of a dispute arising as to what is the current or a fair and reasonable rate, it shall be determined by the minister, whose decision shall be final.

In times past a question has arisen between the Department of Labour and the Department of Railways and Canals as to who should deal with the application of this section. When this section was first inserted in the Railway Act, Canada had not a Labour Department or the machinery which is now available for the settlement of disputes. I suggest that this question of wages be left as are other matters of a like character, with the Department of Labour.

Mr. MACDONALD: Why should there not be a fair-wage schedule as there is in regard to all Government contracts?

Mr NESBITT: Why not leave it to the board?

[Mr. Descarries.]

Mr. GRAHAM: The practice has been to put a fair-wage clause in the contracts? I think that the interpretation and enforcement of this fair-wage clause might well be handed over to the Labour Department.

Mr. COCHRANE: The Minister of Railways would have to enforce it.

Mr. J. E. ARMSTRONG: The minister would have the responsibility.

Mr. GRAHAM: I am not sure of that.

Mr. COCHRANE: We have never had any trouble in that respect.

Mr. GRAHAM: I would not use the word "trouble," but on one or two occasions in my time the employees appealed to the Department of Labour that their wages under the contracts made for construction under the Railway Act were not satisfactory. The Labour Department would refer them to the Minister of Railways, who would have to start investigating, without having the regular machinery that the Labour Department has, to see if the men were getting the regular wages paid in that locality.

Mr. COCHRANE: I have always accepted what the Labour Department has recommended.

Mr. GRAHAM: There is no provision here to refer the matter to the Labour Department. The provision is that the Minister of Railways shall determine the matter himself.

Mr. SINCLAIR: The suggestion is a very good one. The Minister of Labour will have all the information, and he will be in a better position to decide. This section can be amended by simply adding after the word "Minister" in the last line, the words "of Labour."

Mr. COCHRANE: I have no objection to that.

Mr. GRAHAM: It would be better to leave the matter over until to-morrow, and not to make the change too hurriedly.

Section stands.

On section 251—Passageway for public:

Mr. ARMSTRONG: Subsection 6, passageway for public, is new. This was fully discussed before the committee.

Mr. CARVELL: And fully opposed by the railway companies.

Mr. ARMSTRONG: Yes, and accepted by the committee.

Section agreed to

On section 252—Leave of board:

Mr. ARMSTRONG: The word "railway" is inserted before the word "company."

Mr. GRAHAM: Why is the word "railway" inserted?

Mr. CARVELL: In section 2, the interpretation section, subsection 4 says:

"Company" includes a person, and where not otherwise stated or implied means railway company unless immediately preceded by "any", "every" or "all," in which case it means every kind of company which the context will permit of; and "railway company" or "company" when it means or includes railway company.

Therefore, in order to get away from a telephone company, or a telegraph company, or something of that kind, we insert the word " railway " so as to show that a railway company is referred to.

Section agreed to.

On section 255—Railway on highway:

Mr. J. E. ARMSTRONG: In the third line after the word " authorized " these words are inserted:

But shall not, without such leave, be carried upon, along or across any existing highway. Provided that the company shall make such compensation to adjacent or abutting land owners as the Board deems proper.

In line 13 of the same section, after the word " town," there is inserted this provision:

Provided that where leave is obtained to carry any railway along a highway the Board may require the company to make such compensation if any to the municipality as the Board deems proper.

This section was very fully discussed, and these important changes were made on behalf of people interested along the highway.

Section agreed to.

On section 257—Powers of Board as to existing crossings.

Mr. J. E. ARMSTRONG: Subsection 3 is new.

Mr. STEELE: Is any additional provision made for the protection of crossings in the country districts? In the country there are some very bad crossings, and accidents are continually happening, but it seems to be impossible for the municipalities and the railway companies to come together for the protection of such crossings.

Mr. COCHRANE: The Board has the right to order crossings, and every year an amount is placed in the Estimates to pay for them.

Mr. STEELE: There does not seem to be any provision if the municipality and the railway company, after the intervention of the Board fail to agree to protect the public who are still suffering from the dangers and accidents. It might be well to make the matter compulsory.

Mr. GRAHAM: Under the present Act the Board is fully authorized to order any protection it thinks proper at any railway crossing. Its additional power is that, if it sees fit, it may apportion the cost between the municipality and the railway company.

Section agreed to.

On section 258—Preventing obstruction of view:

Mr. ARMSTRONG: Mr. Price says that this section provides a more simple procedure for preventing obstruction and fixing compensation for what may be ordered to be done than formerly. It is a reconstruction.

Mr. GRAHAM: This is a new clause. They cannot put up a new building any closer that the law says.

Section agreed to.

On section 262—Appropriation for safety of public at highway crossings at rail level:

Mr. J. E. ARMSTRONG: There is a change in the third line. Instead of the words "one thousand nine hundred and ten" being used the words are 'one thousand nine hundred and seventeen".

Mr. GRAHAM: There is an error in the reprint of that section.

Mr. J. E. ARMSTRONG: We amended it to make it read "one thousand nine hundred and seventeen." That makes it extend ten years from now.

Mr. SINCLAIR: It is a misprint in the Bill before us, but we amended it in committee, and I think we can amend it now.

Mr. COCHRANE: I am advised the committee had no power to amend it without a resolution.

Mr. GRAHAM: When I had the honour of introducing the Railway Bill some years ago, I introduced an amendement under resolution, if I remember correctly, and I think the minister will have to introduce a resolution to amend this section, because it possibly means an extra expenditure of $20,000.

Mr. J. E. ARMSTRONG: Let it stand.

Section stands.

On section 266—Inclination of approach:

Mr. J. E. ARMSTRONG: That is struck out in the Bill before me.

Mr. NESBITT: It is the old 268.

Mr. GRAHAM: Section 267 in the draft Bill is struck out.

Mr. J. E. ARMSTRONG: The old 267 is struck out of the new Bill entirely.

Mr. GRAHAM: And 268 becomes 266.

On section 269—if drainage insufficient:

Mr. J. E. ARMSTRONG: Paragraph (c) is reconstructed, and reads as follows:

Whenever,—

(c) The railway company desires to obtain means of drainage, or the right to lay water pipes or other pipes temporarily or permanently through, along, upon, across or under any lands adjoining or near the railway.

Two lines below that the words "or of the company" are added, and the words "or permit" are added. In subsection 2 the word "shall," after the word "and" in the fifth line, is replaced, with the word "may," and the words "fix the compensation, if any, which should be paid to any owner injuriously affected, or may direct the compensation, if any, to be determined under the arbitration sections of this Act," are new.

Mr. CARVELL: It all means that the board has the right to provide for efficient drainage.

Section agreed to.

On Section 277—Board may order railway to be opened:

Mr. J. E. ARMSTRONG: That is new.

Mr. GRAHAM: Would that mean that the board could compel the operation of a road yet technically under construction.

Mr. COCHRANE: I think so.

Mr. GRAHAM: I suppose that is to apply to railways which very often are kept technically under the contractor for a long time, although practically finished for operating purposes?

Mr. COCHRANE: Yes.

Section agreed to.

On Section 288—Animals not to be at large near highway crossings:

Mr. J. E. ARMSTRONG: That is the same as the old section.

Mr. CARVELL: I pointed out to the committee that I very much doubt the power of this Parliament to provide that cattle should be impounded, say, in the province of New Brunswick. They may be handed over to the proper officials, but it is a different question when you come to impound them.

Mr. SEXSMITH: I was always under the impression that the impounding of cattle was a matter for the municipalities.

Mr. GRAHAM: Municipalities get their power from the province.

Mr. SEXSMITH: In this section we have stepped in over the heads of the municipalities.

Mr. GRAHAM: One effect of this is possibly to provide, not so much for the impounding of the cattle as that, if the section were violated and the cattle killed, the man who owned them could not claim damages for them. There are other clauses dealing with the killing of live-stock on the track. This refers only to cattle on the highways.

Mr. SEXSMITH: Have we the right to prohibit cattle from running on the highways?

Mr. CARVELL: No.

Mr. SEXSMITH: Then why do we attempt it?

Mr. NESBITT: Just for a bluff.

Mr. SEXSMITH: It seems to me it is a very poor bluff.

Mr. CARVELL: While this Parliament has not the right to prohibit cattle from running on the highway, the courts have held that if a man allows his cattle to run upon a highway within half a mile of a railway crossing, unless they are in charge of some competent person, and an accident happens, it is considered as evidence of negligence on the part of the owner of the cattle, and he is not entitled to recover from the railway company.

Mr. SEXSMITH: But, if a man's cattle break out of the field?

Mr. CARVELL: That is provided for in another section, which practically states that the railway company must fence their right of way, protect it with cattle guards, and insure the farmer that his cattle will not get on the right of way.

Mr. GRAHAM: But, the farmer must keep the gates shut.

Mr. CARVELL: Of course. Heretofore, if it could be shown that the farmer was

guilty of any negligence whatever, he could not recover for the loss of his cattle. Supposing a farmer allowed his cattle to run around his buildings—did not have them closed up—and they got on the railway, even if there were no cattle guards, the courts held that, inasmuch as the farmer was negligent, he had no right of action against the railway company. This has been changed.

Section agreed to.

On section 279—thistles and weeds to be kept cut.

Mr. GLASS: What would be the proper method of procedure if a farmer found his lands were being menaced by the spread of noxious weeds?

Mr. NESBITT: Write to the board.

Mr. GLASS: If those noxious weeds are allowed to remain for a week or ten days, at a certain season of the year, the menace becomes serious. I understood my hon. friend from Carleton (Mr. Carvell) to say this afternoon that, notwithstanding the fact that a municipality may have passed by-laws affecting this same matter, they have no jurisdiction so far as the right of way of the railway is concerned.

Mr. CARVEL: Neither the municipalities nor the provincial authorities have anything to do with the railway's right of way. That is entirely controlled by this Parliament.

Mr. GRAHAM: It would be a good idea if the railway commissioners would issue orders for the cutting of weeds at a certain time. If they let them go a week longer than they should they might as well not cut them at all as far as the spreading of weeds is concerned.

Mr. SEXSMITH: I thing that would be very wise. The railways have been very good in keeping their right of way properly cut.

Mr. NESBITT: Better than the municipalities have.

Mr. SEXSMITH: Yes very much better, but yet the railways are the greatest distributors of foul weeds that we have in the country. You will find grain from the West strewn all along the road and I know of scores of foul weeds brought into the country as a result of grain sifting out of the cars en route. The railways generally make one cutting do if possible, but if the Board would jog their memory about looking after these foul weeds instead of allowing them to grow up and go to seed it would be well.

On section 281—Fire protection:

Mr. J. E. ARMSTRONG: There are several important amendments in this section. particularly paragraph (e) requiring the company to make reports and returns of fires occurring upon or near its right of way. Subsection 2, provides that:

> Any such orders or regulations may be made applicable during or after the construction of the railway, or during such time and in such manner as the Board deems proper.

I think it may be wise to place on Hansard the statement made by Mr. Price in regard to this section. It is as follows:

> This, for the most part, is a rearrangement. Paragraph (e) has been added giving the Board power to require the company to make reports of fire. Strangely the provisions relating to fire guards were duplicated in part in 1-2 George V, cap. 22 s. 10 (4) and old section 30 (f). For provisions respecting proper equipment of locomotives, see section 289 (f). By an addition at the end of subsection 1 it is now expressly stated that the orders and regulations may be made to apply during construction of the railway as well as afterwards. This power had already been assumed by the Board in the making of its regulations, but there was some doubt expressed on the point.

Mr. SEXSMITH: Are the railway companies compelled to supply fire rangers?

Mr. COCHRANE: They are in a new country.

Mr. SEXSMITH: They do considerable damage in the old country.

On section 282—Packing:

Mr. J. E. ARMSTRONG: That is the same as the old Act except that subsection 5 is struck out.

Mr. GRAHAM: Why?

Mr. J. E. ARMSTRONG: Subsection 5 is as follows:

> The Board may, notwithstanding the requirements of this section, allow the filling and packing therein mentioned to be left out from the month of December to the month of April in each year, both months included, or between any such dates as the Board by regulation, or in any particular case, determines.

This was fully discussed by the trainmen and different organizations who came before the committee.

On section 285—Notice to be sent to Board:

Mr. J. E. ARMSTRONG: The following words have been added to the section:

Any conductor or other employee making a report to the company of the occurrence of any such accident, shall, as soon as possible after such accident, notify the Board of the same by telegraph.

Mr. GRAHAM: Under the old Act all he had to do was to notify the company?

Mr. J. E. ARMSTRONG: Yes. This is an added provision that the railway men requested.

On section 287—Orders and regulations of Board:

Mr. J. E. ARMSTRONG: In the 8th and 9th lines the committee struck out the words " and may in any case limit the rate of speed of trains and locomotives as it deems proper." At the end of paragraph (g) the words " all persons travelling upon His Majesty's services " are added. Paragraph (h) is entirely new; it says:

With respect to the length of sections required to be kept in repair by employees of the company, and with respect to the number of employees required for each section so as to ensure safety to the public.

A portion of paragraph (i) is new. After the word " trains " the following words are added " with a view to the safety of the public and of employees." (j) Is entirely new:

Limiting or regulating the hours of duty of any employees or class or classes of employees, with a view to safety.

Mr. GRAHAM: In the other sections you say " with a view to the safety of the public and employees " while here you only say " with a view to safety." The obvious intention of this is that no one should be overworked so that the safety of the employees and of the public shall not be endangered. We do not say that in this paragraph, we just use the word "safety." Would it be worth while to add "safety of the public and employees "?

Mr. J. E. ARMSTRONG: Do you not think that the wording of the first part of paragraph (j) would indicate the meaning?

Limiting or regulating the hours of duty of any employees or class or classes of employees, with a view to safety.

Mr. GRAHAM: Safety of whom?

Mr. J. E. ARMSTRONG: Of these employees.

Mr. GRAHAM: The purpose of paragraph (j) is to limit the number of hours of duty with a view to the safety of the public and of the employees. If you overwork an employee you endanger the life of the employee just as much as you do that of the public. To be uniform why not say " the safety of the public and of employees " in this case just as well as in the others?

Mr. COCHRANE: There is no objection.

Mr. J. E. ARMSTRONG: You think it does not mean that now?

Mr. GRAHAM: No more than in the other clauses, and if we make a distinction in this one, some hair-splitting lawyer may say that if it was intended to protect the safety of the employees and the public we would have said so as we did in the other clauses. I would move that in paragraph (j) the words " to the public and to employees " be added after the word " safety " in the third line.

Mr. STEELE: This clause deals quite effectively with the protection of the public and of employees against accident, and there is some reference to the health of employees but I see nothing to protect the health and comfort of the public. With the advance of sanitation in the last fifteen or twenty years, the railways should be compelled by this Act to keep up-to-date in that respect. In many of our best trains the sanitation is all that could be desired, but on some of the local trains on the branch lines the lavatories are unfit for human being to occupy. This is a matter of sufficient importance to have a clause inserted giving the Board the power to compel the railway companies to keep all portions of their cars up-to-date, thoroughly clean, and pure.

Mr. COCHRANE: I think the Railway Board have power to deal with that now by regulation.

Mr. STEELE: Is it especially referred to in the Act? I think it is of sufficient importance to have it specially mentioned in the powers of the Railway Commission. In that way it could be more effectively dealt with.

Mr. BOULAY: I desire to move an amendment to section 287 obliging railway companies operating passenger trains in Quebec to have on those trains only employees who understand both languages. I have seen rows and disputes of all kinds, and have sometimes seen passengers ejected from trains because they were not understood by the train men; and I have seen others unable to make themselves understood by ticket agents, so that they had to

call in interpreters. I think it would be well to give authority to the commission to oblige such companies to have on their passenger trains only men understanding both languages. This would work favourably for those speaking either language and it would be a great improvement in the operation of the railways in Quebec. Section 302 compels the companies to have their circulars and everything printed in both languages and it seems to me a great anomaly to have the men who are supposed to see to the observance of these circulars, laws or rules, unable to make the passengers understand them. There is no railway company in Quebec that cannot afford to do this among their personnel.

Mr. J. E. ARMSTRONG: This clause is of vast importance to the railway men, that is the men who are operating the trains. This clause has been carefully drafted to meet their views. They did not express a desire for such a provision.

Mr. BOULAY: We could add that to section 302. This would be binding on the company only.

Mr. J. E. ARMSTRONG: Have the railway employees ever suggested anything of the kind?

Mr. BOULAY: It is not the employees who complain, but the passengers.

Mr. J. E. ARMSTRONG: Possibly when we come to section 303 we could investigate it further.

Mr. WRIGHT: Would it not be better to confer that power upon the Railway Commission? Trains made up in a foreign country, the United States for instance, might come through a portion of the province of Quebec and take on a new crew at a divisional point. Common sense should regulate all such matters. The commission could be empowered to make such regulations as they might deem wise.

Section agreed to.

On section 289—Payment of wages:

Mr. J. E. ARMSTRONG: This is an important amendment. The railway men are very anxious that this section should pass.

Mr. GRAHAM: What became of the Senate Bill dealing with this matter?

Mr. J. E. ARMSTRONG: It was withdrawn, owing to the fact that this Bill was dealing with the matters dealt with in their Bill.

Mr. BOULAY: Will this apply to Government railways?

Mr. COCHRANE: Yes.

Mr. BOULAY: This will surely increase the expense of the managing department. If this provision is adopted the railway companies will have to pay out more money each month. I can understand that employees who receive small wages should be paid fortnightly, but I do not think that those who get big salaries should be paid oftener than once a month.

Mr. COCHRANE: I move that the words " On and after January 1, 1918 " be inserted at the beginning of this section.

Amendment agreed to, and section as amended agreed to.

On section 291—Penalty may be prescribed:

Mr. J. E. ARMSTRONG: This section was fully discussed in the committee. At one time it was decided to strike out certain portions of it, but after discussing the matter at some length the committee decided to leave the section as it was.

Section agreed to.

Progress reported.

On motion of Hon. Mr. Cochrane the House adjourned at 11.27 p.m.

Tuesday, July 17, 1917.

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

EXTENSION OF THE TERM OF PARLIAMENT.

MOTION BY THE PRIME MINISTER FOR ADDRESS TO HIS MAJESTY.

Rt. Hon. Sir ROBERT BORDEN (Prime Minister) moved:

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

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

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

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

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent

of the Lords, Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. Notwithstanding anything in the British North America Act, 1867, or in any Act amending the same, or in any Order in Council, or terms or conditions of Union, made or approved under the said Act, or under any Act of the Canadian Parliament, the term of the Twelfth Parliament of Canada is hereby extended until the Seventh day of October, 1918.

2. This Act may be cited as the British North America Act, 1917, and the British North America Act, 1867 to 1916, and this Act may be cited together as the British North America Act, 1867 to 1917.

All of which we humbly pray Your Majesty to take into your favourable and gracious consideration.

He said: In rising to present this motion to the House, I beg to call to the recollection of honourable gentlemen that on the 8th of February, 1916, I presented a similar motion. That motion for the extension of the term of Parliament from 7th October, 1916, to 7th October, 1917, was unanimously adopted at that time. In the speech from the Throne this year reference was made to a similar resolution, which would extend the life of this Parliament from the 7th of October, 1917, to the 7th October, 1918. Accordingly, the resolution which I now have the honour to propose was placed upon the Order Paper in the latter part of May, and it now becomes my duty to present it to the House, in order that it may be considered and dealt with.

In my judgment, the reasons for proposing this motion are quite as strong today as they were in 1916, and perhaps stronger. They are fully set forth in the remarks which I addressed to the House at that time. I need only summarize them now. In the first place, there would be, consequent upon a general election, disunion and discord throughout this country. There has, up to the present time, been at least a seeming unity. Outside and inside of Parliament men have worked together without regard to party or race or creed. I believe that party political questions have not been very much in the minds of the people during the last three years, and I would hope that we might, on this occasion, arrive at some conclusion which would prevent the controversy and distraction consequent upon a general election. More than that, the minds, the thoughts, the energies of the people would be diverted and turned aside from the supreme purpose of aiding in this war, and would be concentrated on political issues of relative insignificance. In short, a general election would leave, at least might leave, a divided nation. Besides that, I desire to emphasize the fact that the time and the energies of the ministers of the Crown during a general election would necessarily be diverted from the conduct of our country's participation in the war to the activities of a political campaign. It goes without question that members of the Government could not remain silent under attack. They would be obliged to speak and to use their best efforts to justify themselves and the administration for which they are responsible. In short, they would be obliged to take one course or the other; either to devote their energies largely to the necessities of a political campaign, or to let that campaign take care of itself, and continue, as they have been doing in the past, to devote their entire energies to the duties which are imposed upon them by the necessities of the war.

More than that, there is the fact that we have about 300,000 men overseas at the present time. It is impossible for any one of us to anticipate with any reasonable degree of certainty what proportion of those men would have the opportunity of exercising their franchise, and what proportion would not have that opportunity. That would depend altogether upon the character of the operations in the field at that particular time. These men are the best elements of our population. They assuredly have a right to be heard in the selection of a parliament which will control the affairs of this country during the next five years; and, indeed, I might ask, what right would we have to entrust the affairs of this country for five years to a Parliament in whose selection these men might have so comparatively small a voice.

More than that, I believe that the discussion of political issues, the intrusion of party politics upon the gallant and heroic men fighting our battles at the front and walking daily hand in hand with death, would be regarded by them as odious and indeed insulting.

There is another consideration I must place before honourable gentlemen of this House, and to me it seems of some significance. Very eloquent appeals have been made by honourable gentlemen, chiefly, I think, from the other side of the House, that before the Military Service Bill, which has been under the consideration of Parliament for some time, shall be put into operation, there shall be a united and earnest effort of all parties and

all interests in this country for the purpose of endeavouring to obtain by voluntary enlistment the reinforcements which we seek to raise by the Military Service Bill. I have listened to those appeals with a great deal of interest. I have given very attentive thought to them. I should be willing to give them every consideration consistent with the certainty of providing the necessary reinforcements for the Canadian troops at the front, but I do not understand how it would be possible to have a united and earnest appeal of that nature, or how it could possibly be effective, under the imminence of an approaching general election. I hope, therefore, that hon. gentlemen, in coming to a conclusion upon the resolution which I am now proposing, will bear that in mind. The unity which would be necessary to make that appeal possible or effective could not be expected during a general election, or during the imminence of a general election; and so it would seem to me that if an election is forced upon the country at the present time, such a proposal must be abandoned.

As to precedents, I alluded to them when I spoke in this House on February 8, 1916. The Parliament of Great Britain has extended its life on three successive occasions, and its term now stands extended until November 30, 1917. New Zealand has extended its parliamentary term to December 19, 1918 — a very long extension. Australia was precluded from carrying out an extension by disturbing political conditions which unfortunately prevented her representation in the Imperial War Cabinet. I referred, in speaking on the motion of last year, to the precedent in Great Britain, when in 1716 a Parliament which had been elected for only three years, extended its term to seven years. In every self-governing nation of this Empire since the commencement of this war it has been found impossible to preserve the same regard for constitutional conventions as in time of peace. Extraordinary powers have been conferred upon the Governments of each of these nations by their Parliaments, and indeed, hon. gentlemen in this House know that here in Canada powers of a very extensive character have been conferred upon the Governor in Council by the War Measures Act of 1914, an Act which reposes in the Governor in Council practically all the powers that could be exercised by Parliament under the British North America Act, except the power of taxation and of appropriation of public revenue.

It may be urged that this proposal involves an alteration of the constitution. I regard it rather as a temporary suspension of but one feature of the constitution. Surely it is not a very serious step, for it merely provides that in Canada during the necessities of the war we shall have a parliamentary term of seven years instead of five years. Great Britain had a seven year term for her Parliament during a period of more than 150 years, and I am content to accept in that connection the view expressed by my right hon. friend (Sir Wilfrid Laurier) who in speaking on this motion in February, 1916, said:

> It is not proposed here to alter the principle of the constitution. It is not proposed to override the control which the people have over Parliament. It is simply proposed to suspend for the time being the operation of the constitution. If it were proposed to make away altogether with that principle which is embodied in the Constitution, certainly I would oppose such attempt with all my might. But no such thing is proposed. This measure simply proposes that the constitution shall be suspended for twelve months, at the expiration of which time it will resume its full force.

It is not necessary, I am sure, that I should dwell upon the gravity of the situation with which this country, the whole Empire, and, indeed, the whole world, are presently confronted. When I spoke in this House on the 8th of February, 1916, we had sent 125,000 men overseas. To-day, our casualties are rapidly approaching that figure, and since my return from Great Britain on the 14th of May last, just about two months ago, they number 12,000. Since the extension of the term of Parliament sanctioned on the 8th day of February, 1916, Canada has sent no fewer than 200,000 men across the ocean to fight for liberty and civilization. We must realize, in dealing with this resolution, that our country, in common with the whole Empire, is facing a supreme test. The existence of the Empire, its institutions and liberties, are in peril. More than that, the foundations of civilization itself are endangered.

It would be impossible to overstate the transcendent issues which are hanging in the balance, and I am content to have them portrayed in the eloquent words which my right hon. friend (Sir Wilfrid Laurier) addressed to this House in February, 1916, when he spoke thus upon this motion:

> There was nothing for Canada to do but to do what she did; to place at the disposal of England all her resources in men and money. Men there are to-day who sneer at the thought of Canada exhausting her resources to defend the Empire. Sir, who talks of the Empire

to-day? There are other things greater even than the Empire, great as it is. Civilization is greater than the Empire, and civilization is the issue.

And further, he said:

Who can doubt but that if Germany were to win it would be the end of all we hold sacred. Who can doubt that it would be the end of that individual liberty, that personal dignity, that independence of thought and action which citizens of all British countries value more than life itself. For my part, I re-echo the words lately spoken by that workman of the docks of Liverpool: who, discussing compulsion in England put an end to all doubts, by exclaiming: "If Germany should win nothing on God's earth would matter."

So, I would ask my right hon. friend, in so terrible and unprecedented a situation, with the destinies of Canada, the fate of the whole Empire, the fate of the whole world, hanging in the balance, whether we should seriously consider technical adherence to every constitutional convention. In such conditions, are we to weigh carefully the advantage of a five year parliamentary term as compared with a seven year parliamentary term?

But in speaking as I do, very earnestly upon this subject, I desire to make it perfectly plain that this Government in proposing this resolution does not come before Parliament as a suppliant. Whenever it becomes desirable or necessary in the public interest that the record of the Government should be submitted to the judgment of the people, we are quite prepared and willing to abide by the verdict of the electorate. During the past three years the responsibilities and burdens imposed upon those to whom is entrusted the administration of public affairs have been greater than can possibly be realized by any one who has not been called upon to grapple with and fulfil them. We have discharged those responsibilities to the best of our ability; we have not spared ourselves in the effort to achieve their just accomplishment. In all our endeavours there has been no regard for any consideration but the conscientious performance of our duty; otherwise we should have been entirely unworthy of the trust reposed in us. To admit that mistakes may have been made is simply to admit that the members of the Government are human and therefore not infallible; but I am confident that as few mistakes in the conduct of the war have been made in Canada as in any part of the Empire.

I, therefore, hope that it will be thoroughly understood that the Government does not propose this motion through any fear of an appeal to the electorate, if that should prove necessary; but they feel it their duty to present this motion to the House for the purpose of avoiding the distraction, bitterness, and strife which would inevitably ensue if the parliamentary term were not extended for another year.

I hope hon. gentlemen will remember —and I am absolutely confident of the fact as I state it—that political questions and party differences have absolutely no place in the minds or hearts of those who are holding Canada's line beyond the Vimy Ridge in France, and who are slowly pressing back the invaders until they shall no longer desecrate the soil and decimate the population of France and Belgium with their horrible and barbarous methods of warfare. Among those brave Canadians there is but one great over-mastering purpose—the winning of the war for liberty, civilization, and humanity. That common purpose animated this Parliament in August 1914, and in February 1916. If it still inspires us, then I have reason to hope that the appeal which I am now making to this House will not be in vain.

It is with the deepest feeling of responsibility that I present this proposal to Parliament, and I hope that no word of mine will be wanting to impress upon the House the like sense of its responsibility. I realize fully that my right hon. friend who leads the Opposition has also a great responsibility devolving upon him. Upon an occasion like this in 1916, he spoke of himself as one who was the servant of the State and of the people, who owed duties to the State and to the people; duties and responsibilities of a character different from those appertaining to members of the Government, but, nevertheless, not of an inferior character.

In coming to the last consideration with which I shall trouble the House I should like to say that many communications have come to me from almost every part of this country, as to the course which this Government ought to take, and which I myself should take, with regard to the passage of a resolution such as this. Those communications in very large number have urged upon me the desirability of enforcing and securing the passage of this resolution by a party majority, thus preventing the evils of a war election. The disadvantages of a war election I have already emphasized. I am as fully conscious of them as any hon. gentleman of this House, but there are some things worse even than a war election. I have considered very

carefully indeed where my duty lies in this respect. I have striven most earnestly to realize and to fulfil it, and I have reached a definite, and, I believe, a wise conclusion.

In speaking on this subject in the House on February 8th 1916, I said at the commencement of my remarks:

> It is hardly necessary to say that it is a motion which we should not press if hon. gentlemen on the other side of the House should oppose it as a party. In that case I should feel it to be my duty to withdraw the motion, and then it would naturally be for the Government to consider its course.

I also said:—

> I entirely admit that no extension should be asked for by a Government in Canada, or should be approved, unless it appears to have the support of public opinion, and unless it is approved by both political parties.

My right hon. friend the leader of the Opposition, speaking on this subject upon that occasion, dwelt upon the necessity of practical unanimity in this House, and in doing so he used this language:—

> If this resolution was adopted unanimously, even though carried by a majority of this House, and even if my right hon. friend himself were to carry it to the foot of the Throne, I have no doubt whatever that in the face of such a minority as would be arrayed against it, the British Parliament would never grant the power sought. The British Parliament, I am sure, will never, under any circumstances, alter the Constitution of this country, except upon a unanimous resolution of the two branches of the Canadian Parliament.

It is quite apparent from the principle which my right hon. friend laid down at that time, that if this resolution should pass this House by a majority only, the controversy would not end here, but would be taken up beyond the seas, and the Parliament of the United Kingdom, in the midst of the greatest struggle that humanity has ever known, would be confused and distracted with conflicting cries from the two political parties in this country. It seems to me that an issue such as that which I have thus outlined is one that we ought not to contemplate for a moment.

This matter must be determined, it seems to me, in this Parliament by a unanimous, or practically unanimous, vote. If the resolution cannot be carried in this Parliament by a unanimous, or practically unanimous, vote, then I adhere entirely to the position which I assumed on the 8th day of February, 1916, and I would not seek to urge this motion upon the House. In saying that, however, I do once more most earnestly appeal to hon. gentlemen on both sides of the House to give to this resolution the sanction of their unanimous approval. I need not urge again the considerations which I have already expressed; they must be apparent to the mind of every member of this House.

I should like to see in this country an extension of the parliamentary term, and a government, formed by a fair union of both political parties pledged to carry on the effort of Canada in this war until it shall be crowned with a victorious conclusion. I should like to see the efforts of both political parties in this country thrown in that way into this great struggle in order that the issue which we all pray for may be brought about. I should like to see that done, and if that were done I am sure that we could have by unanimous agreement in this House an extension of the parliamentary term, and the carrying out of every measure which is necessary to the winning of the war.

I realize fully that the conditions under which I propose this motion to-day are not precisely the same as those which prevailed in February, 1916.

There has been raised in this Parliament and in this country the question of the means by which the necessary reinforcements for the Canadian troops at the front shall be provided. My right hon. friend who leads the Opposition has not seen eye to eye with me in that regard. I hope the House and and the country will realize that for 18 months before that measure was proposed in this House I had been urged in the most cogent and forcible terms, by representative men from every part of this country coming here in large numbers and in great delegations, to enforce compulsory military service. I sincerely desired to avoid taking that step unless it were absolutely necessary, but in the end I did take the step, because in my heart I believed and I still believe it to be absolutely necessary in order that we may fulfil the whole duty of this country in the war. I realized that the raising of that question placed upon my right hon. friend a great responsibility. I realize that the proposal of this motion imposes a great responsibility on me, and that it places an equal or perhaps even a greater responsibility, upon him.

As I said before, I do not purpose to press this motion if it is opposed in the way I have spoken of. I think there ought to be practical unanimity in this House before we should go to the Imperial Parliament for the purpose of obtaining the necessary legislation, and I once more appeal to hon. gentlemen in this House to avoid the evil —the very great evil—of a war time election. In placing this motion before the

House and the country to-day, I am discharging as best I can the responsibility and duty thus devolving upon me.

It will be for my right hon. friend to see for himself the path of his duty, and under the responsibility which appertains to him to act as he may think that duty demands. So, my final word of appeal to this House is that this motion may be passed with that practical unanimity which will enable us to present it to the Imperial Parliament for necessary action and ratification, and I believe in doing so we shall take a course which none of us, at any time in the future, can regret, a course absolutely in the interests of this Dominion, of this Empire, and of the great cause for which our gallant troops are to-day fighting at the front.

Hon. GEORGE P. GRAHAM (South Renfrew): I trust none of the hon. members of this House will think I am unduly intruding myself at this juncture in the discussion. What the right hon. gentleman has said concerning the desirability of Canada prosecuting this war so far as in her lies, until it is brought to a successful conclusion, finds an echo in the heart of every man. Canada did not enter this war lightly. She entered it of her own free will, without compulsion —I might say, without invitation—fully believing that on her, as part of the Empire, rested a duty, and on her shoulders as a young nation there rested also a privilege to join hand in hand with the free citizenship of the world in doing her best to maintain the rights, the privileges, and the liberties, for which our fathers and our grandfathers fought. We are in the war, and we propose to stay in it until victory finally perches on the banners of the Allies. There is no desire, no thought, of shrinking from what is before us.

Our experience during the past three years has been sad, but it has been stimulating, it has been encouraging, because we in this part of the Empire, we in this young nation of Canada, have discovered ourselves during these three years of great struggle. We have discovered within us those elements of greatness, of manhood, and of citizenship that always were there, but were, in a measure, allowed to remain latent until this great opportunity was given to us to bring them forth in all their grandeur and in all their strength. We have risen to the occasion. I am not of those who believe, or who hint for a moment that Canada has not risen to the occasion. She has sent her men, she has sent her women, she has sent her money, she has made sacrifices great and voluntary, and she is prepared to make any sacrifice that may be requisite for the completion of this war in a proper manner.

I do not propose discussing what my right hon. friend has said, because I intend moving an amendment to the resolution. It is possible that we are losing our sense of proportion. The great question before us is the winning of the war—the Prime Minister has made that very plain—and we ought as a Parliament to support all measures necessary to accomplish that end for the cause of civilization. The Prime Minister has rightly and eloquently said that the conditions at the front demand our greatest energies. With that I absolutely agree. But, they demand our energies in more ways than one. I said a moment ago it was possible that for the moment we were losing our sense of proportion. We have discussed, and passed almost to completion, a measure of military service for the providing of men—and though we have differed on it, yet Parliament has acted. Before that is quite completed the Prime Minister introduces a resolution for the extension of the term of Parliament, which term does not expire for nearly three months. While the discussion of the extension of the term of Parliament is necessary and right, while the introduction of that measure is proper, I submit there is a duty incumbent upon the Government which demands more immediate action than the discussion, or passing, or withdrawal, of such a resolution. We have three months yet before this term expires, and during that three months—yes, even now—this Parliament ought to manfully grapple with the conditions at the front and with the conditions existing in Canada, and prove itself equal to working out a plan by which the conditions will be fully met.

One part of that programme has been dealt with. The other part has been left in abeyance. The second part of the programme, to my mind, is of little less importance than the first. The winning of the war being our great object, we should not be so desirous, three months ahead of time, to discover whether we are going to extend our own term or not. Our chief business to-day is to see that we are going to stand by the boys in the front in every particular. I have supported, and I intend to support to its conclusion, one branch of this programme and I am going to ask this House seriously if it is not

their duty now to proceed with the inauguration and the completion of the other part of the programme which is necessary for the carrying on of the war.

The amendment which I intend to move has not been sprung upon this House. I gave notice of it several weeks ago, intending to move it on going into Committee of Supply but, not succeeding, as an opportunity was not afforded me to move that resolution, I take the opportunity of moving it to-day. I may say frankly that I did not care to move this on the third reading of the other Bill to which I have referred. Had I done so, a great many hon. gentlemen would have said that the hon. member for South Renfrew (Mr. Graham) was retarding the Military Service Bill. Consequently, I am moving it to-day in the proper place and, I believe, at the proper hour, and I would ask serious consideration of the few observations I am going to make.

It is useless to send men to the front, either voluntarily or forcibly, unless we are prepared to back them up. We must feed, finance, equip and clothe men.

Mr. W. H. BENNETT: Is the hon. gentleman still of the same mind as he was the other night, that the pay of the soldiers should not be increased as proposed by the hon. member for Westmorland (Mr. Copp).

Mr. GRAHAM: I never made any such suggestion or gave any intimation to that effect and the hon. gentleman knows it.

Mr. W. H. BENNETT: The hon. gentleman had a chance of voting for it.

Mr. GRAHAM: The hon. gentleman speaks more frequently than I do and he takes it for granted that if one does not speak on a resolution one way or the other he must be counted against it. My hon. friend will allow me to proceed. I do not know on which side he is on any of these questions. We not only have to finance, feed, clothe and equip these men at the front, but we have to finance ourselves, and we have to feed the people of Canada. In addition to that, we have to produce all the food possible to asist our Allies. In all the discussions that have taken place in the United States, in Great Britain and in France, the questions of food supply and finance have been considered only secondary to the question of the supply of men. We in Canada appear to think that we have done our duty if we have passed a measure providing for the raising of a certain number of men. We are not helping the Allies one iota if we provide men and do not provide to fully feed and equip them. Instead of helping the Allies, we are placing a burden on them.

Let me take up the question of finance for a moment. Hon. gentlemen will see, when I move the amendment, that it is merely to defer the discussion of the question raised by the Prime Minister. There is plenty of time to discuss it before the term expires, while we deal with something that is more important, to Canada and to the boys in the trenches. I am not going to say that the finances of Canada are in an unhealthy state. Canada has powers of financial recuperation, has resources, has virility in her people, has energy, courage and ability to carry her through any financial responsibility that may be placed upon her by reason of this war. Nevertheless, the fact remains that at the present moment we are incurring very heavy financial liabilities. And rightly so. But the question arises: Should we not, at this time of what may be called artificial prosperity, take advantage of the situation to more nearly pay our way as we go during this war? Why should we leave all the expense of this war to be borne by posterity, by the men who come back from the front, and by the sons and grandsons of these men? Why should we not, at the moment, look about us and see if there do exist sources on which the people of Canada can draw in order to meet the expenses of this war. There is not a man in this House who will not agree with me that in his own circle of acquaintances there are men who are able to pay and who are not paying according to their ability.

The hon. the Finance Minister (Sir Thomas White) said the other evening that the time might come when an income tax would be imposed. The time has come now when something ought to be done along the line of securing from those best able to pay their full share of the financial burden of carrying on this war. That has not been done in its entirety. You ask me what I would do? I do not intend to keep the House more than a very few moments, because I discussed this question at great length some two weeks ago; but this I do say—that the men enjoying large incomes ought to be taxed on those incomes. It has been said that those receiving smaller incomes and those with small deposits in the banks have become alarmed. There is no need of alarm on account of any action that I would propose or on any action that this Parliament would take. No person

understands better than I do the necessity and desirability of financial stability, and of doing nothing which will interfere with the financial progress and commerce of the country, because to do that would be to interfere with our financial status at home, and make us a burden instead of a help to the Allies. But, there are in this country many men who are not contributing their share. The poorer men and poorer women of the country are contributing their share. There is not a man in this House, there is not one man of ordinary means, who is contributing at all in comparison to what the washerwoman is contributing who pays fifty cents to the Patriotic Fund, and there are many of them. I do not minimize for a moment the splendid contributions that have been made to the Patriotic Fund, the Red Cross and other worthy objects. Many Canadian men and women have risen nobly to the requirements and have contributed liberally. But there are still sources that ought to be tapped, and this Parliament will not be doing its duty if it ends this present session without devising means by which every man, and every woman, in Canada, who is able to contribute, is made to contribute his or her full share towards the cost of carrying on this great war. There are men who receive large incomes from mortgages and other securities, and on these incomes they are not paying one farthing towards this war.

True, they are paying some small amount to the municipality, which is given authority to collect such a tax by provincial legislation. But I say again there are men in Canada with large incomes, drawn from sources which relieve them absolutely from contributing one farthing for the carrying on of this war—and you will find them in every community. They do contribute to the Patriotic Fund—all honour to them—but in most cases, if a well-graded income tax were imposed, we could afford to let them keep all they give to the Patriotic Fund, and we would gain a thousand fold by adopting the other method of collecting. I would not impose a tax on the man of the ordinary income. Heaven knows he has all the troubles he can carry now, under the high cost of living, in keeping his family. But men who enjoy the larger incomes, I would compel to pay into the coffers of this country in order that we might borrow less and approximate more nearly our revenue to our expenditure as we go along. We are mobilizing men. That is proper, absolutely right. But if we quit with the mobilization of men, our duty is half performed and we

are not doing what in us lies to make the issue of this war a success for the Allies.

I spoke the other evening of several things. Allow me, without wearying the House, to mention one or two. First, the transportation facilities of Canada. To win the war, as the Prime Minister has well said, is the transcendent issue in the Dominion of Canada. Nothing should be allowed to stand in the way of our transportation facilities being so efficient that our produce of the farm and from other sources can be carried with all speed to the place of embarkation. No matter who criticises or who does not, this Parliament will be responsible if we do not see that the railway companies of Canada are equipped with the rolling stock to carry the crop of 1917 to the seaboard. The fact that the heads of the companies or the Board of Railway Commissioners give as a reason why that was not done that they had not rolling stock, will not excuse this Parliament for not seeing to it that they have the rolling stock—and differences can be settled afterwards. Then, when we get the food to the seaboard, we only have it partially to the Allies and to our boys at the front. To-day the British Government, through the Imperial Munitions Board, is manufacturing ships all over Canada. This is proper and right; but I opine that, even if all the shipyards of Canada are busy, we in Parliament ought to sit down and devise a scheme whereby ships for the carrying of Canadian produce for our own boys will be built, and built without delay. That should have been done months or even years ago. It is useless for the farmer in the West or in the East to raise immense crops; it is useless to cry "production," unless we devise a scheme by which the products of Canada can be taken to the point of consumption across the sea. The discussions that have taken place in the press during the last few days of certain reports indicate to us that we have a work to perform along other lines in the matter of food production at home. I submit—and I want to give the Government full credit—that during the past few weeks they have started out along a line that the people of Canada have been discussing for a year or more. A food controller has been appointed; a fuel controller has been appointed. I am not going to criticise because this was not done before, but we seem to be working without concentration of effort, every man for himself. Some scheme should be devised by which all this would be co-ordinated and all would work, one with another, to attain the best

4 p.m.

possible results, with the minimum of expenditure.

I could discuss natural resources as I did the other evening, but I do not want to detain the House. But I do want to impress on the House that the winning of the war being the chief object, the great thing in view of all Canadians, of all lovers of the liberty which we enjoy, is that we should devote our energies to first things first; and I submit that the question which I have outlined in a very few words comes before the discussion of the extension of Parliament. If the winning of the war is the great object which we have in view, I ask the Government to accept this motion: to defer further discussion of the resolution for the extension of the parliamentary term and to bring in legislation along the lines which I have suggested. Let us get it on the statute books of Canada and proceed to operate under it. I may say, in all friendliness, that I believe there is nothing that could be done by this Parliament which would bring as great satisfaction to the people of Canada as would be given us if, after passing the other measure to which many objections have been raised, we were to proceed to show that we were in earnest in this matter and pass a measure providing for the mobilization of all our forces in order that no effort may be lacking to carry on this war to a successful issue. Believing this, I have the honour to move this amendment, seconded by Mr. Pardee:

That all the words after the word "that" in the said resolution be struck out and the following be substituted therefor.

'.In the opinion of this House the consideration of the terms of said resolution should be deferred until the Government brings before Parliament measures providing that those best able to pay will be asked to contribute their full share to the cost of the war and by which all agricultural, industrial, transportation and natural resources of Canada will be organized so as to insure the greatest possible assistance to the Empire in the war, and to reduce the cost of living to the Canadian people.

Mr. SPEAKER: I shall put the amendment, which is entirely new to me, reserving the right to rule later as to its relevancy.

Right Hon. Sir GEORGE FOSTER (Minister of Trade and Commerce): Mr. Speaker, I have listened attentively to my hon. friend (Mr. Graham), and I must express my feeling of great disappointment at the small amount of really definite suggestion that has resulted from his fifteen or twenty minutes' talk. From beginning to end it has been generality, generality, generality. I ask any member on either side of this House to take his pen or pencil and Hansard to-morrow morning, and go over the address of my hon. friend, and try to find in it one single lineament of a definite proposal to be carried out by definite methods and in a definite manner, and if he succeeds then he will find what I have been unable to find whilst I have been attentively listening to it. As to the relativity of this motion and its pertinence, I have been cudgelling my brains to ascertain where they came in. As to its consistency with the stand the hon. gentleman has already taken, I am equally puzzled.

This Government to-day, and this Parliament, as a working body behind the Government, has a lease of a little less than three months of life. Perhaps one might easily answer the question in any line of business as to how much vigour, how much strength, how much optimism, and how much real action he could put into a new proposition, faced by the fact that within three months his vital cords will have been severed, and he himself will have ceased to exist. He would be trying to make peace with his Creator; his remaining time would be spent in endeavouring to forget, if possible, his sins, and in coming to a recognition of better ways of living, so as to better the prospects of his future. My hon. friend has very well stated that there are three things that are necessary for the carrying on of the war. The first is men, the second is food, and the third is munitions and equipment. The Bill upon which we have been most earnestly engaged for the last two months in this House has been framed to provide the first great essential, men. We took that up first. We pursued it definitely and uniformly, because in our heart's heart, whatever may have been upon our lips, we felt that the one thing needed at the present time at the front, as far as Canada is concerned, is men. There are our four divisions; they have no recess and no holiday. Day after day, night after night, they take their places in that grim struggle, and not an hour passes by day or by night that death does not visit their ranks, and men fall, never to rise again. They are in the trench, in the dug-out, going over the top, passing No Man's Land, bombing the trench where the enemy, when the barrage of fire is lifted, is to be found. Death faces them at every step, and casualty sows every path they tread. How long—and every man's heart responds to the question—will those four divisions of ours at the front,

under that constant pressure day and night, week in and week out, month in and month out, with no surcease, be able to sustain their own courage, to maintain their faith in the country that sent them there and pledged to them its support? As man after man goes down by death or casualty, and none come to take his place, hope and courage are apt to sink. My hon. friend says that Canada has risen to the occasion. God grant that we may stay risen to the occasion.

Some hon. MEMBERS: Hear, hear.

Sir GEORGE FOSTER: Of all the pities and of all the deep disgraces, no pity would be greater and no disgrace deeper, having once risen to the occasion, than that we should cease on the path of duty, of fervour, of courage, of sacrifice and of support. I agree with him when he says that Canada has risen to the occasion. My prayer now is that Canada may not decline from that lofty, proud, honourable and glorious position. But let there be no mistake at all. My hon. friend felt that we might have a disproportionate idea of these different factors in the contest. So we may. But to-day we will not have a disproportionate idea of the different factors in that contest if we stand by the conviction of these last three years, and the conviction of most men's hearts to-day, that what is needed on the other side at the present time is men prepared and skilled for the work of the trenches. Although it is a fact that no man can fight without arms and without food, yet neither arms nor food are of the slightest use, unless the men are there to use the equipment and the food which is produced for them.

Let Canada make no mistake about her position, and the supreme factor in the long line of factors which are fighting for liberty and civilization on this long battle front. Let Canada make no mistake that for her, and for the cause for which she is fighting, the important thing to-day is men, and every delay, dilatory or otherwise, which intervenes to prevent the calling of men, the drilling of men, the transport of men, the preparation of them for the final trench work, is just so much which impedes the path to victory, and delays the coming peace, which can only follow a victory on the front fields of battle. Just at this moment, when we have passed the Military Service Bill which my hon. friend (Mr. Graham) supports, and which he, as others, declares is necessary in order that there should be no gap, what is this that I see in the paper to-day, if it rightly states what the dissident Liberals have concluded as their pronouncement, to fill the gaps without delay? Will my hon. friend tell me how it is possible for this Government, with a bare three months of life left (unless this Parliament extends its term) to organize, to gather, to drill, and to send to the front men to fill these gaps, which are daily becoming wider, and which the men at the front are calling upon us to fill up instantly? How is it possible for the Government, which has but three months of life left to it, unless Parliament extends the term, to go forward and fill those gaps without delay? If there is one thing which is pressing, if there is one thing, above all others, in this Parliament that is now pressing, it is to know whether or not the term of this Parliament is to be extended, and the Government of the present day, or the organized Government which shall come afterwards—if a reorganization there be—should know at once what its term of life is to be. Without that knowledge it seems to be impossible for strong, vigorous and effective action to be taken, and yet when we come to decide that question, my hon. friend interposes with this motion of his. It seems to me that he might have put that motion into a chink where it would have greater relationship to some question in hand. He might also have placed it where it would not have stood in the way as a delay to this very necessary motion now before this House. I do not want to characterize my hon. friend's speech in strong terms.

Mr. GRAHAM: That is immaterial to me.

Sir GEORGE FOSTER: My hon. friend has been a politician so long that his hide is thick. I do not wish unnecessarily or strongly to criticise his speech, but it struck me as being but one of the very many generalities which are glittering in themselves, but which, not being brought down to definiteness, have no weight or meaning.

Broadly speaking, my hon. friend's speech is twofold. He wants accumulated wealth to give an immediate and effective contribution. The motion of which he previously gave notice was in those very words. The first part of that motion he has changed somewhat, but the meaning is probably just about the same. His first branch then is this, that accumulated wealth should give immediate and effective contribution to the cause of the war. That is based upon the assumption that accumulated wealth has, up to the present time done little or nothing in the way of contributing

to the war. The same assumption is made by others than my hon. friend. It is an assumption which is made too much in general and at large, probably mainly from a lack of thinking out what has been done in Canada during the last three years and the part that accumulated wealth has played in doing what has been done.

What has accumulated wealth contributed during the last three years of war? It seems to me to be a baseless assumption that it has done nothing, and almost equally baseless that it has done little. A fair statement to make would be that accumulated wealth in Canada is doing and has done wonderful things in the last three years of war. Has there been in Canada a period of greater activity than that which has intervened between the opening of the war and the present time? Has there been a time in which the manufacturing industries, the producing industries of nearly every kind in Canada have been busier at work, and have made greater outturns and output than during the last three years? And what, Sir, pray you, has been one great factor in that activity and outturn? It has been the factor of accumulated wealth. There was capital in this country, and when the war broke out that capital applied itself to the resources of the country and worked with enterprise and skill, and with the splendid co-operation of labour, in order to produce that astonishing wealth of production which it has turned out from the 1st of August, 1914, until the present date. I am not going to labour that question. Hon. members know that this has taken place, and that accumulated wealth, by virtue of its employment as capital in all these different lines of production, has contributed not a small, but, on the contrary, a very great share towards the general output and special war equipment of the country.

Accumulated wealth has done more than that. It has paid its share of a large and increasing general taxation. The war tax, the increased customs tax, the increased excise tax, have all been imposed on this country since the war commenced, and accumulated capital has paid its share of those taxes under the general law of consumption, and payment for that which is consumed, and accumulated wealth is notably a large consumer in this country. Outside of customs and inland revenue taxation, special financial taxes have been impased upon banks, upon corporations, upon different enterprises and industries, upon instruments of credit, upon the various things upon which they have been imposed, and from those taxes revenue has been taken in. That is therefore a contribution that has been made by accumulated wealth. I noticed in a speech made not long ago by the Minister of Finance the statement, that the added taxation imposed in those different ways on this country for the purposes of the war will this last year total some $200,000,000. That amount of taxation has fallen on accumulated wealth as well as upon other branches of industry, production, and earnings. Then there is the special profits tax, the business mens' profit tax which is heavier than any similar taxation imposed by any other country of which I know. Leaving out agriculture and insurance, it takes in every business which has a capital of not less than $50,000, and it takes in businesses which have a capital of less than $50,000 if over 20 per cent of the business of the corporation or person has to do with war equipment or war munitions. It allows 7 per cent of a profit to the business corporation. All the profits over 7 per cent in the years 1915 and 1916, it taxes 25 per cent. You may look through taxation schemes, high and low, and you will find no taxation scheme on business profits which takes in a larger percentage than is taken in by the Canadian legislation of 1915 and 1916 in that respect.

By the legislation of 1917, a profit up to 7 per cent is allowed to the business corporation or person. Of profits from 7 per cent and up to 15 per cent, 25 per cent is taken by the Government; of profits between 15 and 20 per cent, 50 per cent is taken, and profits over 20 per cent 75 per cent is taken. Therefore, there is no doubt or dispute that there is no business profits tax that I know of, or that I think is extant in the world to-day, which approaches in severity the business profits tax in this country. In 1915, that tax produced $15,000,000. In 1916-17, it will produce $20,000,000. In 1917-18, it will produce $20,000,000 or over. That is a direct tax upon accumulated wealth.

Taking all these things into consideration let us modify our views, at least to this extent, that we shall not run away with the idea in general that accumulated wealth has done nothing to aid the Empire or to carry on the war during these three years.

But accumulated wealth has done a very special work. To whom would we go for loans if not to accumulated wealth? Since the war began, the Dominion of Canada has issued, and the people of Canada have taken,

$350,000,000 in domestic loans. Before the war, how much of the money that Canada required for her great expenditures was raised by loan in this country? How many of our people thought, before the war, that Canadian accumulated wealth was able to bear the burden of loans to that extent? It is because there was accumulated wealth, and because appeal was made to it, that $350,000,000 of loans have been raised in Canada for the purpose of the war and the purpose of the nation. But that is not the end of it. Accumulated wealth well knows that there are more loans to be issued, and accumulated wealth in Canada is willing to take more loans, and still more loans, as necessity demands. That much must be allowed to he accumulated earnings which make the wealth of the country. I state these things simply for the purpose of correcting an impression which, perhaps, is too widespread in this country, that the accumulated earnings of the Dominion have contributed little or nothing to the general work of the war and to the general interests of the Empire.

Let me go a little further along that line. What is accumulated wealth? Can we separate it into divisions which will be fairly definite? I think we can. We can take the first division of accumulated wealth as consisting of cash, liquid money which a man owns and keeps in the bank, or invests in short loans. That is cash more or less completely liquid, which the individual owns and uses as he pleases. That division of the accumulated wealth of Canada is not touched by our present special taxation.

The next division of accumulated wealth may be taken to consist of that property which belongs to an individual or to companies, and which is in a fixed condition. Take as a simple illustration the home a man owns and lives in. His earnings have accumulated and have been invested in a home for himself and his family. To that extent those earnings have become wealth, but it is wealth that is not productive in the economic or business sense. That wealth is the home which shelters, nourishes, and feeds the man, and gives him strength and vitality for his daily work; but the investment itself is fixed and is not productive of yearly returns. You can apply that illustration to numerous other things which appertain to the individual and to the aggregation of individuals the whole country through, and which form a vast portion of the accumulated wealth of the country—wealth which is in a fixed condition, which produces nothing, and which cannot readily be turned into productivity.

The third division is that portion of the accumulated earnings and wealth of a country which invests itself in resources, and each year produces more or less of earnings, and consequently adds to the sum of the accumulated wealth of the country. These, I think, without being too nice about it, are the three great divisions of accumulated wealth.

Now what does my hon. friend propose to do? If he wants to make accumulated wealth in those three divisions contribute immediately and effectively to the work of the war and of the Empire, how does he propose to go about it? Will he conscript the fixed wealth of the individual?

Mr. GRAHAM: My hon. friend has been arguing for fifteen minutes about a term that appears nowhere within the four corners of my resolution. There is nothing about accumulated wealth, near or remote, in the whole resolution. It says, "those best able to pay shall contribute."

Sir GEORGE FOSTER: That is very good. My hon. friend gave notice of his resolution, and a copy of that resolution was put in my hands at 11 o'clock this morning. It dealt with accumulated wealth, and demanded that accumulated wealth should make an immediate and effective contribution to the cost of the war; that was his confirmed and reasoned meaning of his resolution. My hon. friend since then, perhaps feeling himself impelled to get his resolution a little more into relativity with the question in hand, has changed the first part of it. But between the first part as it now is, and the first part as it was, there is no generic difference, and the argument I am making is the argument used by my hon. friend himself and by many others all this country over who have argued in like manner. I prefer to keep the term "accumulated wealth," my hon. friend's own choice in his cool moments. I propose to stick to that in order that my argument may be even with the argument which has been made by members of this House and by people outside of this House.

It is a perfectly proper use of the term and quite germane. What were the actual words of my hon. friend's resolution as originally proposed? To-day is July 17. On July 16, a letter was addressed by Hon. George P. Graham to Sir Robert Borden, giving notice of the resolution which he proposed to move to-day. It is in these words:

That in the opinion of this House it is desirable that steps should be taken forthwith

by the Government to provide that accumulated wealth should contribute immediately and effectively to the cost of the war.

Mr. GRAHAM: That is not the resolution before the House.

Sir GEORGE FOSTER: The resolution which was fixed a month ago, which was unchanged and on July 16 has within a few hours been changed to read:

That in the opinion of this House the consideration of the terms of the said resolution should be deferred until the Government brings before Parliament measures providing that those best able to pay—

That is a euphemism for accumulated wealth.

—will be asked to contribute their full share to the cost of the war.

I do not think I need tarry any longer by the way with these two companions. A little ribbon or a bit of feather may have been taken out of the hat of one and put in the hat of the other, but essentially they are the same; the cap-piece is a little different, that is all.

Now my hon. friend proposes that accumulated wealth should contribute, or to use his euphemistic language, that those best able to pay shall contribute their full share. How does he propose to do that? Is there more than one way in which it can be done? My hon. friend may be perfectly clear in his mind that there is only one way, and I will do him the credit of thinking he believes there is but one way; but that is not the impression which is very general in the country. There is a general opinion—too general—in the country that in some way or other you ought to conscript wealth, and that it is possible to conscript it, and that it ought to be conscripted forthwith, and that unless it is conscripted justice will not be done by the Government and Parliament to the people. Then it is pertinent for us to ask the question: How are you going to do that? Will you take a man's fixed property, which is unproductive, and have a certain part of it appropriated by the state and made part of the property of the state, to be, if possible, immediately transmuted into money and used for the purposes of the state? To ask that question shows it is an impossible proceeding to adopt. Are you going to take a portion of that accumulated wealth which exists in timber lands, in agricultural lands, in mineral lands, in fishing rights, in any other form of natural resources—are you going to take a certain share of those lands, those privileges, those possessed rights and forfeit them to the Crown, and if possible transmute them into current coin to be used for the purposes of the war? To ask that question, is to answer it.

Now, do not the answers to those two questions drive us back irresistibly to this —that the only things you can properly lay your hand on in this country is the earnings of property and of wealth? If you conscript capital—if you take a portion of capital from the aggregate of that actively employed, what are you doing? You are by that much depleting and depressing the productive power of the country, you are taking away its working capital. Without labouring that for a single moment more, is it not indisputably true that the only way in which you can economically and wisely tap the national resources of property and capital is by ascertaining their earnings and taking the state's fair share of them, leaving the capital to go on and do its work of production? Otherwise you would be in the position of the farmer who instead of keeping his productive stock to produce more, and estimating his financial position by his production, should sell off or do away with one-half of his stock and yet expect to have his earnings just as high in the end. It is against the interests of the individual, and of the community and the nation to deplete the capital of the country even by one single dollar. It is to the public interest to keep capital active, that its earnings may be as great as possible. Then the nation may take its share of those earnings for the services and expenditures that are necessary.

That brings me down to this—and with it I conclude, that if you are going to get after that small number of persons who are not to-day taxed under any of the present forms of taxation, and who do not give their proper quantum to the State for its purposes, the only way you can reach them is by an income tax, and an income tax it is the intention of this Government to introduce in this Parliament at its present session and pass through this House.

That is all I have to say on that branch of the question. I come now to the second branch touched upon by my hon. friend, the organization of the resources of the country. In the remarks made by my hon. friend with reference to the crying, pressing necessity for the organization of the resources of this country, I leave it to the judgment of the House if he did not seek to create the impression — and otherwise his argument would have had no force at all —that nothing, or very little, had been done in that respect up to the pres-

ent time, and that by some method or other we should put on the shelf all the urgent legislation which presses upon us to-day, and takes up the elementary work of organizing the natural resources of this country. That is a large phrase to use. It is a splendid talking phrase. I have used it myself, and so have most of the hon. members of this House. There is a vast truth lying in it. Has nothing been done in the organization of the natural resources of the country up to this day when my hon. friend asks for this delay—while he keeps the gaps from being filled up in the trenches, in order that we might take some days or weeks to organize the natural resources of this country? Is there not the natural, the methodical, the sequential organization of the resources of the country which has been going on from primeval times, and which has grown up in a natural way? Take for instance agriculture. Agriculture cannot be learned by rote. It cannot be put on a full-fledged and economical basis just at an hour's notice. What are we to do to re-organize the agricultural industry of this country? All the farmers in Canada are at work, and have been most diligently at work. All the societies, agricultural and otherwise, for mutual improvement, help and co-operation, have been at work, and are to-day most diligently at work. All the local Governments I know anything about have their bureaus, their administrators, their experimental farms, their teachers, their experimenters; and in every province of the Dominion the farmers are to-day, and have been for years past, as busy as nailers on productive work along agricultural lines.

What has this Government been doing? My hon. friend never has given and never will give this Government the least credit for having done anything. But, suppose I take the agricultural interests, and ask my hon. friend to cast a glance over what has been done. Have we been entirely negligent? Have we delayed in doing anything? My hon. friend the Minister of Agriculture (Mr. Burrell) has been a wide-awake, and persistent, and tireless Minister of Agriculture. I know a good deal of what he has done, and I can give him that credit which is his due. The Minister of Agriculture has done many things, which I will not take time to detail to this House. I will, however, mention two or three. In 1914, after the war had commenced, we had the misfortune of having a bad harvest. In our Northwest we not only had a bad harvest but we had a harvest so ill-dispersed that large sections were absolutely without seed and food. The Minister of Agriculture, and the Minister of the Interior, backed by the Government, spent $12,000,000 in buying and distributing seed, in giving food where there was poverty, in giving feed where there was none for the animals that do the work of agriculture, with the result that in 1915 these wide waste districts were seeded, the farmers with their animals in good condition got upon the land and in these very districts the greatest harvest was gathered that Canada has ever known I think all this is greatly to the credit of the Minister of Agriculture and the Minister of the Interior That is only one of the many things in which they have co-operated. But does my hon. friend (Mr. Graham) wish this, or any Government, to go to the agriculturists of this country and say: You are not doing your business properly; we are going to organize the farming industry; throw down your tools and let your machinery stand idle; we will take this land, put it under cultivation and hire you to do the work if you will come in and take our wages? There is only one thing to do, and that is to retain the skill and the brains now devoted to agriculture, to retain the men whose interest it is to stay by the farms and make them productive and to co-operate with these men teaching them by experiment, by example, and by the help of other men, to enable them to do the best work possible. But, let the farmers do it. Do not let the Government take the agricultural land and put the organized farming industries, under the control of the Government. The best results will be gained under the natural method. What holds in reference to agriculture, holds in reference to industrial business as well. It is much better for those industries, aided as they have been in various ways, to work out their own salvation under as favourable conditions as may be given them, than that the Government should undertake to run these industries. I know there are people in this country—there may be some in this House—who, under the pressure of this war, are trying to realise a pet theory of their own, that the Government should own, manage and operate everything for the benefit of the State and that individual effort, and all individualism in industry should be blotted out. I am not one of these. I do not believe that that is the proper policy. I do not believe that it has been or ever will be successful. I think that all these industries are organized upon sound lines. One proof of this amongst others is that within the last thre years these different in-

dustries have had larger outputs than they ever had before. I have not time to go into that subject, but if any man will trace the history of the manufacture of military equipment, munitions and supplies of war during the three years that have passed, he will be astounded at the amount of the outturn, as well as at the organization and methods of co-operating one with another which have led to this great production.

My hon. friend mentioned two other things. First, he said that the railways should be co-ordinated. The railway question will be before this House within a very short time, and some of its phases are to be discussed and settled. But if my hon. friend means by the motion that the railways shall be taken by the Government, organized, furnished, controlled and run by the Government for the benefit of the state, he is face to face with some questions, financial and economic, which he had better carefully solve before he begins the work he proposes. He must know, if he has watched things, that there is a co-ordination of railway work and activity in this country under that admirable board the Board of Railway Commissioners, and that the benefits of that co-ordination have been manifest in the added effectiveness of the railways. But my hon. friend says that the Government should immediately equip these roads with locomotives, cars and everything that is necessary. Let my hon. friend be made "controller of railways" and given authority to go out into the wide world and give an order from any manufacturer who will undertake, under contract and bond, to supply him with the amount of rolling stock that is necessary to fully equip all our roads, and do it inside of two years—say nothing of the delay of this Bill meantime. My hon. friend, light and airy as usual, says that this Government ought to build ships enough to carry the products of Canada. Will he sit down and with pencil and paper and tote up the products of this country that go over the water, tote up the number of vessels that are ready to carry them, estimate the length of our season and find out just how many vessels of from 3,500 tons to 11,000 tons will be necessary to carry these products? Then let him search this wide world through, like Japhet in search of a father, to find out the manufactories and workers anywhere that could give him, not the ships, but the steel for the manufacture of those ships, in anywhere from 18 months to two years from the date he places the order. Though my hon. friend has been a member of a Government, he has at the best a very faint idea of the financial responsibilities which are facing this country. It is so easy for a man who has no financial responsibility to talk glibly of $100,000,000 or $200,000,000 being put into arrangements for the building of ships for Canada—when you cannot get the steel; when you cannot get the labour; and when, if you had the money, you could not get your ships inside of two years. Even if you could find the men and material for such a work, you might perhaps be surprised at what it would be necessary to pay for them. Before we talk so glibly about organizing the resources of this country, we must take into account the conditions as they are.

Now I have spoken altogether too long, and I am going to stop almost immediately. My hon. friend proposes all this for the sake of the war, for the sake of the Empire and for the sake of reducing the cost of living. I had intended dwelling a little upon that last item. I shall content myself with this simple remark: From what study and thought I have given to what is called the high cost of living, I really do not think that any prescience or organization or knowledge of human beings within the bounds of the Dominion of Canada could have had any very material and tangible effect in keeping the prices of staple foodstuffs and articles at lower figures than they have been in this country. No matter how diligently men put their minds to the task, no matter how wisely they organize, there are certain great world conditions that must govern. You cannot take forty millions of combatants out of the field of ordinary world's work and expect production to go on as before. You cannot subtract twenty or thirty or forty millions more as subsidiary helpers, doing nothing but aiding those who are combatants by furnishing equipment and expect beneficent production to go on as before. You cannot tread with hoofs of war some of the finest producing portions of the world into powder and mud and muck and expect that productive capabilities will be as great as before. You cannot abstract all those virile men and leave old men and women and children to do the work of agriculture and expect it to be as well done; you cannot kill off your stock; you cannot deny your fields the nourishment of fertilizers; you cannot militate, as you do in war, against everything that tends to successful agriculture and yet have as great productivity in the world as

in times of peace. Facts are indisputable There are more to be fed than there is food to give. The supply is less than
5 p.m. the demand. And in the wild waste of this war, added to everything else, there is the menace of the submarines, with all the attendant cost of transport, and loss of supplies. So it is impossible for us to go on normal lines through a period of three years of war and not expect food prices to be raised.

I have no sympathy whatsoever with the food hog or the food hoarder—either of these is a reprehensible being, who ought to be condemned and suppressed by the whole nation. But to my mind there has been remarkably little of that in this country. We have already appointed a food controller. My hon. friend gave us credit for that, but said it might have been done earlier, although he said he would not criticise that particularly. We must take into account the fact that food eaten by somebody is raised by somebody else. Somebody else will not raise it unless the inducement is sufficient to make it profitable for him to do the work. For 3,500 miles our country is bounded by the fields of a great agricultural people, with their prices, their profits, their modes of living and their methods of trade. It would have been well nigh impossible for us to have done much in the matter of controlling the price of staple foods raised by farmers unless there could be co-ordinate action between ourselves and the people to the south. That co-ordinate action is now within sight. As soon as Congress shall have given the powers that are under way, I believe that the conditions will be such that, by agreement and co-operation between these two countries, the prices of staple foods can be regulated and controlled in some fairly effective way. But do not let us come to the conclusion that we could go through a world-wide devastating war and not pay in food and in every other means of the sustenance of life.

Hon. WILLIAM PUGSLEY (St. John): Mr. Speaker, it certainly is very depressing to hear the Minister of Trade and Commerce (Sir George Foster) express the view that, after all, it is doubtful if anything effectual can be done, or rather if anything can be done without the co-operation of the United States, to reduce the cost of living in this country. I intend to make some reference to this phase of the question as discussed by the minister. I desire first, however, to deal with the resolution which my right hon. friend the Prime Minister has presented, and to endeavour to express the reasons which I think ought to influence the House in refusing its consent to its adoption. My right hon. friend has, it is true, said, and I have no doubt said with great propriety, that he would await the declaration of the opinion of my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier) as to the desirability or otherwise of passing this resolution, before he would take action upon it, either by putting it to the decision of the House or withdrawing it. The Prime Minister, as I have said, very properly stated that. Therefore in the expression of my views, I shall have no expectation that my opinions will have any very great influence, either upon that side of the House or upon this, in arriving at the decision to which my right hon. friend refers. Nevertheless, I have very strong views upon the question, and I think it desirable that I should state them to the House. My right hon. friend refers to the speeches which were made last session by himself and by the right hon. leader of the Opposition (Sir Wilfrid Laurier). He said at that time, and very truly, that there was an unanimity on the part of members on both sides of the House. He referred to the fact that during the progress of the war there had been great unanimity among the members of the House and among the people of this country. The reason for that was that there had been some respect paid to and some appreciation shown for the views of a large number of members of this House and a large section of the people of this country. The reason for that condition of affairs was that there was a manifest desire to avoid great controversial questions; questions which would divide province from province, and one section from another section, upon racial lines.

There was evidently, up to that time at all events, a desire to avoid any such action as this, and that was wise, Sir. My right hon. friend proposed that Parliament should grant to the Government an extension, because that is what it amounts to. It was not granting to this Parliament a further term of life, but it was granting to the Government, which had the confidence of the majority of this Parliament, an extension of its term. My right hon. friend asked this House to grant the Government a renewal of their confidence. There did not seem to be any important questions which would divide the people. Parliament and the people of this country had a right to expect that the same policy which had been pursued previously in this war should

be continued, but the position to-day is entirely different. My right hon. friend, without any notice, without any consultation with the people of this country, and I believe without any reason to justify such a course, has thrown upon this House a measure more controversial, more calculated to array one section of the country against another, more calculated to array one class of the people of this country against other classes, and more calculated to raise racial cries in this country than any other question which could possibly have been precipitated. Yet the right hon. gentleman asks this House to give this measure its unanimous support. Notwithstanding the fact that the Government has acted contrary to the solemn pledges which the Prime Minister made to this House, and has more than once made to the people of this country, the right hon. gentleman comes forward with a coolness which, in any one else but my hon. friend, would excite surprise, and asks this House to pass a resolution renewing the confidence of this Parliament in his Government. It is astonishing that the right hon. gentleman should do that, when he knew perfectly well, before he presented the resolution, that it could not, by any possibility, be accepted by the unanimous judgment of this House. I say to my right hon. friend that, no matter what might be his views, with all his power and all the influence which he is entitled to command among the people of this country on account of the long and valued service he has given to the State, no matter how much he might endeavour to influence public opinion with his great persuasive power, I doubt if he could convince any large number of the members sitting on this side of the House —and I am sure, Sir, that he would not be able to convince a majority, even of the people of this country—that it would be desirable to renew the confidence of this Parliament in the gentlemen who sit upon the treasury benches.

My right hon. friend says that he has been urged by many influential people to press through this resolution as a partisan measure, and send it to the Imperial Government, and ask the Imperial Parliament to pass it. No one knows better than my right hon. friend that if he were to have this resolution adopted against the views of any large section of this country, the Imperial Government and the Imperial Parliament would refuse to carry it into effect. That is why the right hon. gentleman will not risk the passing of this resolution by a majority vote of this Parliament. They could ask a majority of the members of this House, which they command, to pass it, if they dared to do so, but they know it would be waste paper when it was passed. It might cross the ocean, but it would never find a place upon the statute books of the Imperial Parliament. My right hon. friend, in view of the pressure which has been behind him in certain quarters, makes the announcement that he will withdraw the resolution, unless it meets with the unanimous approval of this House, because he knows that it would not be carried into effect. And why? The reason was well stated by my right hon. friend, the leader of the Opposition (Sir Wilfrid Laurier), and his words were quoted by the Prime Minister, that the Imperial Parliament would not think, for a single moment, of altering the constitution, unless they had evidence that it was with the unanimous, or practically unanimous, consent of this Parliament, which would mean the consent of both sides of the House. My hon. friend says we ought to bring our minds to a conclusion to adopt this resolution, because in times of war people ought not to pay special attention to the provisions of the constitution, and that these constitutional rights should not be regarded too solemnly. Well, Sir, that is exactly what the Kaiser said after the war broke out. The Kaiser made up his mind that it would be of enormous advantage to get through Belgium on the triumphant march of his army to Paris. Belgium refused to let the German army pass through, and the German Government said: "Oh, in times of war, treaties are but scraps of paper, we will have no regard to the treaty under which we are bound to protect Belgium, because these are war times, and in war times one is justified in resorting to any measure in order to accomplish one's end." And so my right hon. friend says these are war times, and no regard should be had to the constitution. I regard the British North America Act as a compact between the different provinces of Canada, which cannot be broken, except by the consent of every province which became a party to that compact. That is the view which has been taken by great public men who have addressed themselves to the question since Confederation. That is the view which has been held by the Judicial Committee of the Privy Council, the highest appeal court in the Empire, and that is the view which generally prevails among constitutional lawyers. It is a pact, and cannot be broken by the voice

of three or four or five or six of the provinces of Canada, but it can only be broken by the unanimous vote of all the provinces which entered into the pact under which Confederation was formed. As I am taking a different position to-day from that which I took when I agreed to an extension of the life of Parliament at the last session, I desire to say that one of the grounds upon which I take my stand to-day is that this Government, in utter breach of the pledge which was made to this Parliament, at a time when the Prime Minister of Canada knew what was the view of one province of this country as to the necessity of standing by the constitution, that there would be no compulsory service in Canada, is attempting to force upon the country a measure of compulsory service, without the people of Canada being allowed to have any voice in it.

Some hon. MEMBERS: Hear, hear.

Mr. PUGSLEY: Under these circumstances, as I indicated when speaking on the motion for second reading of the conscription Bill, I will vote against the resolution for the extension of the life of Parliament. At last session, we took an extraordinary course; but as I have said, up to that time, all was harmony; there had been no discord; there had not been thrust into the political arena any questions calculated to arouse our people either upon national or upon racial issues. But it was a step which, even for the other considerations I have mentioned, one ought to hesitate long before taking. The fact that we took that step once ought to be no precedent for our taking it again.

Why was the term of five years fixed in the constitution under which the provinces of Canada were united? Why was it not left to this Parliament to determine what should be its life? The Imperial Parliament can determine its period of life; the New Zealand Parliament and the Parliament of Australia can do the same thing; but for good and substantial reasons, for reasons which at the time seemed to be sound, the Fathers of Confederation placed in the constitution the provision that it should be beyond the power of this Parliament to extend its life. The circumstances in this country are peculiar. We have two races of equal prominence and with equal rights, two races which stand equal before the law. It could not be foreseen what might be the action of Parliament in reference to questions in which either race might be particularly concerned, and the Fathers of Confederaion therefore determined that there should be a limit to the life of Parliament, and that from time to time at periods not longer than five years apart, Parliament should be dissolved and Government and Opposition should be obliged again to appeal to the people That safeguard was put into the constitution, and it should not lightly be interfered with. My right hon. friend said that it would be objectionable to have an election because it might be impossible to take the votes of the soldiers at the front. Not many sessions ago a Bill for taking the soldiers' votes was under consideration day after day, and when hon. members on this side doubted the possibility of taking their votes, hon. gentlemen on the Treasury benches replied that it would be the easiest thing in the world to do, and one prominent member of the Government declared publicly at that time that the whole country was crying in thunderous tones for an election and that the soldiers' votes must be taken. The Soldiers Voting Act was therefore passed to make ample provision to that end. Yet when hon. gentlemen opposite do not want an election; when they are afraid to submit their record to the people; when there is this issue, unclouded by any other issue, when they think they can raise questions which will enable them to speak eloquently of the sacrifices of our brave boys at the front; when they think they will be able to sway the multitude by waving the Old Flag and thus making the people forget their wrong-doings during the past six years during which they have held the reins of office in this country—they introduced this compulsory measure, and at the same time they ask us to extend their parliamentary lives. They are doing this as a means of escape from the wrath of the people in case the extension should be refused, as they knew when they introduced this resolution that it was not unlikely to be refused. We were elected for five years. It is now pretty nearly six years since the people sent us here as their representatives. Many seats are unfilled; thousands of people in this country have never had an opportunity of voting for members of this Parliament, and they are entitled to representation. My right hon. friend, in connection with the taking of the soldiers' votes said: Many of our brave boys at the front will not have an opportunity of voting if a general election is brought on. Of the 300,000 men who have been sent across the seas, how many have ever had had an opportunity of voting for the present members of this Parliament? The last census was taken in

1911, six years ago. Of the boys who are now from 20 to 25 years of age and who are at the front not one has had an opportunity of voting for members of this Parliament. They were boys of from 14 to 19 when the census was taken and when the lists of 1911 were prepared. They are like thousands of other young men in this country of similar age who have never been permitted to exercise the franchise. They are entitled to exercise it. This Parliament does not represent them.

Let me present the matter in another way. What right have we, of our own motion and by our own votes, to extend our term of office? Hon. gentlemen on the other side who think they are little political gods, who think that they and they alone are capable of managing the affairs of the country, who think that they and they alone have a proper conception of the duty of a government in these war times, say it is for the best interest of the country that they should continue in office. That is exactly what the late ruler of Russia thought. He thought he could rule Russia much better than the people could rule. He thought he knew much better than the people of Russia what was in their best interest. But Romanoff is now doing garden work inside the walls of a prison in southern Russia, endeavouring to increase the production of that country. His fate, however, does not dampen the ardour of hon. gentlemen opposite, nor does the fate of other autocrats who have endeavoured, without a constitution, to rule the people. I can imagine no greater evidence of a desire to continue a state of autocracy in this country than that this Government and this Parliament should refuse to consult the people. Hon. gentlemen opposite say: Oh, the people do not know nearly so well as we what is in their best interest; it is in their best interest that we should manage the war for them without consulting them; we set ourselves up above the people, and, therefore, because we think we can manage far better than they, it is desirable that the life of a Parliament should be extended for another year. If it is extended for another year, why not extend it still for another year? Does this Government give us any assurance that the war will end in one year from now? When the war broke out they thought and by their do-nothing policy they acted as though they thought, the war would be over in a few months. But they can give us no assurance now that the war will be over in a year. We all pray that it may be, but if it continues for still another year, will they again ask for an extension? And if the war continues for two years, will they come again and ask for a still further extension? If they are the only people capable of governing this country, why not? If they are the only people who know how the war should be carried on, why should not they come again, and again, and again, although ten years may have passed away since the people have had an opportunity of casting their ballots?

For these reasons, I do not hesitate to say that I, for one, shall find it impossible to vote for this resolution, if I am to do justice to my conscience and perform what I believe to be my duty to the people. While I have not been over many parts of Canada, I have had an opportunity of meeting quite a large number of people of my own province, and I have not met one single man who thinks it desirable or proper that the life of this Parliament should be further extended. That remark applies to Liberals and Conservatives alike. They say: "Let us have an election; the people ought to rule in this country; you gentlemen at Ottawa are only the servants of the people, who have chosen you for five years, and no longer, to do our work. This is our country, not yours; the interests at stake in this great war are ours, and not yours alone, except as you are part of the people. We have given you a mandate for five years, at the end of which time you are to come back to us and render an account of your stewardship, allowing us to decide who shall represent us in Parliament for another term of five years." Does not that strike you, Sir, as a reasonable proposition in this democratic country? I think it should appeal to you and to every man in this country who has the faintest idea that it is the right of the people to rule.

I should like to address a few remarks to the amendment moved by my hon. friend from South Renfrew (Mr. Graham). If this amendment should be accepted by the Government and effect be given to it, I think it would be very much in the interests of Canada, and would do a great deal towards winning the war. I therefore hope the amendment will be carried. My hon. friend the Minister of Trade and Commerce (Sir George Foster), in view of the magnificent things which he says and of the few things which he does, is entitled to be regarded as the most eloquent dreamer that we have in this whole Dominion. He says that this resolution is general in its character.

Sir GEORGE FOSTER: It was the remarks of my hon. friend, and not the resolution, that I characterized as general.

Mr. PUGSLEY: I am glad that my hon. friend, when he came to consider the amendment, saw that it was in concrete form and not so general in its character.

Sir GEORGE FOSTER: I have not passed any opinion on that.

Mr. PUGSLEY: My hon. friend was to keep clear of that. Let me read the amendment, which strikes me as being a mighty good one to propose at this time, and one which will commend itself to the people of this country:

> That all the words after the word "that" in the said resolution be struck out and the following substituted therefor:
>
> In the opinion of this House the consideration of the terms of the said resolution should be deferred until the Government brings before Parliament measures providing that those best able to pay will be asked to contribute their full share to the cost of the war and by which all agricultural, industrial, transportation and natural resources of Canada will be organized so as to ensure the greatest possible assistance to the Empire in the war and to reduce the cost of living to the Canadian people.

I am particularly glad to be able to support this amendment. It seems to me to be particularly in the interests of the Canadian people. I am glad to support it because it breathes the spirit which ran throughout all the speeches which were delivered by hon. gentlemen on this side of the House in favour of compulsory military service. They, with hardly an exception, while supporting the Bill for conscripting the man-power of this country, took the ground that there were other things beside the man-power of Canada to be sacrificed; that there should be a mobilization of the resources of Canada as well; that the man-power of this country should be diverted into the best channels for the production of food, for increasing transportation facilities, for the putting of fuel on the market at lower prices, and for reducing the cost of living, which has risen at an appalling rate in this country. The first part of this resolution urges that consideration of the Government's resolution be deferred. Surely no harm could come from that. As has been pointed out, it will be some three months, or even more, before the term of Parliament will expire, and Parliament can be kept together very easily without any one suffering greater inconvenience than any man should be willing to put up with in the interests of the country. The amendment urges that consideration of the resolution be deferred until the Government brings before Parliament measures providing:

> "That those best able to pay will be asked to contribute their full share to the cost of the war and by which all agricultural, industrial, transportation and natural resources of Canada will be organized so as to ensure the greatest possible assistance to the Empire in the war and to reduce the cost of living to the Canadian people."

My hon. friend the Minister of Trade and Commerce says: Oh, Mr. Speaker, is it not a horrible thing to ask us to do this, when we have only three months of life before us? —when we can actually see our graves yawning before us, waiting for us to fall into them, is it not horrible to ask us to undertake this great work? Why did not the Government undertake it long ago? This war has been on since the 4th of August, 1914, but these gentlemen thought it was going to be over in a very few weeks or a few months at most. They have told this House on more than one occasion that there was danger of the Empire being at war with Germany. They told us so when they wanted us to engage in that chimerical scheme, the building of dreadnoughts by Canada. They told us in the August session of 1914 that Germany had been preparing for this war for forty years. Well, if they had kept in touch with the British military authorities, as was their duty, they would have known that such was the case. Do they pretend that they did not know? Did they think the war would be a triumphal march to Berlin within two or three months' time? Sir, as reasonable men they ought to have known that this war was likely to last a number of years; but whether certain that it would last a number of years or not, it was their duty to prepare for whatever eventualities might occur. Ought they not to have known that as millions of people were diverted from productive life into the ranks of the consumers, food products would become scarcer and the cost of the necessities of life would be likely to rise?

And if there is any advantage in appointing a Food Controller and a Fuel Controller to-day, was there not the same need of appointing such guardians of the people's welfare shortly after the war broke out, and was that not the time to appoint them—long before prices had soared to the enormous figures they have reached, figures which have become so alarming and which are so out of all proportion to what they

should be that people in ordinary circumstances find it difficult to keep body and soul together because they are unable to meet the cost of the necessities of life.

My right hon. friend says: What could we have done in the way of transportation? Should they not have thought for a moment that Canada is capable of becoming the granary of the world, and that with proper production and proper transportation Canada could supply the allied armies with all the flour they might require? As prudent men should they not have thought of the future, and should they not have taken steps to endeavour to increase production, provide more transportation, and decrease its cost as far as possible? But, they have done nothing.

During last season the farmers in the West had the greatest difficulty in getting the cars necessary to transport their products to the markets of the world. My right hon. friend says: "Are we to take charge of the railways and operate them?" Not at all. Hon. gentlemen on the other side of the House are now fond of referring to what has been done in the United States —although it was not always so with them. What was done in the United States immediately after the war broke out? Within a few days the Government wired to the ninety-one presidents of the railway companies in that great country, asking them to meet at Washington in order to confer upon the steps that should be taken to make the railways of the country as efficient as possible. On the day appointed 86 out of the 91 presidents attended. The representative of the United States Government said: "Now, gentlemen, we want you to put all the railways in this country under one control. We want to operate all the railways of the United States just as if it were one great system, and if cars of one road are not particularly needed, but are required on another, these cars may be transferred at a moment's notice, irrespective of the wishes of the particular railroad. The 86 railroad presidents said: "We will gladly meet your views." By six o'clock that evening an agreement had been drawn up and signed, embodying the wishes of the Government, and since that time the railroad systems of the United States have been operated as if they were controlled by one company. An executive board was chosen consisting of five of the ablest railway men in the United States. They have their offices in Washington, and everything is directed by them. In this country there has been a shortage of cars or a shortage of locomotives on one railroad, and a surplus on another, but there is jealousy between the companies here, and there is no disposition amongst them to assist one another. The Government has no control over them, and no agreement with them. I think the example of the United States in this particular instance might very well be followed. Perhaps I should not say followed, although it may not be too late to follow it. In any event, that is the course which ought to have been adopted by this Government at the beginning. If this had been done the Government would know what rolling stock was available, and the railways should have been induced by persuasion or by assistance to procure all the equipment necessary to meet the transportation demands of the country. It would not have been costly to the Government, because this rolling stock could have been placed with the companies under the trust system, by which the Government would have been properly secured.

My right hon. friend says, "Think of the great number of ships which would be required to transport food to the Allies." Is not that the very reason why we should have done our part? Surely the more ships required, more obligatory would it be upon the Government of Canada to do their share of the work necessary to facilitate and cheapen transportation across the ocean. However, the Government has not done anything. Hon. members on this side of the House have pleaded in our humble way. We have pleaded especially with the Minister of Trade and Commerce to engage in building ships in Canada, as a government undertaking. Unfortunately our appeals fell upon absolutely deaf ears. One would not have known that the Minister of Trade and Commerce was born in a maritime section of the country. One would not have known from his inaction—I will not say his action—that he was familiar with shipbuilding. One would not have supposed for a moment that he came from a country where twenty-five, or thirty, or forty years ago there were not only hundreds, but thousands, of wooden ships constructed, which were the pride of that portion of Canada, and which sailed upon every sea, carrying commerce between Canada and all the countries of the world. Yet in the city of St. John, even since he and I were boys together at college, I have seen 1,200 able-bodied men working in one shipyard. There are scores, hundreds—nay, I am almost safe in saying, thousands—of places in the Maritime Provinces which could easily be turned

into yards for the building of wooden vessels. The hon. minister says: We could not do anything, so many were required. Is that an answer to make at this late date? Consider the way in which our people are suffering from the high cost of fuel. Take the cities in the Maritime Provinces facing upon the ocean, in open water communication with the great anthracite mines of Pennsylvania. It costs far more to bring the coal by water from the mines to those cities than it costs to buy coal at the point of production. This is simply because vessels are so scarce.

We have pleaded with my right hon. friend to engage in the building of ships even for the coastal trade of Canada, even to save our people from being frozen to death in the winter, or from being reduced to a state of poverty by the high price of fuel. Coal can be bought at the mines for $6 a ton, yet it has cost our people between $15 and $16 a ton. Notwithstanding this, the Government feels that no duty rests upon it to engage in the building of ships, either for the coastal service of Canada or for service across the Atlantic.

Take the cost of the other necessities of life. I will not refer to the cost of goods kept in cold stores, because quite recently we have had a very strong report upon that subject. Take the cost of flour, for instance. My right hon. friend says, in effect: We could not control the cost of flour because some people must produce what other people eat; therefore, as somebody must produce the wheat, somebody must grind it into flour and take $15 a barrel for it, because it must be raised and milled. He promises what he is going to do when the war is over; he is going to build ships. After the war is over, he is going to have a great programme for shipbuilding, but during the war the task is too mighty for him or his Government to undertake.

Take the case of flour. It is beyond all reason, it is a disgrace to this Government that it has been allowed to jump from dollar to dollar, to jump by leaps and bounds, until it has reached a cost beyond the means of the people to pay. There was no need of it if this Government at the start had taken the proper steps—I do not mean by compulsion—but had taken steps to supervise production. If the farmers and those great associations of grain growers had been seen, a harmonious arrangement, to which they would have been glad to agree, could have been made by which the price of wheat would have been fixed at a reasonable sum. Then the Government should have seen the millowners, and they should have arranged that the cost of milling would have been so much. The millers are patriotic if you approach them in the right way. They would have made a proper arrangement. If they had known that you were to approach them altogether, they would have agreed to such an arrangement—so much for the wholesale dealer in flour, so much for the retailer, so much for the baker, and all along the line from the point of production upon the farm until the flour reached the house of the consumer. In this way you could have made an arrangement which could have materially reduced the cost of living. That is the process that is being undertaken by the very eminent controller of food in the United States, Mr. Hoover. He feels that by that system he can enlist the sympathy and support of the whole people, and that the cost of production can be kept down.

The amendment speaks of organizing the industrial resources of this country. Why should that not be done? It should have been done long, long ago. Why, Sir, we have in this country great Government workshops, situated at Transcona, near Winnipeg, at a point near Quebec, and at Moncton. These could have been enlarged to such proportions as might be necessary; they have the most improved machinery, and in these shops the manufacture of munitions for the Empire could have been undertaken and carried on as a national work, paying the men a reasonable wage for their work, and allowing no profits such as have been allowed to the manufacturers of munitions under the arrangement which has been made.

Mr. LALOR: Is any country in the world doing that to-day?

Mr. PUGSLEY: I do not care whether there is any country in the world doing it or not. In other countries the influence of the profiteers may be as great as it is in Canada but there is no reason why it should not be done. I will tell you why it is not done in Canada. The Minister of Finance (Sir Thomas White) says: Let us make this war pay for itself. He does not do it, of course, because he is putting the burden upon posterity, but he says: Let us make the war pay for itself. He says to the manufacturers of flour: "If you can get $15 a barrel for your flour, take it. Then you have to render to me an account of your profits. I will let you have twenty, forty-five or fifty per cent and I will take the

balance and put it into the treasury? Then, I will boast to the people the enormous revenues that we are getting from the business interests of this country." What does it mean to the Minister of Finance if the Lake of the Woods Milling Company makes $1,200,000 or $2,500,000 excess profits? The larger the excess profits, the greater the revenue to the country, the more satisfactory is the Budget that he brings down and the louder will be the cheers from hon. gentlemen opposite. If there were no excessive profits, there would not be this large business tax, and there would not be this vainglory on the part of the Minister of Finance who is making this increase in his revenue out of the misery and the want of the common people of this country.

Mr. LALOR: Where does that want or misery exist?

Mr. PUGSLEY: That want and misery is all over this country—not with the canners —no—but with the common people. That is where it exists. My hon. friend has to do nothing more than go into the homes of the people of Canada, to go to the mothers, the wives and sisters often of the soldiers who have gone to the front, to visit families who are receiving an allowance, to find want and complaints as to the high cost of living which exists among the ordinary, common people.

With regard to the industrial resources, why should not the Government in a reasonable manner have taken control of the industries which are more especially engaged in making goods for the nation? Why should they not do it now? It was not the policy of this Government that they should do it. You will remember that only a year ago, on information which I had received, I made the statement in this House that under the contracts which had been given by the old Shell Committee, the baby of the then Minister of Militia, upwards of $80,000,000 of the money of the people of the Empire and of Canada had been uselessly spent and that that large amount might have been saved if economical, prudent and businesslike methods had been pursued. I made that charge standing in my place in this House and I risked my seat in Parliament upon my ability to prove what I had stated. Hon. gentlemen on the other side, led by hon. gentlemen sitting on the treasury benches, laughed me down or tried to do it. They said: We will have none of that, why, that is not a crime; that is only want of judgment; that is only waste of public money; you fellows upon the other side are charging us with extravagance and waste; why should we bother about that; $80,000,000; what is that; unless you charge that somebody stole it, we will not investigate the matter because we do not think it worthy of being investigated. I referred to a gentleman in Hamilton who had received such enormous profits that he actually became surfeited with them and became ashamed to continue making them. He offered his munition plant to the Government when Mr. Thomas was here from England. The Government did not accept his offer and they ridiculed the idea of his making these enormous profits. But later on when the same gentleman sent to the Government his cheque for upwards of $700,000, representing the enormous profits that his conscience would not permit him to keep, they took off their hats to Mr. Bailey and said: This is a great patriot and his conduct is deserving to be followed by a great many of the other munition manufacturers in this country.

So far as I have seen in the public press, that example has not been followed by others. I have just a few words to say after recess, and perhaps we had better call it six o'clock.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILL.

SECOND READING.

Bill No. 111, to incorporate the North American Accident Insurance Company.—Mr. Pardee.

EXTENSION OF THE TERM OF PARLIAMENT.

The order for Private Bills having been exhausted, the House resumed consideration of the proposed resolution of Sir Robert Borden (Prime Minister) for the extension of the paliamentary term, and the amendment thereto proposed by Mr. Graham.

Hon. WILLIAM PUGSLEY (resuming): Before recess, I was endeavouring to reply to a statement by my right hon. friend, the Minister of Trade and Commerce (Sir George Foster) that this Government could not do anything more than it had done. It seems to me that, so far as shipping is concerned, the Government has utterly failed to discharge its duty to the people of Canada and to the Allies. It has been stated on several occa-

sions by members of the Government that, because the Imperial Munitions Board are building some ships in Canada, the Government is relieved of any obligation in that direction. I take a view entirely contrary to that. A great many people think that this Government is building ships, and are disposed to give it some credit for this action; but the Government are doing nothing of the kind. They absolutely declined to do anything, though they were urged over and over again by members on this side of the House to engage in this most important work. The work has been, to a limited extent, taken up by the Imperial Munitions Board, who have laid down the standard, and are having some vessels, mostly wooden vessels, built in Canada. But they are by no means exhausting the facilities which exist in Canada, or the men who are available. I have the knowledge, Sir, that quite recently different people have communicated with a shipbuilding director of the Munitions Board offering to build ships, asking for contracts, and they have been told that the board are not in a position to give any more contracts at the present time, and that they have no authority to give contracts, and only to-day I met some gentlemen from the Pacific coast, who informed me that the same statement was made to them by the Imperial Munitions Board. That corroborates the statement which was made to gentlemen in the Maritime Provincese who are very desirous of engaging in the work. If this Government, even at this late day, were to offer contracts for the building of wooden vessels, to be owned by the Government—so that the freight rates could be kept down within reasonable limits, which would perform enormous service to the country—I have no doubt they could find plenty of people, both on the Atlantic and the Pacific coasts, on the St. Lawrence river and on the Great Lakes, who would be willing to engage in the work, and who would gladly accept contracts from the Government. Therefore, when the Government, through its Minister of Trade and Commerce, says that it can do nothing in the way of shipbuilding, it is confessing its own inability to carry on in an ordinary businesslike way the affairs of this country.

With regard to the farming interests, the minister says: Oh, see what we have done for the farmers. They have done only what they were doing in peace times; they have not changed in any way from what they were doing before the war broke out. They have been following largely along the line laid down by their predecessors. It is true they have been giving encouragement to agriculture, but that is all. There has been no organization of labour, no special encouragement given to the farmer, nothing more done for the encouragement of agriculture than has been done in peace times, when there was not the same demand for food.

The minister asks: What can be done? The question is, what has this Government not done for the farmer? What they have not done would fill volumes, and what they have done would fill only a page or two. In the matter of fertilizers, other countries are giving great encouragement. We know what Germany and Australia have done. So far from doing anything to encourage farmers to get cheap fertilizers and abundance of them, this Government has actually imposed a tax upon fertilizer, taxing the most essential raw material of the farmer. Is that giving proper encouragement? Is that stimulating food production? Then any one who has given any attention to agriculture to-day knows there is nothing of greater importance, as far as food production is concerned, than the extensive use of tractors. I do not mean the large tractors used by wealthy people, but the smaller tractors which can be bought at a reasonable price, a price which the ordinary farmer will be able to pay. But when a farmer attempts to obtain one of these tractors, he finds he is met with a duty of from 25 to 30 per cent. I am within the knowledge—and I am sure within the judgment—of my hon. friends who come from the West when I say that a reasonable encouragement by taking the duty off these tractors would enormously stimulate the production of grain in our western country. The Government have not responded to the demand made by the farmers. Not long ago the hon. member from Edmonton (Mr. Oliver) introduced a resolution in the House urging that the duty upon farm implements, including tractors, should be removed. That resolution met with a determined opposition from the Government and its followers, and it was voted down by the Government majority in this House. Is that the way to encourage the farmer? Yet that is what this Government has done. They have imposed this heavy burden for the protection of one or two large manufacturers who are making these large tractors in Canada, preventing the farmer from getting them in from the United States on the easiest terms possible. To-day we have in every

province in Canada hundreds and thousands of men who are not familiar with horses, men living in the cities, towns and villages, who would be glad to get on the farms and be glad to operate these tractors, in order to do this essential work of farm production. Yet the Government give no encouragement whatever in this direction.

Then, with regard to the development of the West, if the Government, early in this war, had placed wheat and wheat products, and oats and cattle upon the free list—particularly wheat and wheat products, which would have ensured a free entry for those products into the markets of the United States—it would have had the effect of encouraging the farmers to engage more vigorously and enthusiastically in farming upon a larger scale, because they would have had assurance that, even if the English and Canadian markets were to fall off, there would still be a market in the United States, and when prices went down there would be a demand which would always ensure a fair return for their products. It would have had an enormous effect, and yet because these gentlemen are tied to the principle of a high protective tariff they refused, and have refused over and over again, the offers which have been made on behalf of the people of the West by members upon this side of the House, and they have voted down resolutions urging that encouragement in this direction should be given to agriculture.

With regard to men, what have they done? Have they endeavoured in any way to organize the man power of this country for the purpose of assisting in agriculture? Not at all. They make admirable speeches upon the subject; they make appeals to the farmers to produce all they can; but, so far as organization is concerned, they have utterly failed to do anything. How easy it would be to look over this country and find out where farm labour could be secured, and have that farm labour distributed where it is most needed. That is a way in which something might be done to organize the agricultural forces of the country. Only to-day I saw in the newspapers that the Prime Minister, having been waited upon by farmers from Ontario, made an appeal to the young men of the cities to go on to the farms and assist the farmers. But, so far as organization or effective work is concerned, the Government have failed to do anything.

Having made these remarks with regard to the amendment, which, as I have said, commends itself to me as one member of this House, and which I shall be glad to support, I should like to revert to the resolution itself. My right hon. friend has put forward, as a reason why we should extend the political lives of the members of this Parliament and the life of the Government, that an election at the present time would be very objectionable because it would distract the people's attention from work in connection with the war. If this Military Service Bill goes into effect, there will be no need of any voluntary effort on the part of the people. The mandate of the Government has gone forth virtually stopping voluntary enlistment in this country. Unfortunately they will not want the people at large to pay any special attention to voluntary enlistment, because the young men of the country, if this measure goes into effect, are to be compelled by force of law to enlist in the army. The services of the Government will not be required very much in connection with the working out of the Military Service Bill, because there are provided throughout the country tribunals which will determine questions of exemption. The Government have created a Hospitals Commission; they have created a Returned Soldiers' Commission; they have Sir George Perley as overseas Minister of Militia; they have commissions for everything which can be conceived of under the sun to attend to all matters to which a Government would ordinarily be supposed to attend. Therefore, I do not see any great reason why the services of some of the ministers at all events might not be given for the purpose of enlightening the people of the country in case a general election should come on.

A suggestion has been made that a general election will divide the people. Can the people be more divided than they have been by the compulsory measure which has been brought down in this Parliament by the Prime Minister? A general election, as compared with the enforcement of the Military Service Bill by a moribund Parliament with no mandate of the people—legislation which a large section of the population of this country believe this Parliament has no right to enact—would be, in comparison with the present condition, like a Sunday school picnic as compared with a circus. I do not fear any disastrous results from a general election. Why should there be? The people of this country know their rights; they know it is their right to go to the polls and deposit their ballots silently for the candidates of their choice.

They will, under ordinary circumstances, do that quietly as good citizens, and therefore I see no reason in the world to fear any great disturbance amongst the people in case of an appeal being made to them. A general election is the only safe course to pursue. A majority in this House, in the exercise of its judgment, has determined that the question of compulsory service shall not be left to the people to decide by means of a referendum. Some of us think a referendum would have been the better course to pursue, because, after all, if you want to have a peaceful, well-satisfied and contented people, you must let them realize that they are the rulers of the country, and that their voice is to prevail, Had this question been left to the people by means of a referendum, the most beneficial results would have been brought about; but as a large majority of this House has thought otherwise, the only solution of the important questions which have arisen is to submit those questions to the people at a general election.

The view that I am compelled to take is that this Government must in the national interest dissolve Parliament and go to the country. To take any other course would be disastrous to the future of Canada. I do not see why, when an election comes on, it should be necessary to incite the people to any action which might be regretted. I do not see why all the people should not go to the polls quietly and prayerfully, in view of the great crisis which confronts this country as a part of the Empire, and exercise their right with a just regard for the welfare of Canada. They have a great and solemn duty to perform, and I believe they will perform it prayerfully and in the best interest of Canada and of the Empire. I feel most sincerely and deeply that if this Government attempts to bring into force this compulsory measure, to which a vast section of our people is bitterly opposed, it will lead not merely to national trouble, but to national disaster. It is unfortunate that that should be the case; but it is the case; and are we, as members of this Parliament, who, although we are living beyond our term perhaps have the right to speak for the people, to leave it in the power of these gentlemen to plunge this country into that dreadful condition which for generations would be deplored? The only hope of the country is that these gentlemen shall face their master and ours; that they shall go before the people in order that the people may have an opportunity of saying who shall govern this country in the future. These gentlemen know that while they are temporarily in command of the ship of State, they are driving towards the breakers. They are like drunken sailors in charge of a ship who are wilfully running their ship on the wrong course and directing it towards the breakers. It is the right of the people—and I as one member of this House, purpose doing my part towards allowing the people to exercise their right—to remove these gentlemen from the ship and place in charge of it men in whom the people will have confidence.

[Mr. Pugsley.]

Mr. BURRELL: Might I be permitted to make a small correction of a remark made by the Minister of Trade and Commerce (Sir George Foster)?

Mr. GRAHAM: You are not going to try and correct all his mistakes, are you?

Mr. BURRELL: The Minister of Trade and Commerce was good enough to refer to my department in his remarks this afternoon, but unfortunately he gave me credit in regard to a certain feature where credit was not really due. It is true I was in the West at the time of the drought in 1914, and at the Prime Minister's request investigated conditions and discussed the situation with the provincial governments. I recommended a vigorous system of relief, and our officers ably assisted in the seed inspection, but it is to my hon. friend and colleague, the Minister of the Interior (Mr. Roche) and his department, that the credit for administering this relief work was due, which practically resulted in the economic salvation of the southwestern portion of the western provinces.

Mr. MURPHY: It was within the family anyway.

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, there has been standing on the Order Paper since the 23rd of May the resolution which the right hon. leader of the Government moved this afternoon, after this long delay. For three years this country has been engaged in a great war and has called upon her citizens to contribute an enormous number of men to assist in the cause of the Allies. My hon. friend from South Renfrew (Mr. Graham) presents a resolution this afternoon urging that before the House proceeds to consider the terms of the resolution introduced by the Prime Minister, the interests of the country and our position with regard to the war demand that certain steps should be taken. To that the Minister of Trade and Commerce makes an answer in which he eulogizes the services that have been ren

dered by our men at the front, and declares in the apt and eloquent language of which he is a master, that the necessity for putting into force the Military Service Act is very great indeed which was no answer at all to the argument made by my hon. friend from South Renfrew; in fact, it was entirely irrelevant, and particularly inapropos in view of the reasons advanced by the Premier as to the imperative necessity of passing the Military Service Bill. If that Bill is of such an imperative character why has it been laid aside since last Friday? Its third reading has been absolutely postponed and its passage through this House and Parliament delayed in order that my right hon. friend might move his resolution for the extension of the parliamentary term.

Sir ROBERT BORDEN: It was postponed at the request of the hon. member for Edmonton (Mr. Oliver), who said that he spoke on behalf of the right hon. leader of the Opposition (Sir Wilfrid Laurier).

Mr. OLIVER: May I mention for the information of the House that my request on behalf of the leader of the Opposition was that the Bill be left in committee until hon. members had a reprinted copy.

Sir ROBERT BORDEN: That is what I mean.

Mr. OLIVER: So there was no need for the Bill to stand beyond Friday.

Mr. E. M. MACDONALD: It was well understood that the only reason for asking that the Bill remain in committee was that hon. members might have a reprinted copy showing what changes had been made. The Bill was printed and circulated among hon. members on Saturday, and my right hon. friend could have gone on with the Bill on that day, and it could have received its third reading; but he delayed the consideration of this imperative measure to submit this resolution which has been standing on the Order Paper since the 23rd of May. I am sure hon. gentlemen must be struck by the peculiar circumstances surrounding my right hon. friend's action. His suggestion that the delay is due to my hon. friend from Edmonton is one which will hardly be taken seriously by hon. gentlemen behind him. The House well knows that that was not the true reason why the third reading of the Military Service Bill was not proceeded with. I repeat, the Bill should have been disposed of before this resolution was introduced, and my right hon. friend should have stated to the House what legislation he proposes to introduce before prorogation. Surely this Parliament has a right to know what action is contemplated by the Government in regard to such important legislation as the railway situation—a situation which the Minister of Trade and Commerce had already told the House would be dealt with by a measure to be submitted to Parliament. The introduction of this particular resolution at this particular juncture, having regard to the Military Service Act, does not indicate that my right hon. friend has altogether forgotten the art of playing politics.

What have we done in the last three years? We have given liberally of our men. The call to service made throughout this land has been responded to in a magnificent manner, and when at the end of three years of war my hon. friend from South Renfrew asks Parliament to declare that certain things are essential and must be done, can any hon. gentleman complain that his resolution is unreasonable? In his resolution he asks that those best able to pay shall contribute their full share to the cost of the war. The Minister of Trade and Commerce argued eloquently that there should be no contribution from these gentlemen, and then wound up by anncuncing that the Government proposed to bring down an income tax. Now, if an income tax is a good thing today, if it is right that the wealth of the country should contribute towards the carrying on of the war, why is it that the Government have postponed dealing with this problem until they were compelled at the point of the pistol presented by the hon. member from South Renfrew? Three months ago hon. gentlemen on this side of the House urged the Minister of Finance to deal with this question of accumulated wealth. We urged that the men of wealth who had not contributed in man-power should be made to contribute of their wealth; in other words, as my hon. friend from South Renfrew proposes in his resolution, we urged that those best able to pay be made to contribute their full share to the cost of the war. And what did the Minister of Finance say? He said that some time, perhaps, in the future they might take up this question, but he was opposed to an income tax; it would cost too much to collect. Do you want me to tax a few wealthy men in this country, he asked, and he argued that the municipalities were already taxing the people, and this Government, therefore, should not tax them. We have been told frequently since the war began

that everybody should carry on business as usual. We have heard hon. gentlemen opposite speaking in laudatory terms of the Minister of Finance, telling us that he had done wonderful things in connection with financing the war and that he was in fact a paragon of financial wisdom. In the face of such a record as that, in the face of his declaration repeated over and over again in this House that he was opposed to making those best able to pay contribute more than they were then doing, the statement of the Minister of Trade and Commerce to-night that it was the Government's intention to introduce an income tax requires a little more explanation before hon. gentlemen in this House can accept it with any degree of certainty. If it is the Government's intention to introduce a measure of this kind, why does not my hon. friend tell us just what they propose to do?

If you follow what the Minister of Finance indicated he would do, you would have a measure so absolutely parsimonious and so absolutely incomplete that it would be a taxation measure in name only, because I assume the Minister of Finance talked by the book and laid down what he deemed to be his policy when he spoke here in May, and that we are not going to have another complete somersault upon this question and another taxation measure put in force entirely different from the one the Minister of Finance asserted never could be put on the statute. It seems to me that this proposition is one of such a serious character that before this House passes upon the matter as to whether extension should be given to this Government we should know whether or not that class of people are going to be compelled to do their share in the war, either under the Military Service Act or by the conscription of wealth. As to what will be done we have nothing to go upon but the record of the Government during the last three years, and the House and the people will not have to be told what that record means.

In regard to the question of organization referred to in the amendment, what has been the situation for three years? Absolute and complete disorganization in every matter that relates to national welfare and national interest. When the United States entered the war, there came across the ocean experts from each of the Allied countries, who consulted with the United States experts representing the Government. They laid down a programme in regard to agriculture, industry, transportation, and natural resources, which includes minerals. The United States, in conference with all these gentlemen representing the Allied countries, proceeded to organize the country to render the fullest service in every one of these matters. Up to date that has not been done in Canada. My hon. friend the Minister of Trade and Commerce told us what the Government had done in regard to the farms. Does any one seriously suggest there has been any organization, either in regard to agriculture or in regard to anything else, whereby we should render the best possible aid to the Allies? My hon. friend cannot be serious in that suggestion. Why have we not done in Canada what was done in the United States? Why did not those delegations which came across from the Allied nations visit Canada? Why was not a conference held, not merely with one gentleman down in Washington, but with all the representatives of the varied interests in Canada, so that we might be able to organize to send food and minerals to Great Britain and the Allies? But the Government stands before the country with reference to every one of those propositions absolutely without any organization, absolutely without any combination by which the full services of Canada might be rendered to the Allies.

So in regard to the question of the cost of living. The Minister of Trade and Commerce argued that you could not deal with the problem of the cost of living during the war, and with that amplitude of language which is at his command at all times, proceeded to declare the task was an impossible one. Yet there has been laid upon the table of this House and placed in the hands of the hon. members a document prepared by this Government's own officials declaring that in regard to the production of bacon and ham one concern alone has been permitted to make over three million dollars of profits which they should not have been permitted to make. Still this Government sits supinely, and has sat since that report was brought down.

Sir GEORGE FOSTER: Does my hon. friend hold by that word "profit" or does he wish to revise it?

Mr. MACDONALD: I hold by the word; as far as I can gather from the documents I perused, and from other information I have obtained, which indicates to my mind that there was a profit of two and a half cents per pound over and above the cost of production, cost of storage, and cost of handling, upon 95,000,000 pounds of bacon

sold by that concern. That is the meaning of this report, if it means anything.

Mr. GLASS: I noticed in the paper a statement from this concern, saying their profits were less than one cent—.95 of a cent.

Mr. MACDONALD: My hon. friend has only made a suggestion which indicates the necessity of having this matter cleared up. The statement I speak of was not made by an opponent of this Government, but by an official of the Department of Labour who was appointed for the specific purpose of making an investigation into the whole problem of the cost of living. If there are any errors in the statement, why did the Government give this document to the House and to the country and stand behind it? After finding the conditions as disclosed in this report the Government did nothing for a week—did not even verify the facts. They should have acted upon the report of their official at once, if they had confidence in him, and should have dealt with this subject in such a way that the poor man would know that profiteering was not to be mixed with patriotism in war time. Go to the figures given by the Department of Labour, go into the homes of the people, and you will find second only to the question of the war as a problem of pressing practical importance is the problem of the cost of living. Yet this Government says through the Minister of Trade and Commerce: We passed an Order in Council some time ago. He said nothing whatever about Mr. O'Connor's report, but practically concluded by saying: We can do nothing. My hon. friend from South Renfrew (Mr. Graham) in the light of these facts, asks this House to declare that legislation for the purpose of providing against these conditions and for remedying these abuses should be placed upon the statute-books of this country before this Government asks for an extension of term. I say the proposition is one which is so reasonable that this House should be bound to agree with it, and if the House does not agree with it, I think the country will.

Mr. F. F. PARDEE (West Lambton): I wish to occupy the attention of the House for a very few minutes only. In the first place, to my mind the resolution which was introduced by the Prime Minister to-day should not have been introduced. These are times when, as we all know, there is much unrest politically, socially and otherwise, and it does appear to me that in view of the grave question which has been before the House for some considerable time, and upon which the minds of all have been focussed, it would have been only right and proper and in the national interest that a motion for the extension of the life of this Parliament should have been postponed until the Bill had passed its third reading and become law of the land.

Had the motion of my hon. friend from South Renfrew (Mr. Graham) declaring that the consideration of the extension of the term of Parliament is inopportune at this time, been brought in on the third reading of this Bill, it would have been considered by the Government, and rightly so, a want of confidence motion, and it would therefore have been voted down. But let me read this amendment as it stands:

> That in the opinion of this House the consideration of the terms of said resolution should be deferred.

That is all the motion asks and that is all my hon. friend asks—that it should be deferred. I claim the right to say what I propose saying in the light of my remarks upon the second reading of this Bill. May I as one who voted for conscription, for which I make no apology, say that this House and this Government should not, when declaring that they should spill the blood of men, be afraid to spill the rich man's money. That position I take to-night just as absolutely, as consistently, and as sincerely as I did on the occasion to which I have referred.

I listened to the Minister of Trade and Commerce (Sir George Foster) this afternoon. I always listen to him with interest. But, during his speech to-day, it did appear to me that he put up straw men simply to knock them down. He accused my hon. friend from South Renfrew of saying that there should be taxation of accumulated wealth and then he asked: "Would you take the mines, the minerals, the timber, the capital and all those various other things, how could you tax accumulated wealth as far as they are concerned?" In that I wholly agree with him but within the four corners of this amendment there is not one word or sentence about the taxation of accumulated wealth. The only thing that the resolution does say, and properly say, is that those who can pay shall pay. The Minister of Trade and Commerce says: "I admit the sentiments are good but they are entirely irrelevant to this motion; in my humble opinion what we need is men and more men and the men must go." Now, I absolutely and entirely agree with him but I want to ask him in

all seriousness if men and more men are to go, if men are to be drilled, equipped and sent overseas for the defence of this Empire, as they ought to be, where is the money coming from to do these necessary things? The minister says: "You will see that we have in reality conscripted wealth; look what we have done by our business tax—in 1915-16, $20,000,000 and in 1916-17 another $20,000,000!" I want to ask any hon. member within sound of my voice if he thinks that throughout the great and broad Dominion of Canada $20,000,000 a year is the sum and substance of what the rich men ought to give by way of a tax for the purpose of carrying on this war. Where is Canada and where is her wealth?

In so far as the Minister of Trade and Commerce has to-day declared on behalf of the Government that an income tax will be instituted in this country and will be brought before this House, and in view of the further fact that a food controller has been appointed by this Government, a man of ability who ought to do well, I am quite free to admit that the Government have gone some considerable way down the road towards the amelioration of conditions and the shaping of affairs as they ought to be. Provided that income tax is fair and equitable, I shall have no hesitation in supporting that particular measure.

Speaking for myself personally, as the only one for whom I can speak, I have been for a long time, and am to-day, in accord with the idea that union, or national government should have been instituted in this country. I do not believe that with the great problems that have confronted us since the war broke out, and that are facing us to-day, Canada has any right to be governed by a partisan, or party, government. The issues are large, the issues will be larger, and had it been possible, I believe we should have had, call it a union, national, or other kind, of a government, in which the very best brains of the Dominion should be united for the purpose of taking care of the affairs of this country, neither for one part nor the other, but purely in the interest of Canada and the Empire. Although I have been strongly in favour, and perhaps an advocate, of that system of government, I believe honestly and sincerely that with the different elements on both sides of the House of Commons to-day, a national, or union government is not possible.

One reason, and not the only reason, why it is not possible is that this Parliament has now continued for six years; it has outlasted its time longer than any other Parliament in the history of Canada. Many great questions have come up for consideration, and the mandate with which we were sent here in 1911 has expired. The Government have been in power for the same length of time, and their actions have not been submitted to the people for approval nor has their mandate been renewed. This Government has been in power for that length of time and has endured such a stress and strain as no other Government has endured. It has had to deal with new questions, great questions, greater than have come before any other Government in Canada. I say that the people of this country are of the opinion, whether rightly or wrongly, that there are many questions upon which they desire to pronounce. They say that, in so far as this House is concerned, in view of the recent redistribution of seats, there are forty-three seats vacant in this House to-day; in other words one-fifth of the great Dominion of Canada is unrepresented. Taking all those things into consideration, the firm and well considered judgment of the people of Canada is, that, whether we have national or party Government, the will of the people should be asked and the will of the people should be obeyed, whatever it may be. I utter those sentiments and those opinions in absolutely no party spirit whatever.

Some hon. MEMBERS: Oh, oh.

Mr. PARDEE: My hon. friend from Simcoe (Mr. W. H. Bennett) could not understand that line of talk; his mind is too narrow.

Mr. W. H. BENNETT: Mr. Speaker, just by way of personal explanation, I did not laugh at the hon. gentleman, although I will confess that it is the first time I have not laughed at him whenever he has addressed the House.

9 p.m.

Mr. PARDEE: I would expect absolutely nothing better from the hon. member from Simcoe. His thoughts and his ideas are so built that he cannot change them. Let me say that I offer those observations in absolutely no party spirit. I have endeavoured, as a member of this House, upon whom some responsibility rests, to feel the opinion of this country as well as I might, and more especially to feel the opinion of the province of Ontario, a portion of which I represent. and I may say to you that I am firmly convinced that the great heart and will of the people of the province of Ontario is for the war and in favour of doing whatever may be

done, in men or money, to win the war. I believe that they desire to give their verdict at the polls and to say—

Some hon. MEMBERS: Hear, hear.

Mr. PARDEE: The hon. Minister of Trade and Commerce (Sir George Foster) this afternoon referred to the declaration of some Liberals, who had met. He said that we had said to fill the gaps. Let me say to him now, Sir, that no man stands more ready, irrespective of political life, to fill the gaps than I do, but that I do believe sincerely that to put upon one portion of our people the sacrifice of life and blood and to leave to the rich man who is enjoying his riches by reason of the fact that those men are bleeding to death to protect those riches, is not what a House of Commons, or a Government should do.

For those reasons, Sir, I believe that the amendment moved by the hon. member for South Renfrew (Mr. Graham) is in the right interest, that it is in an interest that helps the boys at the front and their mothers and daughters and wives. We and they should at least know that, if the sacrifice of life is asked of them, we in this House of Commons are men enough to ask, to demand, and to insist upon the sacrifice of the rich men's money.

Mr. RICHARD BLAIN (Peel): Mr. Speaker, I do not rise for the purpose of making a speech, but simply to make a statement in respect to the issue now before the House. I listened to the remarks of the right hon. the Prime Minister (Sir Robert Borden) this afternoon as he presented a request to the Parliament of Canada that the term of this Parliament should be extended for twelve months. I shall read the main part of the resolution:—

1.Notwithstanding anything in the British North America Act, 1867, or in any Act amending the same, or in any Order in Council, or terms or conditions of Union, made or approved under the said Act, or under any Act of the Canadian Parliament, the term of the Twelfth Parliament of Canada is hereby extended until the seventh day of October, 1918.

I regard that as the only question before the House this evening, and no matter what hon. gentlemen opposite may say, no matter what efforts are made to becloud the issue, this House and the people of Canada understand that this is the issue before them now for consideration and settlement. I differ with my hon. friend, and I say that the hon. member for West Lambton (Mr. Pardee) does not speak for the people of the province of Ontario when he says that the people of Ontario are in favour of a general election in war time.

Mr. PARDEE: I did not say that.

Mr. BLAIN: I say that, in so far as I can gather the expression of opinion from the people of Ontario on both sides of politics, and I have given it consideration for some months, there is an overwhelming opinion in Ontario that no election should be held while the war is on.

I say also that the people of Ontario, on both sides of politics are in favour of the motion before the House moved by the Prime Minister of this country. Speaking for the county of Peel—and I know I speak for those who differ from me politically—I say the people are in favour of a resolution such as the Prime Minister has submitted that the life of Parliament shall be extended for twelve months, and it is their desire that we shall make every possible effort, both in and out of Parliament to win the war, and that the election shall be postponed until after the close of the war.

The House divided on the amendment.

The amendment moved by Mr. Graham was declared lost on the following division:

YEAS.

Messieurs:

Achim,	Lemieux,
Barrette,	MacNutt,
Bellemare,	McCoig,
Bickerdike,	McCrea,
Boivin,	McKenzie,
Bourassa,	McMillan,
Boyer,	Marcil (Bonaventure),
Brouillard,	Marcile (Bagot),
Buchanan,	Martin,
Bureau,	Michaud,
Cardin,	Molloy,
Carvell,	Mondou,
Copp,	Murphy,
Cruise,	Nesbitt,
Delisle,	Oliver,
Demers,	Pacaud,
Devlin,	Papineau,
Ethier,	Paquet,
Fortier,	Pardee,
Gauthier (St. Hyacinthe),	Power,
German,	Proulx,
Graham,	Pugsley,
Guthrie,	Ross,
Kay,	Seguin,
Kyte,	Tobin,
Lachance,	Truax,
Lafortune,	Turgeon,
Lanctot,	Turriff,
Lapointe (Montreal, St. James),	Verville,
Laurier (Sir Wilfrid),	White (Victoria, Alta.),
	Wilson (Laval).—61.

NAYS.

Messieurs:

Ames (Sir Herbert),	Lewis,
Armstrong (Lambton),	Macdonell,
Armstrong (York, O.),	McLean (Queens, P.E.I.),
Arthurs,	

Ball,	McLeod,
Barnard,	Meighen,
Bennett (Simcoe),	Middlebro,
Best,	Morphy,
Blain,	Morris,
Borden (Sir Robert),	Morrison,
Boulay,	Munson,
Bowman,	Nicholson,
Boyce,	Nickle,
Brabazon,	Northrup,
Bradbury,	Patenaude,
Burnham,	Paul,
Burrell,	Rainville,
Carrick,	Reid,
Champagne,	Robidoux,
Clark (Bruce),	Roche,
Clark (Red Deer),	Rogers,
Clarke (Wellington),	Schaffner,
Cochrane,	Sevigny,
Cromwell,	Sexsmith,
Crothers,	Shepherd,
Currie,	Smith,
Descarries,	Steele,
Doherty,	Stewart (Hamilton),
Donaldson,	Stewart (Lunenburg),
Fisher,	Sutherland,
Foster (Sir George),	Taylor,
Girard,	Thoburn,
Glass,	Thompson (Yukon),
Green,	Thornton,
Hanna,	Wallace,
Hazen,	Webster,
Henderson,	Weichel,
Hughes (Sir Sam),	Wilson (Wentworth),
Jameson,	Wright.—78.
Lalor,	

PAIRS.

Ministerial.	Opposition.
Marshall,	Neely,
McCurdy,	Maclean, A. K.,
Hartt,	Thomson,
Davidson,	Chisholm,
Kemp,	Robb,
Cockshutt,	Charlton,
Clements,	Knowles,
Stanfield,	Macdonald,
Chabot,	Beland,
Elliot,	Hughes, J. J.

Mr. E. M. MACDONALD: I was paired with the hon. member for Colchester (Mr. Stanfield). Had I voted, I would have voted for the amendment.

Mr. SINCLAIR: I was paired with the hon. member for Vancouver (Mr. Stevens). Had I voted, I would have voted for the amendment.

Mr. E. LAPOINTE: I was paired with the Minister of Finance (Sir Thomas White). Had I voted, I would have voted for the amendment.

Mr. LEVI THOMSON: I was paired with the hon. member for Charlotte (Mr. Hartt). Had I voted, I would have voted for the amendment.

Mr. A. W. CHISHOLM: I was paired with the hon. member for Hants (Mr. Tremaine). Had I voted, I would have voted for the amendment.

[Mr. Blain.]

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

Right Hon. Sir WILFRID LAURIER: Mr. Speaker, the Prime Minister this afternoon, in introducing this resolution to extend the life of this Parliament for another year, made a strong appeal to me; in fact, he virtually laid upon my shoulders the responsibility for the resolution, as he hinted that if it were not to carry by a unanimous or practically unanimous vote, he would not feel warranted in giving it effect. My right hon. friend referred to the attitude which I took last year on a similar motion, and he recalled my words on that occasion when I stated—and in this he is quite agreed with me—that in the position which I occupy on the floor of this House, my responsibility before the people is almost equal, if not equal, to that of a Cabinet minister. I can say truly that upon this occasion I feel as strongly as I did then the responsibility that is upon me. I can assure my right hon. friend that I have no intention at all of shirking that responsibility; indeed, I am prepared to accept the responsibility to the full. I can say truly that since the war began, never did I rise with a firmer determination to be guided in the attitude which I am going to take by any other consideration than that of the welfare of the country and the supreme issue of doing our full share in this war.

The problem before us, which is involved in this resolution, is whether the call of the country will be better served and the cause of the war will be better promoted by agreeing to this resolution and extending the life of this Parliament for another year, or whether the call of the country will be better served and the cause of the war better promoted by forcing on an election which, by the letter of the constitution, must come off within a few months.

The situation to-day is not the same as it was last year. Since a similar motion was passed last year, many things have happened and many circumstances have arisen which had not arisen then, and those circumstances make it incumbent upon me to take a different attitude from the attitude I took then, having regard to the interest of the country and the prosecution of the war which we all have at heart. The question has long been debated in the press of the country—not of late, because the press has recently been devoting its attention to the question of conscription which is before the House—whether or not we should have an election during the war, and

the ministerial press has taken the ground that an election during war time would be practically, if not absolutely, a national crime. Such a proposition, of course, is altogether too strong; it cannot be justified because, if accepted, it would mean that if the war were to last two, three or five years, the people would be powerless to pass judgment upon their own affairs. On the other hand, in another school of thought, many have been of the opinion that not to have an election at the proper time appointed by the Constitution would also be a national crime. The test, and the only test, to apply to a question of this kind is the old Roman maxim, Salus populi suprema lex—the welfare of the people and the good of the country alone is the supreme law. The cause which we all have at heart should be the only thought inspiring us in approaching this question.

The problem before us is not confined to the Dominion of Canada. It has presented itself in nearly all the dominions of the British Empire. It has presented itself in Great Britain, in Canada, in Australia, and in New Zealand, and in no two countries has the solution been exactly alike. In Canada we have had one year of extension, but we have had no by-elections for two years except such as were made necessary by a member of this House accepting a position of emolument under the Crown. There are to-day more than twenty vacancies in this House. On the other hand, in England, the Prime Minister has observed that there have been three extensions, all, by the way, for short periods, and all granted by Parliament with more or less misgiving. But in England there have been by-elections whenever a vacancy occurred; no seat was allowed to stand vacant without an appeal to the people.

The last of these appeals was held under very peculiar circumstances. It was held in the county of Clare to fill the vacancy caused by the death of William Redmond, who fell gloriously on the field of battle. William Redmond had been for 20 years, if not more, a member of the British Parliament and a strong advocate of Home Rule. When the war broke out he gave up his parliamentary duties and donned the King's uniform, and no soldier rendered better service. He never appeared in Parliament since, so far as my knowledge goes, except on one occasion recently when the question of Home Rule was before the British Parliament. Then he came back from the front and took his seat in the House to urge with all his might the cause of unity in Ireland. Having discharged his duty he went back to the front, and only a few weeks afterwards was fatally wounded in battle. It so happened that he was found lying on the battlefield by men of the Ulster division, and he died in their arms as they carried him off the ground. Sir, if I recall this, may I be permitted to express my own wish that this incident between this ardent Home Ruler and the Unionist boys from Ulster may be an inspiration to that Convention which is to sit in a few days in Ireland. May it help to bring together Home Ruler and Unionist, Catholic and Protestant, for the good of England and the good of Ireland. May it serve as an example to all parts of the British Empire.

In New Zealand there was an election in the fall of 1914 in the first year of the war That election came naturally by the efflux of time, according to the letter of the constitution. It was fought upon party lines, but after the election was over a reconciliation took place between the two parties and a coalition Government was formed. In Australia, everybody remembers that an election took place only a few weeks ago, and that it took place in consequence of the Government's attempt to force conscription upon the people of that country. The conscription issue was defeated, but the country is going on with participation in the war.

What lessons are we to draw from these different examples? The lesson we are to draw is that in any country the question whether the term of Parliament should be extended or whether the constitution should be allowed to take its course should be decided by the circumstances of the day and the best interests of the country. At the same time I am free to admit—everybody knows it—that in all the belligerent countries, not only in the British Empire, but in Italy and the other countries of the Allies, there has been a strong conviction that no election should be held unless conditions were such as to make it absolutely imperative in the interests of the country. That has been the rule everywhere except in Canada, in the minds of the gentlemen who occupy the treasury benches. It is well known, it cannot be gainsaid, that on three different occasions—in the fall of 1914, in the spring of 1915, and in the fall of 1915— the Government did everything they could to bring on an election, and an election on party lines for party advantage. We have not definite proof of the Government's intentions with regard to an elec-

tion in the fall of 1914, but we have proof of their intentions in the spring of 1915.

In the spring of 1915 the Government brought in a Bill to give the soldiers the right to vote during the war. The title of the Bill was: "An Act to Enable Canadians on Active Military Service During the Present War to Exercise Their Electoral Franchise." Section 12 of this Bill says:

> This Act shall remain in force during the present war.

What did this mean, if it did not mean that the Government was at that time determined to have an election? And what was the purport and the object of this election? I assert now the design was to have an immediate election, and if I wanted any proof of that it would be sufficient for me to recall the famous words of the Minister of Public Works, when he stated on the floor of this House on the last day of the session of 1915 that the people of this country demanded an election in tones louder than thunder, in order to protect their liberties which were in danger. In danger of what? In danger because the other branch of the legislature had ventured to amend a Bill presented and passed by this House. That was the reason for which we were to have an election. As soon as Parliament had been prorogued they set to work to prepare for the election. The special ballots which had been authorized by the Bill were printed, and were sent with the boxes to England, and a gentleman appointed by the Government followed them. This gentleman was Mr. Daly, of Winnipeg, a disciple of the Minister of Public Works, and like the Minister of Public Works well versed in the art of winning elections.

Sir SAM HUGHES: I know my right hon. friend does not wish to do any injustice to the young gentleman. He came from Vancouver.

Sir WILFRID LAURIER: My hon. friend is wrong in his facts. The gentleman may have come from Vancouver at the time, but he had been brought up under the aegis of the Minister of Public Works, and from him he learned the lesson in the art of winning elections. There is an art of winning elections. We do not know what it is. Men of the age of my hon. friend and myself—if I may put him in the class in which I am—were taught in our day that elections meant simply the expression of the voice of the people, and nothing else. But the art of winning an election is to have not the voice of the people but the voice of the manipulator of the election.

Sir SAM HUGHES: If the leader of the Opposition will permit me, he is using language, quite unwittingly, which I am surprised to hear him use. I am very much surprised to hear him talk so of Major Daly, who is as straight and as honourable a young gentleman as is to be found in the Dominion of Canada.

Sir WILFRID LAURIER: If I have offended the feelings of my hon. friend, it was unintentional. I can assure him I would not offend him or any one else under any circumstances. However, that is neither here nor there. I was saying that in 1915 the Government intended having an election, but the voice of the people spoke, and spoke in another way, and the expression of their feeling was so loud and unmistakable that the elections had to be put off.

Then there was a complete somersault, and the gentlemen who had been asking for an election came back to this Parliament with a request for the extension of the life of Parliament. I had to pronounce upon it, and I pronounced myself in favour of the extension. The same request comes to us to-day, and again I have to pronounce myself upon it. I have already stated that the conditions are not such as they were last year. My right hon. friend to-day made a special appeal to me, and stated his ultimate object would have been to have, if possible, a coalition government and an extension of the term of Parliament. As far as a coalition government is concerned, if my right hon. friend wanted to have it, I can only repeat what I told him on a previous occasion, that I regretted he did not speak to me sooner than he did. My right hon. friend will permit me to tell him that the way he should have proceeded if he wanted to have a coalition government was not to frame a policy by a party government first and then present it to me to accept it. That was what was done. My right hon. friend announced on the floor of the House that it was his intention to introduce a measure of conscription, and when he had committed himself he called upon me to assist him in carrying it out. I do not want to take any party political advantage out of this, but I may say to my right hon. friend in all sincerity, if his intention had been to have a coalition government, and if he had asked me before he had committed himself to the policy of conscription, I would have told him with all

the energy I possessed to abstain from conscription and to try and find some other basis upon which a coalition could take place. I would have told him it was possible—and I still believe it would have been possible—to get by voluntary enlistment all the assistance we could have wanted in order to carry on our share of the war. I say to my right hon. friend that when he introduced the policy of conscription, in my humble judgment—and time will tell whether I am right or wrong—instead of helping the cause he did it the greatest possible injury he could. There is something more important even than the object which he has sought, that is to maintain the unity of the nation, and the unity of the nation is seriously compromised to-day. At this very moment my right hon. friend asks me to give my support to the resolution he introduced extending the life of the Government. My right hon. friend knows full well it is impossible for me to give my consent to such a proposal.

I told my right hon. friend, and I repeated it on the floor of this House, that it was an injury to the country to have this Conscription Bill passed by this moribund Parliament. I told him this moribund Parliament had the power to pass the Bill, but it had not the right. So long as a Parliament exists, so long as it is not exhausted either by efflux of time or the will of the Governor General, it has the right to pass all the measures it can pass for the compulsion of the country or for any other nefarious design, but it has not the authority. Having taken that position I would be recreant to my own convictions if I were to consent to the extension of the life of a Parliament which has so abused its authority and its power.

But, there is much more than this. The condition to-day is not the same as it was last year, because last year there were many things which were suspected, but of which we did not have the proof. To-day we have the proof in the dismissal of the ex-Minister of Militia. The correspondence between the ex-Minister of Militia and my right hon. friend the Prime Minister has opened the gates, and a flood of light has shown us that the administration of the Government is responsible for the enormous losses in blood and in treasure which would have been avoided by proper administration. Is the indictment too strong? Is it not justified by the language which was used by my hon. friend the ex-Minister of Militia on the floor of this House within the hearing of every one now listening to me, and by the letters he addressed to the Prime Minister? Did not the ex-Minister of Militia say, within the hearing of every member now within the sound of my voice, that from the time war was declared until the time he left office he had been interfered with by his colleagues; that his recommendation to Council as to contracts had been held up in Council in order to get increased prices? That all the purchases of equipment which he made, and all the equipment he sent over to England had been rejected and scrapped, although it was not only serviceable but better than the material by which it was replaced? Did he not state moreover that the financial loss caused to the country amounted to millions of dollars? Did not everybody hear this? Those things have been said. Some of them have not been denied, some have been denied mildly. They have not been probed, and I say until those matters are probed we should not grant the motion which is now before us for an extension of the life of this Parliament.

All these are things which we have to take into consideration when we are asked to vote upon the resolution now before us. But, there is still far worse than that. We would count our losses small if they were only losses in money, but there have been losses in blood for which this Government cannot escape responsibility—losses in blood which should not have taken place, and for which I charge the Government of the day, and I think I shall prove my statement by what has occurred, and what is on the table of the House already. When our troops crossed over they were equipped with the Ross rifle. Everybody knows that from the time the Ross rifle was first manufactured it was subject to very serious attacks. It was a matter for experts. Some experts condemned the rifle, others approved highly of it. Amongst those who approved of it highly was the hon. member for Victoria and Haliburton (Sir Sam Hughes) who was afterwards chosen to be Minister of Militia in the Government by my right hon. friend. To his credit it must be said he was always loyal, and spoke with a seriousness which characterized him. He defended his opinion, and stated over and over again that the rifle was serviceable, and one of the best weapons and perhaps the best weapon of the kind. He was a member of the Militia Council which helped it from Mark I to Mark II and from Mark II to Mark III. When war was declared, our soldiers went to the front equipped with the Ross rifle.

It must be said, and everybody knows it, unfortunately, that in most of the engagements in 1915 the Ross rifle did not give satisfaction, and that it jammed in the hands of those who held it. The truth was known to the Government; in fact, reports were made by experts and others, who said that, at the most critical time of the battle of St. Julien, when the Germans were coming and when they had to be repelled, the rifle jammed and our soldiers were unable to use it. They could not advance because their weapons were useless; they would not retire, but with tears of rage and grief in their eyes they threw down their rifles in the mud and took the Lee-Enfields that their comrades could dispose of.

Sir SAM HUGHES: Where did that occur?

Sir WILFRID LAURIER: I was told that it was at St. Julien.

Sir SAM HUGHES: Not a word of truth in it.

Sir WILFRID LAURIER: If it was not at St. Julien, then it was at some other battle.

Sir SAM HUGHES: Is the right hon. gentleman not aware that it is known beyond peradventure that the ammunition was at fault and that the English rifle jammed worse than the Ross rifle?

Sir WILFRID LAURIER: I will come to that. Of course, my information is not official; it is such information as I can collect and such as comes to me through correspondence and otherwise. If I am wrong as to the battle, if it was not St. Julien, it was some other battle in which the soldiers in tears and rage threw down the Ross rifle and took up the Lee-Enfield. To quote from the poet, Walter Scott:—

> But woe awaits a country, when
> She sees the tears of bearded men.

The Government saw the tears of these bearded men, but they did nothing to correct the condition of things that existed. The commander in chief, Sir John French, had to take notice of the situation. He did not wait to report to the War Office, but he instituted an inquiry, and on the 19th June, 1915, he made his report. After having stated that rumours with regard to the Ross rifle had come to him, and that he had appointed a committee to investigate, he proceeded:—

(1) To the unanimous opinion of my committee that the Ross rifle could not be relied upon to work smoothly and efficiently in rapid fire with any ammunition other than that of Canadian manufacture;

(2) to the fact that no ammunition of this nature was available in this country, and that sufficient supplies could not be obtained from England, and,

(3) to the want of confidence in the rifle which a large number of the infantry evidently felt, as evidenced by the fact that over 3,000 had, without authority, exchanged their rifles for those used by their British comrades, and taken from casualties on the battlefield.

I did not feel justified in sending this Division into battle with the Ross rifle, and ordered the re-arming of the infantry of the Division with the Lee-Enfield rifle, which was carried out before they went into action on the 15th instant.

Sir John French said that he armed one division with the Lee-Enfield rifle. Now, I come to the interruption made by my hon. friend from Victoria (Sir Sam Hughes). Sir John French goes on to say:—

6. I would, therefore, suggest that the Army Council should send to this country one or more of the most highly qualified experts obtainable to make the necessary tests under service conditions and report whether ammunition of British manufacture is or is not suitable for use with the Ross rifle. For this purpose a supply of ammunition of Canadian manufacture should be brought out for comparison.

I have expressed and acted on my opinion, that, so far as I can judge, the ammunition of British manufacture is not suitable for use with Ross rifles, and that there is a large and growing feeling of want of confidence in their rifle on the part of the men in the Canadian Division, which is amply justified by the report of the committee.

My hon. friend (Sir Sam Hughes) was right. It was not the rifle which was condemned, but the dissatisfaction arose from the fact that it was not supplied with the proper ammunition. The fact is that the Ross rifle jammed, and the men were left without any weapons to defend themselves. That is the charge I make against the Government. The General Commanding wanted a test made, and a commission was appointed to make that test, but to this day, in so far as my knowledge goes, and in so far as the information brought before the House shows, there never was a test made of the Ross rifle with proper ammunition.

Sir SAM HUGHES: Is my right hon. friend not aware that there were three brands of British ammunition that failed when used with the Lee-Enfield rifle, and that not one division but fifty divisions of British troops were shot to pieces by the failure of the Lee-Enfield when using these three brands of British ammunition? These same brands were supplied for use in the Canadian rifle.

Sir WILFRID LAURIER: That is not an answer to the charge I make. The charge

I make is that the Ross rifle did not give satisfaction, and there never was any ammunition sent over to make a proper investigation. Upon this point I should quote the testimony of my right hon. friend the Prime Minister (Sir Robert Borden) himself. During the present session, in the month of January last, my right hon. friend, speaking upon this question, said:

> The situation which confronted the Government in the summer of 1915 was this: We knew that Sir John French had concluded that the First Canadian Division ought to be re-armed with the Lee-Enfield rifle. He based that conclusion very largely upon the consideration that the men of the First Division, or a considerable number of them, had lost confidence in the Ross rifle. He took the view, in which I am sure we all concur, that no rifle, however effective, would be useful to the men if they had lost confidence in it. He said, in that same report, that he did not condemn the Ross rifle—that he had no data upon which he could condemn it; and he said further that the difficulty had arisen by reason of the fact that the ammunition supplied in this country, which might have made the rifle useful, could not be supplied in sufficient quantities.

What a statement to make! In the first place, I must say that Sir John French had not condemned the ammunition made in this country. Quite the reverse. He asked that the rifle should be tested with ammunition made in this country, but my right hon. friend stated that ammunition could not be supplied in this country. So that there may be no ambiguity, let me repeat his words:

> He said, in that same report, that he did not condemn the Ross rifle—that he had no data upon which he could condemn it; and he said further that the difficulty had arisen by reason of the fact that the ammunition supplied in this country, which might have made the rifle useful, could not be supplied in sufficient quantities.

What a statement to make, Sir, that we could not supply cartridges in this country! We have established no less than two hundred plants for the manufacture of shells. Is it more difficult to manufacture cartridges than shells? If we can manufacture shells, why not cartridges also? We have a cartridge factory in Quebec; it has been there for years, and yet we are told that ammunition could not be supplied for use with the Ross rifle. No test was made of the Ross rifle.

Sir SAM HUGHES: Is that General French's statement?

Sir WILFRID LAURIER: That is General French's statement commented upon by Sir Robert Borden.

Sir ROBERT BORDEN: What page of Hansard is that?

Sir WILFRID LAURIER: Page 148. This matter went on during the whole campaign of 1915. The report of Sir John French was not acted upon. Instead of having the Ross rifle tested with the proper ammunition, there was an order made to have the rifle fitted with new chambers.

10 p.m.

The attempt was made; new chambers were manufactured and the Ross rifle was tried again with the new chamber. The consequence was that, instead of being useless, it became dangerous, and some of the rifles exploded. That is my information. At all events, nothing was done during the campaign of 1915; and the Canadian troops, except one division, in the campaign of 1916 again took the field armed with the Ross rifle. On the 28th of May Sir Douglas Haig sent the following letter to the War Office:

> Sir,—I have the honour to inform you that I have satisfied myself, after extensive inquiries carried out throughout the Canadian Corps, that, as a service rifle, the Ross is less trustworthy than the Lee-Enfield, and that the majority of the men armed with the Ross rifle have not confidence in it that it is so essential that they should possess. The inquiry on which these conclusions are based, was the outcome of an urgent application from a battalion of the 3rd Canadian Division for rearmament with the short Lee-Enfield rifle, in consequence of a high percentge of jams experienced with their Ross rifles during a hostile attack on May 1, 1916.

This report was such that it should have moved the Government to take some action; yet nothing was done, so that on the 28th of June Sir Douglas Haig again wrote as follows:

> I have the honour to inform you that the efficiency of the Ross rifle has been thoroughly tested by actual fighting in the field, and the application conveyed in my O.B./174 of May 28, 1916, was made after very careful consideration of all the evidences available.
>
> 2. I have again consulted the General Officer Commanding Second Army in case any fresh points have come to light during the recent heavy fighting by the Canadians near Ypres. He tells me that his experience of the working of the Ross rifle during the last fight has only confirmed him in his opinion that the Canadians, in the 3rd Division at all events, have lost confidence in their rifle and he recommends that the rifles in this division be exchanged.

This was on the 21st of June, 1916. That should have moved the Government to take some action, but again nothing was done. On the 24th of June the following telegram was sent by Sir Robert Borden to Sir George Perley:

> Most confidential, secret.

Mark the gradation—confidential, most confidential, secret. You can imagine that there was something very important when so much discretion was required—confidential, most confidential, secret. Well, it was perhaps not so much the importance of the despatch as the novelty of it which suggested this secrecy. Sir Robert Borden telegraphed to Sir George Perley:

We have had under consideration since January last an order for one hundred thousand additional Ross rifles, none of which can be delivered before April, 1917. If we decide to order the additional one hundred thousand company requires nearly a year's notice before commencement of delivery in order to secure necessary material of various kinds for which there is great demand at present. Several months ago the Master General of Ordnance strongly recommended immediate action, but we have delayed by reason of doubts raised as to efficiency of rifle. Time has now arrived when immediate decision should be made.

"Time has now arrived when an immediate decision should be made." On the 24th of June, 1916, nearly two years after the war broke out, the time has arrived for a decision as to whether the Ross rifle should be continued or some other substituted! The time has arrived for some action, and apparently some action was being considered, but there was immediate repentance, because the despatch continues:

To this end it is important that we should have a definite, reliable and thorough report upon the merits of the rifle.

Here we had the communications of the two commanders in chief, General French and General Haig, asking that some action be taken. No action had been taken, and after two years the Government ask for another report. Sir Robert Borden goes on:

If it is so defective as to forbid its use at the front, or if confidence in its efficiency has been undermined in our troops, it would be a waste of public money to give further orders. Please consult Aitken, with whom I have had much correspondence on this subject and advise me whether any such report as above mentioned exists. If not, it should be made immediately for our guidance.

That was on the 24th of June, 1916—a request for further reports. The answer came from Sir George Perley that all hesitation was at an end and that the change must be made:

Sir Douglas Haig remarks that although reports from Second Division not to same effect he is of opinion Lee-Enfield rifle should be issued to all three Divisions Canadian corps. Army Council agree with this opinion and have his proposal to exchange rifles Second and Third Divisions for Lee-Enfield pattern and steps will be taken forthwith effect exchange.

[Sir Wilfrid Laurier.]

So at last, after two years vacillation and hesitation, and nothing done, the exchange was made of the Ross for the Lee-Enfield. We may be thankful that at last a decision was reached, but I am far from sure it was a wise ending. The ex-Minister of Militia (Sir Sam Hughes) stated over and over again, stated in this House not long ago, that the Ross rifle was the best rifle in existence and should have been kept. I charge against the Government this, that the experiment which was asked by Sir John French never was made, so far as this correspondence shows, and I charge therefore that no justice was done to—

Sir SAM HUGHES: May I say a word?

Some hon. MEMBERS: Oh, oh.

Mr. SPEAKER: Except with the consent of the right hon. gentlemen—

Sir SAM HUGHES: I asked his permission. If he does not choose to give it I will be silent, but if I have his permission I wish to speak.

Some hon. MEMBERS: Order, you can speak to-morrow.

Mr. SPEAKER: The right hon. gentleman (Sir Wilfrid Laurier) has given permission.

Sir SAM HUGHES: The right hon. gentleman will remember that a report was presented to this House of the official tests in England, rifle for rifle, in the hands of experts for both rifles, in the hands of possible point, accuracy, rapidity of fire, freedom from jamming and everything else, the Ross rifle, out-distanced the Lee-Enfield three to one.

Sir WILFRID LAURIER: I said I believed the hon. gentleman was right. I believe the Rosss rifle was the better of the two, but I have to say to my hon. friend that for some reason or other they came to a different conclusion; and I have to say further—and in this he will agree—that the test which was asked of the rifle with proper ammunition never was made, and therefore it is no wonder the rifle was condemned. But this is only reinforcing the point I make against the Government, that they did not discharge the duties they should have discharged. They should have ordered that test and applied it to the rifle and then we should have known which was the best weapon. There was no Canadian ammunition available and so the decision had to come that the rifle of the troops should be a Lee-Enfield. Be this as it may,

this in no way discharges the responsibility of the Government, and I say to them that they are responsible for the blood which was lost on the battlefield when the troops were either not supplied with proper rifles or not supplied with proper munition. Is it conceivable that these troops were sent to the battlefield, that they were sent to meet the Germans, not properly equipped and not properly armed? They should have had not only the rifles but the ammunition as well. They had the one but not the other. And what was the consequence?

The Government, in the face of these things, come and ask for an extension of time. Have they any right to it? Can they say: We have done our duty to the country. Do they come to Parliament with clear consciences that they have done everything they could? The record is against them, and, Sir, against that record no defence has been made which can relieve them from the strong condemnation which they receive at the hands of the Canadian people. Sir, there are many other things which I might urge against the Government, but I do not wish to press them.

Charges of graft have been made, but I do not intend to deal with them, and I will simply pass them over. I shall deal with the main point that I placed before the House, and that is that the Government cannot escape the responsibility for blood lost on the battlefield, which might have been spared, nor for the suffering of brave men who went to the battlefield, and gave up their lives and who were not properly supported by the Government that sent them.

But there is another matter, to which my hon. friend referred to-day in his speech. He made a statement in which I agree with him: that the country is in a dangerous position. In consequence of what? In consequence of the policy which has produced to-day this conscription measure. There is division among the people, and an election may create a further division. I say to my hon. friend that, for my part, I believe all these evils can be remedied by an appeal to the people. I agree with my hon. friend that there is to-day a cleavage among the people in the country. The fact is there, and we cannot ignore it. It is too late to lament, and we must face it as resolute men. In a free country the only way to decide a question, and to cure all the evils that arise, is in an appeal to the people. I know that if we are to have an election, it will be one based largely upon appeals to passions and prejudices. This is not the first time that such a thing has happened. It has happened in every election since I have been in public life, in my province and other provinces. We have been accused in one end of the country and in the other, but notwithstanding all this, it does not shake my faith in popular institutions, and I maintain that the only thing to do is to appeal to the people and ask them to pass judgment. We pretend to fight for democracy, and indeed we are fighting for democracy. The issue of the conflict which is now going on in Europe is democracy, and it is the voice of democracy which has inspired my attitude towards the Government on this question. My heart was very deep in this question, and when war broke out I stated, without hesitation, that Canada was in the war to the end, and I repeat, after almost three years of war, that Canada is in the war to the end. But when I stated that I did not believe in compulsion—nor do I yet—it was not under compulsion that we went into this war. We went into it from higher and nobler motives, to take our share of the sacrifice to promote a good cause. We did not go into it under compulsion, and I would have hoped that, to the end, we should have remained in that position, and acted upon those higher principles, never resorting to compulsion, in order to do our share in this war. I still believe it would be possible to do our share by voluntary enlistment, by appealing to the great heart and soul of the Canadian people, all provinces included, I except none whatever.

Some hon. MEMBERS: Hear, hear.

Sir WILFRID LAURIER: The Government have come to another conclusion. They said that they would resort to compulsion. When they made that statement, I said that, for my part, I did not believe in that policy. I would rather stand by the policy of the Australian people, who rejected conscription, but are in the war, as we shall ourselves be, to the very end. I asked them to refer the question to the people, after the method of the most advanced democracy, and that request was rejected. Not content with rejecting the request which I made for a referendum, to-day we are asked to discard altogether the sacred right of the people which is guarded by the constitution. These are no longer British institutions; these are simply, not German, but Prussian institutions, and to agree to the resolution of my hon. friend under the circumstances would be an abdication of responsible government

and a denial of democracy and of the rights of a free people.

Mr. MICHAEL CLARK (Red Deer): I rise to put myself on record in opposition to a considerable portion of the views which have been advanced by my right hon. friend (Sir Wilfrid Laurier). I do so, Sir, as I think every one in the House will admit, with perhaps the clearest record for consistency upon this question. My right hon. friend has referred to the fact that there was a great deal of evidence at certain times during the war, that there was a disposition, on the part at least of some of the hon. gentlemen who sit opposite, to have an election. It would be pertinent for me to ask my right hon. friend, did he approve of that disposition when it was shown on the other side of the House? I do not think he did. There was a time when every one in this House was in agreement with me on this question, and at that time my right hon. friend disapproved of the election tendency of certain hon. gentlemen opposite. He now fixes his approval by imitating their course of action. Personally, I have no brief to defend those who wish for an election during war time. They sit upon that or upon this side of the House. I am certain that the course of this debate will be viewed with very considerable surprise by the people of this country. Those of our people who are gifted with any fair amount of imagination and of memory cannot fail to contrast the proceedings in this House a year ago with the proceedings which have taken place to-day. Up to a certain point, I am bound to say that the proceedings to-day were an exact replica of what happened a year ago. I do not think the Prime Minister of this country has ever delivered a speech with which he should have more reason to be satisfied than the speech with which he presented this resolution to the House. It was a consistent speech. It was cogent in its argument. It was manifestly sincere, and when the events of to-day are read and weighed by the people of this country, I believe the opinion of the people will be recorded in favour of that potent and consistent speech.

I do not want to amplify—I am sure I could not improve—most of the arguments in the speech of the Prime Minister. I will, however, take the liberty of referring to a few of them and in doing so try to meet some of the points that have been raised by my right hon. friend. There was much that he said to which I can take no exception. The position of this question is not quite the same as it was last year.

[Sir Wilfrid Laurier.]

We cannot go on extending the term of Parliament indefinitely. But, if so far as the battle-front is concerned, there is any difference between the position of last year and that of this year, it is that the position of Canada's troops on the battle-front to-day is vastly more precarious this year than it was last year. This being the fact on the battle-front, I am bound to say to my right hon. friend (Sir Wilfrid Laurier) that I personally have not the necessary acrobatic qualities to take a position diametrically opposed to that which I took last year.

My right hon. friend, in the course of his remarks, said that he did not attach undue importance to the constitutional question. In his impassioned and eloquent peroration, he made the constitution everything. He stood upon the constitution of this country and upon it alone. That is an inconsistency which I leave with himself, but I take the liberty to refer, nevertheless, to the constitutional question. Does my right hon. friend, or does any hon. member on this side of the House, contend for a moment that they have no regard for constitutional or parliamentary procedure in Great Britain? Where did we—where did the world learn constitutional and parliamentary procedure? I have heard my right hon. friend discourse, in terms the most eloquent, on the mother of parliaments, which we all imitate. What are the facts about the mother of parliaments? The people of Great Britain do not forget the constitution there. They have Zeppelin raids over the city of London. They have bombs dropped amongst the children in the schools there. They know what the war means, and they are apprised, as my right hon. friend was for two years apprised, of the war's seriousness. The Parliament sitting in Westminster to-day has been seven and one-half years in office, and next November, when its present terms expires, it will have been eight years in office. That is my answer upon the constitutional question. They knew something of constitutional and parliamentary procedure in Great Britain, and that is what they have done.

I want to pass on to endorse a few more of the positions of my right hon. friend the Prime Minister. He said, very correctly, that the inevitable result of a general election would be a division of the country. We have that now, I admit, and the fault for it does not lie in Alberta, but I am prepared to contend that we would have not only a divided country, but a paralyzed country as the result of a general election.

My hon. friend from St. John (Mr. Pugsley) says that we have division now, and that an election would be a Sunday school picnic compared with the division we have. He says that the business of getting recruits has been taken out of the hands of the Government; that it has been taken out of the hands of Parliament; that it has been taken out of the hands of the people. Is that the only war work that is going on in the country? What about the Patriotic Fund, a fund in support of which Liberals and Tories throughout this country, forgetting their party differences and centering their activities only upon the great issue which is before the world to-day, the greatest which has ever occupied the attention of civilized man and civilized nations, have united in public meetings and are uniting every week, almost every day of every week, in public meetings and in picnics to raise money voluntarily, and so shoulder at least some of the terrible burden that is being borne by our boys in the trenches? Does my right hon. friend contend that during the two months during which an election is going on those meetings will be held? Those people who are at present engaged in those meetings will then, on the contrary, be engaged perhaps in the discussion of the respective blame attaching to the two parties as to the merits of the Ross rifle. Has my hon. friend from St. John not heard of Red Cross work? Has he not heard of Belgian Relief? I contend that the inevitable result of a general election during the war will be to paralyse the efforts of our people along all those lines, yes, and to paralyse them in a way which will make it almost impossible to resume them.

I go further that that. What is to be the issue in an election? What is the dividing issue upon which we are to fight? On the great and overwhelming question of to-day there is only one issue. It is "Win the War." Every one on that side says so—not every one on this side says so. But, my right hon. friend (Sir Wilfrid Laurier) says so. He has said so in so many words in the speech which he has delivered to the House to-night. Then, there can be no issue before the people on the main questions, the only questions which are engaging the attention, not only of this country, but of the civilised world to-day. Then, what will be the issue? What is the alternative policy to winning the war? There is only one possible answer. It is "Winning the elections." If we analyse these things down to the bottom, we are compelled, with all charity, to conclude that this election is being forced on at this time by a refusal of extension, with a view, not to helping the war, not to saving the Empire, but to exchanging the people who are in office for those who are opposed to them for the purpose of securing the sweets of office. In other words, those who are notoriously doing least to win this war are forcing this country into the turmoil of a general election, when the world and all that is best in it are being animated by the spirit of service, of sacrifice, and of unselfishness, and those people are doing so for the most selfish of all reasons—the satisfaction of petty, personal ambitions, when the safety of the world and of civilization is at stake.

I, Sir, should hesitate to stand as one of a group of the only utterly selfish men to be found in the British Empire or in the civilized world at the present time. If there is no issue of policy in an election, upon what does an election necessarily turn? We have not been left in any doubt in this House to-night as to that point. The election necessarily turns on personalities. It must do so. If there is no difference of principle—and there is not between my two right hon. friends, because they both say: We want to win the war—the election inevitably degenerates into a strife of personalities. We have had ample evidence of that to-night. The die is cast on the principle laid down by my right hon. friend (Sir Robert Borden) and endorsed by my right hon. friend (Sir Wilfrid Laurier). We are going to have an election. The leader of the Opposition has got his work in early; he has delivered his first election speech to-night. I do not purpose following his example very far. At the same time, the merits of the Ross rifle constitute a subject upon which my right hon. friend is skating upon very thin ice. I do not know exactly what he thinks about the Ross rifle, because in one breath he told us that its use had cost us the lives of many of our boys, and then in the next breath he agreed with the ex-Minister of Militia (Sir Sam Hughes) that it was the better rifle of the two. I suppose he remembered at that moment that the Ross rifle was the precious pet of an hon. gentleman now gone from us who for many years was Minister of Militia in the Liberal Government. If he does not remember it, I remember very well hearing the hon. member for Pictou (Mr. Macdonald) engage in an impassioned defence of the Ross rifle in this House of Commons, and indulge in jeers at those in England who ventured to ques-

tion the omniscience of the Government, it being the Government of my right hon friend who now leads the Opposition. I do not say that to get the other side of this argument right, I say it to give an illustration of what is going to happen in a general election. If you cease to fight on principles you descend to personalities. Does my right hon. friend (Sir Wilfrid Laurier) view that with equanimity? That question is bound to be asked. If we come to that point, does my right hon. friend contend that with the driving force behind him, if he becomes Prime Minister of this country, he will have a more coherent force, a more determined force for the winning of the war than is now sitting behind my right hon. friend the Prime Minister? Does the coherence of his force, does the strength of the determination of one considerable portion of his force, show itself by driving a Cabinet Minister who is at present in favour of winning the war into the refuge of a cabin on board a steamer, for taking a particular view as to how it should be won. Does my right hon. friend contend that he will derive enormous strength for the conduct of this war from people who chase a British soldier from Fletcher's Field in Montreal, into a tramcar, and then break the windows of the car? There will be many more subjects arise when we descend to a personal fight than the subject of the Ross rifle. If it was left to the question of the Ross rifle, I am not at all sure that my right hon. friend would not have the better of the argument.

But the question will inevitably be asked, if you determine to settle this on the line of personalities: Who are the people most likely to conduct this war to a satisfactory conclusion? And I venture to say that, so far as clearness of motive is concerned, so far as determination is concerned, so far as working in season and out of season, day and night, with a single eye to victory, for the great principles that are at stake upon the battlefields of Europe to-day, there is no man in Canada who is fit to stand in the same company as my right hon. friend the leader of the Government.

We have ample evidence given to us that the faults of the Government will be the main subject of a general election. Will the exposure of the faults of the Ross rifle from the Atlantic to the Pacific, will the detailing of incidents or supposed incidents such as have constituted the first electioneering speech of my right hon. friend the leader of the Opposition, help to win this war? Will it encourage recruiting? I venture to think that a campaign conducted by my right hon. friend the leader of the Opposition, pure as are his own motives, great Imperial statesman as he has been—and I say it without one single reservation, I say it with a full heart and with full sincerity—but pure as are his motives he knows that to expose these facts from one end of the country to the other must have the effect of deterring recruiting and making people wonder whether this war is worth pursuing; and paralysed as his hands will be during the war by what must be one of the main origins of his power; lacking the driving force on grounds that I do not want to amplify, but which I look upon with sorrow, he will not be in a position, he cannot be in a position, to go on with this war with the determination that has characterized the composite supporters of the war.

For the good of the country, for the purity of our politics, the next general election ought not to be fought upon the faults of the Government. Every Administration suffers for its faults, and this Administration will be no exception to that rule. But when the exposure of the faults of the Government take the mythical form of stories of the jamming of rifles and the weeping of men in the trenches, it constitutes not only an ignoble campaign but an obstacle to the further successful prosecution of the war, and I venture to think that a general election carried on by my right hon. friend (Sir Wilfrid Laurier) along the lines that he has taken to-night will not only divide Canada, but will paralyse Canada; it will put Canada out of the war and mark her as a degenerate and inferior portion of the British Empire.

Now I come to another of the arguments of my right hon. friend (Sir Wilfrid Laurier) as to the absence of the soldiers and the impossibility of taking their votes. My right hon. friend descanted eloquently upon democracy. Has he no regard for that portion of democracy that is across the seas? Has he no regard for the 400,000 men who have given up everything they have, or are prepared to give it up? My deepest rooted objection to an election in war time —and this was the ground upon which I opposed the Soldiers' Voting Bill, because I held there should be no election during the war—is that we propose to conduct an unseemly wrangle for jobs from the Atlantic to the Pacific, and concerning how the

country should be governed in the absence of those heroes but for whose efforts we should not have any country to govern.

I have tried to amplify a few of the arguments of my right hon. friend the Prime Minister. I have said that in the presentation of those arguments, the debate lost nothing in dignity from its character of last year. This afternoon when the Prime Minister sat down, I expected a repetition of what happened last year. I expected a repetition at least to this extent: that my right hon. friend the leader of the Opposition would have followed the right hon. gentleman who leads the Government. I thought we had come to the moment of abdication on the part of my right hon. friend. Last year the speech of the Prime Minister was backed up by the leader of the Opposition in a speech of moving and stately eloquence. Canada was committed to undivided efforts for the winning of this war, and that speech of moving and stately eloquence was so able and so cogent that it deprived the rest of this Assembly of any desire to speak. But what happened this year was that a lieutenant (Mr. Graham) of my right hon. friend arose and made what I venture to characterize as a dilatory and by no means straightforward motion; that is why I voted against it. Everybody in this country, fortunately for myself, knows that I favour the substance and principle of his amendment, but it was a right amendment introduced at a wrong time. Having so far endeavoured to attain, and I think having attained, some character of straightforwardness in the minds of the Canadian people, I thought I could venture to run the risk of any misinterpretation that might come by my vote, by being straightforward still and running no risk of being thought to have taken part in what after all was more trickery than statesmanship. I am naturally precluded by the rules of this House from saying anything on that amendment, and I had no great desire to speak to it because I have spoken on it again and again, and the people of this country know where I stand on the question of direct taxation and the conscription of wealth to the war. Following the speech of the hon. member for South Renfrew (Mr. Graham) we had a speech from my hon. friend from St. John (Mr. Pugsley), and then finally we come to the main subject before the House.

I did think when I rose, that I would make an appeal to the right hon. gentlemen who lead the respective sides in this House. I cannot help contrasting what happened last year with what has happened this year. No one can turn his back upon his previous opinions with more delightful grace than my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier). Long practice brings one to perfection along certain lines. However, I am bound to say that if the people of this country will read the speeches of last year and will read the speeches of to-night they will come to the conclusion that the Prime Minister's position is the same, that the conditions are the same in the main, that the needs are the same, but that the change is in my right hon. friend the leader of the Opposition. What that change is, I have already characterized, and I do not think the people of this country will be in any doubt about it.

I wish that, even now, the two right hon. gentlemen who lead the respective parties in this House would consider a moderate proposition. I have stated, taking my illustration from what was said by my right hon. friend who preceded me (Sir Wilfrid Laurier), that an election on the grounds I have mentioned would be a misfortune for the country; I have said that it should not be fought upon the faults of the Government; I have said that it cannot be fought upon a difference of issue as to policy, because both sides pretend to have the same policy. It would be a splendid thing for this country if, even now, moderate counsels should prevail, and a course of procedure that would redound to the lasting honour of Canada. What should the next election be fought upon? When the war is nearing an end, of which there is no sign at the present moment, the question of the reconstruction of Canada will come up for consideration, because it must be remembered that the party returned to power in an election now will be in power for four or five years and will have the direction of the destinies of this country along certain lines of policy. When the war is nearing a conclusion, and when the passions raised by it are being hushed by the process of time, the issues of reconstruction will arise; and then old divisions, old landmarks dividing the one party from the other would re-appear. I say it would be a splendid thing for this country if we have maintained our union as to the war to the finish—such union as we have had—if we had kept our people at least united, because after all it must be remembered that any disunion there is, is largely inside this House. Our people are still united. I get as many protests against an election in war time from Liberals as I do from Conservatives. I may say I get even more, be-

cause Liberals naturally write to me. Our people are still united, and it would be a splendid thing to have kept that union up until the end of the war, and not allowed those other issues to arise. Fix a time—a more limited time than the Government proposes, if you like—and let those issues be debated at another session of Parliament, knowing that those are the things which divide the two sides of politics in this country; and having put our policies of reconstruction before the nation, go to the country upon them.

The Government is asking for a year's extension. The longest extension which has ever been given in the Old Country is eight months. The two right hon. gentlemen have a great responsibility. One has discharged his responsibility. I leave my right hon. friend beside me (Sir Wilfrid Laurier) to deal with his in his own way. They enjoy in an unparalleled degree the confidence of their fellow-citizens, and I say it would be a great thing for Canada and the Empire if they could get together yet and agree to an eight months' extension, which would take us over until next June. In all probability by that time the war will have passed out of its acute stages, and the considerations which arise to-day will not then exist. I put this to my right hon. friends in the best spirit, as a patriot, as a lover of the country, as a lover of the Empire, and as a lover of the great cause at issue in this war. I feel, however, the appeal will be in vain. If they do not come together, we are going to have a general election. Well, in that case, we shall have to say, let it come. Let the graves of our dead be desecrated. There are twenty thousand or thirty thousand Canadian soldiers at present lying in British and French hospitals. Let their hearts be wrung, as their bodies have already been wrung—so that we may settle which side is most to blame for the Ross rifle, and whether it would not be well to have a change in the personnel of the Government at the present time. My views as expressed in these few words are perhaps better put in an article in the London Daily News and Leader, of April 18 last; which I will read to the House,—The Daily News and Leader is not too indulgently friendly to the present Government at Westminster, and April 18 was the day after the extension was carried in the British House. It said:

> The Bill further prolonging the life of the present Parliament passed its second reading yesterday. There was no serious opposition to the proposal, and there should be none. An election at the present time would be an outrage, which the country would very justly resent. There is no issue before the constituencies, and there is only one task for Parliament. It is to get on with the war. An election, so far from promoting this object, would very gravely interfere with it, and would raise political issues which the country does not want to see raised now and which cannot be settled in the midst of the dominating preoccupations of the war. We hope this will be the last extension necessary, but this extension is, on every ground, imperative.

As I said, I have not much hope of my appeal bearing fruit, after the very firm and determined stand taken by my right hon. friend the leader of the Opposition, and we shall have to face an election. We shall have to go on with it. Well, the responsibility will be fixed by the people of this country, and I do not think that, after the issues are fully debated and the circumstances fully understood, there will be much doubt as to where to place the blame or how to judge the motives which have brought about the election. For my part, I would say, if the die is cast the sooner this debate comes to an end the better. Let us clear our minds of cant, and let us clear our conduct of sham. Let us get to the election. If there is to be an issue, let us get to it. If this matter should go to a vote, I would vote for the extension of Parliament. I should be afraid to do otherwise. I should be afraid to take any step, and I have not taken any step during nearly three years, which would cast any doubt anywhere that any but one public object I cared for at the moment, and that is the winning of the war.

I should be afraid to take any step which would lead me to fear that the thirty thousand Canadian corpses in France and Belgium might possibly rise out of their graves in the shape of ghosts and point their gaunt fingers at me as having at the end of the third year of the war given up the great task, or tried to persuade Canada to give up the great task of being a united country and doing her full share for victory, peace, freedom, justice and humanity.

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, it has certainly been a most interesting experience to find our most pronounced and thorough democrat in this House (Mr. M. Clark), or, I suppose he would claim, in the Dominion of Canada, appealing to the dead in France and Flanders as the justification for his opposing the most elementary principle of democracy. For all of my hon. friend's approval of the speeches and actions of the right hon. the Prime Minister (Sir Robert Borden)—and I am willing to agree with him as to the high

motives and great ability of the Prime Minister—I want to say to him that it is not the Prime Minister, it is not this Government, it is not this Parliament that is fighting this war. It is not they who are paying for this war. It is the people—the common people—of Canada, the taxpayers, the men and women who have fought the war as far as it has been fought, who will have to fight it as far as it will yet have to be fought, and whom we will have to trust to fight it. Surely these are people whom we can trust to govern themselves. Are the people of Canada to be guided by the precedent of England in all matters political? It has seemed good to the people of England to go through a portion of this war experience without a general election, although a general election was due.

It has seemed good to us in Canada to do the same up to the present time. But there is this radical difference. In England every constituency that became vacant has been filled at a by-election. The opinion of the people has thus been taken from time to time. But there are twenty-three seats in Canada vacant to-day; some of them have been vacant for a year or two years, and there has been no by-election.

11 p.m.

Mr. MICHAEL CLARK: Whose fault?

Mr. OLIVER: I think it must be the fault of the Government, the fault of those who have the direction of our affairs. I cannot imagine whose fault it can be if not theirs. Certainly, I must say, on behalf of the members of the Opposition, with whom I am sorry to say my hon. friend is so disassociating himself, it is not our fault.

Why is it we have no responsibility in the matter if the people of Canada have not yet been consulted? The urgency of united action is greater to-day than it was a year ago because of conditions at the battle line. Because the administration of the affairs of Canada, in military as well as in civil matters, has been such as to bring about a condition for which it is the right and the duty of the leader and members of the Opposition, and people of this country, to hold responsible those who have been given the responsibility. There is no escape from the conclusion that if our system of voluntary enlistment of men for military service has broken down, it is because of the lack of foresight, the lack of management, the lack of inspiration, the lack, Mr. Speaker, of common honesty and common decency on the part of the Government. Are the people of Canada to be blamed? Is their patriotism to be challenged? Is their willingness to sacrifice to be challenged? Are the people who, in the face of such mismanagement as has disgraced this country, military mismanagement as well as civil, have sent nearly 350,000 men across the seas, to be challenged, or is their patriotism to be called in question? I say, no. It is not against the people of a country which has sent so many men, which has sent such good men, which has stood the sacrifices that Canada has made, that such a challenge can be thrown. It is because the Government has failed to give that leadership, that inspiration, that direction to our affairs, both civil and military, that would enable that enthusiasm, that spirit of sacrifice to still go forward, that the condition has arisen with which we find ourselves confronted to-day.

My hon. friend has suggested that it is beneath the dignity of the people of Canada, that it would be a calamity to our country, if not to the Empire and the world, if the question of the efficiency of the weapon with which our soldiers were armed should be considered or discussed, or should be laid at the charge of the Government at the present time. Is that a light thing, is that a subject for the laughter with which my hon. friend's very witty sallies were greeted on the other side of the House? Is it a subject for laughter that we placed in the hands of our sons, our brothers and our fathers, a weapon that failed them in the hour of danger? Is it a light thing, I say, that having the authority of a General of the British army that that was the condition of affairs, we send division after division into the field to face the Germans armed with the same rifle and suffering the same losses, and keep that rifle until a second general made the same report a year after the first report was made, and when we had lost thousands of men in Flanders, beginning with the battle of Langemarck and ending with the battle of Zillebeke? My hon. friend has, may I say, peculiar ideas as to what is matter for light consideration. These are not light considerations, as far as I am concerned. And, charged as I have been in this House during past years with some measure or share of responsibility for the direction of the affairs of this country, the knowledge lies heavy on my soul that I did not take stronger measures to bring this state of affairs to the attention of the country, and to cure that terrible condition sooner than it was cured.

We are not to have an élection because if we have an election we shall not be able to collect for the Patriotic Fund, for the Belgian Relief Fund, for the Red Cross Fund. Is that a reason why the people of Canada should not enjoy the same right of self-Government as the people of any other part of the British Empire? Surely the reason given is not sufficient. We need an election so that we shall not have to gather money for the Patriotic Fund, so that we shall not have to pass the hat and dispense charity, charity to the dependents of those who are giving their lives for that liberty that we profess to prize so highly. If there is one thing of which more than another Canada should be ashamed in connection with this war it is the fact that the dependents of its soldiers have to depend on benevolence, on charity, for a considerable portion of that which is necessary to their actual existence. I do not know what is the case in England, I find no fault with the conditions in any other country; I care not what they may be. We owe the men who are fighting our battles a debt; we owe a debt to their dependents; and we have not been paying that debt as we should have paid it. We should not dole out charity to the dependents of the men who are giving their lives; we should not send busybodies around to the houses of these women to find out whether they spend a dollar here or a dollar there, and threaten that if they do not spend to suit us what we have given them, they will be deprived of it in the future. Supposing our men at the front were to take the same attitude as the gentlemen and ladies who dispense the Patriotic Fund and say: We will go over the top if we like, and we will not if we do not like. If they dealt by us as we have dealt by their dependents, the credit of Canada would not stand so high in the estimation of the world. We want a general election; put it up to the people of Canada whether or not they want to do the right thing by their own people. We cannot get an assurance of that from the Government of the day. When such a proposal was made to the Government we were told that it was a dilatory motion. We were told that we were delaying the sending of men to fill up the battle line in France because we wanted to get the assurance of the Government that the dependents of soldiers would be protected.

An election is spoken of as a calamity, something that will do permanent injury to the country. What has happened to the people of Canada since 1911? What has happened to the people of Canada, who have made such sacrifices as they have made in the years that have intervened, that they are not to be trusted to cast their ballots, to express their opinions? Surely, if any people in the world ever earned the right to govern themselves, the people of Canada have earned that right. Surely the people of Canada have earned the right to do as a nation what they have done by provinces in nearly every province since the war began. Why should not the same people in British Columbia, Alberta, Saskatchewan, Manitoba, Prince Edward Island, Nova Scotia, New Brunswick, Quebec—in every province but one—why should not these same Canadians who are able to conduct their provincial elections during this time of war without any catastrophe occurring to the country—oh, I beg pardon, there was catastrophe, and that was it. I understand that that is where the calamity is to occur. What happened in Manitoba, what happened in New Brunswick, what happened in British Columbia is liable to happen in the Dominion, and it would be a calamity that it should happen? It was not a calamity that the people turned the rascals out in British Columbia, it was not a calamity to turn them out in Manitoba, it was not a calamity to turn them out in New Brunswick—and it will not be a calamity to turn them out in the Dominion.

My hon. friend made a suggestion as to what would happen in the prosecution of the war because of the character of a portion of the support upon which the right hon. leader of the Opposition (Sir Wilfrid Laurier) would depend if he were called to power. It seems to me that the allusion was somewhat unfortunate, because, if there was anything wrong with that support, that is to say with the support of the French people from the province of Quebec, surely it has been wrong with our friends who are in office to-day. They had the support of twenty-eight out of sixty-five seats in the province of Quebec. And does my friend recall how they got that support and held it? They got it by proclaiming that Canada owed nothing to England. They persisted in that claim, and they are claiming it to-day, and the men who are most vociferous in claiming it to-day are the very men who by their claims in 1911 were able to place the friends of my hon. friend in power and to keep them there. There is a difference, however. The right hon. leader of the Opposition (Sir Wilfrid Laurier) does enjoy the support of the majority of the electors

of the province of Quebec, has the support of a majority of the representatives of that province in this House; and my right hon. friend knows, and every reading man in this country knows, that the men who support him were elected on the policy of active assistance to the British Empire on land or sea in case of war, elected against every effort, every eloquence, every misrepresentation, that those from that province who support my hon. friends on the other side could bring to bear—financed in large part by those others supporting our friends on the other side who trade, year in and year out, on their loyalty to Great Britain.

Mr. McKENZIE: And knighted for doing it.

Mr. OLIVER: Yes, knighted for doing it

Mr. PUGSLEY: And raised to the peerage.

Mr. OLIVER: Yes. There we have, in a nutshell, the difficulties with which this country is faced at the present time, in this present crisis—we have had a party in power who, before they came to power, but still more since then and since they have had control of patronage and control of means to gain support, have systematically in one part of the country cultivated a campaign of race and religious prejudice, and in another part of the country cultivated the same kind of a campaign in the opposite way. And after that Government has been in power for six years, they are still assiduously cultivating those two campaigns, one centering in Toronto and the other centering in Montreal. During the period of the anguish and agony of the world, they did not stop. They kept going a little harder on that account; and at last we come to the point that an election must be faced, or the people of Canada will be deprived of their rights and liberties. It is because of this condition, which our friends on the other side deliberately created, that the difficulties of to-day exist. That may be a reason why my hon. friend, as a loyal Britisher, as one who wants to win the war, thinks that this Government should be retained in office, that these people should be maintained in positions that will enable them to still further and longer carry on their campaign. I am sorry that I have to disagree with him.

I believe that the time has come when Canada needs, as it needed in 1896, a leader who can direct by union, and not by disunion. A Government that holds power because of its ability to create strife between section and section must give place to a Government whose business it is to bring about union between section and section in this country, because by disunion comes depression or destruction, just as by union, and by union only, can success come. We all have the light of past events to guide us in the present crisis. In 1896 the condition was almost parallel to the present condition. Our country was in a state of terrible economic depression, and our people were animated by race and religious prejudice in the same two sections of the country where those factions are governing to-day. Fortunately, when the issue was put to the people, they made a wise choice. They selected as the leader of the Government my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier), who has devoted his life and his attainments to the great work of building up a united Canada. And when in the fullness of time the power was placed in his hands, from 1896 to 1911, under a policy of union there was progress, and Canada made her greatest development since Canada was Canada. She progressed from greater to greater, until in 1911, when my hon. friend was defeated at the polls, he was defeated on the cry "Let well enough alone." May I hope that this condition will be repeated when this election which my hon. friend refers to takes place, because surely, if we needed a change in 1896, we need a change ten times more in 1917. We did not have to face those world conditions of crises that we face to-day. But we must face those conditions to-day, and we can only do so with credit to ourselves by the establishment of union and efficiency, and we can only get that union and efficiency by retiring from office those whose business it is to create disunion, and those whose administration from the day they took office to the present time has been an example of inefficiency such as this country never saw before. I will not discuss the inefficiency of this war time Administration, but I say that, when the election is held, no amount of flag-waving, and no amount of shouting patriotism, will prevent the people of Canada, who have made their sacrifices of money and blood, from demanding an accounting from those who are responsible for the conduct of our affairs during these years. We make no apology for demanding an accounting at their hands.

My hon. friend was worried about the impossibility of the soldiers at the front being able to cast their votes in any

election that might be held. It is deplorable, and it is unfortunate if they cannot cast their votes, but I will submit this thought to him: if the man who has made up his mind—and all who have gone to the front should make up their minds—that his responsibility requires that he shall risk his life and everything he has or hopes to have, to be of service to his country, does the hon. gentleman think that the question of whether or not that man casts a vote is a serious matter? He is not casting a vote for any candidate, because he can only vote for the Government or Opposition. Does the hon. gentleman think that it is a material injury to that man, or that he is deprived of a serious portion of the right that belongs to him? If he thinks that it is a serious matter to disfranchise these men at the front, what does he think of the disfranchisement of the whole of the people of Canada, which is the condition in which we are to-day, which condition my hon. friend proposes by his vote to keep us in for eighteen months longer?

If it is a terrible thing for the soldier to be disfranchised, it is a very much more terrible thing for the people of this country to be disfranchised, because while the soldier is doing his work at the front, we have our work to do here. The soldier depends upon us for the support that he receives, and unless we conduct our business here as it should be conducted, we cannot give him that support; and just as we have a right to look to him that that sacrifice to which he has pledged himself shall be made when the occasion demands, surely he has the same right to look to us to see that the affairs of this country are conducted, in principle and in detail, in the large and in the small, in such a manner as shall be to his benefit and to his credit.

For what is the soldier fighting? For the good of the country, for its safety, for its honour, for its welfare now and in the future. And yet we are to sit here and are not to criticise the Government; we are not to question anything the Government does; we are to permit the food of the people to be stolen by the profiteers to the amount of millions upon millions of dollars, and we are to say nothing. We are not to criticise—we are to take no action. If we do our duty here, we shall ensure to our men at the front that there is good and efficient government in this country, and when those who are fortunate enough to come back, do return, there will be a country for them to come back to. Heaven knows whether they will really have a country to come back to when the war is over, if matters continue on the same course as at present. For the policy of this Government since they took office—and no man knows it better than my hon. friend (Mr. Michael Clark)—has been to make the rich richer and the poor poorer, and at no time and on no occasion was that more true than it is at this moment, and it is becoming increasingly true every day. When this Government itself brings down a report to say that the men who handle a large part of the food of the people have made profits of untold millions, and when the reports of the milling companies, which handle another large part of the food of the people show the profits that they show, are we justified in sitting here and failing to take such action as will protect those for whom our men are fighting and protect the rights and interests for which they are fighting? We have a duty to perform as well as they.

It is our business to see that this country is governed honestly and efficiently. It is the business of us who are in Opposition to hold a check upon the operations of the Government. No condition could be more dangerous to the welfare of the State than a combination between both sides of the House that would prevent effective criticism of the actions of the Government. I am not given to much overpraise; I am not one who goes heavily on laudation; but I want to say this, that when the leader of the Opposition refused the proposals of the leader of the Government—and I am not criticising the motives of—the leader of the Government in any degree—and preferred to stay in Opposition and to do his duty to taking office, if I never was proud of my leader before, as one of his humble followers, I was proud of him then. I knew that there rested the true principles of Liberalism that could be depended upon in time of stress, in time of temptation, if such a proposal might be a temptation, as well as in time of prosperity. I am sorry to say I have not been able to follow all the remarks made by my hon. friend. He made very many, and they were very clever. The first remark he made—I regret that it has almost slipped my memory.

Mr. MICHAEL CLARK: It has slipped mine too.

Mr. OLIVER: It had relation to—I am afraid after all that my hon. friend made so many turns in his argument—

Mr. MICHAEL CLARK: Do not blame me for your bad memory.

Mr. OLIVER: I am afraid my hon. friend made so many turns in his argument that some of the corners have escaped my memory. I was so interested in following my hon. friend, whom I had known as the most pronounced pacifist, the most pronounced free-trader and the most pronounced advocate of sound and honest Government and British precedent, in his reversal of all those positions, that I am sure he will pardon me if I have not been able to recall all of the many turns in his argument.

The House divided.

The motion of Sir Robert Borden was declared carried on the following division:

YEAS.

Messieurs:

Ames (Sir Herbert),
Armstrong (Lambton),
Armstrong (York, O.),
Arthurs,
Ball,
Barnard,
Bennett (Simcoe),
Best,
Blain,
Borden (Sir Robert),
Bowman,
Boyce,
Boys,
Brabazon,
Bradbury,
Burnham,
Burrell,
Carrick,
Champagne,
Clark (Bruce),
Clark (Red Deer),
Clarke (Wellington),
Clements,
Cochrane,
Cromwell,
Crothers,
Cruise,
Currie,
Doherty,
Donaldson,
Fisher,
Foster (Sir George),
Fripp,
Glass,
Green,
Guthrie,
Hanna,
Hazen,
Henderson,
Hughes (Sir Sam),
Jameson,
Kemp,
Lalor,
Lewis,
Macdonell,
McLean (Queens, P.E.I.),
Meighen,
Middlebro,
Morphy,
Morris,
Morrison,
Munson,
Nicholson,
Nickle,
Northrup,
Paul,
Reid,
Robidoux,
Roche,
Rogers,
Schaffner,
Scott,
Sevigny,
Sexsmith,
Shepherd,
Smith,
Steele,
Stewart (Hamilton),
Stewart (Lunenburg),
Sutherland,
Taylor,
Thoburn,
Thompson (Yukon),
Thomson (Qu'Appelle),
Thornton,
Turriff,
Wallace,
Webster,
Weichel,
Wilson (Wentworth),
Wright—82.

NAYS.

Messieurs:

Achim,
Barrette,
Bellemare,
Boivin,
Bourassa,
Boyer,
Brouillard,
Buchanan,
Bureau,
Cardin,
Carvell,
Copp,
Delisle,
Demers,
Descarries,
Devlin,
Douglas,
Ethier,
Fortier,
Gauthier (St. Hyacinthe),
Gauvreau,
German,
Girard,
Graham,
Kay,
Kyte,
Lachance,
Lafortune,
Lanctot,
Lapointe (Montreal, St James),
Laurier (Sir Wilfrid),
Lemieux,
MacNutt,
McCoig,
McCrea,
McKenzie,
Marcil (Bonaventure),
Marcile (Bagot),
Martin,
Michaud,
Molloy,
Mondou,
Murphy,
Nesbitt,
Oliver,
Pacaud,
Papineau,
Paquet,
Pardee,
Patenaude,
Power,
Proulx,
Pugsley,
Robb,
Ross,
Seguin,
Tobin,
Truax,
Turgeon,
Verville,
White (Victoria, Alta.),
Wilson (Laval).—62.

PAIRS.

Ministerial.	Opposition.
Marshall,	Neely,
McCurdy,	Maclean, A. K.,
Hartt,	Thomson,
Davidson,	Chisholm,
Kemp,	Robb,
Cockshutt,	Charlton,
Stanfield,	Macdonald,
Chabot,	Beland,
Elliot,	Hughes, J. J.,
Alguire,	McMillan.

Mr. SINCLAIR: I was paired with the hon. member for Vancouver (Mr. Stevens). Otherwise I should have voted against the the resolution.

Mr. E. LAPOINTE: I was paired with the Minister of Finance (Sir Thomas White). Otherwise I should have voted against the resolution.

Mr. MACDONALD: I was paired with the hon. member for Colchester (Mr. Stanfield). Otherwise I should have voted against the resolution.

Mr. McMILLAN: I was paired with the hon. member for Stormont (Mr. Alguire). Otherwise I should have voted against the resolution.

Mr. McCURDY: I was paired with the junior member for Halifax (Mr. A. K. Maclean). Otherwise I should have voted for the resolution.

Main motion agreed to.

On motion of Sir Robert Borden, the House adjourned at 11.58 p.m.

Wednesday, July 18, 1917.

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

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

FOOD CONTROLLER'S OFFICE.

Mr. KAY:

1. Has the Government come to any decision as to the number of secretaries, assistants or office employees which will be required in the office of the Food Controller?
2. Have any appointments been made?
3. If so, what are the names of the persons appointed?
4. What salary is paid to each?

Mr. HUGH CLARK:

1. No.
2. Yes.
3. S. E. Todd, B.S.A., W. A. Willison, and F. W. French.
4. S. E. Todd, $4,500 per annum; W. A. Willison, $4,500 per annum; F. W. French, $250 per month, and living expenses, not to exceed $100 per month.

MATHESON POST OFFICE.

*Mr. McKENZIE:

1. Was the post office removed from the residence of John Matheson, blacksmith, of Matheson, C.B., to that of Murdock McLeod?
2. If so, for what reason was the change made?
3. How long has said John Matheson been Postmaster?
4. What was the distance between the office held by John Matheson and the nearest offices on either side?
5. What is the distance between the same office now at Murdock McLeod's and the offices on either side of it?
6. What is the distance between John Matheson's house, where the office was formerly, and Murdock McLeod's house, where the office is now?
7. Was there any petition or any other request or demand of a public nature asking for the changing of the above office?

Mr. DOHERTY:

1. Yes.
2. Inconvenient location of the post office.
3. From 1876 to 1st June, 1917.
4. Less than a mile from Little Narrows and about three and a half miles from Whycocomagh portage.
5. Nearly two miles from Little Narrows and about two and a half miles from Whycocomagh portage.
6. About a mile.
7. Letters were received by the department from people representing the inconvenient site of the post office and that the change should be made in the interest of the proper distribution of the mails.

[Sir Robert Borden.]

POINT TUPPER MAIL SERVICE.

Mr. KYTE:

1. Who has the present contract for carrying the mails between the post office and the I.C.R. train at Point Tupper, N.S.?
2. When was the present contract entered into, and what is the amount paid annually to the contractor for such service?
3. Who was the previous contractor, and what was the amount which he received for such service?
4. Were tenders called for the service previous to awarding present contract?

Mr. DOHERTY:

1. Roderick Dumphy.
2. 1st July, 1917, $150.
3. Joseph McDonald, $50.
4. Yes. The young man who was performing this contract made arrangements with a man named Henessey to perform the contract during his absence, as he had to leave the locality, inasmuch as he was going to attend college at Antigonish. After commencing attendance at college the man whom he had employed to perform the service was taken ill, and the young man stated was unlikely to recover, and as no person else could be obtained to carry on the service, he asked that he be relieved from it so as not to interfere with his college course. The contractor was therefore liberated, public tenders invited and the contract awarded to the lowest tenderer. The department was more willing to release him inasmuch as it was felt that he had taken the contract at a price below what it could be performed for.

QUESTIONS PASSED AS ORDER FOR RETURN.

Mr. KYTE:

1. What is the number of officers who have been in England nine months or more and who have not been to France?
2. How many went to England with the 1st contingent who have not yet been in active service in France or elsewhere?
3. What is the number of (a) officers, (b) non-commissioned officers and men who have been discharged to Canada and who have not been in active service in France or elsewhere?
4. What is the number of officers who are holding permanent appointments in England who have not been in active service in France or elsewhere?
5. How many officers went to England with the 1st contingent who were not attached to any unit, and who subsequently returned to Canada without being in active service in France?
6. What pay and allowances were paid to these officers, and what is the estimated cost of subsistence and transportation to the time they resigned in Canada or received other appointments?
7. Has separation allowance been paid to persons who were not entitled to receive the same?

8. If so, to what amount, and have such payments been cancelled?

UNOPPOSED MOTIONS FOR PAPERS.

Mr. BOULAY:

For a return giving a list of the different Commissions created since the beginning of the war, concerning the soldiers, their pensions, hospitals, etc., showing the names of the various Commissioners who have comprised said Commissions.

Mr. McKENZIE:

For a copy of all correspondence between the Post Office Department, or any officer thereof, and any person whatsoever in reference to the removal of the post office from the residence of John Matheson, blacksmith, Matheson, C.B., to the residence of Murdock McLeod of the same place, and the dismissal of the former Postmaster, John Matheson.

MOBILIZATION SCHEME.

On the notice of motion:

Mr. MURPHY:

For a copy of the mobilization scheme for the Canadian Forces compiled (or published) in the year 1913.

Sir EDWARD KEMP: I would like the member for Russell (Mr. Murphy) to be good enough to let this motion drop. In this country, as in other countries, it has not been deemed advisable to make mobilization schemes public.

Mr. MURPHY: Dropped.

Motion dropped.

DAYLIGHT SAVING.

On the Orders of the Day:

Mr. BOIVIN: The Daylight Saving Bill has been awaiting its second reading since June 15. I have just received a personal letter from a prominent employee of the Grand Trunk Railway company, part of which reads:

May I also ask if the Government will do anything with the Daylight Saving Bill? If it is brought in for Canada and not for the United States, it will, of course, quite considerably affect train schedules. I would like to be informed thereon as far in advance as possible, as we are quite seriously interested.

May I ask the Minister of Trade and Commerce if it is the intention of the Government to put this Bill through during the present session? If so, in view of the fact that the summer season is quite far advanced, will the proclamation bringing the Act into operation be issued this year, or will it be held over until next season?

Sir GEORGE FOSTER: That is a matter for the House to decide. I intend to introduce the Bill at the first convenient opportunity and to make a full explanation of it. Undoubtedly a large part of the season has passed during which a daylight saving measure would be useful. In the United States a similar measure has passed through the Senate and will come into operation next year. It may be advisable for us to take up the discussion of the Bill with a view of keeping in line with the course followed by the United States.

CIVIL SERVICE INSURANCE.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: Since the Military Service Bill came before the House I have received several letters from young men who are liable to be called upon for military service, inquiring whether the Government intends to amend the Insurance Act with a view to fixing a maximum amount of premium, covering war risk, payable on their policies. The insurance companies, as my hon. friend knows, charge a higher premium for war risks. There is a feeling among these young men that when they are called they will be unable to keep up their insurance policies because of the extra premium. I would ask the Prime Minister—I do not see the Minister of Finance in his seat—to consider this matter. When the Bill is before the House for third reading, I intend to bring the matter up again.

Sir ROBERT BORDEN: I shall direct the attention of the Minister of Finance to what my hon. friend has said. I am not sure that the matter has not already been under his consideration.

FORBIDDEN CIRCULATION IN CANADA.

On the Orders of the Day:

Hon. FRANK OLIVER: I have here a book called "The Fiddlers" by Arthur Mee. It was sent to me through the mails; I believe that copies have been received by a number of other members of Parliament. As I heard some question about this matter I looked up the Canada Gazette of Saturday, July 14, and on page 104 found the following:

Censorship Notice.

Consolidated Orders Respecting Censorship.

Department of the Secretary of State of Canada,

Ottawa, 11th July, 1917.

Notice is hereby given that, in pursuance of the Consolidated Orders respecting Censor-

ship, dated the 17th day of January, 1917, passed under the provisions of section 6, of the War Measures Act, 1914, a book entitled "The Fiddlers," by Arthur Mee, published by Morgan & Scott, Limited, 12 Paternoster Buildings, England, has been declared by the Secretary of State of Canada, to contain objectionable matter as defined by the Consolidated Orders respecting Censorship, and that the possession within Canada of any issue or copy of the said "The Fiddlers," whether heretofore or hereafter published, has been prohibited by a Warrant of the Secretary of State of Canada, dated the 12th July, 1917, and that, as provided by paragraph 3 (1) of Order 111 of the said Consolidated Orders respecting Censorship, any person guilty of an offence against the said Orders shall be liable to a penalty not exceeding five thousand dollars or imprisonment for any term not exceeding five years, or to both such fine and such imprisonment.

Thomas Mulvey,
Under-Secretary of State.

Mr. PUGSLEY: And you have a copy there?

Mr. OLIVER: I have the book and I have read it in part. It is a powerful arraignment of the liquor traffic in the United Kingdom. I have read the order in council of Wednesday, the 17th of January, 1917, consolidating orders respecting censorship, and I desire to ask the Government under what paragraph of these consolidated orders this notice has been issued, and in respect of what portion of the matter contained in this book?

Sir ROBERT BORDEN: I am afraid that I am in the same unfortunate position under the law as my hon. friend, because a copy of the book has also been sent to me. Possibly I may have shifted the responsibility, as I handed over my copy to one of the officers of the department to peruse until I should have an opportunity of doing so myself. The prohibition of the book did not come to my notice until a copy of it was sent to me, inviting me to peruse it and see whether there was any good reason why it should be prohibited. I shall make inquiries as to the matter about which my hon. friend asks for information, and let him know the result at a later date.

Mr. OLIVER: May I ask that the Secretary of State be instructed to suspend proceedings against members of this House until the Prime Minister has reached a conclusion in the matter?

Sir ROBERT BORDEN: I am very much interested in that request myself.

[Mr. Oliver.]

EXTENSION OF THE TERM OF PARLIAMENT.

STATEMENT BY THE PRIME MINISTER.

On the Orders of the Day:

Right Hon. Sir ROBERT BORDEN (Prime Minister): With reference to the resolution for an extension of the parliamentary term, which was under debate yesterday and was voted on last night, hon. gentlemen will have observed that I did not make any motion that the resolution should be sent with a message to the Senate for the purpose of securing concurrent action there. My failure to take that course was due to the reason which I set forth when moving the resolution. I then declared that I did not think it should be acted upon unless there was unanimity or practical unanimity in the House with regard to it. The result of the vote upon the resolution showed something very far short of either unanimity or practical unanimity, for the vote stood 82 in support of the resolution and 62 against. Under the circumstances, therefore, and having regard to the course which I laid down in moving the resolution, I desire to announce what must already be apparent to hon. gentlemen in this House, that the Government do not purpose taking any further action upon the resolution, as it was carried by a majority of only 20.

FARM LABOUR IN WESTERN CANADA.

MOTION BY MR. TURRIFF IN REFERENCE THERETO.

Mr. J. G. TURRIFF (Assiniboia) asked for leave to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely, the farm labour question in western Canada.

And leave having been granted,

Mr. TURRIFF: I shall detain the House for only a few moments. The securing of farm help is of very great importance to the people of the West. We are now in the middle of July, and usually harvesting begins within two or three weeks of this date. In order to bring the matter quickly before the House, I shall read an article that appears in the Manitoba Free Press of July 11th, 1917, under the heading, The Farmers' Forum:

Farm Labour Problem.

Every few days letters arrive for this column, commenting on the extreme shortage of labour for harvest and threshing and suggesting methods by which the shortage may be met. The same suggestions appear in varying forms in all the letters received.

These suggestions, stated broadly, are:

First: "Conscript the slackers in cities and towns, place them in the army and return to the farms sufficient numbers of farmers and farm labourers to take care of the crop. In other words conscript man power and send it to do the task for which it is best fitted."

Second: "Conscript alien enemy labour and compel them to do the farm work at something like reasonable wages; a few suggest that as they would be fed on the farms they should be paid army wages only, others, however, ask merely for a reasonable rate of wages, and some security that these men when hired will live up to their contract."

The object of this editorial is not to discuss either of these proposals, but rather to discuss the methods which are being adopted to secure help, more especially with reference to Manitoba; also the outlook for help for all three provinces.

First, as to what has been done. Louis Kon, the head of the immigration department for Manitoba, who has this matter in charge, as soon as the spring rush was over began to lay plans for harvest. With a view to ascertaining the requirements of the farmers, he circularized the secretary of every municipality in Manitoba, suggesting that the council appoint one or more reliable men in each municipality, who would act as agents for the free distribution of labour, who would ascertain the needs of the municipality and transmit them to the immigration office, and who could be applied to to look after the men when they are ready to go out and see that they reach their proper destinations. The ready and general response to this suggestion is an excellent indication of the feeling in the country that help will be short and that there will be difficulty in securing it. It may be assumed that there will be on record in the immigration office, in the course of the next three weeks, a very complete list of the requirements of the province.

A careful review has been made of the source of possible supply, and frankly the outlook is not encouraging.

The sources, roughly, are: Homesteaders within the province, a limited supply of agricultural college student labour from the United States and possibly a percentage of regular farm labour from those States with crops which mature at an earlier date than our own.

A certain percentage of the labour employed in large establishments in the cities and towns, which volunteered last spring, and when not called upon for spring work, was asked to hold itself in reserve for the greater needs of harvest.

A possible percentage from the province of Quebec, the large alien population in the west available only at very high wages.

With regard to homesteaders, many of whom are aliens, it must be remembered that while a large number of them were available last spring, there will not be so many this harvest for the simple reason that last spring these men doubled up, and one man put in the crop of four or five while they went to help with the seeding elsewhere. In harvest it will take from four to five men to take off what one man seeded, and it is just as important that their crops be saved in good order as any other.

Student labour from the United States will be highly efficient, but it is not yet sure that it will be available in any large numbers as it may be needed at home. If any large number can be secured these young men will work in groups, moving from point to point as they are needed, and will, no doubt, be of great value, as they will work with trained brains as well as trained hands.

Regular farm labour from the United States is a very uncertain quantity at present. It will not be available from the States immediately to the south, the Dakotas and Minnesota, as their crop is almost as late as our own. There is a possibility, however, some may be secured from the winter wheat states. The provincial immigration office is in communication with Assistant Secretary Vrooman, of the Department of Agriculture, Washington, seeing what it may be possible to do along this line.

With regard to help from industrial concerns and large city establishments, many of these are already working with a very short staff, so that the number from this source cannot be large. It may be found necessary to close all the industrial concerns for a few weeks, with the exception of the munition works and industries manufacturing foods either for home consumption or shipment overseas, and send every available man and every able-bodied woman employed in these industries to the country.

Help from Quebec is highly problematic, unless it is conscripted for the purpose. Already signs are not wanting that Quebec is preparing to refuse work in western harvest fields in retaliation for western members of Parliament voting for the Conscription Bill. The alien labour at home is equally problematic until it is definitely known whether or not these men are to be conscripted, if the Bill goes through. Nothing short of compulsion will make many of them work at all, or any of them work for less than the very highest wages which necessity may drive farmers to pay. At least this is the information furnished by very many farmers and farmers' organizations.

From interviews in the papers, on the return of Sir George Foster from Washington, it appeared as if he had made arrangements with regard to help from the United States, but upon inquiry it is learned that nothing but generalities were discussed and no plans laid by the federal minister.

Inquiry also reveals the fact that nothing is being done or planned along this line by the head of the National Service Commission. It would have been reasonable to expect that the information gathered from the National Service cards would have been available for the purpose of ascertaining the various classes of labour available, but up to date so far as the public have any knowledge this has not been tabulated. The indications are that so far as farm labour is concerned each province is to be allowed to shift for itself.

This is not as it should be. The shortage of labour is so very great that the only way of meeting the difficulty is to have available supplies mobilized and moved from point to point as needed. This can only be effectively accomplished by federal authorities. They too are the only people in a position to deal with the matter of transportation. Labour should be carried at the very lowest rate from point to point and with the minimum of red tape about securing this transportation. Last spring low rates could only be secured for

groups of five or over, from points outside of Winnipeg, whereas they should be equally available for one man if that one man is all that is needed at a given point. Moreover, transportation should be useable on any train, passenger or freight.

The foregoing gives some idea of the gravity of the labour situation. It is not a matter of securing help for the farmers in order that they may make a profit out of their crop; it is something vastly more important. It is the need of securing help for the farmers to save the crop, in order that our men, fighting in the trenches, may be properly supplied with food that we may have sufficient for our own tables and also that we supply as far as possible the needs of Britain for bread. Everything from Britain indicates that rationing is steadily becoming tighter.

The crop of every homesteader, who may have in no more than 20 or 30 acres, has suddenly become of national and indeed of Empire-wide importance. The west, in times of peace, claimed boastfully that she was the bread basket of the Empire. Now is the time to make good that boasting.

I also received the following telegram:

Winnipeg, July 11, 1917.

J. G. Turriff, M.P.,
Ottawa, Ont.

Please see Manitoba Free Press of Wednesday morning page 10, Farmers' Forum article on farm labour problem. Suggest you take this matter up in House and get statement from Government as to intentions and plans for securing men and providing transportation. Situation is regarded as quite serious here and to be in time action should be taken immediately.

This telegram is signed by G. A. MacDonald, who, I understand, is in charge of that class of work in the province of Manitoba.

The article I have read deals with the matter so fully that I do not think it is necessary for me to add anything further than to say that this is a very very serious question. If we have wet weather during the next few weeks the crop in many parts of the provinces will be fairly heavy, and a good deal of labour will be needed, and there is very little extra labour there at the present time. I bring the matter to the attention of the House in order that the Government may be seized of it, and may relieve the minds of the people of the West by showing what steps have been taken, or what steps are being taken.

Sir ROBERT BORDEN: I am very glad indeed that my hon. friend (Mr. Turiff) has brought this matter to the attention of the House, as it is appropriate that the steps which have been taken by the Government with regard thereto should be known. The subject has been more immediately under the attention of my colleague the Minister of the Interior who will give, on certain aspects of the question, more detailed information than I can offer at the moment.

I may, however, say that negotiations have been going on for some time between the Government of Canada, through our Department of the Interior, and the Government of the United States, through one of its departments, for co-operation in the supply of labour, so that what is not required in one country may at a particular time of need in another country be used as far as is reasonably possible in the last-named country. As a result of negotiations between the officers of the Department of the Interior and officers of the United States Government a memorandum to carry out this purpose was drawn up, which was submitted to the Government of Canada and approved immediately. It has also been approved by the Government of the United States, and it will come into operation at once. My hon. friend the Minister of the Interior will explain it more fully.

So far as other steps are concerned, there was a meeting called last week, at my instance, which was attended by representatives of the Canadian Pacific railway, the Grand Trunk railway, the Grand Trunk Pacific railway and the Canadian Northern railway. I also asked the attendance of a representative of the Canadian Manufacturers' Association, a representative of the Canadian Bankers' Association, and representatives of the Imperial Munitions Board. The meeting was held on Saturday last.

The object of asking representatives of the Bankers' Association, the Manufacturers' Association and the Imperial Munitions Board, was to ascertain whether or not some means could be contrived by which, during the brief period of the harvest, when labour is so urgently necessary, some men might be spared from the activities of those carrying on industries and banking, and it was thought also that the Imperial Munitions Board could co-operate to some extent. The meeting was also attended by Mr. Peterson, secretary of the National Service Board. While the article to which my hon. friend has called the attention of the House is very instructive and useful, I think the writer was under a misapprehension in one respect. The returns received by the National Service Board have been tabulated and Mr. Peterson informs us that there are 250,000 people, or thereabouts, in Canada, who, in returning their cards, stated that they would be willing to go to some other part of the country upon the condition that their remuneration should not be less than they were then receiving and that their transportation expenses should be paid. Of course, I do not mean

to suggest that anything like 250,000 people would be available for this purpose, but it would seem to indicate that the information obtained by the National Service Board in that regard might be of use. There was a very hopeful feeling as to the provision of necessary labour expressed at this meeting and especially by the representatives of the railway companies who have had such questions before them year after year, and who say that the grave apprehensions entertained from time to time have not been realized. They believe that sufficient labour will be provided this year.

The meeting was also attended by several of the ministers whose departments appertain especially to this matter. When we had completed the conference of an hour, the representatives of the railways, of the associations to which I have alluded and of the Imperial Munitions Board and the National Service Board, spent some further time in devising the best means of co-operation. They have embodied their conclusions in a memorandum setting forth the lines along which they purpose to act, and included in the course which they intend to take is an effort by the secretary of the National Service Board to get in touch with the persons who have indicated their willingness to transfer their labour to other parts of the country, especially such as are not engaged in industries that are vitally essential to the carrying on of the war. It is not intended to apply to those whose skill in a particular industry or service would be of more advantage than in any other occupation. That, briefly stated, is the situation as I understand it at present. We are keeping in touch with the railway companies and the boards and associations represented at the meeting. It was in pursuance of a suggestion made at this meeting that I placed the situation before the people of Canada generally, and asked for their good will and co-operation in order that the harvest now ripening may be gathered and that there may be no loss to the country by any failure so to gather it.

Mr. BUCHANAN: I am quite sure that the remarks of the right hon. Prime Minister (Sir Robert Borden) will be encouraging to the farmers of the West, who have been in doubt as to the supply of farm labour. I am not going to speak of the West as a whole, but I wish to make a few remarks about the obstacles which face the farmers of the southern part of Alberta. As the House knows, there was a coal strike in the spring and many miners were available for farm work. Now that the mines have resumed operations, and will, we hope, be busily engaged for the rest of the year, there is no possibility of any labour from that source being available for farm work. We have been accustomed to get some labour from the United States, and this was particularly so last year. Our harvest is coming on almost at the moment that the United States is calling men up under the selective draft, and there is no doubt that the supplies from that source will be depleted. In the southern part of Alberta the acreage under crop is 10 per cent greater than it was last year, and consequently the demand for help will be heavy. Some effort should be made to organize farm labour for the harvest, and to this end the co-operation of the provincial governments should be secured. If it is possible to transfer men from one section of Canada to the other in order to carry on farm work that system should be adopted. In some parts of the country the harvest will be earlier than in others, and the men might be shifted from one place to another. If such a system were adopted it would be of considerable assistance. In the past the men have gone to one district, remained there until the work was concluded and then they have drifted away, but frequently not to the places where there was a demand for their labour. By the proper organization of the men that situation would be relieved. I appreciate what the Government is doing to meet the situation. The chief trouble at present is that farmers are afraid that they will not have any labour, and if they could get an assurance that there is the possibility that labour will be provided as it is needed it would help to relieve their apprehension on this score.

Mr. W. J. ROCHE (Minister of the Interior): My right hon. friend the Prime Minister (Sir Robert Borden) has already pretty well covered the arrangements which have been undertaken by the Government in order to secure the necessary farm help. But possibly I might elaborate a little the arrangement that has been made between the United States and Canada. When my hon. friend the Minister of Trade and Commerce (Sir George Foster) was in Washington he took the matter up informally with representatives of the United States Government. We sent down the Deputy Minister of the Interior and the Inspector of Immigration agencies in the United States to consult with the authorities at Washington. They had an interview with representatives

of the labour, agriculture and immigration departments of the United States and a tentative arrangements was made to be submitted to the respective governments for their approval. Pending its consummation, an official was to be appointed by both Governments to carry out the operations under the arrangement. The arrangement is, in short:—

1. That the Canadian Department of the Interior will place no obstacles in the way of the entry of the United States across the Canada-New England boundary of agricultural and lumbering labourers, not needed at the particular time in the lumber and agricultural industries of Canada, to take part in the harvesting of the potato and other crops in New England and elsewhere, and in the cutting and rafting of timber in the New England woods, as hereinafter mentioned, or in the way of the entry into the United States across the boundary between Canada and the States of Minnesota, North Dakota and Montana, of farm labourers to participate in the harvesting of wheat in the States mentioned; but, on the contrary, the said Department will, through its immigration officials and in all other ways open to it, encourage the coming of such surplus agricultural and lumbering help into the portions of the United States specified, and in pursuance of that policy will endeavour to have conveyed to Western Canada, sufficiently in advance of the opening of the harvest season there, such harvest helpers as may hereafter be reported to them by the United States Department of Labour to be needed in the States of Minnesota, North and South Dakota and Montana and other States, so that such helpers may promply cross the line and assist the forces mobilized by the United States Government in the harvest fields of the said States.

2. That the United States Departments of Labour and Agriculture will not only permit but encourage such surplus agricultural labourers among those now mobilized for harvesting purposes in the middle West, as rapidly as the need for them in the harvest fields of the United States decreases or disappears, to cross the boundary into the provinces of Manitoba, Alberta and Saskatchewan and there assist in the harvesting of the wheat crop, and that appropriate instructions will be given all immigration and other officials of the United States looking to the end that the surplus supply of farm labour in the middle western portion of the United States may be made available to western Canada in the manner and for the purpose stated.

3. That Canada and the United States will mutually enforce, through their Immigration Services or otherwise, such precautionary measures as may be needed to insure that all persons whose departure from the respective countries is permitted will be required to return to the country of origin immediately that the temporary purpose involved in their admission to the other country has been accomplished.

4. That as soon as this tentative agreement is approved by the appropriate officials of the respective Governments an officer or officers will be selected by each Government to devise and execute the details of a plan of operation.

This has been approved by the Canadian Government, and we have information that it has been approved by the American Government, and the officials herein mentioned will be appointed to carry out the arrangement. I quite agree that there is a great shortage of farm labour in the West. At the same time, we have had the same cry for many years past on behalf of the Provincial Governments and of the farmers, and I can say without exaggeration that usually they do not err on the side of asking for less than they really require. On the contrary, I think that their needs have been supplied by considerably less numbers than the estimates of the respective Provincial Governments. For instance, this spring an arrangement was made between the Provincial Governments and the Dominion that certain immigration officials were to be sent to the United States by the provincial authorities to act in co-operation with Dominion officers in securing farm help to put in the crops. The Provincial Governments estimated a much larger number than they required. By reason of a very active publicity campaign in the United States, we were able to secure several thousand additional helpers from the United States, sufficient to supply the demands. Owing, however, to the United States since then coming into the war, we could not, of course, in justice to that country, inaugurate a similar campaign for harvesters, and therefore the arrangement I have just read has been made on the basis of co-operation between the respective Governments to help fill the requirements of the farmers and others in the respective countries. Last year it was estimated that we would require from 35,000 to 40,000 harvesters in the three provinces of the West. There were sent in by the transportation companies from the East, in round numbers, 27,000 men. About 4,000 of those came from the United States. Somewhere in the neighborhood of 3,000 entered through the western ports and nearly 2,000 through the eastern ports. The transportation companies allowed a special rate of $10 to Winnipeg and the men were distributed to the various portions of the three provinces at a rate of half a cent a mile. There was a return rate of, I think, $18. I have asked the transportation companies to grant an even lower rate if possible for the ensuing season, and, while they have not committed themselves, they are considering it, and I hope that a cheap rate may be secured.

The article read contains some very practical suggestions, of which some have already been acted upon, while others I think will be rather impracticable. For instance, the suggestion is made that we should conscript the alien enemies and the

slackers and compel them to work at a fixed maximum wage. An effort was made to do this in connection with spring work in Manitoba, and I understand that there was a proposition from the Grain Growers to the Provincial Government to fix a maximum wage, so that each farmer could secure help at a reasonable wage. The Provincial Government, however, could not see their way clear to accede to that request. You may take a horse to water but you cannot compel him to drink; and while you can conscript men to fight in defence of their country, while they will fight because they are fighting in defence of their own lives in the trenches, it is another thing to compel men to go into the harvest field and work there. I am afraid that if we compelled men to work in that way the farmer who employed such men would obtain very little result from their labour. The Prime Minister has already said that a conference was held here a few days ago between the various bodies he mentioned. We are going to leave no stone unturned in order to secure the necessary help. All of these bodies have promised to use their influence in their respective spheres to release as many men under their jurisdiction as they possibly can, in order to provide the necessary amount of help. The Deputy Minister of Agriculture for Saskatchewan visited Ottawa and had an interview with me last week, and we have promised co-operation, so far as possible, with his Government. The Provincial Government are willing to distribute any help that goes into that province. They are also carrying on a propaganda locally to secure men. Last year there were ticketed out from towns and cities in Saskatchewan, 3,700 men for farm work. In Alberta there were ticketed out from cities and towns 3,200, and from Winnipeg about 5,000, so that the local supply was quite large. However, we do realize that there were a number of soldiers in Canada last year. There were some 16,000 in Camp Hughes and some 3,000 at Sarcee Camp, who were released, nominally to help on the farms. I do not say that all went to farm work, in fact I know that many did not. But owing to the fact that there are comparatively few troops in Canada to-day, we cannot draw on this source as we did last year. Every possible thing that can be done will be done by this department in the interest of the farmers, in co-operation with the Provincial Governments and those other bodies that have been mentioned.

Mr. OLIVER: Do the plans of the Government in this connection include the acceptance of the suggestion of the hon. member for Parry Sound (Mr. Arthurs) that 12,900 men now on service in England but unfit for service in France should be returned to Canada for the purpose of engaging in their ordinary vocations?

Mr. ROCHE: That would come under the jurisdiction of the Militia Department. I do not know that the views expressed by the Minister of Militia (Sir Edward Kemp) quite harmonized with those of the hon. member for Parry Sound (Mr. Arthurs), as many of those men have already gone to France, and many others have been given employment on construction and fortifying work.

Mr. MARCIL: Has the minister considered the idea of asking that the conscription Act be suspended in order to get men to carry on the work in the harvest fields?

Mr. ROCHE: No, we have not considered that: the conscription Act takes first place.

Mr. ROBB: The shortage of labour anticipated in western Canada is now on in eastern Canada. In support of his argument for labour to reap the crops of western Canada, the hon. member for Assiniboia (Mr. Turriff) quoted an article in the Winnipeg Free Press. One feature of that article struck me, that was the statement that the people of Quebec were refusing to work in the western wheat fields as retaliation for the imposition of military service. That is only in line with a lot of other misrepresentation of the province of Quebec that have been spoiling paper and ink for the last few weeks throughout this country. All throughout eastern Canada to-day, while the haying is on, as every hon. gentleman from Ontario and Quebec knows, labour is almost unobtainable. Farmers are now offering $3 to $5 a day for help and are unable to obtain it, and you will find women working in the hayfields of eastern Canada. My hon. friend from Assiniboia (Mr. Turriff) has said that western Canada is the bread basket of the Empire, and perhaps this is true. But I hope that our friends in the West will not forget that eastern Canada provides the cheese and the butter to put on that bread. And providing cheese and butter does not mean work for three or four weeks in the springtime, and three or four weeks during

the gathering of harvest; it means hard and slavish work every day of the year, and many farmers of eastern Canada have lessened their herds because they were unable to obtain labour to take care of them. While it is important to have labour to put in and gather the crops, it is equally important to have labour to move that crop to market. Last year, in western Canada, they raised a pretty fair crop of grain that would have been useful for the feeding of cattle in eastern Canada, but, owing to the shortage of labour to operate the railways, to get out coal or supply fuel for the engines, that crop was allowed to remain during the winter, and they were unable to move it until the grass was growing in eastern Canada, and it was not required. The result of the shortage of labour was that throughout eastern Canada the canners of this country were buying cattle at reduced prices, because the farmers had no feed for their cattle. I say it is equally as important that the Government should provide labour for the coal mines, and labour to operate the railways of this country to move the crops as it is that they shall provide labour to gather the crops. We heard a good deal of complaint about Canada not being able to produce potatoes for the requirements of her people last year, but many people know that there were thousands of bushels of potatoes left on the railway sidings in Montreal, because there was no labour to move them until the frost came along and spoiled them. Those are the conditions we are faced with, and I think the Government should take these matters into account when considering the labour question. While the labour conditions may be acute in the western country, it is more so in eastern Canada. Industries are nearly closing down or they are running shorthanded because there is no labour, and it is a libel upon the province of Quebec to say that labourers refused to work on account of the conscription measure. Labourers in Quebec are ready to work wherever they can get a day's pay, and there are more men wanting to help than there is labour offering.

Mr. LEVI THOMSON: I desire to call the attention of the Government to a matter which came to my notice last fall. The Minister of the Interior speaks about labour sent out from Camp Hughes. That labour was very useful in our part of the country, but it had a very disturbing influence in another way. A great many of us who were running threshing outfits were dependent on some of those recruits for helping to run the threshing outfit, and in the middle of the threshing season they were taken off, and the work was not completed. The result was the work dragged along, and practically no fall ploughing was done at all, and we have much less wheat in crop this year than in other years. I know it from experience. I have had men taken away from me, and I know how it works.

Mr. NESBITT: I may say that every year in Ontario we suffer a great deal in the fall of the year from the advertisements for labour for the West. They take our men away from us in the fall of the year, when we require them very badly, and I was going to suggest to my hon. friend that, in his organization, he should look after the taking of labour from one place to the other more by organization than by wild advertisements as to high prices and that sort of thing, because that has a tendency to make men restless and make them leave their work. If a man has two or three men employed, or perhaps only one man, we know they simply leave when they like. Very frequently you dare not say anything to them. They get up and leave you, and that is caused a great deal by advertisements which appear in the fall of the year for labour in the West. My hon. friend who preceded me spoke of the necessity for labour for various industries and for transportation. He is absolutely right, and labour in our section of Ontario is just as scarce as it is anywhere else. I quite appreciate that it is necessary to move the harvest in the West, but it is also necessary to move our crops in the East.

Sir GEORGE FOSTER: You antedate the work out there.

Mr. NESBITT: So far as harvest is concerned, we do, but then follows the preparation for fall wheat, which is just as important, for the next year, and then follows the root crop harvest, which is equally important, if not more so, in a way, in Ontario, and then you have the corn harvest. Our great harvest, after all, nowadays, is the corn harvest in the fall of the year. Our fall wheat and corn harvest immediately follows our grain harvest. We require more men in corn harvest than we do in grain harvest.

Mr. SPEAKER: Shall the hon. member have leave to withdraw his motion?

Motion withdrawn.

Mr. SUTHERLAND: I desire to say a word—

Mr. SPEAKER: I put the question to the House whether leave should be given to withdraw the motion and no protest having been made, the motion was declared withdrawn. It is too late for the hon. member to speak on that motion now.

PRIVILEGE.

On the Orders of the Day:

Mr. PUGSLEY: I desire to bring before the House a matter of privilege, which I mentioned some days ago, but allowed to stand, so that it would not block the Military Service Bill. That Bill is now taking a rest, and it will be quite in order to draw attention to the matter.

Sir GEORGE FOSTER: What is the subject?

Mr. PUGSLEY: It is the reference to a statement made by my right hon. friend the Prime Minister, on June 6, when he announced the appointment of a commission to investigate the judgment of Mr. Justice Galt—

Sir GEORGE FOSTER: The Prime Minister is not in the House and is engaged on very important business, and I do not suppose the hon. member from St. John would wish to take it up in his absence.

Mr. PUGSLEY: I will allow the matter to stand, and when I take it up, I desire the Minister of Marine and Fisheries, and the Minister of Labour to be present.

Sir GEORGE FOSTER: We will endeavour to have them here, if the hon. member promises to be short.

Mr. PUGSLEY: And my hon. friend the Minister of Trade and Commerce is interested, because he proved himself a letter writer.

Sir GEORGE FOSTER: I am always here.

PAIRS ON YESTERDAY'S VOTE.

On the Orders of the Day:

Mr. THOMPSON: I wish to call attention to an error in yesterday's Hansard. I am represented as having voted on the motion for the adoption of the resolution, moved by the Prime Minister for the extension of the term of Parliament, and also as being paired with the hon. gentleman from Charlotte (Mr. Hartt). I did vote for the motion, and the statement that I was paired is not correct.

INTERCOLONIAL RAILWAY—INCREASE OF FREIGHT RATES ON COAL.

On the Orders of the Day:

Mr. PUGSLEY: About the time that the fuel commissioner was sent to the Maritime Provinces to investigate the high cost of fuel, the Intercolonial railway authorities added an extra freight rate of 50 cents a ton upon coal, thus considerably increasing the burden of the people. May I ask the Minister of Railways and Canals if that rate still continues, and if so, whether the order bringing it into force will be rescinded?

Mr. COCHRANE: It is true that the rate was increased. The reason was that we had to increase the wages of our employees within the last two months to the extent of over $2,000,000. We also had to meet an increased cost of coal of over $1,000,000. Upon representations, however, made by the fuel controller and other persons, we have agreed to allow the old rate to stand until the 1st of August, after which an increased rate—between 30 and 40 cents a ton less than the first increase—will be put into effect.

RAILWAY ACT AMENDMENT.

The House in Committee on Bill No. 13, to consolidate and amend the Railway Act. —Hon. Frank Cochrane (resumed from Monday, July 16.)

Mr. Rainville in the Chair.

On section 302—Regularity in train time.

Mr. HERMENEGILDE BOULAY (translation): Mr. Chairman, allow me to call your attention to subsection 2 of section 302 which is of very great importance to the travelling public, in the province of Quebec. Monday last, when we were in committee on the Bill, I stated that it would be proper to amend this subsection, so as to make it more satisfactory to the travelling public in my province. The proposed amendment would affect exclusively the province of Quebec and I fail to see that it could cause any inconvenience in the other parts of Canada. I hope the suggestion will be considered to be in the best interest of the public. I do not expect that any member from the province of Quebec will oppose the amendment; I rather believe that it will meet the views of all.

The amendment that I suggest affects only the province of Quebec. Members from that province know the inconvenience that has been suffered in the past by the travelling public in that section of the country by

reason of the fact that a great many of the conductors, brakemen, baggage masters, station agents and ticket agents cannot understand the language of persons boarding and leaving trains. This amendment would effect a great improvement over present conditions. Several times I have acted as interpreter on behalf of persons who were travelling, because railway employees were unable to understand them. Every company moving trains in the province of Quebec should require its employees to understand both languages. They would have no difficulty in selecting from amongst their own employees persons who could speak both languages. Subsection 2 of this section reads:

Every railway company shall print in both the English and French languages the time tables that are to be used along its lines within the limits of the province of Quebec.

I move that this subsection be amended by adding thereto the following words:

And all employees coming in contact with the travelling public shall understand both official languages of the country.

Mr. J. E. ARMSTRONG: We all appreciate the splendid motive of the member for Rimouski (Mr. Boulay) in submitting this amendment. But I direct my hon. friend's attention to subsection 2 of this section, which he has just read, also subsection 3 of section 303 is as follows:

Such notices—

Referring to the blackboard notices at the stations.

—shall, in the province of Quebec, be written in the English and French languages, and in the other provinces in English.

Subsection 4 of section 347 is as follows:

Railway companies shall print in both the English and French languages the bills of lading that are to be used along their lines within the limits of the province of Quebec.

If the amendment proposed by the hon. gentleman were adopted, some difficulty might be experienced by railway crews, especially those on trains running in and out of Montreal. On the trains, for instance, running between Montreal and Toronto, the crews would be obliged to speak both languages. The same would apply to the crews on Canadian Pacific railway trains running from Montreal to Ottawa, New York and Portland.

The Transcontinental line, both east and west of Quebec, and the Intercolonial would require crews who were able to speak both languages. While we should all be glad to know that the crews could speak both French and English, we must not forget that if this amendment carried it would mean that the crews of the trains leaving such cities as Montreal and Quebec would have to be composed entirely of French Canadians, and that might seriously interfere with the crews in the other provinces. I have been speaking with the representatives of the different railway brotherhoods since the hon. member proposed this amendment a few days ago, and they were unanimously opposed to it. They claim that if the crews leaving the large cities of the province of Quebec are to be composed of French Canadians, the labour organizations will likely demand that the crews in the English-speaking provinces be entirely English-speaking. I respectfully urge my hon. friend not to press his motion at this time.

Mr. NESBITT: In clause 302, with which we are dealing, there is a provision that the time tables and instructions shall be printed in both languages. What more do we want?

Mr. J. E. ARMSTRONG: The hon. member for Rimouski (Mr. Boulay) has moved an amendment to clause 302 to the effect that both languages shall be spoken by the crews on the railroads running through the province of Quebec.

Mr. NESBITT: Is there any serious trouble under the present system? We have had it for a long while.

Mr. PAQUET (translation): Mr. Chairman, I approve entirely of the amendment moved by my hon. friend from Rimouski (Mr. Boulay). I have myself witnessed of late unfortunate occurrences due to the fact that the railway employees could not understand what the passengers meant. Now the hon. member for Lambton (Mr. Armstrong) has just made a statement; but I think we could request the hon Minister of Railways and Canals to do his best to have that amendment inserted in the Act, for the greater convenience of the travelling public in the province of Quebec.

Mr. BOULAY (translation): Mr. Chairman, I think the point raised by the hon. member for Lambton can very easily be met. He states that he has been conferring with people connected with organizations of railway men; I admit that if he has been conferring with English-speaking people only, he may well have found that they did not favour such an amendment to our Railway Act. I can readily understand that; but I am satisfied that he has not met any

of the French-speaking employees or representative members of the railway associations in the province of Quebec. I am positive as to that. So his objection may hold good as regards the other provinces, but we in the province of Quebec we know what our requirements are. We know the requirements of our province. Although it might be objectionable with regard to the other provinces, there is no good reason why all the employees of the railroads running through the province of Quebec should not speak both languages, especially as the time tables and instructions are printed in both English and French. It is very inconvenient when employees who are coming in contact with the travelling public every day cannot speak the French language. There is not much force in the objection that the men coming from the United States would have difficulty in understanding the French language, because if the proper class of men cannot be got in the United States, they can be got in Canada, and that would be to the advantage of this country. I am not proposing that the railway companies be taken by the throat. I would be quite satisfied if this amendment were to come into force on January 1, 1919. I travel through the province of New Brunswick nearly every week during recess, and I know that in Campbellton it has been found necessary to employ men speaking both languages. This has been found to be a great convenience to the travelling public, and in the interests of the Intercolonial itself. If we give the railroad employees time to qualify themselves in both languages I do not see what harm can come to this amendment, and it would certainly be a great convenience to the travelling public and the country as a whole.

Mr. MARCIL: To appreciate this question properly, our friends from Ontario should think for a moment of the condition passengers would be in if a Frenchman who could not understand English was in charge of a train running through Ontario. That would not be in the interests of the passengers or of the country. In the province of Quebec, although a large number of our people speak the English language, unfortunately a great many do not, especially those from the rural parts of the province, and the district of Quebec in particular. The result is that a conductor in charge of a train may have a car full of people with whom he is unable to communicate. Having regard to the fact that railroad companies operating in the province of Quebec already print their time tables, bills of lading, posters, and so on in both languages to facilitate the transaction of business, I see no reason why the train crews should not be required to speak both French and English. It is very awkward for people who are stranded at a railway station and are unable to make themselves understood.

Mr. NESBITT: Do not nearly all the railway men understaand French?

Mr. MARCIL: The ticket sellers, of course, are able to speak both languages, and the conductors as well; that is elementary. I do not want to be harsh; a certain length of time should be allowed the railway companies in which to make this change. My experience is that a large number of the old conductors who have been employed on the roads in the province of Quebec for the last thirty or forty years can speak both languages, but men are being brought in more and more from western Canada who are unable to speak French, and that is a great inconvenience to the travelling public and the public generally.

If the matter were properly placed before the Canadian labour unions and if they understood it, I certainly think they would not object to the encouragement of the learning of both languages, especially in the province of Quebec, because it is evident that it is to a man's own interest if he wants to do any business that he should be able to speak both languages. I think it should be encouraged on the railways, because after all the railways deal with the public. The Minister of Railways might give the companies fair warning that in a year or a year and a half the ticket seller and the conductor at least—those who come in direct contact with the public—should understand the two languages.

Mr. PROULX: I am strongly in favour of the amendment proposed by the hon. member for Rimouski (Mr. Boulay).

Mr. J. E. ARMSTRONG: I do not want it understood that I am opposed to the crews being able to speak the French language. I should think it would be a very great advantage if they could do so. I merely called the attention of the committee to the position in which the railroads are placed at the present time, especially on the main lines in and out of important cities in Quebec. To pass this amendment would be to say that nobody but French Canadians should be employed

on railroads in the province of Quebec. The result would be that the railway unions, the large majority of whose membership are English-speaking, would be sure to retaliate and prevent French Canadians from being employed outside the province of Quebec.

Mr. MARCIL: There are a large number of English-speaking Canadians in the province of Quebec who can speak both languages. It is a great mistake to imagine that only the French Canadians speak both languages.

Mr. J. E. ARMSTRONG: I am quite well aware of that fact. What I called the attention of the committee to is the fact that the representatives of the railway unions are strongly opposed to an amendment of this nature being placed in the Bill.

Mr. WRIGHT: When the matter was up before I suggested that it might very well be left in the hands of the Railway Commission, and if they had not the power to deal with it, such power might be conferred upon them. We can very well see it might be a great hardship to put a clause of this kind in as an ironclad rule. Take, for instance, a train leaving Halifax for Vancouver; because it ran through a portion of Quebec for an hour or two, would it be right to compel the crew to be able to speak the French language? Might it not be a very great hardship indeed, and interfere with the running arrangements of such trains? On the local trains running between cities in Quebec it would be no great hardship to a railway if it had to have men who could speak both French and English, and I can understand that such an order might very well be made. At the same time I think it should be left in the hands of the Railway Commission.

Mr. LEMIEUX: I wish to thank my hon. friend from Muskoka (Mr. Wright) for the very sensible remarks he has made, and I think it would be well if my hon. friend from Rimouski were to accept his suggestion. If a provision were placed in the Act whereby the Railway Commission might regulate this matter, we would come to a satisfactory conclusion, because the province of Quebec is represented on the commission and I am sure the interests of the province would be well looked after. I may assure the committee this question is not brought forward with the idea of raising a vexed question. There is a real grievance in some cases. I quite agree with my hon. friend that we cannot expect a bilingual crew on a train leaving Halifax

or St. John for Vancouver, yet one must recollect that on a long-haul train partial changes of crews are made. A conductor might take the train from Halifax to Montreal, and be relieved there, so it would simply be a matter of arrangement. It might be arranged that when a train reaches the boundary line between New Brunswick and Quebec a conductor speaking both languages would be put in charge. Certain grievances on this subject have been made public. Two cases were given a little more publicity than the others. One concerned some young boys coming home from college, and the other was a case of gross misconduct on the part of a conductor on the Canadian Northern Railway. In the first instance, some students were going from Rigaud to Montreal. They were threatened with arrest by the conductor of the train because they could not understand him, and he insisted that they should understand him. The doors of the car were locked, and had it not been for the intervention of a gentleman whose name was mentioned, those boys would have been arrested when they reached Montreal, because, according to the conductor, they had refused to pay their fares. The case which happened on the Canadian Northern was on a new line in a new district. The conductor was ignorant of the language of the passengers, and on the occasion referred to he handled very roughly one of the passengers who did not understand him. When the remonstrance was made to the company in Toronto they took the matter up and the answer was very satisfactory. Apologies were made, and the company promised that such conduct would not be renewed. These are only two instances which occur to my mind at the present time as tending to show there certainly are grievances.

But as the hon. member for Muskoka (Mr. Wright) stated, the local conditions could be looked after if the power was given to the Railway Board to deal with such conditions. I would be agreeable to accepting that suggestion, and I would suggest to my hon. friend from Rimouski that he amend his motion accordingly. It is well that this grievance be met before the committee, because certainly there has been some wild talk of late about it on the various trains.

Mr. GREEN: I am not in favour of the amendment proposed by the hon. member for Rimouski (Mr. Boulay), nor am I in favour of the suggestion made by the hon. member for Muskoka (Mr. Wright). This is a matter that should be left as it is. I

see no reason for making it the law that the people in charge of the trains should speak both languages. I quite agree that it would be an advantage, and that it is just and right that where necessary the train officials should speak both languages. But surely that is a matter that should be left to the railway company who are handling the business of the road. If it is necessary to their business to have men speaking two languages, whether they be French and English or other language that may be necessary in some particular portions of Canada, surely we can leave it to the railway companies to see that the public is being served. I do not think it would be right for this House to put upon the statute books a law making it necessary for the railway companies in all cases, either in Quebec or any other province, to have men in their service who could speak both languages.

Mr. MARCIL: I approve of the suggestion made by the hon. member for Muskoka (Mr. Wright), and supported by the hon. member for Rouville (Mr. Lemieux). I think the Railway Board would have no hesitation in declaring that local trains should be in charge of a conductor, and that the tickets should be sold by a ticket seller, who could understand the passengers. I am prepared to leave it to the board to say how trains running beyond the limits of the province of Quebec should be manned.

Mr. COCHRANE: There is a certain degree of unfairness in insisting upon this. Many trains leaving Montreal get out of the province of Quebec long before the time comes for changing the conductors and other officials. There are three or four trains a day going out of Montreal on the Canadian Pacific and Grand Trunk, and there will be on the Canadian Northern, in regard to which the conditions are as I have described them. It is not as it is with the Intercolonial. For the Intercolonial, I would accept the proposal right off as far as running in the province of Quebec is concerned, because we run several hundred miles through that province. But, it is a different proposition in regard to the trains running out of Montreal. Unless there is a wide latitude given to the Railway Commission, I would not want to agree to the amendment. On Intercolonial trains running through the province of Quebec, it is all right, but on trains running between Montreal, Toronto and Ottawa it would be very objectionable.

Mr. MARCIL: I understand the minister to agree that with reference to local trains in the province of Quebec the amendment might apply but that the question with reference to trains running outside of the province should be dealt with by the Railway Commission.

Mr. COCHRANE: I did not say that.

Mr. MARCIL: I did not quite understand the hon. gentleman.

Mr. COCHRANE: I said that with regard to trains in the province of Quebec there was no objection to it, but that with regard to trains running out of Montreal to Toronto, Ottawa and the Coast it is unfair to ask it. These trains are only in the province for three or four hours, at the most, after leaving Montreal.

Mr. BOULAY: The hon. member for Kootenay (Mr. Green) said a few moments ago that we had better leave it to the company. It has been left to the companies for the past forty or fifty years and no improvement has been made yet. We start from Ottawa and at the car door we meet a man who speaks only one language. When we start from Montreal to come to Ottawa, although it is in our own province of Quebec, we meet the same man, we are confronted with the same situation—and if we speak only French how can we be understood? These companies that are running trains from Ottawa to Montreal have been running them for a great many years. Of course they do not lose passengers; they have the same number of passengers all the time; it does not cause any harm to their traffic, but it causes harm and annoyance to the passengers. Those of us who travel in the province of Quebec have witnessed the annoyance caused to the passengers and this has been going on for the last forty or fifty-five years. We do not ask this change for the province of Ontario or New Brunswick; we are asking it for our own province. If the companies running trains from Montreal to Ottawa cannot of themselves see that it is nothing but just to give us men who understand both languages, it is up to the Government to force them to do it. I do not say that those operating trains from Montreal to Toronto or Hamilton or Vancouver should be able to speak both languages, but those who are running trains from Montreal to Ottawa or from Ottawa to Maniwaki in the province of Quebec should be able to understand the passengers who board their trains. I appreciate the remarks of my hon. friend the

Minister of Railways and Canals (Mr. Cochrane) as to the Intercolonial, and I thank him for what he has done. At the present time we do not lack these advantages on the Intercolonial; we have men on the trains of that line who are able to understand both languages. If the Intercolonial, starting at Montreal, and running through the province of Quebec, has been able to get men who can understand both languages, it is just as easy for the Canadian Pacific, the Grand Trunk and the Canadian Northern to get the same class of men. I heard the hon. member for Frontenac (Mr. Edwards) the other day saying: Let us know what other grievances you have in the province of Quebec and we will be ready to remove them at once. This is one of the grievances we have. Imagine the difficulties on board a train of a poor lady or a man who does not speak any English. They are confronted with a conductor, or a station agent, or ticket seller, who does not understand what they say, and if they do not get what they want they are displeased.

Quite often disagreements and even serious quarrels arise because these two people cannot understand each other. Members of the House, I think, will realize that I am right in my contention, and I do not think that members from other provinces should interfere in a matter of this kind, which relates only to the province of Quebec.

Mr. MARCIL: The section and the amendment might both stand in order that a provision may be drafted which will satisfy every one.

Mr. COCHRANE: If the amendment referred to local trains wholly within the province of Quebec, I should accept it, but it does not seem desirable to apply such a provision to interprovincial or international trains.

Mr. MARCIL: Probably the Board of Railway Commissioners would order that on local trains in Quebec the conductors at least should understand both languages.

Mr. COCHRANE: That is not the proposition.

Mr. LEMIEUX: It is quite possible that we could agree on an amendment which would not interfere with international trains. So far as local trains are concerned, I think we can agree.

Mr. COCHRANE: So far as local trains are concerned, I would agree to it right away.

Section stands.

[Mr. Boulay.]

On section 303—Posting information about late trains.

Mr. BOULAY: This section provides that the station master must write up the time when a train that is late will arrive at his station. I think that that information should be posted up at every station in relation to all trains, whether they are late or not.

Mr. COCHRANE: The time the train is due is always put there.

Mr. NESBITT: The time the train is due to arrive is marked on the board, and if the train is late they mark on the board the time it will arrive.

Mr. BOULAY: Not at all the stations.

Mr. NESBITT: In the country stations they are not very particular about marking the time on the board, but there are very few people at those stations, and they get the information from the stationmaster.

Mr. CARVELL: Has the hon. gentleman ever found any grievance over this? It is the first time I have heard the question raised. On all the roads I have had anything to do with they have the time placed on the board in different columns. The first column is headed "due to arrive," or "due to leave," and then another column is headed "will arrive at." When trains are on time they will simply say "on time." Every passenger is entitled to a time table, and he knows when the train is due to arrive and due to leave. It is only necessary to mark the board when the train is not on time. It seems to me the section goes far enough. The section provides that if the train is not going to leave when it is scheduled to leave notice should be given.

Mr. BOULAY: It is all right for the hon. gentleman from Carleton and those who travel much, but I am speaking for the common classes. At the very large stations the time of arrival is placed on the board, but that is not done at the small stations. At the present time a stationmaster is not obliged to mark the time the train is due, and therefore it will not be reported until the train is late. But the poor traveller who comes ten or twenty miles has no time table in his pocket. Many times when we ask the stationmaster for a time table he has none. I asked for a time table here at Ottawa to get the time of the trains running from here to Montreal and I could not get one.

Mr. CARVELL: I think it is provided in the law that there must be a printed time-

table at every station. My hon. friend is thinking about the Intercolonial. It is only a sort of half railway anyhow. When the hon. gentleman gets on a railway where they run trains properly, he would not find any difficulty, and this law does not affect the Intercolonial. I think the section is all right as it stands.

Section agreed to.

On Section 310—Trains or cars moving reversely.

Mr. ARMSTRONG: The words of the first part of the section have been transposed and the words "which is not adequately protected by gates or otherwise" have been inserted. In committee we struck out the words in the second line of the old Act, "moving forward in the ordinary manner," and also in the fifth line "or of the tender if that is in front." This matter was fully discussed by the representatives of the Brotherhood, and it was decided that in the general interest this should be struck out.

Mr. CARVELL: It does not change the meaning at all, but the committee thought it would be much clearer if the section read as it appears in the Bill. Under this section it makes no difference whether it is the tender or freight car that is foremost on the train, the part of the car which is foremost shall have a man stationed on it.

Section agreed to.

On section 311—Obstruction of highway traffic.

Mr. MARCIL: Is there anything stipulating the time a train may be held up when crossing a road?

Mr. ARMSTRONG: Five minutes.

Mr. MARCIL: It does not apply to the Intercolonial. I know at Matapedia the trains are held up for some time.

Mr. NESBITT: They are held up all over.

Mr. COCHRANE: The Intercolonial is not the only road where the trains are held up.

Section agreed to.

On Section 312—Traffic, tolls and tariffs: Accommodation for traffic.

Mr. ARMSTRONG: There are changes of more or less importance, largely at the suggestion of Mr. Hardwell, the traffic expert of the Railway Commission, after discussion with the board. While in committee an important change was made in the wording. The following words are added as paragraph (e) of subsection 1:

> Furnish such other service incidental to transportation as is customary or usual in connection with the business of a railway company.

This was thought in the public interest, and referred to the milling in transit matter which was brought before the committee at the instance of several prominent men from different cities in Canada.

Mr. CARVELL: When that came up it was to be handed over to the traffic manager of the board. I have not had an opportunity of comparing the two. Were any changes made in the section as it left the committee?

Mr. J. E. ARMSTRONG: This is placed in the reprinted Bill as paragraph (e). The clause formerly read:

> Furnish such other service as may be customary or usual in connection with the business of a railway company.

It was amended to read:

> Furnish such other service incidental to transportation as is customary or usual in connection with the business of a railway company.

Mr. CARVELL: That is right; I was present when that amendment was made.

Section agreed to.

On section 314—Equality as to tolls and facilities.

Mr. MARCIL: Is it under this clause that the Board of Railway Commissioners are authorized to permit branch railways to charge very high rates in the winter season?

Mr. COCHRANE: They cannot put on a tariff without submitting it to the board.

Mr. J. E. ARMSTRONG: Branch line railways, especially some in the province of Quebec, that can now make almost any freight charge they like, will, after this Bill becomes law, be brought under the jurisdiction of the Railway Commission, because of their being connected with the Transcontinental lines.

Mr. MARCIL: I refer to the railway line in Bonaventure and Gaspé counties. The rates on this line are certainly higher than they are on the main line of the Intercolonial Railway.

Mr. COCHRANE: Has it a Dominion charter?

Mr. MARCIL: Yes.

Mr. COCHRANE: Then it must submit its rates to the board.

Mr. CARVELL: This section provides only that there shall be equality of rates and tolls upon each road. For instance, the railroad that my hon. friend speaks about must charge all persons the same rate or toll. Another section provides that all rates shall be subject to the control of the Railway Commission.

Mr. MARCIL: What I wanted to know was under what principle the Board of Railway Commissioners authorized these small lines to charge rates almost double those charged on the main line. The minister must appreciate the disadvantage to the people which results from the imposition of such high freights.

Mr. COCHRANE: You have the right to go to the commission and demand that the rates shall be made right.

Mr. MARCIL: Under this clause?

Mr. COCHRANE: No.

Mr. MARCIL: Has the section so providing been adopted?

Mr. COCHRANE: Yes.

Section agreed to.

On section 323—Tariffs; general provisions.

Mr. MARCIL: May I again ask why there is such a difference between the summer and the winter rate on some of these branch lines? Can an extra rate be imposed by a company of its own authority, or must any proposed increase be authorized by the Board?

Mr. COCHRANE: All tariffs of all roads have to be authorized by the commission.

Mr. MARCIL: Why should freights be higher at one season of the year than they are at another?

Mr. COCHRANE: It costs more to run a short line than it does to run a long one.

Section agreed to.

On section 331—Special freight tariffs.

Mr. COCHRANE: I move that subsection 3 of this section be amended by adding thereto the following words:

Provided that where objection to any such tariff is filed with the Board, the burden of proof justifying the proposed advances shall be upon the company filing said tariff.

Amendment agreed to. Section as amended agreed to.

[Mr. Cochrane.]

On section 332—Competitive tariffs.

Mr. CARVELL: I have often wondered by what process of reasoning the Board will allow a company to give a rate to or from a competitive point very much lower than the rate charged for a greater distance to a non-competitive point.

Mr. COCHRANE: It is because of the water tariff.

Mr. CARVELL: No, there are hundreds of places in Canada which are called competitive points; that is, they are touched by two railways. The Railway Board allows the companies to charge 50 cents a hundred, we will say, from these competitive points. Now, I cannot see why the companies should not be compelled to carry the same quantity of freight, no matter whether in carload or broken lots, for the same rate from a non-competitive point, but instead of that the companies are allowed to charge a very much higher rate for carrying the freight a considerably less distance. I know enough about railways to know the arguments they put forward in justification of this. They say that it is necessary to give a lower rate at a competitive point in order to get the business. They lose money, they say, at some of these competitive points, and must be allowed to make up for it at some other place, and so they strike at the poor fellow who does not happen to be at a competitive point. I know the arguments that the railways advance, and the facts as they exist. Does not the minister feel that some change ought to be made? I know I am raising a big question, but I know the minister is able to handle it.

Mr. COCHRANE: I do not know so much about competitive points as about rail and water points.

Mr. CARVELL: The same principle is involved.

Mr. COCHRANE: For instance, you can get the same rate from Montreal to the Soo as from Montreal to Sudbury, although the Soo is 180 miles further. The reason for that is that shippers can send their goods by rail or water. I suppose it is about the same with competitive points on the railways. One road establishes a rate, and another company can come along with a cheaper rate.

Mr. CARVELL: I do not think the minister catches my point. We all know that water transportation is cheaper than rail transportation. There is no doubt whatever that during the navigation season

freight can be delivered from Montreal to the Soo much cheaper by water than by rail, and if the railways are to do business at all they must be allowed to file a tariff to meet the water rate. But that is not the point I am making. The Railway Board will allow the companies to quote a lower rate from Montreal or Ottawa to Vankleek Hill, for instance, than the rate charged to a non-competitive point which is at a considerable less distance. I have often wondered why that was allowed. I know that the business with which I was connected in my own province some years ago, a foundry and machine shop, was practically driven out of business through our competitors in the lower part of the province being able to send their products to Edmundston very much cheaper than we could send ours to points a hundred miles nearer. We were not at a competitive point, and had to pay a local freight rate to get our goods in, and another local freight rate to get them out. Our competitors could get their freight to the distributing point at Edmundston very much cheaper than we could, alhough it had to be hauled twice as far. That has been going on ever since I was a boy, and I presume that unless somebody like the hon. member for Rimouski (Mr. Boulay) raises a big row about it—and I think if he took this matter up he might achieve some results—the same condition will continue. It does not seem to me to be right; I think there should be some levelling up of the rates. I cannot see why a man who lives at a non-competitive point should be compelled to pay from twenty to thirty per cent more in freight rates than his competitor who lives a few miles further on at a competitive point.

Mr. NESBITT: It is no doubt true, as my hon. friend says, that a proportionately higher rate is charged at a non-competitive point than at a competitive point, but I have sometimes seen a proportionately less rate at a non-competitive point than at a competitive point.

Mr. COCHRANE: I never saw that.

Mr. NESBITT: I have had the experience.

Mr. WRIGHT: I think my hon. friend should file that case, and mark it as Exhibit "A."

Section agreed to.

On section 346—Members of Parliament and Board, etc., free.

Mr. CARVELL: Why was that change made? Why should a member of Parliament furnish his card? If he happened to leave it at home he might be put off the train unless he paid his fare.

Mr. COCHRANE: How would the conductor know him?

Mr. CARVELL: The conductors should surely know a member of Parliament. However, I think I can see the object of making the change. There is one point I want to bring up, not that I advocate it, but I think there should be some discussion upon it. In the rural sections of Canada it very often becomes necessary to travel on trains other than the ordinary passenger trains. I have frequently found that I would like to travel on accommodation trains, or even on freight trains. The railway company with which I have to deal has been very nice about it. I would simply send a wire or a telephone message to the superintendent and the privilege was invariably granted. I have to comply with that formula, or the conductor would be infringing his regulations, and it would only get him in wrong if I had not the authority. I would like to know if the question has ever been raised as to whether our certificates entitle us to ride upon freight trains as well as on passenger trains. The law says "free transportation on any of the trains of the company." That is very broad.

Mr. McCRANEY: I have had occasion to travel on freight trains in western Canada, and I always offered them my pass as the certificate of my right to do so. It has never been questioned. The conductors in our part of the country take it for granted that we are authorized to ride on freight trains.

I would like to ask the minister if there has been any trouble over the showing of the certificate of a member of Parliament. I think if a member of Parliament is known to a conductor there is no reason why his pass should be shown. If he happened to leave it at home, why should he not be carried without it, if he is known to the conductor?

Mr. NESBITT: As a matter of fact if they know him they do not look at his pass.

Mr. McCRANEY: I know they do not. What I want to know is why should this be in the Act? A member of Parliament gets on a train and, although he is known to the conductor, the Act says he shall not be carried unless he produces his certificate or pass.

Mr. COCHRANE: I do not think it is very unfair to ask a passenger to produce

his ticket or his pass. I think the railway companies are only asking what is their right, and it would be going rather far to ask them to forego it.

Mr. McCRANEY: Of course, the pass is not taken up.

Mr. COCHRANE: But it is a voucher for the transportation. The conductor takes the number of it. How many of us know the numbers of our passes? I certainly do not know mine.

Mr. GRAHAM: You have a bagful of them.

Mr. McCRANEY: It is all very well for ministers who travel in private cars, and who do not need passes. I know I have frequently left my pass at home, and I do not want to be under any obligation to the conductor to produce it. I am satisfied no member of Parliament would be so unreasonable as to refuse to show his pass if it were required.

Mr. J. E. ARMSTRONG: One reason for this change in this Bill is that conductors complained that occasionally they were put in an embarrassing position when passengers claiming to be members produced no cards of identification. In addition to that, the rules laid down by the railways are very strict.

Mr. McCRANEY: If I got on a train and did not have my pass, and the conductor did not know me, I would pay my fare, take a voucher from the conductor, and ask for a refund, under the section as it stood before. I would not be entitled to a refund under the section as it stands now. If a member of Parliament is not known to the conductor, and has not his certificate, it is only proper that the fare should be paid, and the member entitled to a refund.

Mr. CRUISE: Has the conductor the right to lift your pass?

Mr. GRAHAM: If he suspects it is presented by any person but the rightful holder.

Mr. CRUISE: The conductors on the Canadian Northern lift your transportation.

Mr. NESBITT: On the Canadian Northern they are the quintessence and boiled down essence of a nuisance.

Mr. CRUISE: I was coming down to Winnipeg not long ago, and the conductor lifted my pass and forgot to give it to me in the morning. I had to come through to Ottawa without it. I happened to be with the hon. member for Edmonton, who vouched for me to the conductor on the Grand Trunk Pacific, and I came through in that way. I do not think every time we get off a train we should have to go to the conductor or the porter to get our certificates back.

Mr. GRAHAM: I think they lift the passes in order to avoid arousing the passengers when a new conductor comes on.

Mr. CRUISE: Why would it not be sufficient to simply take the number?

Mr. GRAHAM: They make an arrangement between themselves by which conductor No. 1 hands the transportation on to conductor No. 2, so that the new conductor does not disturb the passengers.

Mr. COCHRANE: They do it for your comfort. It is the fault absolutely of the new conductor if you do not get back your pass. The object of taking the pass is to make it unnecessary to arouse the passenger from his sleep.

Mr. NESBITT: There is only one road in Canada that insists on taking up your card when you go to bed at night.

Mr. COCHRANE: There is not a road that does not do it.

Mr. NESBITT: There is only one road that does it—the Canadian Northern. Every other conductor takes the number of your pass and hands it back. That is the way they do on the Canadian Pacific and the Grand Trunk everywhere in Canada. The Canadian Northern only have coloured men on their cars and they insist on taking up your card. It is absurd. They could take your number just as well as they do on the trains of other companies. The Canadian Northern ought to correct their instructions because they are a nuisance. They are liable to leave you in the lurch in the morning and not give you back your card because the porter is off duty and some other fellow is in his place. While this includes the Clerk of the House of Commons, it does not include the assistant clerk. I see no reason why it should not.

The CHAIRMAN (Mr. Rainville): It does not include the Clerk.

Mr. NESBITT: No, it does not; I read that wrongly.

The CHAIRMAN: They should be included.

Mr. NESBITT: I should think that the Clerk of the House of Commons and his assistants might be included.

Mr. COCHRANE: It has never been done; I do not object to doing it.

Mr. NESBITT: I do not see why they should not be included, Mr. Minister. Will you make a note of that?

Mr. COCHRANE: All right.

Mr. McCRANEY: Will the minister hold up this clause? I do not want to be unreasonable with the officials on the trains or to say that because a man says he is a member of Parliament he should be allowed to travel free. My hon. friend from Dauphin (Mr. Cruise) claims that the porter on the train holds the transportation of a member of Parliament, and if the member gets on another train without his card, under this section he has no redress. I think that ought to be changed.

Mr. SINCLAIR: I have no sympathy with the position of my hon. friend from Saskatoon (Mr. McCraney). I think a member ought to carry his pass in his pocket, and if he is too careless to keep it in his pocket he should pay. If he does not get it back it will not do very much harm. It would be a very good thing if he did pay something to the railways now and then. I do not see any reason why this section should not be adopted.

Mr. MARCIL: I remember that the late Mr. Bergeron, then member for Beauharnois, raised this question before the opening of the doors because it was a question of privilege and he wanted it discussed before the galleries were occupied. He made the suggestion that there should be one card issued to the members for the whole of Canada so that members would not have to carry about twenty-five or thirty different passes, and the suggestion was accepted by the late Mr. Blair, then Minister of Railways. I think it is only reasonable that a member should carry his one pass; in the old days a member had to carry a whole pack of cards.

Mr. CRUISE: I would like to know whether the railway conductor has a right to lift transportation or not.

Mr. COCHRANE: I do not think he has a right to do it. He only does it for your comfort. If the conductor changes in the night it saves you from being awakened.

Mr. CRUISE: There is something wrong about the situation. They have a habit of lifting my transportation and not giving it back. On the train from Dauphin to Winnipeg there is only a porter, and there is no change of porters during the trip.

Mr. COCHRANE: Is there a conductor too?

Mr. CRUISE: There is no pullman conductor but there is the regular train conductor. They have known me perfectly well for twenty years, and still they insist—

Mr. GRAHAM: That is the reason.

Mr. CRUISE:—still they insist on lifting my transportation. I have no objection if they have a right to do so.

Mr. LEVI THOMSON: I do not think any of these porters or conductors claim to have that right. I took the question up with one of them on one occasion and he said: We have no right to do it, but if we take your certificate we will not have to call you up. I do not see any reason for taking up the certificate merely because some other conductor is coming on; the fact that you produce your certificate to one conductor should be sufficient. Sometimes the pullman car conductor claims that he is obliged to satisfy the conductor of the train that my certificate is all right and that therefore it is necessary for him to take it. Of course they admit that it is my property, not his, and he has no right to hold it. I see no reason why they should hold that certificate, because any official who is placed in the train should be such a thoroughly reliable man that the conductor could depend on him; otherwise the company have no business having him there. When he satisfies himself that you have a certificate, that should satisfy the company. He is the servant and agent of the company, and if it is necessary we should have a further measure to make this obligatory on the railways. The officials have no right to disturb you after you have once produced your certificate.

Mr. WRIGHT: I want to refer again to the point as to whether members of Parliament have the right to travel on freight trains. I was absolutely refused the right to travel on a freight train and the conductor informed me he had special instructions from the company to permit no member of Parliament to ride on his train. I discussed the matter with the late member for Lincoln, Mr. Lancaster, who was considered a railway authority. He said that in his judgment I would never succeed in any action I might take against the railway company for damages. He thought that the interpretation that would be put upon the clause by any court would be that the right of a member of Parliament to travel would apply only to passenger trains.

Mr. GRAHAM: The advice was right.

Mr. WRIGHT: I did not think it was at that time. If that is the law I am satisfied, but I think it ought to be made perfectly clear what our rights are in that regard. I happened to be passing backward and forward to and from my home, and arriving at a junction I had to stay there, within 16 miles of my home, for eight or nine hours. A freight train passes at such an hour that I could make close connections, which would save me all of that time every time I go to my home. I should like to know my rights in that regard.

Mr. GRAHAM: My hon. friend has no rights on a freight train.

Mr. COCHRANE: It says "on any of the trains of the company."

Mr. GRAHAM: He has the rights under this pass that any man has who buys a ticket, except that perhaps he could not claim damages. No other citizen can be carried on a freight train, and consequently I say that my hon. friend has no right, on his pass, on the freight train. The presence of a passenger in a caboose on one of the modern heavy freight trains might divert the attention of the crew from their duties, and it must be remembered that if the right were granted to members of Parliament to travel on freight trains, citizens who purchase tickets might demand the same right, and what answer could we make to them?

Mr. BOULAY: I do not entirely agree with my hon. friend from South Renfrew (Mr. Graham), because this section of the law applies to all trains. It is sometimes very convenient and in the interests both of the member of Parliament and of the public that he should be able to reach some small place in his constituency that can only be reached at a convenient time by travelling on a freight train. I see no objection to a member of Parliament riding in a caboose, if he wishes to take the risk of boarding and alighting from it, and so on. I should like to know what rights the railways have in the matter of charging for excess baggage. We have all a considerable weight of baggage sometimes.

Mr. GRAHAM: Particularly going home.

Mr. BOULAY: You do not mean that we are robbers?

Mr. GRAHAM: No, I was just suggesting that we nave the baggage one way or the other.

Mr. BOULAY: I understand from the reading of the Act that we are allowed to carry all our baggage, but should it exceed the amount allowed to the general public the railways charge excess on it. Then, too, if we leave our baggage in a station for more than twenty-four hours, we are charged storage.

Mr. GRAHAM: I cannot see why there should be any charm about the baggage of a member of Parliament any more than about that of the ordinary man paying a fare. Why should I ask a railway to carry for me a piece of extra baggage when my neighbour, who has paid for his ticket, has to pay for his extra baggage? If we get for nothing the same privileges that the ordinary man pays for I think we are going as far as we ought to ask. As to the contention that the law contemplates that railways shall carry members of Parliament on freight trains, I think that my hon. friend in any court would find that the meaning of " any train " in this clause is any train that carries passengers.

Mr. LEMIEUX: I share entirely the views expressed by the hon. member for Guysborough (Mr. Sinclair) about this privilege enjoyed by the members. It is a very liberal law, indeed, which allows members of Parliament to travel free on all railways in Canada. I have some sympathy with the case brought up by the hon. member for Dauphin (Mr. Cruise). I understand from the Minister of Railways that this is a matter for regulation, and that the companies are not entitled to the privilege of lifting the certificate of a member. As to baggage, the allowance in Canada, in fact on this continent, is very much more liberal than it is in Europe, where you have to pay for any baggage in excess of a handbag.

Mr. CARVELL: In Europe they take the rest in the car with them.

Mr. LEMIEUX: They allow only a certain amount in the car. The treatment of the Canadian public by the railways in this respect is exceedingly liberal.

Mr. CARVELL: I did not intend to precipitate a discussion of this kind to-day. It is all very well for members in the millionaire class, like the hon. member for Rouville (Mr. Lemieux) and the hon. member for Guysborough (Mr. Sinclair) to talk about these matters as they do; they do not care whether they have a right to travel on railways free or not. But consider the ordinary poor solicitor-farmer member, the common people—it means something to us.

Mr. LEMIEUX: I hope my hon. friend will repeat that at the bank.

Mr. CARVELL: As to the right of a member of Parliament to travel on freight trains, or on any except regular passenger trains, I wish to say a word.

I have no fault to find with anything. I have never been refused transportation, and have received every courtesy from the railways. Sometimes they do not ask me to sign the release, but I always insist on signing it. I have taken the view of the hon. gentleman from Renfrew (Mr. Graham), that I have not the legal right to travel on a freight train, but I thought I would like to raise the discussion. The Railway Department may know something about the view the railway companies take of this question.

Mr. COCHRANE: I do not think the hon. member is entitled to ride on freight trains, and I do not think he should be allowed to do it.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock.

On section 302—regularity in train time.

Mr. COCHRANE: I move that the following be added to this section:

All railway employees on local passenger trains running in the province of Quebec, having to deal with the travelling public, shall be conversant with the English and French languages from and after January 1, 1919.

Amendment agreed to; section as amended agreed to.

On section 346—members of Parliament and board, etc., free:

Mr. LEVI THOMSON: If the minister does not adopt the suggestion of the member for Saskatoon (Mr. McCraney), this section ought to stand. If a member loses his pass or it is taken away from him, I do not think that he should have to pay for his transportation.

Mr. COCHRANE: I think we get enough privileges without asking for any more.

Mr. LEVI THOMSON: That is not a privilege. If in ordinary cases a man pays when he should not pay, he may recover from the railway company. If a member mislays his certificate or leaves it behind him, the railway company is nothing out, even if it does make a refund. In any case, I do not see why they should not be compelled to make refund in such cases.

Mr. COCHRANE: I do not think so.

Section agreed to.

On section 348—dangerous goods:

Mr. J. E. ARMSTRONG: Sections 348 and 349 refer to the carrying of dangerous commodities. They have been amended to provide that when carrying dynamite, etc., railway companies must conform with the regulations made by the board. The board has issued exhaustive regulations in this matter.

Mr. LEMIEUX: I was shocked some months ago when travelling from Montreal to Ste. Agathe to find that dangerous explosives were being carried on the train. I hope that the Railway Commissioners have adopted very stringent regulations respecting the carrying of such dangerous commodities.

Section agreed to.

On section 350—carriage of mails, troops, equipment, etc.:

Mr. J. E. ARMSTRONG: The commission struck out after the word "Canada," on the sixth line, the words "the Commander of the Forces" and inserted the words "the Minister of Militia or the Deputy Minister of Militia."

Mr. GRAHAM: We have two Ministers of Militia now. Does that apply to both?

Mr. ROGERS: This Act only applies to Canada.

Mr. REID: There is only one Minister of Militia. The other is the Overseas Minister of Militia.

Mr. GRAHAM: That is a rather fine distinction to draw in a statute. The Overseas Minister of Militia has all the powers of a minister.

Section agreed to.

On section 358—traffic by water:

Mr. J. E. ARMSTRONG: This section deals with a matter in which I have taken a deep personal interest—water-borne traffic. I hope that at no distant date we shall be able to place the boats on our inland waters under the control of the Railway Commission.

Mr. NESBITT: I think the Toronto Board of Trade wanted section 358 amended.

Mr. J. E. ARMSTRONG: Possibly the hon. gentleman refers to the amendment which I attempted to have the committee accept. It has been struck out.

Mr. GRAHAM: The Boards of Trade were against it.

Mr. J. E. ARMSTRONG: A number of them were.

Mr. GRAHAM: Toronto was.

Mr. J. E. ARMSTRONG: It was an organized attack, I believe.

Section agreed to.

On section 373—Lines and wires on highways and public places.

Mr. J. E. ARMSTRONG: Here an important change is made. It had been held by the Privy Council that "company" in former section 247 was confined to railway company, and that power companies, etc., which were given powers in their special Acts to construct upon highways, could, where there was no restriction in the special Act, do so without any consent or leave and without being put upon any terms or conditions. Old section 248, subsections 2, 3 and 4, put certain limited restrictions on construction of telephone lines, distinguishing between highways in cities, towns, and villages, and highways in other places; and between long-distance or trunk lines, and other lines. The committee struck out after the phrase "line or lines" in the fourth line the clause "for the conveyance of light, heat, power or electricity." Then in paragraph (d) we have the new words "nor without giving at least ten days' previous notice to the owner thereof or to the municipality, nor in any case where forbidden by the board, cut down or mutilate any shade, fruit or ornamental trees, but the board may when it deems proper dispense with such notice and may in any case make any order or direction it deems fit respecting such trees."

Mr. GRAHAM: Cutting down of shade trees by the telephone and telegraph companies is very troublesome to the municipalities. You may have as beautiful a shade tree as you like planted by yourself on the street in front of your house, and then along come the telephone men and cut off perhaps the finest limbs on the tree. It is very difficult to get any satisfaction, and the damage is apparently so small that people usually put up with this practice. In our town many very beautiful elm and maple trees have been practically ruined by the telephone and telegraph repair gangs. These gangs are in many cases composed of men who do not live in the municipality, but are here to-day and gone to-morrow; they spoil your shade tree and away they go, and there seems to be no recourse.

Mr. NESBITT: Why was that line struck out in section 373? Was it not this section the Toronto people were here about?

Mr. J. E. ARMSTRONG: Section 374 is the one the Toronto people are most interested in.

Mr. CARVELL: Why were the words in subsection 1, "for the conveyance of light, heat, power or electricity" struck out?

Mr. J. E. ARMSTRONG: These words were struck out in three different lines of this section. The matter is dealt with in particular, if I remember rightly, in the following section. The telephone and telegraph people were present at the committee and took a very great interest in section 373. Mr. McCarthy of Toronto was also present, and after listening to his argument in favour of the amendment, which was very necessary, he said, the committee struck out the words my hon. friend refers to.

On section 374—company:

Mr. CARVELL: There is a very important change in this section. These two clauses are read together, as was stated by the hon. member for East Lambton (Mr. J. E. Armstrong). The first clause of the section gives a definition of a company. It says:

(1) In this section,—
(a) "company" means any person or company having legislative authority from the Parliament of Canada to acquire, construct, operate or maintain works, machinery, plant, lines, poles, tunnels, conduits, or other means for receiving, generating, storing, transmitting, distributing or supplying electricity or other power or energy, but does not include a railway company, or a telegraph company or telephone company.

That is it simply refers to electric light and power companies. It separates telephone and telegraph companies from the others, and cuts it down to dealing expressly with electric light and power companies. I have no hesitation in saying it is the grossest piece of class or local legislation I have ever heard proposed, much less enacted in law, since I came to this Parliament thirteen or fourteen years ago. The Railway Committee in Parliament has for a great many years been trying to carry out the general provision, which says that nothing shall be done in any municipality without the consent of the municipality, and if the parties interested cannot agree they appeal to the Railway Board, and the decision of the Railway Board is final.

That is the only fair and decent way I can imagine of settling these matters. Some difference arose between the city of Toronto and the Toronto Electric Railway Company. There is the Toronto Electric Light, Heat and Power Company, which is closely bound up with the Toronto Electric Railway Company and also with the Toronto and Niagara Power Company, which, I may say, is the father of them all. The explanation given to the committee was that the Ontario Hydro-Electric Commission had spend about five million dollars in the city of Toronto developing the light, heat and power situation, or the city of Toronto, acting under the Hydro Electric Commission, had expended that amount of money. In any event that much money had been spent, and because they had dealt entirely with the Hydro Electric Commission, they ought to be placed in a position different from any other company or any other corporation or municipality in Canada.

Mr. COCHRANE: No, that is not right.

Mr. CARVELL: Yes, it is right.

Mr. COCHRANE: The policy is that the municipality should control its own streets.

Mr. CARVELL: But that is not the policy in any other place in Canada, and I challenge the minister to put his finger on a solitary statute where any municipality has the right to control its own streets unless it is subject to an appeal to the Railway Board. I know they will tell you this case stands out by itself, but that does not alter the fact that this company got powers from this Parliament, and started operation in good faith. They spent millions and millions of dollars, and now, because the Hydro-Electric Commission, or the people of Toronto acting under the Hydro-Electric Commission spent about five million dollars, they ought to have the right to say the Toronto Electric Light Company cannot extend their plant or works unless the municipality gives them permission. The municipality told us in so many words they would not give that permission, because they did not want them as competitors, and the sub-committee of this House introduced clause 5 into this Bill simply to give the municipality of Toronto the absolute right to prevent this company from doing business. I protested against it then, and I protest now. I do not suppose my protest will have much weight, but I could not allow class legislation of that character to go through without objection. You may say the city of Toronto ought to have the right to control their own streets. If my hon. friend will take that attitude with every corporation and every municipality in Canada we will discuss it. If he will say there is no appeal of a municipality to the Railway Board, it is debatable, but to say there is an appeal except in the case of Toronto, to prevent a company which has been doing business there for eighteen years from continuing business, I say is class legislation and should not be allowed. The real cause of the trouble is in the definition given in subsection 1, and the amendment in subsection 5. This is so cunningly worded that unless one had been before the sub-committee and had listened to the arguments of the lawyers on both sides one could not tell what it meant. You could not take that section before any court in Canada to-day and get an intelligent interpretation of it unless you had some outside evidence to buttress it up and show what it means. Let me read it:—

(5) The provisions of the last preceding subsection shall apply to and restrict the powers of any company heretofore incorporated by Special Act or other authority of the Parliament of Canada notwithstanding that such provisions may be inconsistent with the provisions of such Special Act or other authority, and notwithstanding the provisions of section three of this Act; and it is hereby declared that the powers of any such company have been so restricted since the date of the enactment of chapter thirty-seven of the Revised Statutes of Canada 1906, that is to say, the thirty-first day of January, 1907.

The only way they could work this out was to make this clause retroactive by ten years. I do not believe such a proposition was ever even mooted, let alone attempted to be enacted in law in this Parliament, and I can only say that so far as I am concerned I shall vote against this subsection.

Mr. NESBITT: Mr. McCarthy and others who appeared with him when this clause was originally before us protested against the introduction of the amendment. They stated that they had sold bonds in England of the Toronto Niagara Power Company for $15,000,000, and we are practically confiscating these bonds.

Mr. COCHRANE: No.

Mr. NESBITT: We are taking away their rights to supply power in Toronto where they are established and that is practically the same thing. I, like my hon. friend (Mr. Carvell), voted against it at the time and I certainly will vote against it now. I voted against it then with a full understanding of what we were doing. We are practically confiscating the rights of

the Toronto Niagara Power Company and we are largely reducing the value of the bonds in England if we are not entirely destroying it. That is not fair. The people have invested their money in good faith.

Mr. COCHRANE: No, they had to act in bad faith to get to Toronto. The Toronto Electric Light company agreed that they would sell out to the city. And to get there they virtually sold out to the Toronto Electric Light Company.

Mr. NESBITT: In 1917 the city had the right to take over the works.

Mr. COCHRANE: Not of the Electric Development Company but of the Electric Light Company.

Mr. NESBITT: We have no proof of that. We just had a statement to that effect. The solicitors for the Hydro-Electric and for the city of Toronto made that statement but they furnished no proof to the committee that it was true. They only surmised that might be true. But, in the meantime, they ask us to enact clause 5 to take away the rights of the people who put their money into these bonds. I see no reason why Toronto should not buy out these corporations if they want to take them over.

Mr. COCHRANE: They will buy them out, but they do not want to buy out the Electric Development Company.

Mr. NESBITT: What good is the Electric Development Company?

Mr. COCHRANE: That is not part of the agreement. They are buying out the Toronto Electric Light Company and this is an attempt to get in there in perpetuity and to secure an eternal franchise by improper means.

Mr. NESBITT: That is purely a surmise. They have furnished no proof that that statement is correct. In the meantime they ask us to enact a clause to do away with a statute passed by this Parliament. They said that Parliament did not know what it was doing. I believe that the Parliaments that have gone before knew what they were doing just as much as we do now. I have no doubt that the people of Toronto were very glad to get that power transmitted to them at that time. Now they have other power and they want to cut off the rights of this company which were acquired 10 years ago.

Mr. COCHRANE: The Toronto Electric Light Company got their franchise in Toronto long before the Niagara power was developed. They developed their power by coal. Then the Toronto Niagara Power Company had a franchise for Niagara. The franchise which they got was only for a certain number of years. The Power Company conceived the idea that if they got control of the Toronto Electric Light Company they could have a perpetual franchise and develop electricity at Niagara. That is a different thing altogether. If this Parliament gave them that right they gave them something which was unfair. The municipality has the right to control its own streets and if we did wrong once there is no reason why we should perpetuate it.

Mr. NESBITT: The other part of the clause makes it impossible for anybody to interfere with the streets of a municipality in the future. I believe that the municipality has the right to control its own streets

Mr. COCHRANE: Ever since I have had anything to do with the Railway Committee there has been a clause in every Bill protecting the rights of the municipality. For the last six years this Parliament has not given a charter to any company carrying with it the right to interfere with the streets of a municipality. We have put in a special clause to protect the municipality. In this we are doing nothing but what is fair and just to the people.

Mr. SINCLAIR: I sympathize with the views of the hon. member for Carleton, N.B. (Mr. Carvell) and the hon. member for North Oxford (Mr. Nesbitt) and I voted against this clause in committee. I am still of the same opinion. I am especially opposed to that part of the section which has a retroactive effect. I agree with the minister that a city ought to have control of its own streets. But when we go back for ten years for the purpose of taking away from a company right, which they acquired in a proper and legal way from this Parliament, and which they have exercised ever since, I think we do something for which there is no justification. Their title to the rights which they claim was sustained by the highest court in the Empire, the Privy Council. We are undertaking in the latter part of this section to take away and nullify the rights that were given the Toronto and Niagara Power Company under a decision of the Privy Council. That is confiscation. While I agree with the minister that in the future the city ought to have the right to control its own streets, and while I would vote for that, I

do not agree with him that we ought to put this retroactive clause in because it would mean taking away a right that was given to this company by an Act of Parliament, and a right which has been sustained by the decision of the highest court in the realm. There is no doubt that it is confiscation. A letter explaining the position was written to the chairman of this committee which I do not think has yet been placed on Hansard. It is as follows:

National Trust Company, Limited,
Toronto, May 26, 1917.

Joseph E. Armstrong, Esq., M.P.,
Chairman of Committee sitting on
Revision of Railway Act,
Parliament Buildings,
Ottawa, Ont.

Dear Sir,—

We are trustees under a bond mortgage dated March 1, 1903, securing an issue of bonds of The Electrical Development Company of Ontario, Limited, maturing in 1933. The total amount of this issue now outstanding is $9,669,500, and of this amount approximately $2,500,000 were issued directly to the British public, and an additional $5,014,000 is held by the British Empire Trust Company, Limited, of London, England, as security for the debenture stock of the Toronto Power Company, Limited, which debenture stock was issued to the British public. The practical situation, therefore, is that the loss which would be occasioned by any impairment of the security for the bonds of The Electrical Development Company of Ontario, Limited, would primarily fall upon British investors.

As trustees under the said bond mortgage, we hold here as part of the mortgaged premises the whole of the $1,500,000 of bonds and practically all of the capital stock of the Toronto and Niagara Power Company. By reason of these holdings, the bondholders of the Electrical Development Company are entitled, as one of the most important parts of their security, not only to the benefit of the physical assets of the Toronto and Niagara Power Company represented by its present and future transmission and distribution lines and other properties but also to the benefit of all its franchises, rights and corporate powers.

The Toronto and Niagara Power Company is a Dominion company incorporated by Chapter 107 of the Statutes of Canada, 2 Edward VII (1902). We are advised that under its Act of Incorporation the Toronto and Niagara Power Company has, amongst other rights:

(a) The right to supply hydraulic, electric or other power by means of cables, machinery or other appliances;

(b) The right to acquire, construct, maintain and operate works for the production, sale and distribution of electricity and power for any purpose for which such electricity or power can be used;

(c) The right to construct, maintain and operate lines of wires, poles, tunnels, conduits and other works in the manner and to the extent required for the corporate purposes of the company, and to conduct, store, sell and supply electricity and other power and with such lines of wire, poles, conduits, motors or other conductors or devices to conduct, convey, furnish or receive such electricity to or from any person at any place, through, over, along or across any public highway, bridges, viaducts, railways, water courses, or over or under any waters, etc., and

(d) To erect poles, construct trenches or conduits or do other things necessary for the transmission of heat or light as fully as the circumstances of the case may require, provided the same are so constructed as not to incommode the public use of streets, highways or public places, or to impede the access to any house or other building erected in the vicinity thereof, or to interrupt the navigation of any waters, the company, however, being responsible for all damages which it causes in carrying out or maintaining any of its works.

The powers of the Toronto and Niagara Power Company including those above mentioned, may be exercised without the consent of any municipal corporation, the right of the company to so exercise them having been, as we are advised, affirmed by the Judicial Committee of the Privy Council in the case of the Toronto and Niagara Power Company v. Corporation of the Town of North Toronto, 1912, A.C. page 834.

We have been apprised that your Committee is now considering Bill No. 13, an Act to consolidate and amend the Railway Act, certain provisions of which, if enacted in the form in which they appear in the copy of the Bill which we have seen, would seriously limit and impair the rights, powers and privileges of the Toronto and Niagara Power Company, and would correspondingly affect the security for the bonds of The Electrical Development Company of Ontario, Limited.

It is, of course, obvious that the value of the undertaking of the Toronto and Niagara Power Company depends wholly on its ability to market the power which it transmits from Niagara over its transmission lines, and an impairment of its ability to effect such distribution would, therefore, result in serious loss to the holders of the bonds of the Electrical Development Company.

As trustees for the bondholders of the Electrical Development Company of Ontario, Limited, under the circumstances above set out, we beg respectfully to submit that the provisions of the draft Act to consolidate and amend the Railway Act, above referred to, should be so amended as not to impair or limit the charter rights of the Toronto and Niagara Power Company, or that the Toronto and Niagara Power Company, should be excepted from their operation, so long as any of the bonds of the Electrical Development Company of Ontario, Limited, remain outstanding.

Yours faithfully,
Trust Officer.

I have no brief to act for any of these parties. I never had any consultation with any of them. I never heard anything in connection with this question except what I heard publicly before the committee. My objection is that we are confiscating a right to which this company is legally entitled. I am surprised that the minister is making such a proposal to the House. I have great faith in his fairness, and I was able to agree with him on nearly everything in connection with this Railway

Act while we were considering it, excepting this one thing. I cannot make up my mind to agree to the course pursued by the minister in regard to this matter, and I want to put myself on record as opposed to it, and to vote against it.

Mr. GRAHAM: I am not sure that there is any reason why I should take up the cudgels for Toronto, but I want to state the other side of the case. The minister has briefly outlined the situation, but it must not be forgotten that in Ontario, under a Provincial Act, there has been undertaken a work that has not been undertaken elsewhere. The Hydro-Electric Commission, acting by virtue of a statute of Ontario, has undertaken and put in force what is without doubt the greatest public work of this kind anywhere in the world, controlled by the province and by the municipalities. It can be understood that in connection with such a scheme as that difficulties will be met with in the way of vested rights held by companies, and it must not be forgotten that privileges granted to companies by this Parliament and by the Legislature of Ontario previously, never contemplated the situation that has arisen; and, in justification of this amendment and of some very drastic legislation, perhaps in some instances too drastic, passed by the Ontario Legislature, it must be remembered that the object of all this was to remove obstacles from the way of the full development of the Hydro-Electric system. In a large measure that accounts for this amendment, although the explanation may be a little intricate and might not be of interest to this House. In view of the object contemplated and of what has been accomplished and what is to be accomplished in the future in the way of bringing electric power not alone to the cities and towns but to the doors of the farmers throughout the country, I am prepared to go a long way in voting for legislation that will remove impediments from the path of that great enterprise.

Mr. CARVELL: My hon. friend talks of the great work the Hydro-Electric has done, and with that I have no quarrel. He talks about the objects of the Hydro-Electric, and no doubt they are the very best in the world. But the Hydro-Electric Commission are not the only people in Canada who are taking electric power to the people in the cities and towns, and to the farmers as well—and others are delivering it a great deal cheaper than the Hydro-Electric Commission. They are not the only philanthropists in Canada. Because Ontario as a province is trying to work out a great scheme which they say will be for the benefit of the people of Ontario, does that give them a legal right to step in and confiscate property which men have honestly acquired and for which they have paid good money? A public corporation like the province of Ontario should be the last class of people to do a thing like this. I could understand a private corporation attempting to do it to get the better of a competitor. But here is the great province of Ontario, according to the statement of the hon. member for Renfrew (Mr. Graham), wanting to confiscate private property and to create class legislation. If they want these properties why do they not buy them and treat the owners as any white man would?

Mr. COCHRANE: Why do not your people carry out their agreement?

Mr. CARVELL: My people?

Mr. COCHRANE: Yes.

Mr. CARVELL: I have never spoken to a man about this. I was not even here when Mr. McCarthy presented his case. I have never had a conversation with any one with respect to the Toronto Electric Company or the Toronto-Niagara, or anything in connection with this case. I am protesting against this as a matter of principle, and trying to point out to the minister the terrible consequences that may follow legislation like this, and, worse than that, surreptitiously smuggling it in in a general Act.

Mr. COCHRANE: How is that?

Mr. CARVELL: Putting it in at the end of a general clause. By section 374, subsection 1, "company" is defined. Then subsection 2 provides as follows:

(2) Notwithstanding anything contained in any Special or other Act or authority of the Parliament of Canada or of the legislature of any province, the company shall not, except as in this section provided, acquire, construct, maintain or operate any works, machinery, plant, line, pole, tunnel, conduit or other device upon, along, across, or under any highway, square or other public place within the limits of any city, town, village or township, without the consent of the municipality.

Subsection 3 provides:

(3) If the company cannot obtain the consent of the municipality or cannot obtain such consent otherwise than subject to conditions not acceptable to the company, the company may apply to the Board for leave to exercise its powers upon such highway, square or public place.

The board holds an investigation and makes an order which is binding on the company and on the municipality. That is

the general law of Canada. That is the law that hereafter will apply to every corporation in Canada incorporated by this Parliament. And then what? They stick on two clauses after that, I say, surreptitiously—and I use the word advisedly—two clauses which no man in the world would understand unless the special circumstances were brought to his attention. Toronto is not mentioned; the Toronto Electric Light is not mentioned, the Toronto-Niagara is not mentioned, the Hydro-Electric is not mentioned—one of the finest pieces of underground grafting I ever heard in my life. And the Minister of Railways wants this Parliament to enact that and make it the law of the land. It is an outrage, nothing short of it.

Mr. BARNARD: I consider this legislation objectionable on two grounds. I do not pretend to speak from an intimate knowledge of the facts, but from a hasty perusal of the proceedings which took place before the Special Committee on this Bill, it appears to me that this particular company whose rights are in question obtained certain charter rights in connection with the city of Toronto from Parliament. Those rights were the subject of litigation, which was carried to the Privy Council, and in the result the rights of the company were upheld. On the faith of that decision I presume the company has made certain expenditures. It is important, if those rights are going to be taken away, that before they are so taken away the company should receive compensation. I object to subsection 5 upon another ground. If this Parliament sees fit to take certain rights away from a particular company, the Toronto company, let them say so.

Mr. CARVELL: That is right.

Mr. BARNARD: But to frame a general clause and say that every company which had charter rights since 1906—

Mr. COCHRANE: Thi is not for Toronto alone. It is for Ontario.

Mr. BARNARD: Well, for Ontario, but I venture to say that this legislation is hitting at one particular company. I may be wrong in that; I speak subject to correction. If the legislation is intended for the province of Ontario, the fact should be stated. I object to firing a charge of grape shot when you don't know where the pellets are going to land, and that is what you are doing here. You are dealing with every company incorporated in Canada since 1906, and taking away certain rights which may have been given, and, on general principles, I submit the legislation is altogether objectionable and should not be adopted.

Mr. COCHRANE: A power company from Montreal came here last session and they had the same rights as these people have. The Railway Committee took those rights away from that company and inserted a clause similar to this section. There was not any squeal about it then.

Mr. NESBITT: But they had not done any work

Mr. COCHRANE: Yes, they had, but these people had not.

Mr. NESBITT: Yes, these people have built the line.

Mr. COCHRANE: What line?

Mr. NESBITT: The Toronto-Niagara Power Company.

Mr. COCHRANE: That is not for Toronto alone.

Mr. NESBITT: I do not know what other locality it can serve.

Mr. COCHRANE: There are lots of places between those two points that it can serve.

Mr. SINCLAIR: Can the hon. minister inform us if there is any other company affected by this section, except the Toronto company?

Mr. COCHRANE: The other companies thought their powers were taken away from them.

Mr. SINCLAIR: This section reads:

> Notwithstanding the provision of section 3 of this Act, it is hereby declared that the powers of any such company have been so restricted since the date of the enactment of Chapter 37 of the Revised Statutes of Canada, 1906, that is to say, the 31st January, 1907.

It not only applies to the Toronto-Niagara company, but it applies to any company that dates since that time, if there are any such companies in Canada. We were informed that no other companies were affected by this section, excepting the Toronto-Niagara company. I do not know whether that is the case or not, and I question if the minister or any hon. member can say whether we are interfering with the rights of any other company by this legislation or not. But the legislation is certainly vicious, inasmuch as it is retroactive. I do not want to be misunderstood. I want to vote for a clause that will give the city of Toronto the power to deal with

this question for the future, but I do not want to vote for a clause that dates back to 1906, and takes away certain rights which that company legally and properly enjoyed at that date, and enjoys to-day. If it is right that the city of Toronto should have the right in the future in the public interest, let us give that right, but let us not, in order to do so, introduce such a section into the General Railway Act of Canada when we do not know who will be struck by it. We are not certain how far this provision goes, and I want the minister to consider that point. There may be other companies that have obtained rights as far back as 1906, which rights may be affected by the legislation we are passing here.

Mr. J. E. ARMSTRONG: I had the privilege of listening to the representatives of the Toronto and Niagara Company and representatives of the Hydro Electric Commission. These representatives were before us on two or three occasions, and they gave a great deal of exhaustive evidence in support of both sides, but let me call attention to the fact that while this legislation is somewhat retroactive, it is also legislation in the public interest. Let me read from a letter the hon. gentleman from Guysborough quoted a few moments ago, and look at the powers the Toronto-Niagara Company had granted to them by the Parliament of Canada in 1902, and then consider whether you would agree to extend similar powers to any other company in the Dominion of Canada. The powers granted to that company were as follows:

(a) The right to supply hydraulic, electric or other power by means of cables, machinery or other appliances;

(b) The right to acquire, construct, maintain and operate works for the production, sale and distribution of electricity and power for any purpose for which such electricity or power can be used;

(c) The right to construct, maintain and operate lines of wire, poles, tunnels, conduits and other works in the manner and to the extent required for the corporate purposes of the company, and to conduct, store, sell and supply electricity and other power and with such lines of wire, poles, conduits, motors or other conductors or devices to conduct, convey, furnish or receive such electricity to or from any persons at any place, through, over, along or across any public highway, bridges, viaducts, railways, water courses, or over or under any waters, etc., and

(d) To erect poles, construct trenches or conduits or do other things necessary for the transmission of heat or light as fully as the circumstances of the case may require, provided the same are so constructed as not to incommode the public use of streets, highways or public places, or to impede the access to any house or other building erected in the vicinity thereof, or to interrupt the navigation of any waters the company, however, being responsible for all damages which it causes in carrying out or maintaining any of its works.

I should like the committee to pay particular attention to the following paragraph:

The powers of the Toronto and Niagara Power Company including those above mentioned, may be exercised without the consent of any municipal corporation, the right of the Company to so exercise them having been, as we are advised, affirmed by the Judicial Committee of the Privy Council in the case of the Toronto and Niagara Power Company v. Corporation of the Town of North Toronto, 1912, A.C. page 834.

If this legislation was not brought forward at this time and placed on the statute book, this same company could go into any town, city or village in Canada, erect poles and carry on their operations in direct opposition to the wishes of any of the municipalities in Canada. They can carry on all these operations, in spite of any of the men who represent these municipalities, or the people who are living in them. We believe that that is not in the public interest. Therefore, the committee decided that they should insert this section, which will compel them to do as subsection 4 of this section of the Bill compels them to do. That section reads:

(4) Nothing contained in this section shall be deemed to authorize the company, nor shall the company have any right, to acquire, construct, maintain or operate any distribution system or to distribute light, heat, power or electricity in any city, town, village or township; or to erect, put or place in, over, along or under any highway or public place in any city, town, village or township any works, machinery, plant, pole, tunnel, conduits, or other device for the purpose of such distribution without the company first obtaining consent therefor by a by-law of the municipality.

We are asking them to come under the same law which all other companies are compelled to come under to-day, which requires them to obtain the consent of the municipality, before they are allowed to erect their poles and continue their operations.

Mr. NESBITT: As far as I am personally concerned, I was one of the first members of the Railway Committee that insisted that what we call the standard clause should be put in all railway charters. I also insisted upon that when they came back for a renewal of charter. The member for East Lambton read subsection 4 as if we were objecting to it. We are not objecting to subsection 4. We have put in all recent Acts a provision giving the municipalities the absolute control of their

own streets. I think the member for East Lambton unintentionally misled the committee by reading that clause and saying that we objected to it.

Mr. J. E. ARMSTRONG: I hope the hon. gentleman will not put into my mouth words that I did not utter. In the early part of my remarks I called particular attention to the fact that this was retroactive legislation.

Mr. NESBITT: I think my hon. friend said, a kind of retroactive legislation. Certainly the latter part of his remarks tended to give the impression that we were opposed to giving the municipalities absolute control of their own streets. That is not the case. What we object to is subsection 5, which reads:

> The provisions of the last preceding subsection shall apply to and restrict the powers of any company heretofore incorporated by Special Act or other authority of the Parliament of Canada notwithstanding that such provisions may be inconsistent with the provisions of such Special Act or other authority, and notwithstanding the provisions of section three of this Act; and it is hereby declared that the powers of any such company have been so restricted since the date of the enactment of chapter thirty-seven of the Revised Statutes of Canada 1906, that is to say, the thirty-first day of January, 1907.

We contend that it is not fair to have allowed these people to invest their money under that Act——

Mr. COCHRANE: They never invested their money under that Act.

Mr. NESBITT: What did they invest it under?

Mr. COCHRANE: The Toronto Electric Light Company have invested their money.

Mr. NESBITT: The Toronto-Niagara Power Company built their plant.

Mr. COCHRANE: They built it long after they got the franchise and long after they invested their money in the streets of Toronto.

Mr. NESBITT: They built it under that special Act. That is what we are objecting to. My hon. friend wishes to make that provision retroactive, practically confiscating the bonds sold by the company in England on the credit of this country.

Mr. CARVELL: I do not accuse the member for East Lambton of trying to mislead the committee, but when he takes the trouble to read all the clauses of the special Act under which this company was incorporated twenty years ago he unwittingly misleads the committee. I am afraid—I do not say it offensively—that my hon. friend has not grasped the real contention. We do not ask that any company have the right to use the streets of any municipality without the consent of that municipality. All we ask is that the provisions of section 374 be left alone. Make them general; do not make any special cases or discriminations.

Mr. J. E. ARMSTRONG: If the retroactive clauses are left out, will this same company not have the power to go into any municipality in Canada, erect poles and carry on operations without the consent of that municipality?

Mr. CARVELL: No, certainly not; that is what I am pointing out. The section as drawn is a perfectly reasonable section and should be applied to every corporation in Canada. First, it defines "company." Secondly, it provides that the company shall not erect poles, plant, or lines without the consent of the municipality. Subsection 3 provides that if the company cannot agree with the municipality, reference is had to the Railway Board. That is all that we ask in this case. We ask that the Toronto Electric Light Company shall be placed in the same position as any other corporation in Canada. The member for Guysborough (Mr. Sinclair) has pointed out that this company received its charter from this Parliament eighteen or twenty years ago. It is in evidence before the committee—and this, I think, is absolutely undisputed—that the company sold bonds in England to the extent of $15,000,000.

Mr. COCHRANE: There is no evidence of that.

Mr. CARVELL: That statement was made by a reputable solicitor; I forget his name. My hon. friend did not challenge the accuracy of his statement at that time, and I am sure that he will not do so now. They expended that money in good faith under their charter. If the Parliament of Canada provides that this company cannot go on any further without the consent of the Railway Board, that is all right, because they are being treated the same as every other corporation in Canada. Twenty years ago Parliament gave rights to corporations that they would not think of giving now, and it is quite right that some of these provisions should be abridged. But it is monstrous to take away from one particular company the rights on which they borrowed money and sold their bonds; to hold them up, and say: You cannot pro-

ceed even if the Railway Board says you can; you are entirely bound by what the municipality says. The principle of appeal to the Railway Board in such cases is exactly the same as the right of expropriation on the part of a railway company. If the railway company did not have the right of expropriation, you would never have a public work in Canada; somebody would always be selfish enough to hold up the enterprise because they could not get what they wanted for the right of way.

Mr. CURRIE: My hon. friend knows that in the United States there is no such right as he speaks of.

Mr. CARVELL: They have the right of eminent domain in the United States. No railway on earth could be built without that right.

Mr. CURRIE: Not a bit of it.

Mr. CARVELL: They have the right of eminent domain in the United States. A gentleman who knows as much as my hon. friend does ought to know that.

Mr. CURRIE: You do not know everything.

Mr. CARVELL: But you do; that is why I think you ought to know this. If my hon. friend will look at any of the works on eminent domain published in the United States, he will find not merely books, but volumes, on the exercising of that right. What applies to the farmer in respect of right of way ought to apply to the municipality. We must have electric light and power companies. The world is moving; Canada is moving; but we cannot move properly unless we have all the modern appliances that make life better. But you will run up against a selfish municipality just as you will run up against a selfish farmer, and you should have some power to prescribe the conditions under which this right of expropriation shall be exercised. The first three subsections are perfectly fair; the city ought to have control of its own streets. But if the municipal authorities are unreasonable; if they want to live as they have lived for fifty years, somebody ought to have the right to step in and decide the matter. All we ask is that the law be applied to this company the same as it is to all other companies. I move that subsection 5 be struck out.

Mr. NICKLE: Before I came to the meeting of this committee, I had not an opportunity of giving very careful consideration to section 374. But reading it here this evening it seems to me that subsection 4 is diametrically opposed to subsection 3.

Mr. CARVELL: There is no doubt about it.

Mr. NICKLE: Subsection 3, as I read it, seems to vest in the Railway Board the discretionary right of determining whether or not a company shall have the right to exercise its powers, providing the municipality and the company cannot agree.

Subsection 4 however, seems to override subsection 3. It says that, unless a by-law of the municipality is passed, then no matter whether the board consents or not, it is impossible for the company to go on with its work. If I were asked to construe that section it seems to me that I would be driven to the conclusion that the two subsections were so antagonistic that it would be very difficult to know exactly what was meant. But my inclination at the present time would lead to the construction that subsection 4 was the prevailing subsection, and that nothing could be done even if the board consented.

Turning to subsection 5, it seems to me that the latter part of that subsection contains a very dangerous clause—the clause that states that no matter what a company may have done subsequent to a certain date that work were illegally done if the consent of the municipality had not been obtained, even although the provisions of the company's private Act may have been respected. I do not know the particular case that was aimed at by this section, if, indeed, there be any particular case, but certainly it seems to me unreasonable that we should legislate in such a way as possibly to deprive certain companies of the value of their property. Because unless they had obtained the consent of the municipality any works they had erected subsequent to 1907 they would have no right to continue, even although such work might have been done pursuant to their private Act. This might turn out to be legislation of the most radical kind in certain cases; it might be confiscation. I think this matter should be carefully considered before the committee gives its consent to the enunciation of a principle as broad as I consider this to be.

Mr. CARVELL: My hon. friend has raised a very important point. On first thoughts I would ask to have both subsections 4 and 5 struck out. Subsection 4,

or the first part of it at all events, although not in the same words as subsection 2, is of the same legal effect. In the latter part of subsection 4 my hon. friend will find one of these little gentlemen again, the meaning of which nobody knows unless he happened to be present at the meetings of the special committee and heard it explained. It says:

> Provided that this subsection shall not prevent the company from delivering or supplying such power by any means now existing or under the provisions of any contract now in force for use in the operation of any railway or for use by any other company lawfully engaged in the distribution of such power within any such city, town, village or township.

That in plain English means this: The Toronto Electric Light Company have at the present time wires for bringing energy from Niagara Falls to Toronto for distribution to the Toronto Street Railway Company. They also supply power to certain industries, and to some extent supply electric light. Now that corporation, or the gentlemen who represented it, were willing that they should be allowed to continue doing what they have been allowed to do up to the present time. Their attitude was: "Thus far and no further shalt thou go. You can still supply power for the railway, still supply power to the industries you are already serving, still go on supplying electric light, but you cannot expand. You have to stop right there, and never go one step further unless the city of Toronto want you to." That was the reason for the introduction of subsection 4. In my judgment both subsections 4 and 5 should be struck out. The clause would be perfectly intelligible and perfectly fair without them. I think that if subsection 4 is allowed to remain in the Bill it will still be regulated by subsection 3. If they could not agree upon the location of the poles, or whatever it might be, they could apply to the Railway Board. I think that subsection 4 is dangerous and ought to come out in toto.

Mr. NICKLE: I do not want to follow my argument any further, but I should like to know what the hon. member for East Lambton thinks of my contention with regard to the construction that should be put on the latter part of subsection 5. I am thoroughly with him to the extent that municipalities should control their streets, but I want to know whether in his opinion the latter part of subsection 5, as drafted, would make it legal work that had been done pursuant to a special Act, if the consent of the municipality had not been obtained under subsection 4.

Mr. J. E. ARMSTRONG: I do not know that it is up to me to attempt a legal argument, but I may say that I have gone over the evidence that was presented to the committee very carefully, and I am satisfied that this legislation is in the public interest.

Mr. McKENZIE: I have listened to the hon. member for Carleton and the hon. member for Kingston, and I think I understand the points they are making. I understand them to say that this company had the right under their original charter to erect poles and construct other work without consulting the city. We are now asked to pass an Act which will make it incumbent upon them to have obtained that consent; the clause is retroactive. Are we not making the company trespassers ab initio as regards all the work they have done?

Mr. CARVELL: They have to get the consent of the municipality.

Mr. McKENZIE: This legislation is to have effect from the time they got their charter.

Mr. CARVELL: Not when they got the charter, but a few years afterwards.

Mr. McKENZIE: Under this Act the provision that the consent of the municipality shall be obtained will be deemed to have always been in their charter. We are creating them trespassers from the very beginning, for having erected these poles and done all this other work without authority, and that is a very awkward position for them to be put in. They will be subject to all the drastic penalties that companies are liable to who violate their legislation. The Attorney General of Ontario might obtain an order confiscating their charter, because if this provision is to be made a part of their charter then their charter has been violated, and they are subject to confiscation of everything they have done under it. That is of far-reaching effect, and we should certainly hesitate before putting a retroactive clause of that kind in their charter.

Mr. CARVELL: It is being put in the general Railway Act of Canada.

Mr. McKENZIE: This general Act covers the special Act of the company, and therefore it is just the same as if this provision was in their charter. We are attempting to pass very drastic legislation which will cause the company to forfeit their rights because they have violated the law of the country.

Mr. A. C. MACDONELL: I was not able to be present during the early part of this

discussion, but I took a very active interest in this Bill, as hon. members who were present will remember, when it was before the special committee. I do not know to what extent the section has been explained this evening, but I can assure the committee it received most thorough consideration by the special committee to whom the Bill was referred. Part No. 16 of the Proceedings of the special committee appointed to consider this Bill gives a record of the people who asked to have this clause put in. It is dated the 18th of May.

The people who came to that meeting asked the committee to pass this legislation. Among others present and made this request were the united municipalities of all Canada. The municipalities have organizations in the various provinces, and a Dominion organization. They came here as a Dominion organization and asked to have it inserted. The Hydro Electric Power Commission of the province of Ontario asked to have it inserted. They represented more than one hundred municipalities which have money in similar enterprises. The Ontario Government sent a man down here to advocate the insertion of this clause, and subsequently a very lengthy and able memorandum was presented by the Ontario Government which was read by the chairman of the committee, and which will be found in No. 22 of the proceedings of the committee held May 31. The city of Toronto and other municipalities were represented. This is not a local matter concerning Toronto, or concerning the province of Ontario. It is Dominion-wide. On general principles I am opposed to retroactive legislation, but this is the only thing to meet the present condition, and I think its passage is justified. The different interests which asked for this legislation did so in part upon these grounds: In the year 1902 a company was formed and given a charter by the Parliament of Canada, under the name of the Toronto and Niagara Power Company. Under sections 12 and 13 of that Act this company can go anywhere and erect poles. It is true they are operating in the Toronto and Niagara district, but they are not confined to that, and by their charter they can go anywhere in Canada without consent of the municipalities through which they go.

Mr. CARVELL: Will my hon. friend allow me to ask him a question? Is it not true that by the provisions of subsections 2 and 3 of section 374, they could erect poles only by permission of the Railway Board, if the municipality objected?

[Mr. Macdonell.]

Mr. A. C. MACDONELL: No. My hon. friend is not correct, because that is not the question involved.

Mr. CARVELL: Then let me read what it says, because I do not think my hon. friend has read it aright:

> Notwithstanding anything contained in any special or other Act or authority of the Parliament of Canada or of the Legislature of any province, the company shall not, except as in this section provided, acquire, construct, maintain or operate any works, machinery, plant, line, pole, tunnel, conduit, or other device upon, along, across or under any highway, square or other public place within the limits of any city, town, village, or township, without the consent of the municipality.

Section 3 says if they cannot agree they go to the Railway Board.

Mr. A. C. MACDONELL: Let me point out to my hon. friend that power companies have two objects in view, and the general Railway Act provides for those two different classes of operation. The first is transmission lines—poles—which is not in any way touched by the clause now under consideration. This is absolutely under the general provisions of the Railway Act, and it is in the same position as the lines and poles of any other power company or of any telephone or telegraph company. What is aimed at here, and what is provided for, is the distribution of power, which is the second thing a power company does. The amendment under consideration in no way interferes with, impedes, or touches that transmission right. All that is dealt with in subsections 4 and 5 is the distribution of power, which is prohibited for the reason that this company had authority to distribute power without consulting anybody or any municipality, and is the only power company which has that right.

Mr. CARVELL: Does my hon. friend mean to say that the words "shall not, except as in this section provided, acquire, construct, maintain, or operate any works, machinery, plant, line, pole, tunnel, conduit or other device upon, along, across, or under any highway, square or other public place" do not mean the distribution of power?

Mr. A. C. MACDONELL: That is the general law to-day.

Mr. CARVELL: Of course it is. That is what I say.

Mr. A. C. MACDONELL: There is nothing new in that. The only new thing we are dealing with here is subsection 5, which makes it retroactive.

Mr. CARVELL: Then you get away from your distribution.

Mr. A. C. MACDONELL: No, I do not. What those who came before the committee asked was that power lines and power distribution should be separated from telephone and telegraph distribution because there has been so much litigation and such contradictory decisions with regard to the transmission and distribution of power under the Dominion Railway Act. In section 374 we are dealing entirely and exclusively with power. It is better so, and any court can so understand it, because it is not mixed up with other distribution systems. As my hon. friend from Carleton, N.B. (Mr. Carvell) has just pointed out, subsection 3 is the same as the General Railway Act. The amendment under consideration in no way affects the transmission of power. It simply deals with the distribution of power. Subsection 8 of section 247 of the Railway Act, 1906, makes this provision with regard to the distribution of power and the erection of poles for that distribution.

> Nothing contained in this section shall be deemed to authorize the company to exercise the powers therein mentioned for the purpose of selling or distributing light, heat, power or electricity in cities, towns or villages, without the company having first obtained consent therefor by a bylaw of the municipality.

That has been the law for years, and that is the law to-day, for the protection of municipalities. The highways of the municipalities were sacred to the municipalities and could only be invaded for the purpose of running lines of poles for the distribution of power with the consent of the municipality. For main lines, such as this company has, provision is made in the very section which we are now discussing. There it will be found that provision is made for the transmission through municipalities of power by use of main lines and if the municipality does not consent, then the Railway Board is consulted and an arrangement is made. This company has, and will always have, the right to transmit power and to have lines wherever it wants to put them subject to the approval of the Railway Board, but the company shall not act as a distributing and selling company without the consent of the municipality.

Mr. NESBITT: What will they do with the power then?

Mr. A. C. MACDONELL: That has been the law always. The municipality has the right to say whether a company shall act as a distributing and selling company within its confines or not. That is a proper law. The Toronto and Niagara Power Company is not a general distributing company. It has main lines and it sells its power wholesale as I understand it. The section which is now under consideration in no way impairs or takes away one iota of business or the right which it has exercised in the way of transmitting power because it does not act as a general distributing company. It is a wholesale company producing power at Niagara Falls and transmitting it to Toronto and other places. It has main lines to accomplish this purpose and there is no interference with its operations in that respect. It goes on with its main lines just as it did before.

Mr. NESBITT: If it does not interfere with them why does the hon. gentleman want this clause in?

Mr. A. C. MACDONELL: I will come to that. This company was incorporated in 1902 before the Railway Commission was appointed. The Railway Commission was appointed in 1903 and there was no tribunal to which reference could be made in an Act of Parliament to settle disputed points between a municipality and a railway or power corporation. They were given wonderfully wide powers to go anywhere they chose, not only to carry their main lines through any municipality with or without the consent of the municipality but also—and here is the rub—to act as a distributing or selling company in any community and to sell their power without the municipality's consent. That is what this section is aimed at. The Toronto and Niagara Power Company commenced operations in North Toronto. They were running their lines wherever they chose and the corporation of the town of North Toronto said: You cannot do that; you will have to comply with subsection 8 of section 247 of the Railway Act 1906, which provides that the company shall not do these things without the consent of the municipality. The Toronto and Niagara Power Company declined to accept that view of the matter and in defiance of the municipality proceeded to erect poles. The municipality of North Toronto pulled down the poles, litigation followed, the case went to the Court of Appeal of Ontario and the Court of Appeal decided in 1911 that the company were bound by the Railway Act, that the Railway Act applied to railway, telephone, telegraph and power companies and that no power company could invade the streets of any municipality without the consent of

the municipality. The Court of Appeal decided that and the matter was thought to rest there. It did not. The Toronto and Niagara Power Company took the matter to the Privy Council.

Mr. CARVELL: Would my hon. friend read the law of Canada under which that appeal was taken to the Privy Council and then compare it with subsection 2 of section 374? I have not the Act before me, but I would like to have a comparison of the two.

Mr. A. C. MACDONELL: I have the Railway Act, 1906, and section 247 is the general section providing for "lines and wires on highways; consent of municipality; travel and access; wires; poles; trees; supervision" etc., etc. That is the general law in regard to wires, lines and poles in municipalities along highways, public places, etc. Section 247 has eight subsections and the eighth subsection is the one which has caused the mischief. I have already read it. It is as follows:

> Nothing contained in this section shall be deemed to authorize the company to exercise the powers therein mentioned for the purpose of selling or distributing light, heat, power or electricity in cities, towns or villages, without the company having first obtained consent therefor by a bylaw of the municipality.

That is the general Railway Act. The Court of Appeal of Ontario decided that it bound the company notwithstanding the fact that the company by its special Act has power to erect poles, lines and so on without consent.

Mr. CARVELL: How would you have to read that subsection of section 247——

Mr. A. C. MACDONELL: If my hon. friend will please——

Mr. CARVELL: I thought my hon. friend wanted to get the whole story as we went along but if not I will not interfere with him.

Mr. A. C. MACDONELL: My hon. friend is also my learned friend and we both understand court proceedings and I would prefer to proceed. As offsetting the Railway Act the company set up the charter it had.

This is the only company that still possesses its original wide power of going everywhere or anywhere without license. A number of power companies have been incorporated by the Dominion Parliament, and they have come here from time to time—I am talking now within the knowledge of members of this committee—to get amendments to their charters in various ways, extending their powers, adding to their borrowing powers, adding to their capital and so on. And in every case where they have come here, they have been saddled with these public-safeguarding clauses, because many of these charters are old charters. During this present session the Continental Light, Heat and Power Company of Montreal, which was I think incorporated in 1897, came here and was saddled with half a dozen of these public-safeguarding clauses. They had a charter very similar to this charter. Since this Toronto and Niagara Power Company never came here to get an amendment, there has been no opportunity to amend its charter by adding the safeguarding clauses, anad therefore it became essential that some provision be made in some way to restrict these wide powers. The company was not satisfied to be bound by the general Railway Act of Canada, as interpreted by the Court of Appeal of the province of Ontario, and, as I said, appealed to the Privy Council. The case is reported in the Law Reports, Appeal Cases, 1912, at page 834. In this case the Privy Council reversed the decision of the Court of Appeals of Ontario, and held that the Toronto and Niagara Power Company was not bound by the general Railway Act, and that it did not need the consent of a municipality to go anywhere, that it was absolutely at large to go where it pleased, without leave or license, under the special Act of 1902. Does any member of this committee agree that that is a safe or fair thing to permit, that a power company should have the right to go anywhere in Canada in any street, highway, square or public place, cross it, to do as it pleases, without any consent, and to set up in that community as a distributing company selling power? In this case the Toronto and Niagara Power Company were the plaintiffs, and the corporation of the town of North Toronto, defendant, on appeal from the Court of Appeals for Ontario. The head note is as follows:

> Held that by sections 12 and 13 of their incorporating Dominion Act, II Edward VII, chapter 107—

That is the Toronto and Niagara Power Company incorporating Dominion Act.

> —the appellants—

That is the Toronto and Niagara Power Company.

> —were empowered to enter upon the streets of North Toronto without the consent of its municipal council for the purpose of erecting poles to carry power lines for the conveyance of electricity.

Held, further, that section 90 of the Railway Act of 1888 as amended by the Railway Act of 1899 and by section 247 of the Railway Act of 1906,—

That is the section I have read twice.

—the effect of which would be to give the respondents—

That is the municipality.

—a veto upon the appellants' exercise of their powers, is inconsistent with the said sections 12 and 13 of the special Act, and consequently by section 21 thereof—

That is the power company Act.

—is rendered inapplicable to the appellants; section 247, moreover, applies only to companies within the definition clause of the Act of 1906, that is, railway companies; while subsections 3 and 4 thereof save the appellants' powers under their special Act.

What the Privy Council decided was this, that although our Railway Act is burdened with definitions of a company and what constitutes a company coming under the Act and being subject to the Act, a power company, according to the Privy Council, does not come under the Railway Act. The Privy Council held that, inasmuch as this was not a railway company, it was not bound by the word "company" as defined by the Railway Act, that the Railway Act, in so far as power companies were concerned, only referred to or related to railway companies that were selling or distributing power, and did not have any reference to the general power companies, and this I submit is entirely contrary to the spirit and intention of the legislation. Let me read a paragraph from Lord Haldane's judgment on that point, in which he admits that the intention apparently was that all these companies should be included under the term "railway company," and that a railway company in the definition of "company" included these companies, yet the strict meaning of the Act, according to the Privy Council, excluded a power company from the operation of the Act, and the power companies were not bound by the Act at all. Lord Haldane said:

The Parliament of Canada, not unnaturally, anxious to avoid dangers of this kind,—

That is the kind of conflict that arose in this case.

—accordingly passed general statutes conferring upon the municipal authorities large powers of control. Section 90 of the Railway Act 1888, was amended by the Railway Act of 1899, which added to it a subsection illustrative of this kind of control.

This is important. The Railway Act of 1899 was afterwards embodied into the Act of 1906.

The new subsection enacted that when any company had power by any Act of the Parliament of Canada to construct and maintain lines of telegraph or telephone or for the conveyance of light, heat, power, or electricity, such company might, with the consent of the municipal council or other authority having jurisdiction over any highway, square or other public place, enter thereon for the purpose of exercising such power. . . . If the powers conferred by this section displaced the less restricted powers of entering without any consent conferred by the Act of incorporation the appellants are in the wrong.

That is the power in the special Act.

Their Lordships have, therefore, to determine this question. They have to bear in mind that a Court of justice is not entitled to speculate as to which of two conflicting policies was intended to prevail, but must confine itself to the construction of the language of the relevant Statutes read as a whole.

Now, under that reading, they excluded the intention which Lord Haldane recites was the spirit and foundation for the section of the Railway Act which I have read, but he says he must construe it literally, and the court construed it literally according to their interpretation, and the effect of that was that the appeal was dismissed and the Toronto and Niagara Power Company was left absolutely at large.

That is, it is free to go where it pleased, without leave or license. It is not bound by the Railway Act, according to the judgment of the Privy Council. It is not bound by any of the safeguards of the Railway Act. It has never come to Parliament for a moment, so that it can be reached and safeguarding provisions enacted, and there it is to-day. The only way of reaching it is by the provision made in this legislation. As I have said, this legislation was asked for by the united municipalities of Canada, not only Ontario, but outside of Ontario, by the Ontario Government, and by various other municipalities and communities, including the Hydro-Electric Power Commission, because, unless this clause is enacted this company can invade any place without anybody's consent, or leave or license. The necessity for making the section retroactive was this: this power company is not selling retail power; it is a producer of power.

Mr. McKENZIE: Has it got the power, although it is not exercising it?

Mr. A. C. MACDONELL: They have the power, but I believe they are not exercising it.

Mr. McKENZIE: We have to deal with them as they are constituted at present. We cannot take advantage of the fact that they are not selling it.

Mr. A. C. MACDONELL: This is simply a matter of fair dealing. We are not taking away from the company any of its business or curtailing its power, and the concluding part of subsection 4, which is aimed at preventing this company from acting as a distributing company without the consent of the municipality, reads as follows:—

Provided that this subsection shall not prevent the company from delivering or supplying such power by any means now existing or under the provisions of any contract now in force for use in the operation of any railway or for use by any other company lawfully engaged in the distribution of such power within any such city, town, village or township.

So that nothing is being taken from them, and their status is preserved to them. They cannot extend, and the reason why the retroactive clause is asked for is this: It does not hurt anybody to begin with. It is a precaution. I am a member of the committee and I am not advocating anything special except that I want to see what the committee has done, by a vote of nine to three, goes through the House. This clause was explained at length and questions were asked, and it was proved to the satisfaction of the committee that the Toronto Electric Light Company, and the Toronto-Niagara Power Company, and a number of other kindred companies, are practically an association of companies under one aegis or management, or whatever you like to call it. I do not ask hon. members to take my word for this; it is contained in the memoranda submitted to this House by the Government of Ontario, which was sent to the chairman of the committee and read by him. There was only one arrangement. The Toronto Electric Light Company had a contract with the city of Toronto, which expires in two or three years, and what is apprehended, and it was alleged before the committee, and the statement was actually made, that the Toronto Electric Company, which has an expiring and perishable franchise, expiring in two or three years or thereabouts, will, it is expected, turn over to the Toronto-Niagara Power Company all its business, poles, plant, machinery and equipment, and then the Toronto-Niagara Power Company can continue ad infinitum to operate the Toronto Electric Light Company the same as if there had been no contract between the Toronto Electric Light Company and the city of Toronto, and this retroactive clause is inserted to prevent that improper act. It hurts nobody. It is an insurance, a precaution, and a public safeguard. The same thing might happen in other communities. The Toronto-Niagara Power Company may go elsewhere and purchase electric light or power companies that have perishable and expiring franchises and then the business will pass over to the company with a permanent franchise forever. I have tried to make myself understood; I do not know whether I have done so or not, and I appeal to the fairness of the committee to pass this legislation to protect municipal rights, to protect municipalities and the public. The people came here from all over Ontario and from some parts of Quebec to ask that this be done, and there is nothing wrong in it. It is a safeguard. We are not saddling this company with any more safeguards than any other company is saddled with, but we ask that this clause be retained, for the purpose of carrying out the wishes of the people to whom I have referred, who came here with their counsel, and argued the matter at very great length, and answered every question put to them by the members of the committee. No matter was more fully or fairly dealt with by that select committee, and I appeal to this committee to carry out what was done by that committee, and to pass the section as framed.

Mr. CARVELL: I am afraid I cannot pay the hon. gentleman from Lambton the same compliment as I paid the hon. gentleman from Toronto, because the hon. gentleman from Toronto knows what he is talking about personally. That is not intended to be offensive in any way, but my hon. friend from Toronto is a good lawyer and has followed the case.

Mr. A. C. MACDONELL: I have taken public interest in it.

Mr. CARVELL: A perfectly proper interest. My hon. friend has spent half an hour arguing before the committee, as though we were the Supreme Court, showing us what the Privy Council decided, and he said that unless something was done, the company had power to extend its lines as it liked, into Toronto or any other municipality. That is true. But my hon. friend forgot to tell the committee the law on which the Privy Council made its decision. My hon. friend knows it all right, but I want to give it to the other members of the committee. I refer to section 247 of the Railway Act of 1906, which reads as follows:

When any company is empowered by special Act of the Parliament of Canada to construct, operate and maintain lines of tele-

graph or telephone, or for the conveyance of light, heat, power or electricity, the company may, with the consent of the municipal council or other authority having jurisdiction over any highway, etc.

Then it provides that they can do certain things, and here are the conditions. First, there shall be accessibility of traffic to the public, then a provision that the wires shall be not less than 22 feet above the ground. No trees shall be cut down unless it is necessary. Then it is provided that the opening of any street, square or other place for the erection of poles or for the carrying of wires shall be subject to the supervision of such person as the municipal council may appoint, and there shall be temporary removal of wires, and all that sort of thing. All these things are when the company is authorized to do certain things under a special Act. Subsection 8 provides:

Nothing contained in this section shall be deemed to authorize the company to exercise the powers therein mentioned for the purpose of selling or distributing light, heat, power or electricity in cities, towns or villages without the company having first obtained consent therefor by a by-law of the municipality.

But unfortunately the special Act incorporating the company did authorize them to distribute, and the Privy Council held, and rightly, I believe, that as this section 247 refers to special Acts, and as the special Act of this company gave it the actual power to distribute, they had a right to distribute it. That is the law. I want to call attention to the fact that the gentleman who prepared this Bill, Mr. Price, was not before the committee. Evidently he is a lawyer of distinction, because he has put in our hands a memorandum showing the legal effect of every amendment or change that was made in the Railway Act. When Mr. Price drafted this section he included telegraph, telephone and power companies all in one section. The subcommittee, I think for the purposes of my hon. friends from Toronto, divided it up and put telegraph and telephone companies in one section and electric light and power companies in another. Mr. Price says:

The provisions of this present section requiring telegraph, telephone and power companies within the legislative authority of the Parliament of Canada to get consent of the municipality or leave of the Board before putting their wires upon, along or across any highway or public place will apply notwithstanding anything to the contrary in any Special Act or in any other Act and notwithstanding any power or authority conferred by or under any Act.

My hon. friend has spent half an hour setting forth the decision of the Privy Council under a special law referring only to the special Act of this company. But subsection 2 of section 374, as presented to this committee, is as follows:—

Notwithstanding anything contained in any special or other act or authority of the Parliament of Canada or of the legislature of any province, the company shall not, except as in this section provided, acquire, construct, maintain or operate any works, machinery, plant, line, pole, tunnel, conduit or other device upon, along, across, or under any highway, square or other public place within the limits of any city, town, village or township, without the consent of the municipality.

Mr. Price absolutely met all the conditions of the Privy Council case. He provided that notwithstanding anything in the special Act a company may not erect a pole, line, or conduit, whether for distribution or transmission—

Mr. MACDONELL: When Mr. Price drew that memorandum no attention had been drawn to the Toronto-Niagara Power Company or the Privy Council decision so far as I know.

Mr. CARVELL: I am not prepared either to affirm or to deny that. If my hon. friend says that is true I accept his assertion.

Mr. MACDONELL: He may have dreamt it, or had it in his mind, but no public decision or reference had taken place.

Mr. CARVELL: These cases dragged on for three or four years; Mr. Price is too good a lawyer not to have known that they had been before the Appeal Court of Ontario and the Privy Council. My hon. friend (Mr. Sinclair) tells me that Mr. Price refers to the Privy Council case in his memorandum. Mr. Price says:—

Putting lines and wires upon highways and public places. Here an important change is made. It had been held by the Privy Council that "company" in former section 247 was confined to railway company and that power companies, etc., which were given powers in their Special Acts to construct upon highways, could, where there was no restriction in the Special Act, do so without any consent or leave and without being put upon any terms or conditions. (See judgment Privy Council given July, 1912, in Toronto and Niagara Power Co. v. North Toronto (1912) A.C., 834.)

So that Mr. Price knew all about it. My hon. friend's argument, therefore, comes to an end.

Mr. MACDONELL: That does not alter the case at all.

Mr. CARVELL: His argument goes up in smoke. The first three subsections provide that the company cannot erect a pole or

string a wire, either for transmission or distribution, without the consent of the municipality. My hon. friend draws a distinction between transmission and distribution, but that is only a technical point. Usually a line which has high voltage is called a transmission line; when the voltage is somewhat reduced, it is called a distribution line. However, under the provision as drafted by Mr. Price, a company may not erect a line, pole, or anything that carries electricity, in any municipality without the consent of the municipality. And, if the municipality is unfair, the right of appeal to the Railway Board is provided, and it is for the Railway Board to set out the conditions under which this distribution and transmission shall take place.

Mr. MACDONELL: I did not know that Mr. Price had been aware of the case. But Mr. Price's opinion, as quoted by my hon. friend shows that the Privy Council was wrong in its decision; that it gave a decision against the spirit and intent of the Railway Act. What is asked for here in the retroactive clause, is that that decision be repealed, dating back to the date of the coming into effect of the law.

Mr. CARVELL: I cannot accept any such argument as that. The Privy Council is the last court of appeal in this Empire, and it ill becomes my hon. friend to say that its decision was wrong.

Mr. MACDONELL: Did Mr. Price not try to put it right, in the language that my hon. friend read?

Mr. CARVELL: No. As a result of the decision of the Privy Council, Mr. Price found a condition which, in his judgment, ought to be remedied. This Parliament is the only body having power to remedy that condition, and Mr. Price drafted this section of the Railway Bill with a view to remedying it. But my hon. friends from Toronto are not satisfied that matters of this kind should, in case of dispute, be left to the Railway Board. Notwithstanding the fact that in every other like case the matter is referred to the Railway Board they want it differently in Toronto. Therefore they put in two extra clauses, declaring what the law should have been ten years ago and absolutely preventing the companies concerned from going to the Railway Board. They take it out of the power of this company to extend its lines except with the consent of the city of Toronto—and they know that the company cannot get that consent. Knowing that, they refuse that, appeal to the Railway Board which may be had in all other cases. In no case that came up during the whole discussion of this Bill did I not say: leave it to the Railway Board. I gave my vote on numerous occasions, and in those cases where the matter did not come to a vote, I gave it as my opinion: leave this to the Railway Board.

I believe the Railway Board is one of the finest institutions in the British Empire. I think they are trying to work out the railway law of Canada on just as good lines as they possibly can. I have such faith in them that no matter what railway matter comes up I would say, leave it to the board. I say so to-night. If a question comes up between the Electric Light Company and the city of Toronto, I would say, leave it to the board. There is no more reason why Toronto should not be governed by the general law any more than my little town of Woodstock, or any other town in this Dominion.

There is just one other observation I cannot refrain from making. My hon. friend says, "If you don't put in these retroactive clauses the company may go to some other town and buy a plant there and give the people electric light." What a crime that would be! Think of allowing any company to go to another city and supply people with light at competitive rates. Why in Montreal they are fighting rings around one another just to get competition; it is the very thing they want. Down in our country those gentlemen who have been unfortunate enough to invest their money in electric light are in constant fear that the municipalities will come into competition with them. But in Ontario, for Heaven's sake keep away from competition! If you don't put in these retroactive clauses these men will go to some other town and give the people cheaper light than the Hydro Electric. What a crime that would be! I only need to refer to these matters to show the absolute unfairness of the whole transaction.

Mr. NICKLE: I am considerably impressed by the argument advanced by my hon. friend from South Toronto. If I correctly understood him, the effect of this legislation will be this: In so far as the transmission line goes, that is the line for the carrying of power from one part of the country to the other, if municipalities cannot agree with the company then there is an appeal to the Railway Board for the purpose of determining the terms and con-

ditions upon which the transmission line shall be constructed.

Mr. CARVELL: Does my hon. friend find the word "transmission" or any definition of either a transmission or distribution line in subsection 2 of section 374?

Mr. NICKLE: No, I do not find it there. It seems to me that this is an omnibus clause that defines in general terms the rights of the company and the methods of procedure. Subsection 2 of section 374 is restricted by subsection 4 of the same section. Proceeding with my argument, if I understood the member for South Toronto, the rights of the company for the purpose of the construction of a transmission line depend on subsections 2 and 3 of section 374. If they are able to make a contract with the municipalities through which their line passes then the contract is legal and binding, but in the event of any municipality acting, to use the expression of my hon. friend from Carleton, as a dog in the manger to prevent the construction of a transmission line, then there is an appeal to the Railway Board to determine the terms and conditions upon which the transmission line shall be constructed.

When it comes to the question of the distribution of power, that is the selling of power within the municipality, subsection 4 governs, and the principle is there recognized that the municipalities shall have control of their streets, and if they are not disposed to make a contract with any company there is no right of appeal to the board. This Bill recognizes, so to speak, the autonomy of the municipality. That was the point which I overlooked in my original remarks.

The hon. member for South Toronto made two statements, and I should like to know if he is very sure of his facts. In the first place he said that there is no other company with similar powers under a Dominion charter. I also understood him to say that this company has no distribution plant, the value of which will be affected if the second subsection of section 5 is enacted and becomes law; in other words, there is no distributing plant owned and constructed by the Niagara Power Company pursuant to the terms of the special Act, such construction being illegal provided this Act is retroactive.

Mr. A. C. MACDONELL: With regard to the first point, I have searched myself, and have had the clerk of the Private Bills Committee search through the records and the statutes of Canada to ascertain if there is any other company outstanding, so to speak, and the information I gathered for myself and which was confirmed by him, was to the effect that there is no such company. I recollect that this session we had the Continental Light, Heat and Power Company of Montreal with power largely similar to this company's appear before the committee and have five or six of the public safeguarding clauses inserted in their charter. Last session the only outstanding company that I know of this kind was the Edwards Company here in Ottawa, and they were treated in the same manner. The Railway Board, ever since its appointment, has been named in the various Acts as the tribunal to settle these matters in dispute. Hon. gentlemen will remember that the late Mr. Conmee, when in the House, had a protracted dispute in the committee with regard to this very matter, and his company was saddled with the same thing, and the St. Lawrence Power Company also. I have made every effort to ascertain if there is any outstanding company, and I believe the Toronto & Niagara Power Company is the only one there is.

Mr. NICKLE: My second question was this. The last paragraph of subsection 5 says:

> It is hereby declared that the powers of any such company have been so restricted since the date of the enactment of chapter thirty-seven of the Revised Statutes of Canada 1906, that is to say, the thirty-first day of January, 1907.

If that becomes law, anything done by the Toronto & Niagara Power Company under its special Act for the purpose of constructing a distributing plant would be illegal if a by-law had not been passed. Have I the assurance of the hon. member that the company has no distributing plant in any municipality that will be illegally constructed provided this section becomes law?

Mr. A. C. MACDONELL: I know of no such plant whatever. I believe the facts are these: The Toronto & Niagara Power Company supply the Toronto Railway Company and the Toronto Electric Light Company with power. I know of no distributing plant they may have; I am not saying that they have not any.

Mr. CARVELL: Was it not stated before the special committee that the company was supplying industrial concerns with power?

Mr. A. C. MACDONELL: The concluding part of subsection 4 preserves all these existing contracts.

Mr. SINCLAIR: It was stated before the committee that the Toronto & Niagara Power Company were supplying power in the city of Toronto, and that they had erected poles and were proposing to sell them to some other company. It was stated that this legislation was introduced for the purpose of enabling them to sell the poles to the other company.

Mr. A. C. MACDONELL: My hon. friend is quite correct in saying that they had erected poles. The litigation that provoked this amendment arose out of their action in erecting poles, but those poles were, I believe, for the transmission of the power to the Toronto Railway Company and the Toronto Electric Light Company.

Mr. SINCLAIR: I do not think there is any doubt that what we are trying to do is to take away the right of distributing power in the city of Toronto. The transmission of power does not enter into the question at all. The only question is whether we shall make the legislation retroactive. We all agree that for the future we do not want to give them the right to put a single pole in the streets of Toronto without the consent of the municipality.

Mr. A. C. MACDONELL: Neither in the streets of Toronto nor anywhere else.

Mr. SINCLAIR: But the question is should we go back ten years. That is the point we disputed in the committee, and the point we are raising now.

The CHAIRMAN (Mr. Blain): Shall the section be carried?

Some hon. MEMBERS: Carried.

Mr. CARVELL: I move that subsection 5 be stricken out.

Amendment negatived on division. Yeas, 13; nays, 32.

Section agreed to.

On section 376—Provisions governing telegraphs and telephones.

Mr. J. E. ARMSTRONG: Subsection 8 has been added. It says:

> No order made under the preceding subsection shall apply to the interchange of local conversations between persons using the telephones of two competing systems or lines where such systems or lines terminate upon switchboards located within the municipal limits of the same city, town, or village, except in the case of rural party line telephones in non-competitive areas, and then only when the Board shall deem such interchange to be desirable and practicable.

Mr. GREEN: In line 42, page 151, of the draft Bill, the words "as to compensation" appeared. On the motion of the hon. member for North Oxford (Mr. Nesbitt) these words were stricken out. There was quite a discussion over this amendment, and there seemed to be some question as to what the striking out of these words meant. The legal gentlemen on the committee said, if the word "compensation" was struck out, it would mean that the board would not have power to award compensation in any case, whether they thought it justifiable or not. The hon. member for South Toronto (Mr. A. C. Macdonell) said:

> From a layman's point of view Mr. Nesbitt's argument is irresistible, but the present Act has the word "compensation" in it. I am simply taking the middle course in this matter as far as I can see it. The word "compensation" is in the Act now, and if we strike it out any court interpreting that amendment would say we intended to remove absolutely any compensation whatever. The word "terms" would mean physical conditions. So that, if we retain the word "compensation" and add the words "if any," we make it plain to the Board and everybody that we do not intend there shall be compensation unless in the opinion of the Board it is justifiable to allow it.

Some of the lay members took exception to the reasoning of the hon. member for South Toronto, and other members argued along the same lines. In my opinion, the words "as to compensation" should have remained in as the Act was drafted. That seemed to be the opinion of quite a number of the members of the committee. The hon. member for North Oxford (Mr. Nesbitt), understanding it differently, said:

> As mover of the amendment I may say it was not by any means my intention to take away from the Board the power to order compensation if in their discretion they thought it ought to be allowed.

Since the committee passed upon that particular section I have made inquiries in many quarters as to the meaning of cutting out the words "as to compensation," and all the legal gentlemen with whom I have had an opportunity of discussing the matter have agreed that the effect is that the board will have no power to award compensation even if in their opinion it is right it should be awarded. I therefore move:

> That subsection 7 of section 376 be amended by inserting after the word "terms" in line 42, page 151, the words "as to compensation if any."

That will leave the matter in the position that if the board is of the opinion the companies are entitled to compensation, it may award compensation.

Mr. NESBITT: My hon. friend (Mr. Green) has stated the position I took excepting that, when I asked that it be reconsidered, I stated that my reason for doing so was that the Bell Telephone man said that he did not have a fair opportunity to be heard and I had no idea of withholding the privilege of being heard from any person.

Mr. CARVELL: I have very great pleasure in supporting this amendment because I believe that if these words were not added the evident intention of the subcommittee would not be carried out. This clause appeared first in the Railway Act, 1906, and it provided that the board might order the terms upon which one company might have connection with another. It said that the board might order the company to provide for such connection or communication upon such terms as to compensation or otherwise as the board deemed just and expedient. A number of telephone companies came before the subcommittee and claimed that they should have the right, even if they were competing lines with the Bell Telephone company in Ontario, to have such connection. It would not be the Bell Telephone Company in the Maritime Provinces or in the West, but we will call it the Bell Telephone Company because it was Ontario people who were making this claim. They contended that even if they were competitors of the Bell in the local business they should have the right to connect with the Bell system and have the use of their long distance lines without paying anything for it. Many of us contended that it should be left to the board. I believe in leaving all these things to the board. The board should have the right to say whether there should be any compensation or not. I think that was the intention of the committee. My hon. friend from North Oxford suggested that we should leave it as it is and if left it would read in this way:

> The corporation may apply to the Board for relief, and the Board may order the company to provide for such use, connection or communication, upon such terms as the Board deems just and expedient.

I think the argument of many of the legal gentlemen, and I entirely agree with it, had a great deal of force that if the word "compensation" appeared in the former Act and was left out of this, the court would necessarily and logically say that Parliament must have some object in leaving this word out. Therefore, the committee took the view that the terms that the board might impose would include compensation and would not have merely to do with the physical connection, the height of the poles, the number of the wires or something of that kind. By leaving out these words we expressly excluded from the board the right to award compensation. I think it is a proper amendment.

Mr. NESBITT. Every rural telephone company in Ontario practically was represented here and they all wanted these words struck out. I want hon. gentlemen representing rural sections to understand that the rural telephone people were here unanimously demanding that these words be struck out.

Mr. GREEN: If they were here asking that these words be struck out they were here asking something that was unfair to other people who had their money invested, and who had a right to be compensated if, in the opinion of the Board, they should be compensated.

Mr. SINCLAIR: I think the principal thing is to leave the Board free to determine it one way or the other. There are cases where there should be no compensation and it was contended that if we left the word " compensation " in, the Board would be under obligation to give compensation in every case. That was not desirable. I note that the proposed amendment has the words " if any " at the end, and if that means that it is left to the discretion of the Board to give compensation or not it may get over the difficulty. As my hon. friend from North Oxford says, this was regarded as a matter of great importance by the rural telephone companies of Ontario. There were eight or nine hundred of them represented, and they were all deeply interested in having these words left out. I do not know what view they would take of the amendment of my hon. friend, because it is written a little differently from the language of the old Act. It may mean that if there is a case for compensation then the Board may give it.

Mr. SEXSMITH: I agree entirely with the sentiments expressed by the hon. member for North Oxford (Mr. Nesbitt). The rural telephone people were here and they were very anxious. I thought that what they asked was perfectly right and just. We

are all well aware that the Bell Telephone Company is a great company. We know that this company would crowd every other company off the earth if they could. I understand that the section as it was passed by the committee was satisfactory to the rural telephone companies. I think it should remain as it was.

Mr. THORNTON: The matter was, as the hon. member for Guysborough (Mr. Sinclair) said very fully threshed out here and the independent companies that were represented went home satisfied with the decision of the committee. The word "compensation" was struck out. The section provides that:

> The Board may order the company to provide for such use, connection or communication, upon such terms as the Board deems just and expedient, and may order and direct how, when, where, by whom, and upon what terms and conditions such use, connection or communication shall be had, constructed, installed, operated and maintained.

That fully covers the ground. The conclusion was that if the word "compensation" was in the Act the Board would be compelled to compensate the company that had the trunk line. As a matter of fact, the local lines bring an immense amount of business to the Bell company.

Mr. COCHRANE: That is only where there are two lines in competition.

Mr. THORNTON: That is true. They do not say that the local company should not be compensated in that case. But the whole ground is covered by the clause which I have just read. The representatives of the independent companies went home fully satisfied with the decision that was reached that day after it had been threshed out before the committee for two days. I think it would be very unfair to those people if at this last moment this snatch verdict should be attempted in this committee.

Mr. SEXSMITH: It would be hard to decide what the Bell Company would call competition. If they have a central office out in a township, does that mean that no other company can go on and organize? I do not think the Bell Company have any reason to find fault or complain about this clause, and I would urge that it remain as it is.

Mr. BOYCE: The amendment does not bind the board to award compensation, but gives power to award it in cases where it is called for. If the word "compensation" is omitted, having been in the old statute, then any court will interpret that as taking away from the board jurisdiction to award compensation.

Mr. THORNTON: The board in cases that came before them took the ground that because the word "compensation" was there they were bound to award compensation. The local company had to pay not only the ordinary long distance rate but had also to pay a surcharge based on the number of their subscribers.

Mr. SEXSMITH: As I understand it, the independent companies are perfectly willing to pay the long distance rate, but the Bell Telephone Company ask a surcharge in accordance with the number of patrons that a private company may have, that charge sometimes running up into hundreds of dollars. That is absolutely unfair to the private company. It shows that the Bell Telephone Company want to have a monopoly, a continuing monopoly, and to make it impossible for any independent company to put up a rural line and have the same service.

Mr. CARVELL: Oh, no

Mr. SEXSMITH: Oh, yes.

Mr. THORNTON: All the power that the board requires to control the situation is to be found in the clause in this Bill. The Bell Telephone Company is amply protected by that clause. I protest strongly against the insertion of the words proposed.

Mr. SEXSMITH: Who is to determine when compensation is due?

Mr. GREEN: The Railway Board will have the right to decide and will decide under the conditions laid before them. My hon. friend (Mr. Thornton) is speaking of the physical conditions as to how the connection shall be made. There is no question that if the word "compensation" is left out, having been in the old law, no compensation will be permissible under any circumstances. I am not asking that the word be put back as it was before, as it might then be claimed that compensation must always be given. I am asking that the Board of Railway Commissioners may be the judges of all the terms, including compensation, if any. I am making it clear, I think, that it is not compulsory to give compensation, that they may be the judges, having all the circumstances before them and, under those circumstances, they may award compensation if, in their judgment, it is necessary.

Mr. THORNTON: That is all provided for right here in the Act.

Mr. GRAHAM: Can any one tell me why, even in the draft Bill, there seems to be a serious omission from the old Act? The section says, "Upon such terms as to compensation that the board deems just." In the old Act I think it says, "As to compensation or otherwise." Why was the word "otherwise" left out? That meant terms as to compensation and otherwise, which would include everything else, the physical condition and so on. Having had something to do with the introduction of this law in the first place, and putting this matter under the Board of Railway Commissioners, making it possible for the local companies to have connection with the trunk lines, I am greatly inclined to the view that we ought to be as lenient as possible, and make terms just as easy as we possibly can for the rural companies. It is only a few years since these rural companies were inaugurated throughout the whole country, and these systems have been paid for by the farmers themselves, largely by the organization of small companies, and these companies have brought the farmers to the market. They can sit in their own houses and find out what the market is every morning, if they like, and keep track of business in a general way, without coming to town. The information is brought to them direct. If the committee, after fully considering the details and hearing all the parties, decided to strike that out, I am inclined to vote to leave it out.

Mr. COCHRANE: The trouble is that the men who moved to put it in went back on it.

Mr. SUTHERLAND: I was not on the committee which had the drafting of this Bill in charge, but I know something of the conditions affected by these two words that it is moved to insert in the Bill. The rural telephone companies in the district from which I come have been victims of these two words that it is moved should be inserted, and every subscriber on the rural lines in the vicinity of the town of Ingersoll, has had to bear the expense of the charges that have been made by the Bell Telephone Company on the local companies. The hon. gentleman who has moved the amendment got the word "compensation" and "competition" somewhat mixed up. I believe there is a connection between the two words, and that the Bell Telephone Company discriminates against competing companies, which are in operation in places where the Bell Telephone Company is doing business. The Bell Company makes them pay a bonus. That is the object of inserting those words, and I do not think it is fair. I do not think there is any argument to justify allowing the Bell Telephone Company, which has been given every possible freedom and franchises that any company could naturally expect and much more, to bring pressure to bear on these local companies to keep them outside of the district where the Bell Telephone Company are doing business, when they themselves refuse to extend their lines out into the country. These local companies have developed, and some of them have amalgamated, and today they are actually competing, in some of the smaller towns, with the Bell Telephone Company. The Bell Telephone Company are exacting a heavy compensation from the Ingersoll Telephone Company, and the Ingersoll are unable to get redress from the Railway Board, and I think it is unfair and unjust to insert those two words in the Bill. I think the committe who have had this matter in hand have evidently looked into the wisdom of eliminating them, and have acted on the evidence that was submitted to the committee, and I think when they have the evidence there that we should hesitate before adding to this section the words which they eliminated.

Mr. GREEN: I do not want to delay the committee, but I do not want the committee to misunderstand the situation. It is true this matter was before the special committee for a long time; it is true there were representatives of both sides there, and it is true they put their cases forward as strongly as it was possible for them to do. It is also true that the committee, on a vote of four to two, finally struck out the words which were in the original draft "as to compensation". If that particular meeting had been more numerously attended, I have an idea that those words would not have been stricken out. My hon. friend says I was a little mixed as between the words "competition" and "compensation." It is true, when I meant to say the one, my tongue slipped, and I said the other. But I want to point out to him, and to the other members of the committee, that all that the rural telephone people are asking for has been granted them in the Bill, with the exception of where they come into competition with the Bell Company or with an established company. Why is it that it is not fair to give them, these connections without compensation? Because it would put them in this position, that just so long as they are doing a rural business, and in territory that would not be

covered by the other companies, they get all these connections without compensation, and they come into a town where there is already a telephone exchange, which telephone exchange may have long distance lines built with their capital, serving a long distance public. You give these independent telephone companies the right to go into that town and in addition to that, if you give them the right without compensation to use the long distance lines of the company that are already constructed, you put them in the position that they can offer to the public their phones at a lesser rate than the other company can afford to, because the other company has a large investment not only in the phones in the town, but in the long distance line. The independent companies can have the right to use those lines without compensation if these words are not put back.

Mr. WRIGHT: Does the Bell Telephone Company not charge the general public a fee that is sufficient to cover all the expenses of those lines?

Mr. GREEN: Yes, it is presumed they do, but at the same time, why should another company be allowed to use the Bell Telephone Company's long distance, or any other company's long distance line?

Mr. WRIGHT: Because that long distance is practically a monopoly.

Mr. GREEN: It puts the independent company in the position in the town, of competing with the Bell Telephone Company, or any other company that is in a similar position, and offering to their subscribers their phones at a lesser rate, with all the privileges of the established line.

Mr. THORNTON: No, the hon. gentleman is wrong there.

Mr. GREEN: I was before the committee and listened to the arguments, and my judgment is that that is the position they are in, and if we refuse to put those words in, you are putting the independent company in a position to use the other man's capital for the purpose of competing with him, because the independent company has no overhead charges, and no investment in the long distance line, and therefore can sell a cheaper service to the public in the same territory that these people are in.

It is only fair and right that the Board of Railway Commissioners, when these matters are put before them, would be in a position to judge of them as they find them. If they find that in competitive fields the Bell Telephone Company or any other company are entitled to compensation, that compensation should be given.

Mr. SEXSMITH: I cannot understand my hon. friend's argument. He says that this provision will place an independent company in a position to do rural business cheaper than the Bell Telephone Company could do it, owing to the fact that the Bell Telephone Company have overhead charges to meet in connection with their long distance service. The hon. gentleman will surely admit that the Bell Telephone Company charge enough for their long distance service to cover all overhead charges and to pay dividends.

Mr. NESBITT: Do they not place a surcharge upon the long distance service?

Mr. SEXSMITH: Suppose a municipal telephone system having four or five hundred subscribers wants to be connected with the Bell Telephone Company at Peterborough. The Bell Telephone Company say: Even though you agree to pay long distance charge, we are not willing that you should use our lines unless you pay a surcharge or an overhead charge in proportion to the number of subscribers you have on your rural route. If this amendment goes through, instead of having a surcharge you will have this compensation. There is in my own riding a large township that could not get any telephone service until the municipality took hold of the matter; now they have a service. Of course, they made amicable arrangements with the Bell Telephone Company.

Mr. CARVELL: Under this Bill they have legal right to connection without the payment of compensation.

Mr. SEXSMITH: Yes, and without the surcharge. But will this compensation take the place of the surcharge?

Mr. CARVELL: No.

Mr. EDWARDS: Do I understand the hon. gentleman to argue that the local company should be entitled to use the Bell Company's long distance line at the same rate as that which the Bell Telephone Company charges to its own customers?

Mr. SEXSMITH: Not exactly. I am a subscriber of the Bell Telephone Company. They ask me, as one of their subscribers, to pay a certain charge for long distance service. Why ask the independent company to pay an extra charge?

Mr. GRAHAM: The man who has not a telephone at all can get the long distance service at the same price as you can.

Mr. SEXSMITH: Exactly; the man who has not a telephone walks into a city telephone office and uses the long distance service; he pays the same as I do. The same may be said in respect to the independent companies. A man who has not a telephone walks into the telephone office at Peterborough, talks over the long distance wire, and pays the same amount for the service as the rural subscriber. The independent people are willing that that be done; I do not see that there is anything wrong about that.

Mr. NESBITT: The compensation that the rural companies object to is for the right to use the long distance lines. For instance, the Ingersoll Telephone Company has to pay $300 a year for the right to connect with the Bell Telephone Company. But an additional charge is made for each conversation, the amount being divided between the rural company and the Bell Telephone Company. I have a connection on my farm with a rural telephone company. We pay an additional ten cents to the Bell Company for long distance conversation; half of that goes to the rural company with which I am connected and half to the Bell Company. The Ingersoll company and the other companies that appeared before the committee did not object to that, but they did object to paying compensation for the right of having conversation over their lines that were connected with the Bell Telephone Company's lines.

Mr. SEXSMITH: Suppose I go to a long distance telephone office in Ottawa and ask to be connected with Montreal. I inquire as to the charge and am told that it is fifty cents. Suppose, then, somebody living outside the city and being served by an independent company ask the Bell Telephone Company to allow him to use their phone to Montreal. They say: We want you to pay fifty cents, the usual charge; but, because you are on an independent line, we ask you to pay an additional ten cents.

Mr. CARVELL: That is subject to the board. If the board says that the extra ten cents shall be paid, it has to be paid. Otherwise, the charge cannot be made.

Mr. SINCLAIR: My objection to the proposal of the member for Kootenay (Mr. Green) is that it will be taken advantage of to prevent competition. The wording of the law as it exists to-day is: "upon such terms as to compensation and otherwise as the board may direct." When there is no competition, the rural company connects with the other and you get your message through at the same rate as the general public pay. If there is competition in the locality, then the extra charge is put on. If an independent company asks for the right to send long distance messages, the Bell Telephone Company says: Are you going to compete with us for local business? If they answer yes, the Bell Telephone Company says: In that case, you must pay an additional charge. If you agree not to compete with us for local business, we will let you connect with our lines and send your long distance messages at the same rate as the general public pay. That is the difficulty I find in supporting my hon. friend; the present section will be used for the indirect purpose of preventing competition.

Mr. GREEN: The other sections give the board the right to make the connection; the only question, therefore, is as to the terms upon which the connection is made. I do not look upon this section as interfering with competition or as being intended to prevent competition.

I think my hon. friend will agree with me, if he has ever tried to do business in a city where they have a competitive telephone system, that it is a nuisance to the subscriber and to the man who tries to do business over it; the people do not get nearly the same satisfaction they would get from a single telephone system. I have no intention whatever of preventing competition, but, generally speaking, I think the day for competition in telephone lines within a circumscribed area in a city is over. The public have tried it on more than one occasion, and it has nearly always failed.

Mr. GRAHAM: Is not this a fair way of putting it? If there were two trunk telephone lines they would both pay a bonus to these independent companies for their business. As there is only one, the penalty of an extra charge is imposed.

Mr. SUTHERLAND: This is evidently a club that is being used by the Bell Telephone Company to keep the local telephone lines out of the district now being served by the Bell. The hon. member for North Oxford has stated that they exact a charge of 10 cents for the use of a long distance phone, and that the charge is equally

divided. I think the local company gets 3 cents, and the Bell Company 7 cents.

Mr. NESBITT: Yes, as regards the Ingersoll Company.

Mr. SUTHERLAND: These two words in the section enable them to exact from the Ingersoll Telephone Company $300 a year. The Bell Company wish to keep the local companies out in the country. The Bell Company and every other telephone company is a public utility. They have received a franchise from the people on the understanding that they are going to serve the public.

Mr. GRAHAM: They are on the highways too.

Mr. SUTHERLAND: And on the streets of our cities and towns, and a nice mess they do make of our streets with their telephone poles and wires strewed all over. The municipalities are absolutely helpless; they cannot control the companies to whom they have given a franchise. I think this was a very wise provision on the part of the committee, and I think it would be folly on our part to reinsert the two words which have been eliminated.

Mr. CURRIE: Evidently the Bell Telephone Company was primed and getting ready for this amendment, because in various places all over the country where there are independent lines they have been extending branches of their own from the cities and towns into independent territory. So that if this law is passed they can say that nearly all the country is under their jurisdiction. I have in mind a number of places into which the Bell Cimpany have extended their lines from the city and towns and where they give the same service as they give in the town without any extra charge. Independent telephone companies are also operating in those sections, and they are entitled to some consideration, and should not be crushed by this amendment. The only argument that can be made for this amendment is that there is possibly some mythical connection between the man with a local telephone and the long distance lines. It is well known that any man can go into any of the pay telephone stations in the cities and towns and get a long distance call for exactly the same price as the man who subscribes $40 or $50 a year for a local phone service. So far as the cost of lines is concerned, it is also well known that the best machines you can get only cost about $15, and $2 or $3 worth of wire will string a whole lot of telephone poles. So there is nothing in the story that the Bell Telephone have made a big investment in plant which entitles them to receive, as my hon. friend here says, the privileges of a beneficent monopoly. They get their money back the first year. The day has not yet come when we in this Parliament are prepared to stand up and vote for any concern establishing a monopoly. We are not going to vote, I hope, that any one who enters into competition must pay a monopoly charge. If we are to do that, we shall be legislating next that nobody can run against us as candidates for this House unless they pay a certain amount by way of compensation.

Mr. GRAHAM: I believe we could put that through.

Mr. CURRIE: Perhaps. I believe that the time is coming in the province of Ontario when all the local phones will be owned and controlled by the municipalities. and the municipalities will give as good a service as the Bell Telephone Company for less money. Then why should the Bell Telephone Company be allowed to extend their operations from the villages, as I have described, and then say that the farmers lines must be shut off as they are competing in the Bell area? That is not the intent of this Bill, and I think it would be very dangerous legislation for this House to acknowledge that the Bell Telephone Company has any rights above any other company.

I think this Parliament went a little too far in the first place in granting the right to the Bell Telephone Company to extend their lines all over the country without compensation of some sort. The Bell Telephone Company at the beginning paid a fee for a franchise in every town in which they operated, but to-day they are paying no fee because they have established a monopoly; they are not even paying taxes. They now have the hardihood to ask Parliament for compensation if somebody starts a system in competition with their own. There is no argument in favour of the insertion of these words, and I trust that Parliament will not support the amendment which, if carried, would practically kill off all the local telephone systems in the country.

Mr. T. J. STEWART: I am surprised at the sympathetic attitude of my hon. friend from Kootenay towards the Bell Telephone Company. I do not think he knows as much about them as I do. There has never been a bigger monopoly in this Dominion than

the Bell Telephone Company. They will get all there is coming to them; no matter what we do, they will not get the worst of the deal. They use our streets in Hamilton and do what they like. If we accept what compensation they offer us for the use of our streets, they give it to us; but if we do not, we go without anything. They charge us $45 a year for an office phone, $30 for a house phone, and $2 a year for the use of a desk phone that costs them about 75 cents. If we move to a summer home in the country, we have to pay $16 for a telephone, no matter how short a time we use it. This is the company that the hon. member for Kootenay is sympathizing with. I can assure him that I have no sympathy with that company. They are the biggest robbers that ever existed in this Dominion, and if this Parliament did what it should the Bell Telephone Company would have no trunk lines in this country. We would own them ourselves. We have paid for them over fifty times already, I believe. I say that the Bell Telephone Company are not deserving of the least bit of sympathy from this Government.

Mr. GREEN: I was not expressing any particular sympathy with the Bell Telephone Company. I do not know anything about the Bell Telephone Company, good, bad or indifferent, except that I use their phone in the city of Ottawa. This legislation is Dominion-wide. It will apply to the telephone companies in every province, and not in Ontario alone. I cannot see why we should legislate for the whole of Canada to keep some particular law you have here or think you have.

Mr. NESBITT: Before the question is put I would like the committee to understand that this compensation is for the right to be connected, not an additional charge for messages. I have the statement of the Ingersoll Company. The messages "in" were 9,371, the messages "out" were 5,019. The total revenue was $1,436.05, out of which the Bell Company got $1,007.30 and the Ingersoll Company $431.70. The Ingersoll Company had to pay $300 for the right to get that, and that is what they object to.

Amendment negatived.

Section agreed to.

On section 387—Cattle getting on railway.

Mr. J. E. ARMSTRONG: There have been very frequent changes in this part of the Act in years past, and while there does not seem to be very great objection to the companies' liability for damage under the present law, serious objection has been urged where it is the custom to have cattle and horses running at large. Therefore, several changes have been made in regard to "exceptions," "gates not kept closed," "gates wilfully left open," and "fence taken down."

Mr. SEXSMITH: Would it not be wise to let this clause stand? I think there are many members who would like to discuss it.

Mr. COCHRANE: The Bill has stood for a long time now.

Mr. NESBITT: I think section 387 is pretty well corrected to cover our country interests.

Mr. SEXSMITH: There has been a great deal of loss in the past because the crossings are not very well protected.

Mr. J. E. ARMSTRONG: That was very well threshed out in the committee.

Mr. CARVELL: I will explain to my hon. friend the change which has been made, and I think he will be perfectly satisfied. Section 294 of the old law provided that:

> No horses, sheep, swine, or other cattle shall be permitted to be at large upon any highway, within half a mile of the intersecton of such highway, with any railway at rail level, unless they are in charge of some competent person or persons, to prevent their loitering or stopping on such highway at such intersection, or straying upon the railway.

Subsection 3 says:

> If the horses, sheep, swine, or other cattle, of any person which are at large contrary to the provisions of this section are killed by any train at such point of intersection, he shall not have any right of action against any company in respect of the same being so killed or injured.

Subsection 4 provided:

> When any horses, sheep, swine, or other cattle at large, whether upon the highway or not, get upon the property of the company and are killed or injured by a train, the owner of any such animal so killed or injured, shall, except in the cases otherwise provided for by the next following section, be entitled to recover the amount of such loss or injury against the company in any action in any court of competent jurisdiction, unless the company establishes that such animal got at large through the negligence or wilful act or omission of the owner or his agent, or of the custodian of such animal or his agent.

Section 295 provides that no person whose horses, cattle, or other animals are killed or injured by any train shall have any right of action against any company in respect of such horses, cattle, or other animals being so killed or injured, if the same were so killed or injured because of any person leaving the gates open.

Mr. SEXSMITH: That is a private crossing.

Mr. CARVELL: That is a farm crossing, what you call a private crossing. He has no right of action if the gates were not kept closed, or if they were wilfully left open, or if the fence was taken down, or if the cattle were turned within the railway enclosure, or if they were on the railway without consent. It was decided by the courts of Quebec, Ontario, and I think, Manitoba, that if a man allowed his cattle to run around his buildings and they got on the track and were killed, he had no action against the railway company. I know of a case where a man had his cattle in an ordinary farm-yard, in the winter. He did not keep the bars up, or the gates closed, and the cattle got out and got on the track, and were killed. The courts held that he could not recover because he had been guilty of negligence, and should not have allowed his cattle to roam at large. If my hon. friend takes section 387 of the Act as amended, he will find the railway company is practically an insurer, and practically must pay for any damage occasioned, unless it can show it kept proper gates and lawful cattle guards. Of course, if it does that, and an animal gets through the company should not pay. To all intents and purposes you may say the company now insures the lives of the animals, provided they maintain proper gates and lawful cattle guards.

Mr. SEXSMITH: What is a lawful cattle guard?

Mr. CARVELL: The board has the power to prescribe what shall be a lawful cattle guard. I cannot tell offhand what the regulations are, but I have sufficient faith in the board to feel that they will provide the best cattle guard known to them.

There have been a great many thousands of dollars spent by the Government, and I know it has been a question as to which is the best cattleguard. I think they have all come back to the old slat on an inclined plane. However, that is the general principle of law. You will find that all the rights of the farmer are protected. Of course, if he leaves his gates open, or throws down his fences, or turns his animals loose upon the highway, he has no right to claim compensation and the company should not be liable.

Mr. SEXSMITH: There has been a great deal of loss suffered by farmers. I remember a man who had twelve or fifteen cows; they got out on the line during the night through accident and were killed and he got no compensation. They talk about having a cattleguard. The hon. member for Carleton says that they have wooden slats in some places and that in others they have iron. Of course, these guards are frequently out of repair. They have another kind constructed of square sticks and the cattle walk right over it.

Mr. GRAHAM: The cross-eyed steer did not stop for that.

Mr. SEXSMITH: No.

Mr. CARVELL: I had a stronger case than that in the last six months. A client living within thirty or forty rods of a small country station and siding lost some stock. In New Brunswick our farms are not fenced on the road. We have no highway fences, and this man's cattle were around his premises as they ordinarily were. They got on the track where there were neither fences nor cattleguards. When I came to go into the matter I saw by the authorities that I had no chance of winning the case. The farmer was guilty under the decisions of allowing his cattle to stray away and he had no right of action.

Mr. CRUISE: It is a great hardship to have to fight a railway company before the courts. In my own constituency there have been a lot of cattle killed in years gone by, farmers have suffered great losses and very seldom have they been able to get compensation for those losses. I would like to read a portion of a letter to explain what has happened in the constituency of Dauphin. The writer says:—

> A few years ago there were several horses killed on the track at Valley river inside the fences and the case was taken to the Commission, asking for damages. Chairman Mabee ruled that the claim was just but it was beyond the power of the Commission to compel the railway to put in guards that were of any use or to recompense the farmer for loss sustained.

While the Railway Commission ruled that the guards were inefficient and that the railway should pay damages for the animals that were killed; they had no power to force the company to pay. The Railway Commission should have power to make a railway company pay a farmer for cattle that are killed. If the railway company are liable there is no reason why the Commission should not have power to compel them to pay damages and not put the farmer to the expense of enforcing his claim in the courts. The writer goes on to say:—

There has been at least five times the stock killed on the main line between Dauphin and Ashville as there has been between Dauphin and Valley River. The line to Valley River has no fence and the Ashville line is fenced.

The reason for that is that the cattleguards are absolutely useless, and if the cattle get over the cattleguard and stray upon the railway, when the train comes along, they are fenced in there and cannot get out. I am speaking of wild, unsettled land. Where the railway track is not fenced there is not so much danger. The letter continues:—

The stock walk across the cattleguards and are then trapped between the fences. The slaughter has started this year again. Two horses were struck Saturday morning; one killed; the other had its leg broken. As a precaution we farmers are going to fence across the road at the crossings, putting a gate at each side. How long that will be allowed to stay I don't know, but something has to be done if we are going to have any use of the thousands of acres of vacant land that the settler has to pay the taxes on, both school, municipal and patriotic, and build roads past. In our school district there are over twenty quarter-sections that do not bear taxes and a number more that the tax is very light. The same with the war appropriation; it is distributed to the districts in proportion to amounts received so the only way to get anything off this vacant land is to keep stock and pasture it. We get a lot of advice about keeping more stock, producing more, our duty to our country, etc., but very little about our country's duty to us. There is very little encouragement to keep stock if the railway is allowed to slaughter them as they have in the past.

The Railway Commission should have power to force the railway company, where they find they are liable, to pay the farmer without putting him to any more expense. It is very important that the farmer should get protection along that line to encourage him to increase his stock. I am sure that hon. gentlemen opposite know what it is to fight a railway company. Any farmer of small means has no chance whatever if he goes into court against a railway company. They will beat him if they can. I would respectfully ask the Minister of Railways to consider this matter and see if he cannot give the commission more power to force the railway companies to pay for any stock that they are entitled to pay for.

Mr. SEXSMITH: The other evening we passed a clause prohibiting cattle being allowed to run on the road within half a mile of the railway, although we admitted that we did not have authority to do that. We assumed that we had that right, and now we give the railway companies the benefit of another clause here which says that:

Where any such animal, by reason of being at large within half a mile of the intersection of a highway with any railway at rail level contrary to the provisions of section 278, is killed or injured by any train at such point of intersection, the owner of such animal shall not have any right of action against any company in respect of the same being so killed or injured.

It seems very extraordinary that, having passed one clause, which we practically admitted the other night we had not power to pass, we give the railway company the benefit of another section, that if cattle are running within half a mile of the railway and accidentally get on the track and are killed, the owner will not have any claim for damages.

Mr. CARVELL: Does my hon. friend realize that these cattle are at large within half a mile of the railway crossing, that they get on the track at the crossing and are killed at the point of intersection? The railway company must run their trains, and the man who permits his cattle to run at large with nobody looking after them and to get on the highway crossing should not have any right to come back on the company.

Mr. SEXSMITH: That is not the point.

Mr. CARVELL: That is what the subsection does.

Mr. SEXSMITH: I know, but we passed that other clause making it illegal to allow cattle to run within half a mile of the railway, and we could not pass this clause if we had not passed the other. Because we assume in this section that since it is illegal for an animal to be on the road within half a mile of a railway, if it strays on the railway and is killed it is illegally at large and the company have no liability.

Mr. CARVELL: I do not agree with my hon. friend. If the animal is killed on the intersection of highway and railway the company is not liable, but if the animal strays from the highway on the railway right of way, unless the company have competent gates or cattleguards, the company is responsible. That is provided in the first part of section 387. Thus, even if you allowed your animals at large within half a mile of a railway, and they got across a defective cattleguard and were killed, you could still recover from the company. But if they were killed at the point of intersection they would have no business to be there and the company would not be liable.

Mr. SEXSMITH: My observation has been that cattle have no difficulty in get-

ting over the guards; they simply walk over. It seemed strange to me that we should make reference to that clause in this one.

Section agreed to.

On section 388: Fires from locomotives —liability for fire caused by locomotives.

Mr. J. E. ARMSTRONG: This has been amended by inserting in the part of the first section providing that the insurance on property destroyed by a fire caused by a locomotive shall be deducted from the total amount of damages sustained by any claimant, the words:

Where the company has used modern and efficient appliances and has not otherwise been guilty of negligence.

It was thought unfair that the railway company should have the benefit of the owner's insurance against fire in a case where the fire was due to the company's negligence.

Mr. DEMERS: I beg to move an amendment to the first clause of this section. The section begins:

Whenever damage is caused to any property by a fire started by any railway locomotive, the company making use of such locomotive, whether guilty of negligence or not, shall be liable for such damage.

I would propose to strike out the words "making use of such locomotive" and to substitute: "operating the railway on which the locomotive is moving," and to add at the end of the first paragraph of this clause the following proviso:

Nothing in this clause shall prejudice the right of the said company operating the railroad to recover such damages from the company whose locomotive caused the fire.

My reason for proposing this amendment is that there are many companies having only a right of way on other lines. For instance, in my riding the Delaware and Hudson and the Central Vermont have a right of way on the Grand Trunk, and the Rutland has a right of way on the Canadian Pacific. Two years ago I had a case against the Grand Trunk for damages to property caused by fire started by a locomotive moving on the Grand Trunk railway line. The Grand Trunk especially pleaded that it did not make use of that locomotive, but that that locomotive was owned and used by the Delaware and Hudson. As it happened, I won the case, although I do not know what would have happened on an appeal. It is quite impossible for a farmer, for instance, to determine which company is making use of the locomotive which caused the fire. If the words of this clause as it stands now were to be interpreted literally, the right of action would be illusory, and I think we should make it clear in order to remove, if possible, all ambiguity.

[Mr. Sexsmith.]

Mr. GRAHAM: Then you would sue the Grand Trunk and the Grand Trunk would come back against the Delaware and Hudson.

Mr. CURRIE: Why did not my hon. friend sue both parties?

Mr. DEMERS: Then I might be called on to pay costs if I did not succeed against one of the companies. I had a case of that kind and my clients were obliged to pay $300 or $400 costs.

Mr. NESBITT: I think that ought to be considered. The law clerks should look into it.

Mr. THORNTON: This clause was pretty fairly discussed by the special committee some weeks ago, and whilst I was somewhat interested in it, the more we looked into the matter, the less objection could be taken to the clause as it stands. I quite recognize the difficulties that the hon. gentleman has referred to, but railways have some rights which should not be altogether overlooked, and my principal objection at the present time is that, whilst the railways have rights, owners of property along the railway have rights as well, and they are up against a great many difficulties. Insurance companies do not consider them very good risks, and in that way do not care too well to take them. My principal objection is to subsection 2, which reads as follows:

No action shall lie against the company by reason of anything in any such policy of insurance or by reason of payment of any moneys thereunder.

If any of these properties are insured and a fire occurs, the owners of the properties have to get their insurance money. In the meantime the owner of that property might find that some of the locomotives were defective, and that these defective locomotives were the cause of the fire. I would be quite satisfied if we struck out the words "or by reason of payment of any money".

Mr. NESBITT: I should think the clause suggested by the hon. gentleman would have to be submitted to the legal department. We threshed out the insurance matter pretty fully in the committee.

Mr. COCHRANE: I think it had better stand, and I will keep the amendment till the next sitting of the House.

Section stands.

On section 392—Limitation and defences.

Mr. ARMSTRONG: Mr. Prices's note in regard to this section is :

In subsection 1, the words "and notwithstanding anything in any special Act may" are inserted, to ensure, uniformity as far as possible.

The company's right to plead not guilty by statute, without giving any particulars of its grounds of defence as is required from ordinary litigants is taken away by subsection 3. It was felt to be unfair that the company should have special privileges in this regard, and such defences, at all events, seem out of keeping with the simplicity and non-technicality of modern legal procedure. In the fourth line we change the word "one" to "two," and make the same change in the sixth line.

Mr. CARVELL: It is a pretty important change.

Mr. ARMSTRONG: Yes, it was pretty fully discussed.

Mr. CARVELL: You are extending the time in which to bring an action to two years.

Mr. ARMSTRONG: Yes. The Railway Brotherhood were most insistent in that request. They urgently pressed their claim, and were able to show that it was practically impossible, where a man had been seriously injured, in a year's time to be able to show exactly what was likely to occur, and they wanted it to be extended to two years.

Section agreed to.

On section 393—Disobeying orders of the board.

Mr. ARMSTRONG: This is a new provision, intended to make the powers of the board more effective.

Mr. GRAHAM: We have proceeded too rapidly on some of these clauses, not however on the one relating to telephones. However, we will not lose any time by adjourning now.

Mr. COCHRANE: Let us go on for 15 minutes.

Mr. GRAHAM: Supposing I talk for fifteen minutes, what will happen?

Mr. NESBITT: Let us stop.

Mr. COCHRANE: Let us go on.

Mr. GRAHAM: Section 393 is altogether new. We have had no explanation of what the new provisions mean. The chairman reads three or four lines, and asks us to take Mr. Price's statement. We want to know what this clause means, and not what Mr. Price says it means. Whoever is in charge of the Bill should tell us what it means.

Mr. COCHRANE: It is not all new.

Mr. GRAHAM: It is marked new.

Mr. ARMSTRONG: It merely calls attention to the disobeying of the orders of the board, and the liability of the officers of the company, and the liability of the officers of the municipality or corporation, and other liabilities, and prosecutions. I might call the attention of the committee to the fact that, in the tenth line, after the word "director" we inserted the word "and," between "director" and "managing director" and struck out the words "and superintendent" in the same line. These are the only changes.

Mr. GRAHAM: That is a change from the draft, but this is a new clause.

Mr. ARMSTRONG: Merely a reconstruction.

Mr. CARVELL: It is not a reconstruction; it is an entirely new section. To some extent it is a reconstruction of the clause in the draft Bill, but it has not appeared in the Railway Act before.

Mr. COCHRANE: Part of it has.

Mr. CARVELL: No, it is all new. Subsection 2 provides:

Wherever it is proved that any company has neglected or refused to obey an order of the Board made under the provisions of this Act, the president, the vice-president, each vice-president where there are more than one, and every director and managing director of such company shall each be guilty of an offence for which he shall be liable to a penalty of not less than twenty dollars and not more than five thousand dollars, or imprisonment for any period not exceeding twelve months, or both, unless he proves that, according to his position and authority, he took all necessary and proper means in his power to obey and carry out, and to procure obedience to and carrying out of, such order, and that he was not at fault for the neglect or refusal to obey the same.

Suppose a divisional superintendent or district superintendent was ordered to do a certain thing. Would it be proper to submit him to a penalty of $5,000 when he was really carrying out the instructions of his superiors? It seems to me that this is rather drastic provision.

Mr. GRAHAM: If I had had opportunity during the last few minutes, I would have called your attention, Mr. Chairman, to the fact that there was not a quorum present. I think that we had better adjourn.

Progress reported.

THE MILITARY SERVICE BILL.

BUSINESS OF THE HOUSE.

On the Order being called:

House again in Committee on Bill No. 75, an Act respecting Military Service.—Sir Robert Borden.

Mr. GRAHAM: In reason, I ask that the House adjourn. It is now ten minutes after twelve; we have sat on the Railway Bill since three o'clock. It is easy for hon. gentlemen—I do not mean any member of the Government; they are always busy—who have not been in the committee to come in now and wish us to go on sitting for some time. No one on this side of the House dreamed that this Bill was going on to-night in committee. I think that is absolutely unfair, and I protest most absolutely against going on.

Mr. CARVELL: I do not think that the Government, or any member of it, can claim that any member on this side has unduly tried to prevent the passage of this Bill through committee. The Solicitor General himself must agree that the criticism has been fair; that there has been no unreasonable criticism. It is after twelve in the morning. The leader of the Opposition and gentlemen who have taken a very active part in the discussion of this Bill are not here. So far as I know they had no knowledge or intimation that the Bill was to be taken up at this stage. It seems to me to be very unfair to ask us to take up this Bill this morning.

Mr. MEIGHEN: It is needless for me to say that there was no intention of being unfair to the Opposition, or to any member of the Opposition. I understand that the intimation was given that the committee would sit on this Bill and go out of committee to-night. Apparently that intimation did not reach hon. gentlemen opposite.

Mr. CARVELL: I never heard of it. My hon. friend (Mr. Tobin) came in about five minutes ago and said to me: do you know that the Government intends to take up the Military Service Bill to-night? I said: surely not. He said: I was told so in the lobby. I said: it cannot be possible, we have had no notice; I do not believe that the Solicitor General would do it.

Mr. TOBIN: I got that information from the chief whip.

Mr. MEIGHEN: I am sure that that information did not reach hon. gentlemen opposite. I simply wish to explain. As the Bill has been amended in committee, we could not get the third reading to-day without a day's notice, and it would seem to me that hon. gentlemen might, if we do not go on now, raise no objection to our going on with the third reading this afternoon. The Bill has been reprinted and is in the hands of hon. gentlemen, so that there should be no objection this afternoon to our going on to the third reading if we do not now proceed in committee, but wait for committee until this afternoon.

Mr. GRAHAM: This is the most important Bill that has come before the Parliament during many years. Personally, I would prefer that the Bill should have a third reading to-morrow—I can only speak for myself; I have not had an opportunity of consulting with any person.

Mr. MEIGHEN: You mean this afternoon.

Mr. GRAHAM: On Thursday; I would not have any objection. I can only speak for myself, because I did not dream that the matter would be brought up at this stage. Personally, I would rather have the third reading on Thursday, because I have to leave on the eleven o'clock train to-night.

Mr. MEIGHEN: At the request of the leader of the Opposition, the Bill was not taken out of committee. If, therefore, it is understood that we go on with the third reading to-day, I certainly shall not ask the committee to go on now, against the protests of hon. gentlemen opposite.

Mr. CARVELL: I would like to put myself on record as the member for South Renfrew did. I would have no objection to the Bill being read this afternoon if it were understood that the vote, if there be one, be not taken until after eight o'clock. Some hon. gentlemen, not knowing that the matter was to come up, having received no intimation in that regard, have some very important business affairs to attend to in Montreal to-morrow afternoon, but will be back here at eight o'clock. I know that the Government cannot meet the wishes

and convenience of every member, but to my knowledge these gentlemen have gone away, having, as I say, received no intimation whatever that this Bill was coming up. It would be only fair, therefore, to put off the vote, if there is one, until after eight o'clock.

Mr. MEIGHEN: I see no objection to that.

Mr. MIDDLEBRO: It is only fair to say that at eleven o'clock on Wednesday morning I informed the chief Whip on the other side that the Bill would be taken out of committee on Wednesday in order that we might have the third reading on Thursday. If there is no objection to taking the Bill up in committee and having the third reading to-day, that is satisfactory.

Mr. GRAHAM: Personally speaking—the leader of the Opposition may take objection, I do not know—I may say that if the Whips made an arrangement that the Bill be brought in on Wednesday, that arrangement was not kept.

Mr. MIDDLEBRO: That the Bill be taken up in committee at this sitting, so that we would be within the rules.

Mr. GRAHAM: I leave it to the Chief Whip himself whether sitting until twelve o'clock on another Bill would be complying with that arrangement.

Mr. W. S. MIDDLEBRO: The agreement was the we should have the third reading at the next sitting of the House.

Mr. GRAHAM: A man may write a letter and if you do not reply and state your objections, it is taken for granted that you agree with him. The hon. member for North Grey has said that we could have the third reading. For myself I would prefer it that way, but the leader of the Opposition and other hon. gentlemen who are not now present might take some other view. When the Prime Minister was asked last night what business would be taken up on Wednesday he said: "The Railway Bill, and any other Bills on the Order Paper, and then Supply," which would indicate that he had not the Conscription Bill in his mind.

Mr. MIDDLEBRO: One of the reasons for desiring to go on with the third reading now is that otherwise it would have to be postponed probably until next Tuesday in order to take a vote.

MILITARY SERVICE ACT, 1917.

CONSIDERATION OF THE BILL IN COMMITTEE OF THE WHOLE HOUSE.

House in committee on Bill No. 75, respecting Military Service.—Sir Robert Borden (resumed from Friday, July 13).

Mr. Rainville in the Chair.

Mr. GRAHAM: I protest again. It is absolutely unfair, and as far as I am concerned I shall take no part in the discussion. I have supported this Bill at every stage and propose to support it, and I do not think I am entitled to treatment of this kind from the Government.

Mr. MEIGHEN: I stated on behalf of the Government that I did not feel like pressing this over the protest of hon. gentleman opposite, but in view of the arrangement made by the whips I say that hon. gentlemen should undertake that no objection will be raised at the next sitting of the House on the technicality that we did not give notice of the third reading coming up. It could be no more than a technicality, because the Bill would have been reported the other evening but for the request made on behalf of the leader of the Opposition. The Bill has been reprinted, and is in the hands of the hon. members of this House, and I do not think, it is asking too much to go on with it. However, we are ready to defer to the wishes of hon. gentlemen opposite, even in the face of an arrangement that has been made; I stated that plainly before the Speaker left the Chair. But I think we should have an understanding clear and definite that we will not be held up at the next sitting of the House and asked to defer the third reading until next Tuesday. Surely that is not unreasonable.

Mr. CARVELL: I am in the same position as my hon. friend from South Renfrew. I have given the Government all possible assistance in the passage of this Bill. I had not the slightest intimation that it was coming up to-day. We went into committee on the Railway Bill at three o'clock, and I think the hon. member for South Renfrew and I have given the Government every possible assistance in getting it passed. There are no two members in this House, except the Minister of Railways and Canals and the hon. member for Lambton (Mr. J. E. Armstrong) who have sat here so continuously since three o'clock as the hon. member for South Renfrew and myself, and in view of that and our atti-

tude towards this Bill, I do not think it is fair to ask us to bind people who are not here.

Progress reported.

On motion of Hon. Mr. Reid, the House adjourned at 12.20 a.m., Thursday.

Thursday, July 19, 1917.

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

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

WAR SUPPLIES—CLOTHING.

*Mr. MURPHY:

1. Has the Government purchased, in England, cloth for Canadian soldiers' uniforms?
2. If so, in what quantity, and from whom?
3. (a) Has the cloth so purchased been sent to Canada for inspection? (b) And afterwards shipped back to England to be there made up into uniforms?
4. If the cloth so purchased in England was not inspected in Canada, where and by whom was it inspected?
5. Has cloth purchased in England been shipped to Philadelphia or to any other place in the United States to be there made up into uniforms for Canadian soldiers?
6. If so, what was the total number of carloads so shipped?
7. Since March 1, 1917, how many Clothing Inspectors have been dismissed, and what was the reason for dispensing with their services?

Sir EDWARD KEMP:

1. Yes.
2. 28,998½ yards, from Mark Fisher & Co., Huddersfield and Montreal.
3. (a) Yes, (b) No.
4. Answered by 3 (a).
5. No.
6. Answered by 5.
7. 18 inspectors employed in the inspection of clothing of one kind or another have been discharged since March 1. Of these only 8 were employed in the inspection of uniform clothing; their services were dispensed with because there was no work for them to do.

SALT FOR FISH CURING.

On the Orders of the Day:

Mr. G. W. KYTE (Richmond): I desire to direct the attention of the Minister of Trade and Commerce to this telegram which I received yesterday evening:

> Not a bag of salt is available on south shore of Island and fishermen compelled to tie up boats unless something done immediately; say situation desperate at Gabarus, Louisburg, Forchu.

[Mr. Carvell.]

Has the minister been able, since the matter was brought to his attention some months ago, to make any arrangements for the importation of salt into Nova Scotia?

Sir GEORGE FOSTER: Communications passed between the British Government, my department, and the Marine and Fisheries Department, and arrangements were made by which, it being almost impossible to get private vessels, Admiralty transport vessels coming from the other side would bring salt when the salt was at such ports that it could be taken on those transports without too much delay. Instructions were given and advice sent that all the importing companies or importers should, through their agents, get into communication with the High Commissioner in London and, through him, with the Admiralty Office, so that details could be arranged on the spot. Various cargoes of salt have under that arrangement been brought by transport to Newfoundland and to Nova Scotia, but as I understand it, some difficulty arose as to the charge that was made for the freight, the Nova Scotia importers contending that the charge was too great and that it was really prohibitive. The Newfoundland importers, however, paid the charges and got their salt—plenty of it. I think it would have been possible for the Nova Scotia importers to have received theirs if they had agreed to the Admiralty charge. That arrangement is still open and can be taken advantage of by any importer under the conditions that I have mentioned; but the Government itself has not even a peck of salt and cannot supply any.

Mr. KYTE: I understand that the Government of Newfoundland does not deal in salt either, but has succeeded in getting salt imported. Have any cargoes actually been delivered in Nova Scotia by virtue of the arrangement that the minister mentions?

Sir GEORGE FOSTER: I understand that one or two have. I will make definite inquiries about that, and give my hon. friend the particulars later.

TRANSPORTATION OF FISH.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX (Rouville): Might I call the attention of the Minister of Railways to this despatch that I received this morning from the manager of a fishing firm in Gaspe county:

> Grand River, July 19, 1917.
>
> Fish striking in plentiful on the coast. Cannot get enough of cars to ship our fish. Railway

here refuses to give us I.C.R. cars, would you please take matter up. If we cannot get the Government cars, it will be impossible to get through our work and it will also hurt the poor fishermen to a large extent.

(Sgd) James Walsh.

I think Mr. Walsh represents the Robin firm, or another of the large fishing firms. The railway to which he refers is the Atlantic, Quebec and Western. Will the minister take the matter up and see if Intercolonial railway cars cannot be sent for the transportation of that fish?

Mr. COCHRANE: This is the first time the matter has been brought to my attention. If the hon. gentleman will let me have the telegram I will immediately make inquiries by wire.

INSPECTION AND GRADING OF HAY.

Sir GEORGE FOSTER (Minister of Trade and Commerce) moved for leave to introduce Bill No. 112, to amend the Inspection and Sales Act, Hay Inspection. He said: The resolution was passed four or five days ago, and this is the introduction of the Bill founded on the resolution.

Motion agreed to, and Bill read the first time.

MILITARY SERVICE ACT, 1917.

House in committee on Bill No. 75, respecting Military Service.—Sir Robert Borden (resumed from Friday, July 13th).

Mr. Rainville in the Chair.

The CHAIRMAN: Shall I report the Bill?

Mr. MARCIL. May I ask the Solicitor General a question? I have a letter from a young professional man of Montreal, who is of military age. He wants to know if there is anything in the Bill which permits of a certain delay to settle up their business on the part of men who are called to service, as he states has been done in England.

Mr. MEIGHEN: There is a provision in the Bill which permits of that. It may be conditional as to time—indeed it has to be conditional as to time in all cases such as my hon. friend mentions, and a man may complete whatever business arrangements he may be engaged in.

Mr. LEMIEUX: I drew the attention of the right hon. leader of the House to the question of insurance premiums. Several young men who are liable to be called under the Act have written stating that the insurance companies find it necessary to raise the premiums. For instance, a young man who has agreed to pay a premium of, say, $200 a year, is subject to the war risk if he is called, and he may have to discontinue paying the premium, and lose whatever payments he has made. This is a very serious condition, and I would like to know if it is not possible to devise a means by which the extra cost of the premium might be paid by the Government, or if legislation should not be enacted fixing a maximum rate or obliging the insurance companies to maintain the present rates. I have seen this question discussed in the public press, and I am sure many hon. members have received such representations from their constituents who are liable to be called. It seems to me the Government should take the matter in hand, and either assume the excess rate of premium or amend the Insurance Act in such way as to fix a maximum premium. The right hon. gentleman (Sir Robert Borden), in the absence of the Minister of Finance who administers the Insurance Act, was kind enough to inform me that the question had engaged the attention of the Government. What statement has the Government to make on the subject?

Mr. GRAHAM: Before the Prime Minister speaks, may I point out the difficulty in the way of the proposition made by my hon. friend (Mr. Lemieux). Insurance companies are for the protection of a vast number of widows and orphans, and they must keep faith with those who are insured and must maintain themselves in a position to carry out their contracts. Most of the companies in Canada have for those who insured before the war, a war clause in their contracts, and if they have gone to the front they have gone under the same conditions as existed before and do not pay any extra premiums. Since the war broke out every risk taken has a clause which says that if the insured goes to war the rates shall be war rates, and the amount is stated in the contract.

Mr. LEMIEUX: As an expert in insurance, would my hon. friend (Mr. Graham) kindly inform me what is the extra premium for war risks on, say, $1,000 of insurance?

Mr. GRAHAM: The rates differ with different companies. Some companies, particularly the smaller ones, have practically placed themselves in the position that they do not care to take war risks, because they feel they cannot do it without impairing

their financial stability. The increase is considerable. If the Government wishes to take the responsibility of assuming the extra liability, I have no objection; but if the Government were to pass an Act saying that all companies must carry these war risks at a certain rate, notwithstanding the contract with the insured, they might as well ask many of the companies to give up their charters and go out of business. That would be altogether unfair to the insured, because life insurance is not like an ordinary business. A life insurance company is a protector, and it charges so much for the protection it offers. Its first duty is to protect the widows and orphans of the insured. I would protest against the passing of an Act to compel insurance companies to carry these risks at a lower rate than they now carry them, because it would mean that many of the smaller companies might as well hand over their whole business to the Government.

Mr. PUGSLEY: I ask the Minister of Militia if it is true, as I have seen stated in some of the United States papers, that the United States Government has decided to effect insurance to the extent of $4,000 upon all those who enlist, the Government paying the premium? It has occurred to me that that is a very proper thing to do, and if it has been done the example might very well be emulated here.

Mr. BRADBURY: Would that apply to the 400,000 men already at the front?

Mr. PUGSLEY: I do not see why it should not.

Sir ROBERT BORDEN: With respect to the inquiry of the hon. member from Rouville (Mr. Lemieux), I may say the Minister of Finance has been absent, and only returned at one o'clock to-day, so that there has been no opportunity of conferring with him. I shall bring it to his attention at the earliest opportunity. It is not a subject that can be dealt with in this Bill, but there is a great deal of force in what my hon. friend from South Renfrew (Mr. Graham) has urged.

I think he has outlined the situation fairly well. If anything of that kind were done, it could hardly be accomplished by imposing on the insurance companies a liability which they were not willing to undertake and which might result in ultimate disaster to persons interested in the companies as shareholders or as insured. There is matter for consideration in what the hon. member for Rouville has mentioned and I shall be glad to take it up with the Minister of Finance. In reply to my hon. friend from St. John (Mr. Pugsley), I am informed by the Minister of Militia and Defence that he has no such information about the course pursued by the United States, but we will make inquiry on the subject.

[Mr. Graham.]

Mr. MARCIL: With regard to the insurance matter, a concrete case came to my attention last year. A young boy from my constituency, having enlisted, was killed at the front. After his death his father and mother received a letter which had been written hurriedly by him in lead pencil and in which he said: My life has been insured for $1,000. He did not mention the name of the company and they have not been able to claim the amount. I would like to know if it is possible for the Government to require insurance companies taking out risks on soldiers to report that fact to the department.

Sir ROBERT BORDEN: I dare say it would be possible but it would be hardly necessary because one would imagine that any one effecting insurance would leave the policy in care of some relative or friend and consequently there would be knowledge on the part of those whose duty it would be to see that the amount was collected.

Mr. MARCIL: This boy did not have the opportunity. Coming from the shanties he enlisted here and his parents, who lived in Gaspé, never saw him. They did not know in which company he had been insured.

Sir ROBERT BORDEN: If the hon. gentleman would write a letter setting out the information he has, possibly an inquiry could be made which would elicit the desired information.

Sir WILFRID LAURIER: Shall we take the Bill clause by clause?

Mr. MEIGHEN: I would think it not necessary to go through the Bill clause by clause. What the Government has to suggest in regard to the Bill is brief. In the first place, I wish to refer to clause 13. This is the clause which makes the Militia Act, the Army Act and the Kings Regulations and Orders applicable. It has been represented to me with considerable force, chiefly from the legal standpoint, that it would be better to leave out the words " applicable and." The clause reads now that these acts and regulations:

Shall so far as applicable and not inconsistent therewith apply to and form part of this Act.

The subject was called to the attention of the committee by my hon. friend from North Perth (Mr. Morphy). There have been decisions on the subject and when we are making an Act——

Sir SAM HUGHES: Upon what subject?

Mr. MEIGHEN: On the question as to the effect of the words "so far as applicable". When the legislation itself makes the Act applicable, it is better to leave out the words "so far as applicable".

Mr. GRAHAM: It might raise a doubt?

Mr. MEIGHEN: Yes. I therefore move to reconsider clause 13.

Motion agreed to.

Mr. MEIGHEN: I beg to move that the words "applicable and" be struck out.

Mr. MORPHY: Is the word "therewith" intentionally used there?

Mr. MEIGHEN: Yes.

Mr. MORPHY: It seems to me it should be "herewith".

Mr. MEIGHEN: I remember my hon. friend drawing that to my attention. It seems to me that "therewith" is the proper word. You might read it in this way: "The Militia Act . . . shall form part of this Act so far as not inconsistent therewith." The intention is clear and "therewith" appears to be the proper word.

Amendment agreed to.

On the schedule, subsection 6—Divinity students:

Sir ROBERT BORDEN moved:

That subsection 6 of the schedule be reconsidered.

Motion agreed to.

Sir ROBERT BORDEN: This exception in its original form read as follows:

6 Clergy, including members of any recognized order of an exclusively religious character, and ministers of all religious denominations existing in Canada at the date of the passing of this Act.

In committee the words "divinity students and" were added, so that the clause reads:

6. Clergy, including divinity students and members of any recognized order of an exclusively religious character, and ministers of all religious denominations existing in Canada at the date of the passing of this Act.

On further consideration it has been found that the words "divinity students" covered a wider class than was contemplated. As pointed out by the hon. member for Bonaventure (Mr. Marcil), it would include a great many who would also be included in the word "clergy" which is also used in this section. Moreover, it has been represented that it covers a class a very considerable portion of whose members would not desire to be included in the exception. The question arose as to whether or not this particular class of students ought to be included within the terms of the exception or left with other students to take advantage of the exemption clauses. There is reason to believe that those who are not included in the term "clergy" would be so situated as to entitle them to favourable consideration for exemption by one of the tribunals. In the circumstances it is thought best that the clause should be restored to its original form and I therefore move that the words "divinity students and" be struck out.

Mr. MARCIL: I understand the right hon. gentleman to say that students who already form part of the clergy are within the exception?

Sir ROBERT BORDEN: Yes.

Mr. MARCIL: Or would that be left to the tribunal?

Sir ROBERT BORDEN: Those who are not covered by the exception established by the word "clergy" could of course apply for exemption to one of the tribunals.

Sir WILFRID LAURIER: This is not a very clear explanation. What are we to understand by "clergy"? The interpretation may be very wide or very narrow according to the views of those who may discuss the question. The clergy, as I understand, are regularly ordained priests or ministers of any religious denomination. We have several religious bodies. Taking two great denominations of the Christian religion, the Roman Catholic and the Anglican, they have regularly ordained priests, and these are recognized as part of the clergy. But do the ministers of more democratic forms of religious government, such as the Presbyterian and Baptist, come under the description of "clergy"?

Sir SAM HUGHES: What about the Methodists?

Sir WILFRID LAURIER: I see no definition of clergy in the Bill.

Sir ROBERT BORDEN: In order to remove any possible doubt these words have been inserted in the clause:

Ministers of all religious denominations existing in Canada at the date of the passing of this Act.

As to the definition of "clergy," with regard to the Roman Catholic church, I have followed the interpretation presented to the House by the hon. member for Bonaventure (Mr. Marcil), and I think that the definition which he gave is sustained by the meaning attributed to this word in any of the standard dictionaries.

Mr. LEMIEUX: I have consulted Murray and Webster and I find the following definitions of the word "clergy": Murray says:

The clerical order, the body of men set apart by ordination for religious service in the Christian church, opposed to laity.

According to Webster clergy means:

The body of men set apart, by due ordination, to the service of God, in the Christian church, in distinction from the laity; the clerical order; in England, often by restriction, the ministers of the Established Church; rarely all members of religious orders, male or female.

If my right hon. friend will look at the regulations adopted under the conscription law of the United States, in the official bulletin of Monday, July 9, at page 6, he will find the following:

The following are the only grounds for exemption:

1. That you are an officer, legislative, executive or judicial, of the United States, a state or territory, or the district of Columbia.
2. That you are a regular or duly ordained minister of religion.
3. That you were, on May 18, 1917, a student preparing for the ministry in any recognized theological or divinity school.

I suppose that May 18 is the date of the sanction of the Bill in the United States Congress. That is the regulation adopted as stating one ground of exemption in the United States. Can we do less in Canada? I do not suppose we should, and I think that the amendment which was adopted the other day should remain. It seems to me to be more in accord with the legislation passed by the United States.

Sir ROBERT BORDEN: I made some inquiry on the subject and I have satisfied myself that if we were to adopt the United States amendment, with a date fixed by the time when the Act comes into force, it would be of no practical service because it would not include divinity students in this country. The reason is that the divinity course in this country begins in September and ends in June. Any person who would have completed that course would have been admitted to the minor orders to which my hon. friend from Bonaventure alluded. The word "ordination" which is used, I think, in the extract read, obviously means the admission to an order. There is more than one order of the clergy in different churches. For instance, in the church to which I belong, there are bishops, priests, and deacons. They are all clergy as distinguished from the laity. In the Roman Catholic church, as I understand, there is perhaps a greater number of orders. At all events, I accepted the interpretation which the hon. member for Bonaventure put upon the word. In view of the circumstance I have mentioned, that the words "divinity students" would include a great many who would come under the definition of "clergy," it was thought that those who were not within the meaning of that word might be left to exemption by tribunals instead of absolute exemption under this clause.

Sir WILFRID LAURIER: I am seeking information as to who will be included under the word "clergy." There are certain religious denominations in which the word "clergy" is well understood. The Presbyterians and Methodists, I think, have regularly ordained clergy, and that is well understood. I do not know whether the Quakers have clergy or not, or any regularly ordained ministers. I do not know whether the Baptists have regularly ordained clergy, although they have clergy, and upon this point I should like some information.

Sir ROBERT BORDEN: In England the word "clergy" alone is used. We, perhaps, have a wider range of denominations in Canada than they have in England, but we use the same word as is used in Great Britain, and add, so that there shall be equal treatment of all recognized religious denominations in this country, the words: "and ministers of all religious denominations existing in Canada at the date of the passing of this Act." Therefore, it seems to me, whatever may be the meaning of the word "clergy"—and I think it must have a well defined meaning or it would not have been included in the statute in Great Britain—we have made it sufficiently wide to guarantee equal treatment to all recognized religious denominations.

Mr. LEMIEUX: So that the clause, according to the latest amendment, will read:

Clergy, including members of any recognized order of an exclusively religious charac-

ter, and ministers of all religious denominations existing in Canada at the date of the passing of this Act.

How does this affect the ecclesiastics? Before becoming a priest, a young man has generally completed his course of studies in our classical colleges. I speak from experience, as I was educated in one of the Quebec colleges. The course of studies begins with the Latin course, and continues until the student has attained the class called rhetoric. That is in the sixth year.

Then there are two years of philosophy, the course beginning in the sixth year and being completed in the eighth. Many of these young men, having thus completed their course, become what I might call junior professors in these colleges—I am speaking of the Catholic institutions, of course. These professors are considered as belonging to the minor orders, because it takes from three to four years more before a student can be ordained for the priesthood. I would like to know if these professors in our colleges will be granted exemption. There is another point. The section says, "Clergy, including members of any recognized order of an exclusively religious character." We have in the Catholic church what are called contemplative orders—and my hon. friend from Victoria (Sir Sam Hughes) is, no doubt, very familiar with this class of our religious orders.

Sir SAM HUGHES: I do not know what my hon. friend means by "Catholic." Does he mean Roman Catholic?

Mr. LEMIEUX: Oh, yes. We have contemplative orders such as the Trappists and others. There is one Trappist monastery in the province of New Brunswick, and there are two or three in the province of Quebec. These Trappists, although belonging to a contemplative order, devote a considerable portion of their time to farming; in fact, one of the finest farms between Montreal and Ottawa is the Trappist farm at Oka. The Trappists have there an agricultural college which is subsidized by the Government of the province of Quebec, and also, I believe, by this Government. Will these Trappists, who are not members of an order of an exclusively religious character, but who devote themselves to farming in the public interest, be amenable to military service under this law? I now come to the main point. Might I not suggest to the right hon. leader of the Government that the committee might very well adopt, without offending anybody, exactly the same language as was used in the United States conscription measure? Here is the text of the American regulation granting exemption to "students preparing for the ministry in any recognized theological or divinity school." If there is any apprehension, as was stated, that there will be a rush of young men to the theological colleges, you could insert a provision that those who were divinity students at the date of the passing of this Act shall be exempted? At least, the law would not apply to those students who entered our theological colleges without any idea that this legislation would be placed on the statute books. It seems to me that is a very reasonable suggestion. I do not think there would be any agitation against this privilege being accorded to this class of our fellow-citizens.

Sir SAM HUGHES: Why should the clergy be exempt? There are 250 clergymen of the church of which I have the honour to be an outside pillar, now fighting as combatants at the front, and hundreds more are there as chaplains. I do not see why any clergyman should be exempt. They are a splendid lot of men. Certainly I do not see why any student should be exempt.

Sir ROBERT BORDEN: As far as the word "clergy" is concerned, I wish to correct a misstatement that I made. I said that the word "clergy" was used in the British Act, but that is not so; the words used in the British Act are "in holy orders." But in our Militia Act the word "clergy" is used. Our Militia Act excepts "clergy and ministers of all religious denominations."

In reply to my hon. friend from Rouville (Mr. Lemieux) I think the words "members of any recognized order of an exclusively religious character" are perfectly plain. I do not care to express any opinion in advance as to what the tribunals will determine. Certain it is that if there is any inconsistency in the interpretation it can be corrected by the Central Appeal Judge. With regard to theological students, it was largely the view expressed by my hon. friend from Bonaventure (Mr. Marcil) for whom I have great respect, that led me to reconsider the matter as I did. He is my guide in this respect, and I am content to place his authority against that of my hon. friend from Rouville.

Sir WILFRID LAURIER: I had not the pleasure of hearing the observations of my

hon. friend from Bonaventure on this subject, but whatever his observations may have been, there is evidently a want of knowledge in the House upon a subject with which we in the province of Quebec are all familiar. The other day my right hon. friend (Sir Robert Borden) introduced an amendment including divinity students in the exempted classes. To-day he proposes to remove them; in other words, divinity students will be liable to military service under this Act. This will include a very large number of young men in my province who, I believe, should be exempted. I do not know whether the hon. member for Bonaventure conveyed to the Prime Minister the idea that these young men are part of the clergy. They certainly are not, and upon this point I can safely appeal to my hon. friend the Minister of Justice (Mr. Doherty). In our province the system of education varies somewhat from the system followed in the other provinces. In the province of Quebec the higher education is in the hands of the classical colleges. The course in those colleges consists of eight years, and embraces some of the subjects in the curriculum of the universities of other provinces. The classical course includes Greek, Latin, all forms of art, literature and so on. After the eight year course those who elect to do so can take their degrees in other professions, such as the law and so on. Quite a number of young men elect to become theological students and take a further course.

They are preparing themselves for the priesthood, though they may not become priests until after a certain number of years. These men who are devoting themselves to the priesthood but who are not yet part of the clergy make up a large class that ought to be exempted under this Act. The ex-Minister of Militia (Sir Sam Hughes) says that priests or members of the clergy should not be exempt; that all citizens should be liable to this law. I believe that for about 20 years all citizens of France, no matter what their profession, have been liable to military service and, in time of peace as well as in time of war have been required to spend two or three and a half years in the barracks for military instruction. Although this law was adopted in France, it has always met with strong objection on the part of a large section of the community. To me it is a matter of doubt whether the French republic was well inspired when it took that position. The French republic might have been well advised if in this matter it had followed the example of its neighbour, the British nation, by exempting religious orders from military service.

Sir SAM HUGHES: Fifty thousand of them, good men, are in the fighting line to-day.

Sir WILFRID LAURIER: It is to the great credit of all these religious orders that they have responded nobly to the call of duty. No citizens of the French Republic have done better or have shown greater courage than these men have. I believe that even if they had been exempted, large numbers of them would have come forward and offered their services. But although these men have been doing their share in defending the soil of the French Republic from invasion, they have always believed, and still believe, that they should be exempted from military duty. At all events, that is the French view. On the other side of the channel they hold a different view. In France they have conscripted everybody, without exception. In England they have not conscripted everybody; they have made certain exemptions amongst which have been included religious orders. We live in a British country and in a matter of this kind it seems to me that we would be right in following the precedent of British freedom and British legislation rather than that of the French republic. I regret exceedingly that my right hon. friend has departed from the provision that he put in the other day and has come back to the Bill as it was originally printed; that is, that he has decided not to exempt divinity students. These young men are preparing for a calling which is supposed to take them away from the thing we have in view, and I hope that my hon. friend will not persist in his decision, that he will agree to leave the Bill as it stands.

Sir ROBERT BORDEN: My right hon. friend has commended the British example, which he regards as the highest expression of the freedom of the individual in such matters. I would point out that in Great Britain the exception reads as follows:

> Men in holy orders or regular ministers of any religious denomination.

We have gone further than that. If, as has been suggested by hon. gentlemen on the other side, we had proceeded under the Militia Act instead of bringing in this Bill, what would have been the result? That Militia Act was passed under the Administration of my right hon. friend. He says

that a clause exempting divinity students should be included. He did not include it in 1904. His exception then was: " clergy and ministers of all denominations," which is not as wide a clause as that which we have introduced. If, then, the view that he entertains is a wise one, it is astonishing that it did not occur to him in 1904. If we had proceeded under the Militia Act to select men by ballot and that selection had included divinity students, what would their position be as compared with their position under this legislation as I propose to leave it? Under the Militia Act there would be no possible exemption for any such person. He would not be within the exception, and there was no provision for exemption in the Militia Act. Under this legislation such divinity students as are not included in the minor orders of the clergy might be called out, but they would still have the right to go before a tribunal and claim exemption under one of the appropriate clauses. In doing that they would have a privilege which they could not have exercised under the legislation which my right hon. friend passed in 1904.

Sir WILFRID LAURIER: When I referred to British institutions it was in reference to the comparison which the ex-Minister of Militia (Sir Sam Hughes) made as to the practice in France. In that respect British institutions are certainly, in the matter of the preservation of human freedom, ahead of the institutions of the French Republic. As to the Militia Act, we discussed that matter before, and I shall not now refer to it at length. The Militia Act of 1904, which was introduced by the Government over which I presided, was simply a consolidation of English Acts. I do not know that many changes were made; so far as I remember, no change was made in that clause, which goes back to 1868. But we are not now in the year 1868; we are in the year 1917 and we are legislating for a practical purpose. We are legislating to bring in a Conscription Act, a thing unknown in Canada up to the present time so far as active service is concerned. I think my hon. friend was well advised when the other day he introduced a provision exempting that class of young men who intend to devote themselves to the priesthood. To-day, for reasons of his own, he thinks that he should not do so. All I can say is this: he may carry out his present intention, but in my humble judgment he will be making the Act even more difficult of execution than it was before.

4 p.m.

Mr. EUGENE PAQUET (L'Islet) (translation): Mr. Chairman, I agree entirely with the opinion expressed by the right hon. leader of the Opposition. I hope that the Government will comply with the wishes so well stated by one of our statesmen who knows to perfection the province of Quebec. Therefore I could not too earnestly beg the Prime Minister to give satisfaction to the wish just expressed by the right hon. leader of the Opposition.

As our province will have enough to suffer under this bill, I hope the Government will do all in its power not to raise therein any religious strife.

Mr. PROULX: The Prime Minister gave good reasons the other day for amending the exceptions by including therein divinity students. In this connection he consulted the law of the United States, in which divinity students are specially exempted. He now wants to make another amendment taking out of the Bill the exception which he asked the House to adopt the other day, giving as his authority the position taken by the member for Bonaventure (Mr. Marcil). I am not very sure that my hon. friend from Bonaventure is right. He is only a layman like the rest of us in this House, and he is not a doctor of divinity. I prefer to accept the opinion of the leader of the Opposition—

Sir GEORGE FOSTER: They are making my right hon. friend (Sir Wilfrid Laurier) a Doctor of Divinity.

Sir WILFRID LAURIER: Yes.

Mr. PROULX: I am inclined to the view that divinity students, so far as the Roman Catholic church is concerned, who are not ordained, would not in this Bill be included in the word "clergy," so what would be the objection to making the section more explicit by the addition which my right hon. friend had the other day in the Bill? My hon. friend from Rouville said that the wording might be changed and the wording of the United States law adopted. I prefer the amendment made by my right hon. friend, and I would prefer that the section should stand as it was amended the other day. If the language is going to be changed, the amendment suggested by the hon. member for Rouville does not go far enough.

Mr. MARCIL: I wish to thank the Prime Minister for the kind allusion he has made to me. The remarks I made on this matter were after the right hon. gentleman had introduced his amendment, and they were practically in support of that amendment. I was a member of this House in 1904 when the Militia Act was passed, and amongst other exemptions we had these two: Clergymen and ministers of all religious denominations, and professors in colleges and universities and teachers belonging to religious orders. I supported the amendment the right hon. gentleman suggested because in the Roman Catholic faith a young man has to go through a course spread over four or five years before becoming an ordained priest; and I wanted to make sure that this class were included in the clause of the section now amended by the right hon. gentleman.

Sir ROBERT BORDEN: I think they are.

Mr. MARCIL: The hon. member for Rouville has referred to the Trappist Order. The Christian Brotherhood is another religious order in Canada; its members devote themselves to the cause of education. Christian Brothers will be found in all countries of the globe doing yeoman service. I suppose a member of the Christian Brotherhood would also come under the term "religious orders," although their special work is teaching and is not exclusively religious. The Trappists devote special attention to agriculture. In view of this particular situation, I would ask the right hon. gentleman to allow the section to stand as he amended it the other day.

Mr. OLIVER: In my judgment, there is a vast difference between the Militia Act and the present Bill, inasmuch as the Militia Act was passed for the purpose of raising men for military service, whereas, as I understand the present Bill as presented by the Prime Minister, its purpose is to exempt men from military service. I would like to say further that, as I understand this present Bill, its exemption provisions are ample to protect the divinity students of any church whom the Government may see fit to protect.

Mr. GRAHAM: I may be put out of my own church for what I am about to say—

Sir GEORGE FOSTER: Are you sure you are in?

Mr. GRAHAM: My right hon. friend raises a question of public policy to which I cannot reply. So far as the church to which I have the honour to belong, is concerned, I would not exempt the clergy, and I am saying that on the authority of the clergy themselves. Some of the heads of the different conferences have written me suggesting that they do not wish to be exempted in this Bill, even although they are ordained clergymen. I have another reason for my statement, and this is treading on ecclesiastical ground. This is war time, and I am speaking for those who have written to me when I say that sacrifices ought to be made by all equally, and the clergy who have corresponded with me assure me that they are anxious to do their full part. So long as there was on the statute book no law asking that others, who perhaps are in a less influential position, should go, they did not feel it their duty to go although many of them have enlisted.

Sir SAM HUGHES: Two hundred and fifty.

Mr. GRAHAM: But if the necessity at the front is imperative, they want to be classed the same as the other men. I have another reason. In the Methodist church we have in many places two congregations where one minister, particularly in war time, could serve all the people, because out of those churches have gone many young men, and some older men. I see no reason why we should not have a concerted effort by which the clergy and the congregations of the Methodist church would worship together with the two ministers used where only one is required.

Mr. BLAIN: My hon. friend will understand, of course, that there is in the Bill nothing to prevent any clergyman or any other person from going to the front if he wants to go.

Mr. GRAHAM: I have read the Bill and I understood that before, but it is a great responsibility—

Mr. BLAIN: I understand the hon. gentleman takes no objection to that. The Bill does not prohibit any Methodist minister or any clergyman of any other denomination going to the war if he wants to go.

Mr. GRAHAM: The purpose of this Bill is officially to exempt them, and that makes a difference, because a man, if he is exempted, must have twice as much enthusiasm about going to the front as he would have under other circumstances. The Bill says to the clergymen: The country does not

expect you to go. The clergy of the Methodist church do not want to be exempted.

Sir WILFRID LAURIER: There are exemptions and exceptions provided for in this Bill, and under them the parties affected may claim exemption or they may not, just as they please. There is in the section which we are discussing nothing to prevent any member of a church from enlisting if he chooses to do so, and taking his share in the fight. There are, however, exemptions for the protection of the consciences of those who have conscientious objections to fighting. We have in section 11, paragraph (f) this exemption:

> That he conscientiously objects to the undertaking of combatant service and is prohibited from so doing by the tenets and articles of faith, in effect at the date of the passing of this Act, of any organized religious denomination existing and well recognized in Canada at such date, and to which he in good faith belongs.

That is nothing new. It is part of the English legislation which has been in existence as far back, I think, as Charles II, and was enacted for the Quakers, who had objection to military service. It was done because under the common law every citizen in Great Britain was liable at any time to military service to repel invasion or if the country was in danger. But even then the liberty of conscience which is always so strong in Great Britain led the British Parliament to exempt the Quakers because they had religious objection to spilling blood, and for two hundred or three hundred years the Quakers have been exempt from military service. Divinity students do not come in that category, but the same reasons which would apply to the Quakers would also apply to those young men who, I think, can claim as a matter of conscience that they should not be called for military service. I regret exceedingly that my right hon. friend has not persevered in the amendment he brought in the other day. If the present amendment is carried, it will not assist in making this Act more popular in certain parts of the country, but will have the reverse effect.

Mr. LEMIEUX: The United States has no more state church than we have in Canada, yet they have decided to exempt students. We are allies of the United States in this war, our cause is theirs, and I do not see why we should not do as they have done. I will therefore move in amendment to the motion made by my right hon. friend: That the words "divinity students" be struck off and replaced by the following:

> "Students preparing for the ministry in any recognized theological or divinity school."

These are exactly the words of the United States Act. I move this amendment because, as has been explained by the right hon. leader of the Opposition (Sir Wilfrid Laurier) and as my hon. friend the Minister of Justice (Mr. Doherty) knows full well, the divinity students in the church to which he and I belong are the professors in our colleges. In the province of Quebec we have something like twenty classical colleges. I am speaking from memory and may be wrong as to the exact number. The body of professors is made up of those young theological students, and if the exemption does not cover them the colleges will be deprived of the services of these young men as professors. As I explained a moment ago, when a young theological student has taught his pupils during his theological course, which lasts three or four years, he becomes an ordained priest, and is then attached to the institution, if he is a man of marked ability in the course of studies, or he takes a vicarage and later on a "cure", in the diocese, and thus becomes a regular member of the diocesan clergy. He is the spirtual head of a parish, and as such is exempt in any event under the bill. If you refuse exemption to young theological students in our colleges you prevent the youth of our province from obtaining their education at those classical colleges. If the United States, where out of a total population of 103,000,000 there are barely 12,000,000 Roman Catholics—I am not exact as to the proportion—congress has thought proper to include this exemption in their Conscription Act, it seems to me in Canada, where 45 per cent of the population is Roman Catholic, we should not be afraid to accept what concession they have made on the matter. It was stated during the course of the debate that there would be a rush towards theological studies by the young men if such exemption were included in the Bill. That is a very poor argument indeed and I protest most strongly against the insinuation. No man of honour would desecrate himself to the extent of accepting Holy Orders with a view to avoid a duty imposed by legislation of Parliament. No young man with any conscience would attempt to do such an immoral act—the qualification is not too strong—in order to avoid service under the present legislation. I hope the committee will at least accept the text of the United States legislation on this subject.

Mr. GAUVREAU, (Temiscouata) (translation): Mr. Chairman, not only shall I vote for the amendment moved by the hon. member from Rouville (Mr. Lemieux), but moreover, I deem it incumbent on me to say a few words in this connection, after all, it is well that the country should know where we are at in regard to this clause.

The original clause as it was amended at the request of the Prime Minister, the proposer of the Bill, must have been good since it was agreed upon by the House, and if my memory serves me right, when the amendment moved by the Prime Minister has been submitted to the approval of the House, the hon. members on the other side were pleased to come and ask us not only to refrain from putting difficulties in the way, but even to further its enactment, for they said they had found it hard to have it agreed to. Consequently I believe it is well that the people of this country should be acquainted with what is going on here and with the reasons which may have induced the Prime Minister to so amend his own amendment and to turn about. I deem it my duty to say that the clause as amended by the Prime Minister himself should remain in the Bill and that there is no reason whatever to revert now to the former clause as the amendment which he had moved was the one which in his own words was to be retained in the Act.

Sir ROBERT BORDEN: My hon. friend (Mr. Lemieux) is not quite frank in quoting in his amendement the words to be found in the United States Act. The wording of the United States Act is:

Students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools.

My hon. friend proposes this amendment and wishes us to understand it to be the same.

Including students preparing for the ministry in any recognized theological or divinity school.

This is not the same thing as the United States enactment, and my hon. friend knows perfectly well it is not the same. If he proposes that the exact enactment of the United States should be followed, he might be good enough to consider what the effect would be. If we follow the precedent of the United States, we must strike out the words: "members of any recognized order of an exclusively religious character." Does my hon. friend desire to have these words excluded? I do not think they are found in the United States Act.

Mr. LEMIEUX: I will send the official bulletin to my right hon. friend.

Sir ROBERT BORDEN: I have the Act before me.

Mr. LEMIEUX: I have a copy of the official bulletin containing information for persons registering under the selective draft issued at Washington on the 9th. I will send it to my right hon. friend.

Sir ROBERT BORDEN: I will leave that for a moment until I investigate. My hon. friend says that he has some information which is not consistent with my view. But he has not adopted the provisions of the United States Act for he is leaving out the limitation to which I have alluded and which confines the operation of the section in the United States to those who were recognized students in a divinity school at the time the Act went into effect, a very different thing indeed from what my hon. friend suggests.

Mr. LEMIEUX: I had penned my amendment before suggesting a moment ago——

Some hon. MEMBERS: Oh, oh.

Mr. LEMIEUX: What is the matter? I had penned my amendment and had put it into the hands of the Prime Minister before I suggested that date might be fixed. I have no objection to a date being fixed, if the committee will accept the American text.

Sir ROBERT BORDEN: If the date were fixed as the 6th July, according to my information, it would be of absolutely no service whatever because it would not include persons who are divinity students. According to my information, after they have been engaged in study for a year as divinity students, they pass to the minor orders of clergy and they are covered by the word "clergy".

Sir WILFRID LAURIER: Not necessarily.

Sir ROBERT BORDEN: I am so informed. My right hon. friend's information would possibly be more reliable than my own, but I think my information is accurate.

Sir WILFRID LAURIER: The criticism offered by my right hon. friend the Prime Minister to the amendment proposed by my hon. friend from Rouville (Mr. Lemieux) is purely verbal and technical. If

we accept the idea it is easy to frame a clause which will express it. The only thing that my hon. friend from Rouville contends—and I venture to affirm and support his contention—is that theological students, a class which is well known at least in one province of the Dominion, should be exempted as they are exempted by the words in the amendment which was adopted the last time we had this Bill before the committee. Whether the amendment is accepted or not makes a vast difference. In the United States that class of young men is excepted from the operation of the law. In the United States they exempt divinity students and students in theology. Under this Bill, if my hon. friend's amendment is not adopted, they will not be exempted. I would suggest to my right hon. friend that the relations between the United States and Canada are very close. The system of self-government is very much the same; the interchange of commerce is becoming every day more diffused; we are fighting for the same cause, and I would suggest that this is creating a great contrast between the legislation of the United States and our own legislation.

Sir ROBERT BORDEN: We have made an exemption in this Act which is not to be found in the United States enactment at all, and we have done it because we thought it was a reasonable thing to do. I repeat that I can find nothing of the same character in the United States Act.

Mr. LEMIEUX: In regard to which?

Sir ROBERT BORDEN: In regard to religious orders. Does my hon. friend desire that we shall so amend this Act as to make it conformable in this respect to the United States Act? If we fixed a date under this Act it would be of no practical service for the purpose which my hon. friend has in mind; it would even defeat that purpose if we were to strike out the provision in regard to members of religious orders. I think my hon. friend has taken a very unfortunate position. If we accepted his suggestion and followed the precedent of the United States, I think he would have a great deal more cause for criticism and complaint than he has to-day.

Sir SAM HUGHES: What is the meaning of subsection (c) of section 11 which exempts students?

Sir ROBERT BORDEN: It means that students, whether divinity or medical, or science, or any other quality of students, can make claim for exemption before the tribunals. I have pointed that out already. I think it is generally understood.

Sir WILFRID LAURIER: Let us compare the legislation of the United States with our own legislation. Here is our clause:

> 6. Clergy, including divinity students and members of any recognized order of an exclusively religious character, and ministers of all religious denominations existing in Canada at the date of the passing of this Act.

Now, take the United States Act:

> Sec. 4. That the Vice-President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools—

shall be exempt. I recognize that in one respect our legislation is more liberal than the United States legislation and I give credit to my right hon. friend for that. I refer to the provision whereby we exempt religious orders—the United States has not done that. But, it must be admitted that in another respect the legislation of the Americans is more liberal than ours, in that they have exempted divinity students.

Sir ROBERT BORDEN: They have not exempted divinity students except those enrolled at a particular date,—"students who at the time of the approval of this Act."

Sir WILFRID LAURIER: In this section which I have read there is no mention of a date. It says: "students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools." They are counted from the time at which the Act goes into force.

I was simply stating that in this respect, so far as students are concerned, the legislation of the United States is more liberal than ours. The Government proceeded in that direction the other day, but they have changed their mind, and now they propose to undo the very thing which they proposed to do the other day, and which is provided for in the United States legislation. The other day they proposed to except divinity students; to-day they are prepared to emasculate their Bill to that extent. I can only repeat that I am sorry it is so. If the Government persists in that intention, we must abide by their judgment. I am no friend of this legislation, I admit frankly; but at all events if it is to become law let us make it as acceptable as it can be made so that

the country will be more likely to abide by it.

Mr. LEMIEUX: I am no theologian, but I beg humbly to differ with the right hon. leader of the Opposition (Sir Wilfrid Laurier) when he challenges the statement of the Prime Minister that our legislation is more liberal than that of the United States, in respect to the exemption of the orders of the church. In the Roman Catholic church the clergy is divided into secular clergy and regular clergy. What is called the regular clergy comprises the religious orders, and the secular clergy are the diocesan clergy, the priests, the ecclesiastics. The Minister of Justice will certainly agree with me in that distinction. The United States legislation uses the distinction of the church. Section 4 of the United States Act mentions the exemptions. They include:

> The Vice-President of the United States, the officers of the legislature, executive and judiciary of the United States and of the several states, territories and the district of Columbia, regular and duly ordained ministers of religion, students who, at the time of the approval of this Act, are preparing for the ministry in recognized theological or divinity schools.

Therefore there is no distinction as between the American and the Canadian exemption, except that we use different words. In Canada, as well as in the United States, the regular and the secular clergy, are both exempted. There was no necessity, in my judgment for making the distinction in section 6 of the schedule. At all events it is there, but it is also in the American legislation. As to the theological students, every one who knows the training given to young men in our colleges by the ecclesiastics will appreciate that they are the only professors in our classical institutions. Therefore, if you do not grant them the exemption, you deprive our young men of their professors.

Mr. DOHERTY: I regret that the hon. gentleman has moved this amendment. With all respect I may say that he, as well as other gentlemen who have spoken on the subject, seem to be under some misapprehension as to the meaning of the words used. It was pointed out that the reason why the amendment was dropped was that the words "divinity students" covered a very large class of people, quite beyond the class of people now under discussion, and with regard to whom there was no desire for exemption, and, on the contrary, a good deal of opposition to the idea of exemption. Furthermore, as has already been said, and as the hon. member for Bonaventure (Mr. Marcil) has pointed out,

the word "clergy" has a perfectly clear and perfectly defined meaning, and I have no hesitation in saying, after satisfying myself on the subject, that the word "clergy" covers anybody who has holy orders of any kind, including the minor orders, as the hon. member for Bonaventure says. The right hon. leader of the Opposition (Sir Wilfrid Laurier) will recognize that the theological student, from the moment he gets his tonsure, or minor orders, which he does at the end of his first year—or, at all events, that is the general practice—enters and forms part of the clergy. My right hon. friend shakes his head? I am not making that statement without having verified it on the very best authority. I have satisfied myself beyond peradventure on that subject. So that that leaves, under the class to be covered as divinity students so far as the Catholic colleges are concerned, only the young men just coming in, before they have got any orders. Let me point out that if we adopted the American system and said we excepted divinity students actually such at the time of the approval of this Act, that would not affect young men entering the colleges in this coming September, and that would be the only class of young men who would have no orders at all. Any young men, being students, who would not yet have received their orders, are, in view of the provisions we have for their addressing themselves to the tribunal and the grounds which they may urge before these tribunals—amply and perfectly protected in every proper case. Of course, nobody can disguise the fact that the class of people we are speaking of are my friends in the closest sort of way as they are the friends of other gentlemen who have spoken. I think that people who look to the protection of these gentlemen in legitimate cases would perhaps do well to realize that, as regards the very small number affected, there is no injustice being done in their being submitted to putting the circumstances of their case before the tribunals, just as everybody else does. Sometimes one suffers from one's friends' zeal, and it is not always useful to the friends you want to help to try to differentiate them from the rest of the population within which they are called upon to live. I understand the delicacy of this question, and I think hon. gentlemen do too. There are marked differences of opinion about this matter. But we have all got to try to live together, respecting, and where needed maybe protecting, each other's feelings, and where that can be

attained without taking the position of claiming for a particular class special privileges, it is surely much better to do so—much better in the interest of that very class itself. So I venture to say that if hon. gentlemen would accept what is being done instead of endeavouring to insist on putting the class of persons of whom we are speaking into an especially privileged position, they would in reality be acting in a manner much more likely to be of real service to the class concerned, and at the same time they would avoid giving unnecessary offence to others who may entertain very strong opinions against exceptions and exemptions in general.

Of course this Act has not been prepared without knowing just what the words in it really mean. Judging by the observations that have been made, I think I may venture to say that the hon. member for Bonaventure, at all events, has looked more carefully into the exact meaning of the words than perhaps the right hon. leader of the Opposition and other hon. gentlemen have done. I am convinced that this motion is being moved under a complete misapprehension. I am convinced that it will not serve the purpose that it is sought and may have effects that are very undesirable. The hon. gentleman knows as well as I do that all classes of theological students go into their class some time in September or October. Those who are entering their second year, having had the tonsure, are clergy and do not need special mention. Those who are only beginners will not have become divinity students until they so enter in September or October, so that if we were to exempt those who were divinity students on the date of the approval of this Act we would not be reaching this last class at all. I do not think it is wise to discuss the reasons that lead people to take sides on this question, because it all depends upon a person's point of view, and discussions of that kind rarely end in converting one or the other, but rather in creating a certain feeling which certainly is not desirable to be created. I do not think I should be overstepping the bounds if I appealed to the hon. member for Rouville to reconsider the advisability of his insistence upon the specific words which he now suggests, which, as I have already pointed out will produce no good results, and which, if persisted in, will tend to create a feeling of irritation which under all the conditions under which this measure is being passed and under all the conditions under which it will have to be enforced, it is highly desirable to avoid by every means in the power of each of us.

Mr. PUGSLEY: I have very great difficulty indeed in knowing how to vote on the amendment suggested by the hon. member for Rouville, after hearing the remarks of the Minister of Justice. If I apprehend him aright, what he says is this: It is not desirable to press the amendment because under the section as amended at the instance of the Prime Minister, divinity students in one church will be exempt.

Mr. DOHERTY: Clergy will be exempt.

Mr. PUGSLEY: Divinity students, my hon. friend said.

Mr. DOHERTY: Some people are both clergy and divinity students.

Mr. PUGSLEY: The minister said that after the students have been at college a few months—certainly not more than a year—they become members of a religious order, and ipso facto they would become exempt from the provisions of the law.

Mr. DOHERTY: They come under the exception as clergy; that is not taking them out of the provisions of the Act making the exception.

Mr. PUGSLEY: They do not become clergy in one year.

Mr. DOHERTY: They certainly do.

Mr. PUGSLEY: I understood the minister to say that the divinity students, after a certain number of months not exceeding one year, become attached as divinity students to one of the minor religious orders.

Mr. DOHERTY: They become clergy.

Mr. PUGSLEY: The minister says that under this section, " members of any recognized order of an exclusively religious character," would be exempt. It follows from the reasoning of my hon. friend—I do not know whether he intended it or not—that striking out these words would prevent divinity students of all churches in this country except one from being exempt. Not being familiar with the subject I should like to ask what is meant by " any recognized order of an exclusively religious character?"

Mr. DOHERTY: There are different religious orders existing in this country, and the question whether it was a recognized order on the date of the coming into

force of this Act, is perfectly susceptible of being established. I do not think there would be any use in my giving a list of the orders. Their names do not occur to me at the moment, but they are the Redemptorist order, for instance, and a variety of others. The members of these orders are mostly clergymen anyway. They live in communities together instead of living as individual priests. The hon. gentleman confuses "order" in the phrase "any recognized order" with "holy orders." These men are clergymen whether they belong to any religious order or not. An aspirant to the priesthood takes a succession of orders one after the other. My hon. friend will notice that the term is in the plural "holy orders"; a man takes more than one order before he becomes a priest. Notwithstanding any doubts that have been expressed there is no question that from the moment a man takes one holy order he comes within the designation of "clergy."

Mr. PUGSLEY: The minister says that there are orders which are entirely distinct from what are known as orders of a religious character.

Mr. DOHERTY: I did not say that.

Mr. PUGSLEY: This section does not limit religious orders to such orders as the Jesuits and Trappists.

Mr. DOHERTY: That is the kind of order it refers to—exclusively religious orders.

Mr. PUGSLEY: What does the minister mean by saying that after a divinity student studies for a certain period he becomes attached to a certain order?

Mr. DOHERTY: I did not say that. There is what is known as holy orders, that is to say, of ordination, which make a man a clergyman, and ultimately a priest if he takes all the holy orders. That is spoken of as the sacrament of the holy orders. It is not an order in the sense of a gathering of people at all. The phrase "religious order" means a society or body of men joined together for an exclusively religious purpose. The words have no connection whatever with "holy orders," though it is usually true that the member of a religious order has taken "holy orders," just as a person who is not a member of a religious order may have taken them. In the former case the man would be both clergyman and a member of a religious order. The word "order" in the phrase "any recognized order" means an association or community of people who live together under religious rule—the Christian Brothers for instance.

Mr. PUGSLEY: Is there anything to prevent divinity students from at once becoming attached to any one of these religious orders?

Mr. DOHERTY: As I tried to point out, there is no connection whatever between divinity studentship and religious orders; I cannot make it clearer.

Mr. PUGSLEY: My religious training has not been along the lines of that of the hon. member of South Renfrew (Mr. Graham). If divinity students of all denominations are to be treated alike, I would rather see the words "divinity students" left in.

Mr. PROULX: The amendment of the member for Rouville has reference only to persons who are attending divinity or theological schools. I understand that he has used these words in order to meet the objections made by some hon. gentlemen on the other side. Some one has suggested that if divinity students were exempted there might be a rush towards these orders or to the ministry. By the addition of the words suggested by the member for Rouville, the exemption would apply only to bona fide divinity students. For that reason I approve my hon. friend's amendment.

Sir WILFRID LAURIER: My hon. friend (Mr. Doherty) suggests that this question should be approached with an endeavour not to create any more irritation than has been already evidenced in this debate. That is my view also but I must take exception to something that he said. This question is a technical one. Our legislation is more liberal than the American legislation in that it exempts religious orders. The member for Bonaventure (Mr. Marcil) has on several occasions mentioned the Christian Brothers. The Christian Brothers are not priests, but they are a religious order, and under the terms of this Bill they are exempted. I quite approve of that; it is a concession to the liberty of conscience, which should be a guiding principle. But, I see no reason why the exemption which was introduced in respect to divinity students, should not be maintained. I must say to the Minister of Justice that I do not pretend to be a divinity student—I was much flattered, when a moment ago, I was accused or charged, or lauded, on that ground. However, that expression has never been applied to me before this day—and I am a pretty old man now. But may I point out to my hon. friend that the

clergy commences with the priesthood; all divinity students are preparing for the priesthood; minor orders confer nothing at all. They are not even a vow; they are a ceremony and nothing else. That minor orders are part of the clergy is a thing I never heard of. If you provide in the law that they shall be considered as part of the clergy, all right; otherwise it is incorrect to say that they are included in the law.

Mr. HERMENEGILDE BOULAY (Rimouski) (translation): Mr. Chairman, I would like to have the amendment now before the House read in French. I did not have the pleasure of receiving a copy of it and I would like to know exactly what is the subject matter of the debate.

The CHAIRMAN (Mr. Rainville) (translation): It is moved by Sir Robert Borden that the words "divinity students" be struck out in subsection 6 of the schedule.

Hon. Mr. LEMIEUX moved in amendment that the words "divinity students" be struck off and replaced by the following: "Students preparing for the ministry in any recognized theological or divinity school."

Mr. BOULAY (translation): I thank you, Mr. Chairman. It seems to me that we have been discussing this famous conscription Bill long enough without devising new means, not only to further extend the debate but to increase the uneasiness which is now felt by our population. I have always held in high esteem the hon. Prime Minister who is at present guiding the destinies of this country; I have always believed him to be a broad-minded man and in every way qualified to fill the lofty position which the country has entrusted to him, but I must say, in all sincerity, that if he ever had an unfortunate hour in his career, it was that very one when this famous conscription Bill was introduced.

The other day, while the Bill was in second reading, we discussed the different clauses and it was agreed that there should be inserted an amendment which seemed acceptable to all of us. I certainly do not know what occurred during these few days, but there must have been in the meantime certain occult influences at work, or rather there must be certain people who are just now exercising a nefarious influence and a pressure most detrimental to the union of the two principal races who form our country's population. As long as that class of people were kept away from any meddling in this country's affairs, we have enjoyed the blessings of peace and never have we observed the wranglings now apparent in our beloved Canada.

It is unfortunate that a certain class of our population should to-day have the ear of and free access to those who are guiding the future destinies of the Dominion of Canada. It seems to me that this class, such as it was, should have been accepted bona fide, for, after all, let no one charge our priests, those who are in the religious orders, with cowardice in the present war.

See what is going on in France and in Belgium! Who are they who give the start, who set an example to all the troops, to the soldiers and who shed their blood upon the battle fields, if not the French and the Belgian priests? Can anyone say that our priests in Canada are more cowardly, than these men who are now upon the battlefields of France? Surely, no one would be justified in making such a statement, Mr. Chairman, for we have among our clergy, priests who have enlisted as chaplains, and we shall always find within the clerical ranks men ever ready to fill any position they may be called to occupy whether as chaplain or otherwise. So then, what we are opposed to and what the province of Quebec is opposed to, what we take exception to in our religion, is that this class of men who are ready to sacrifice themselves freely should be compelled to do so through a simple amendment, or enactment. Let none get away with the idea, among a certain class whom I have just designated a moment ago, that if the French Canadians have not enlisted in as large numbers as we would have wished it; let no one believe that we are trying to exempt as many people as possible from the effect of this Bill; if anyone should get that idea into his head, it is safe to say he would have a wrong conception of the French Canadian mentality. We are just as ready to perform our duty in the province of Quebec, as in any other province. We have stated, at the very outset of the discussion upon this Bill, the reasons wherefore we have somewhat kept aloof.

What are the reasons which have provoked such hostility in the province of Quebec? If one may form an opinion from the various speeches made during the debate in this House, if that faction who are so much against Quebec would only go to the pains of looking into those very reasons, if they really meant to have peace and harmony in this country, they would be the first to pray for the discarding of all motives

of hatred and of all such questions as tend to set against one another the two great races peopling this country.

Instead of eliminating from the exemption clause a certain portion of our clergy, as meant by the amendment proposed by the Prime Minister, I would be rather disposed, Mr. Chairman, to make subject to conscription as all others hon. members of this House who are of military age. For my part, I am glad to state that I have tendered my services, although I am fifty-six years old, and I am still ready to renew the same offer; many gentlemen are showing a feeling of pronounced hostility to the province of Quebec, why could they not do as I have seen fit to do myself? I mention these facts in order to show that the province of Quebec is not afraid of doing its duty, but she does not want to be compelled to commit any injustice or acts which completely revolutionize the old system established years ago in our country. Since, as stated by my hon. friend from Rouville (Mr. Lemieux), the United States, a country whose population is nine-tenths Protestant, have seen fit to insert in their military service law a clause exempting the clergy and all religious orders, why should not Canada—where half the population is Catholic—do the same? It seems to me that right and justice demand that the amendment such as presented by the hon. Prime Minister should not be accepted, but that, on the contrary, the amendment by the hon. member for Rouville should meet the approval of this House.

Mr. TURGEON: Coming from a province by the Atlantic seacoast where harmony has, for so many years, reigned supreme, in the preservation of which harmony it has been my lot during my life-time, so far as my capacity has permitted me, to co-operate, may I be permitted to appeal to the leader of the Government as earnestly as I have ever done that, in view of the explanations given by the leader of the Opposition and by my hon. friend from St. John (Mr. Pugsley), if he lets the Bill stand as it read last Friday when it was returned to the printers to be reprinted in its present form, he will not cause any disappointment in the country. If he does not accept the suggestion of the leader of the Opposition, I hope he will at least accept the amendment of the hon. member for Rouville (Mr. Lemieux)? In New Brunswick, which is comparable with Quebec, so far as the Roman Catholic faith is concerned, the young men who to-day are students of theology, are attached either to the Order in which they are studying or to the bishops to whom they have allied themselves. Every bishop in New Brunswick, Roman Catholic as well as Anglican, is depending on those young men's services which would be available in a year or two. If we take away ten, twenty or thirty of those young men from the clergy of New Brunswick in each diocese we impede the proper exercise of the civilizing effect of Christianity on humanity for which cause we are fighting.

Hon. Mr. SEVIGNY (translation): Mr. Chairman, I have heard several members state that the clergy of certain religious denominations have asked that they should not be exempted. On the other hand, I hear my compatriots who belong to my own religion, declare that the clergy of the province of Quebec should be exempted. I carry no brief, any more than my hon. colleagues of the province of Quebec, to speak here on behalf of the clergy, but I do sufficiently admire the Catholic clergy to declare here, in this House, and anywhere in this country, that they are just as brave, as loyal and as courageous as the clergy of any other religious denomination in Canada.

I do not pretend to be any more of a Catholic than any of my colleagues; but I have for my faith all possible respect and confidence; I follow it and it is that same worship I shall teach my children, I state that no one in this House is justified in saying that the Catholic clergy are not ready to do their duty as well as the clergy of the other denominations in this country. Besides, the clergy of the province of Quebec, as well as the clergy of the rest of the country, are exempted under this Act. It is well known that, in the Catholic religion, as soon as a young man has become a subdeacon, he is considered a member of the clergy.

Mr. GAUTHIER (St. Hyacinthe) (translation): Will the hon. minister allow me to ask him a question?

Hon. Mr. SEVIGNY (translation): Certainly.

Mr. GAUTHIER (translation): What do you do with the—the first of the minor orders—are they exempted or not by this Bill?

Hon. Mr. SEVIGNY (translation): I beg your pardon, I did not catch on.

Mr. GAUTHIER (translation): When the theological student puts on the cassock, he generally enters college in October, and at

Christmas he is admitted into the minor orders; is he exempted by your Bill, yes or no?

Hon. Mr. SEVIGNY (translation): I do not believe he is. As for me personally, I am in the sixth class and, although I am a married man and have some responsibilities, when I am called, I shall do my duty, and I am convinced that my colleagues on either side of the House, shall do likewise, when called. Many of us are married, are fathers of several children, having high responsibilities, however, all of them are ready to perform their duty, should they be called upon to do it; and now we have a young man who has decided to enter into some religious order, who has no responsibility, I will put the question to my hon. friend from St. Hyacinthe, is it not only fair that this young man, in a crisis like this, should be called to serve just as myself who have children and consequent responsibilities? That is the question I put to him. I know that my hon. friend from St. Hyacinthe and my other colleagues from the province of Quebec are fair-minded enough to answer me that in a case like that, the youth of twenty or twenty-two—for the young men referred to by my hon. friend are about that age—should be called upon to do his duty with the others.

I do not believe that the clergy of my province and of my religion would object to it, because the Catholic clergy of the province of Quebec know their duty, they see the gravity of the situation and they are ready to advise our population to respect laws passed by this Parliament.

Therefore, as a Catholic, having for the clergy of my province all possible respect, knowing that the priests, the vicars, the curates, the deacons and the subdeacons, as well as the clergymen of other religions, are exempted by the Bill, I declare that it is only fair to ask the young philosophy students as well as those in their first year in theology to perform their duty just as the labourers, the farmers and the married men of my province or of my race who are apt to be called under this Act.

Mr. PROULX (Prescott) (translation): When the hon. minister mentions the deacons and the subdeacons, does he understand that they are included under the term "clergy"?

Hon. Mr. SEVIGNY (translation): I understand that the deacons and subdeacons are part of the clergy and, by that very fact, they are exempted.

Mr. PROULX (translation): Does not the term "clergy" include only those who have been ordained as priests?

Hon. Mr. SEVIGNY (translation): I base that statement on the definition given to the House by the hon. member for Rouville and which I have before me.

Mr. BELLEMARE (translation): Mr. Chairman, allow me to say a few words in connection with the definition which is so often given to the word "clergy."

Under the canon law, as far as I am acquainted with it, those who would come under the definition of "clergy" are not only the deacons and subdeacons, priests, but also those who are only tonsured. By the very fact that you wear a cassock as an ecclesiastic, and by the fact of being tonsured, you belong to the clerical order; then you have the minor and major orders, and the priesthood. Therefore, if the privileges of the clergy are to be respected and if they are to be exempted from military duty, I say that not not only should the priests be exempted and those members of religious orders who have made monastic vows, but also divinity students who are tonsured.

But I shall go still further. Under the canon law, the clergy should be exempted from serving as soldiers. Such is the doctrine of the Catholic Church. I am not any more orthodox than the Pope is, but I know that those who form part of the clergy, as I have just explained, are forbidden, under the canon law, to serve as soldiers and to go on battle fields, except in extraordinary cases, as in the capacity of chaplains, field-hospital orderlies, etc. Such is the teaching of the Church. I give you that information sincerely and I speak knowingly.

Mr. GAUVREAU (translation): Would my hon. friend allow me a word?

Mr. BELLEMARE (translation): With pleasure.

Mr. GAUVREAU (translation): What about those young men who, on leaving college, in June last, meant to wear the cassock in September? Should the Bill be in force then, they shall be called out, will they take the cassock or comply with the provisions of the Bill?

Mr. BELLEMARE (translation): My answer to my hon. friend is that as to those who on the enforcement of the Bill, did not yet wear the cassock, or those who were not yet tonsured or in the minor orders, I under-

stand that they will be included in the ordinary class.

Therefore, I believe that, as divinity students come under the definition of "clergy" in the Bill, those words should be left in the clause, as they make it more explicit.

But the fact should not be lost sight of that as in the English-speaking provinces—and this I say with all due deference to them—judges will be found with a different frame of mind from ours, and who are not familiar with our tenets, I submit that mistakes might be made to our prejudice in the construction of that clause.

Therefore, the clearer the clause will be, the easier it will be to do justice to every body, not only to the French Canadians but also to the Catholics of Ontario and the other provinces, as well as to our good friends, the Irish.

Amendment to the amendment (Mr. Lemieux) lost on division.

Yeas, 30. Nays, 74.

Amendment (Sir Robert Borden) agreed to on division.

Yeas, 72. Nays, 32.

Sir THOMAS WHITE: I desire to explain that I did not vote on account of being paired with the hon. member for Kamouraska (Mr. Lapointe).

Sir EDWARD KEMP: I did not vote because I was paired with the hon. member for Huntingdon (Mr. Robb). Had I voted I would have voted against Mr. Lemieux's amendment to the amendment and in favour of the amendment of my right hon. friend the leader of the Government.

Mr. JAMESON: I am paired with some hon. member.

The CHAIRMAN (Mr. Rainville): Order. There are no pairs on a vote in committee.

Section as amended agreed to.

Mr. PUGSLEY: I would like to direct the attention of my hon. friend the Solicitor General (Mr. Meighen) to section 11. I think it is very desirable in the public interest that there should be publicity given to the applications which are made to the local tribunals for exemption and the decisions which these tribunals give from time to time. I propose that the following be added, as subsection 8, to section 11:

Every local tribunal shall, at least once a week, cause to be published in the Canada Gazette a list of all applications dealt with by such tribunal during the preceding week with a short summary of the grounds of the application in each case and the decision arrived at with a statement of the reasons for such decision.

These local tribunals are to be appointed by a Board in which this Parliament—which means, of course, the Conservative majority, the party controlled by the Government—will have the determining voice. While it is stated that it is to be appointed by a joint address, or resolution, of the two Houses of Parliament, that means that it will be the Conservative, or the Government, majority in these two Houses that will make the appointment. I do not wish to suggest that there will be anything unfair in the selection made. The Chairman reminds me that I cannot properly move this amendment unless the Solicitor General moves the reconsideration of the clause. I would hope that objection would not be made, for I understood that there was to be opportunity to take up any particular section. Will my hon. friend move the reconsideration of the section? I would not have the right, because, under the rules, such a motion can only be made by one of the majority.

Mr. MEIGHEN: I have no objection to doing it, but if my hon. friend would continue his remarks I would like to make a few remarks myself, and when he has heard what I have to say, perhaps, he will not ask for a reconsideration.

Mr. PUGSLEY: Very well, I would not suggest for a single moment that that power would not be exercised in such a way as to have a fair board appointed for the selection of the local tribunals; yet I think every hon. member will agree with me that it is extremely desirable that the public should have the most implicit confidence in the decisions come to by the local tribunals on applications for exemptions made to them. There is nothing that would tend to give more general satisfaction, or cause the public to support the law more heartily, than to feel that in the administration of the Act fairness and impartiality have been shown. There is nothing like publicity to give the public that impression. It is most desirable that these tribunals should give to the public—not at great length, but from week to week—a statement of the applications which are made, the names of the applicants, the grounds of application for exemption, the decisions arrived at, and a short statement of the reasons for those decisions. If the applications are kept from the public, if the grounds of application and the decisions of the tribunals are kept secret, there will be every

opportunity for suspicion in the public mind that the principles of the law are not being carried out fairly and impartially. That suspicion will be aroused in the public mind even though there may be the utmost impartiality and the greatest possible fairness. There is nothing like publicity to remove a misapprehension, the extent of which may be very great. Publication in the Canada Gazette would not cost the country anything, because the country owns the Canada Gazette, and it would be the mere expense of setting up the type and perhaps a little extra cost for paper. I would suggest this amendment most earnestly for the consideration of the Government. It will be time enough to determine whether I should move it when the Solicitor General has favoured us with his views in regard to the question.

Mr. MEIGHEN: On the general principle of the wisdom of publicity with a view to establishing in the public mind a conviction that the tribunals are acting fairly, I have no disagreement with my hon. friend from St. John (Mr. Pugsley). With that end in view the Bill was framed so that the amplest provision might be made for such publicity as would be necessary. But the amendment is to the effect that the tribunals should be enjoined to publish in the Canada Gazette once a week a list of all applications dealt with, a list of the reasons in support of the applications, and a list of the reasons for the decisions of the tribunals.

Mr. PUGSLEY: A summary.

Mr. MEIGHEN: A summary. Between the ages of 20 and 35, which are the limits of the first class, there must be hundreds of thousands of young men in Canada. I cannot give the numbers, but they must run into several hundred thousand.

Only 100,000 are to be enrolled under this Bill as reinforcements and consequently there will be hundreds of thousands who will be exempted. If the Canada Gazette were to be burdened with the names of all applicants and summaries of their grounds of application and the reasons for the decision in each case, I fear that, with the present price of news print, a serious expense would be imposed upon the country, to say nothing else. Of course if it should be decided later that publicity should be given to individual applications, that could still be done, and done in the locality in which the application was made, which would be virtually the only locality interested. The Canada Gazette, on the other hand, would carry the details of each case all over Canada, and in most districts they would have no meaning. Regulations may be made at the instance of the central appeal judge, and under the regulations to be made by the Governor in Council under section 12 of the Act this matter may be fully dealt with. We cannot well provide here the limits of publicity for each application. There might be cases, as of physical infirmity, where it would be a gross injustice to publish the reasons, of a personal and private character, that would rightly prevent a man from going.

Mr. PUGSLEY: I mentioned the Canada Gazette because I thought if we left the publication to local newspapers a large expenditure in the way of patronage might be involved.

Sir WILFRID LAURIER: I am sorry that my hon. friend did not see fit to accept the suggestion. The argument of the hon. member for St. John seemed to me conclusive, that publicity is the best guarantee we can have of the fairness of the application of this law. I still hope that my hon. friend will think well before finally rejecting it.

Mr. MEIGHEN: I do think well of the idea of publicity, but I think the right hon. gentleman will see that we could not enjoin publicity of each individual application and the reasons in support of it or against it. It is expected that all tribunals will hold their meetings in public except in such cases as a court would hear in camera, and that, of course, will give a great deal of local publicity.

Sir WILFRID LAURIER: There is some force in the objection that there may be cases in which it would be not only invidious but unjust to the individual that there should be publicity. But the law is always applied with some common sense, and in a case of that kind what publicity was given would be so arranged as not to cause injury to the individual. If the degree of publicity is left to regulations, that is uncertain, but if it is inserted in the statute it is certain.

Mr. MEIGHEN: Under regulations a much better and cheaper method may be worked out than we could devise here. The same argument can be made against leaving anything to regulations as against leaving this. We have left as little as possible to regulations, much less than is left in the Militia Act; and what is left seems can be

done better by regulation than in this House.

Mr. PUGSLEY: The matter having been drawn to the attention of the minister, I am content to withdraw the motion.

Sir WILFRID LAURIER: I wish to suggest an amendment, to section 6, which I think the minister will accept. It deals with the constitution of the local tribunals. I would move it after subsection 5. The section provides for the organization of the tribunals. They are to be created in different manners according to provinces, and then certain duties are imposed on them by sections 4 and 5. Section 4 says:

> The names and addresses of all persons appointed on a local tribunal shall, as may be provided by regulations, be communicated to the minister.
>
> (b) The minister may by telegraph or otherwise appoint one or both members, as the case may be, of any local tribunal, if he has not received, within such period before the tribunal is to sit as may be fixed by regulation, the names and addresses of members duly appointed,
>
> (c) A vacancy occurring shall be filled by the authority who appointed the member vacating, and if not so filled or if communication of same as aforesaid has not been received by the minister within such period as may be fixed by regulation, the minister may fill such vacancy.
>
> (5) Any person duly appointed a member of a local tribunal shall, unless relieved in writing by the authority appointing him, perform his duties as such member, and any person who without reasonable excuse fails so to do shall be guilty of an offence and liable on summary conviction to a penalty not exceeding five hundred dollars.

Mr. MEIGHEN: That has been amended.

Sir WILFRID LAURIER: I would have preferred that the members of the local tribunals should be judges, but the Government have thought otherwise. The Bill provides that laymen may be appointed to the tribunals, as well as judges. I have here an amendment which I hope the Government will accept. It is as follows:

> Every member of a local tribunal unless he is the judge of a court shall before entering upon his duties make oath before a judge that he will faithfully and impartially perform his duties under this Act. That oath may be taken before a judge of any court of record or commissioner appointed to receive affidavits or a justice of the peace.

The judge, of course, would be bound by his oath of office, but under the Bill the layman is not compelled to take an oath at all. My hon. friend knows that very wide discretionary powers are vested in the tribunals. They have to use their best judgment as to whether this or that man can better serve the country in his usual vocation at home, or fighting at the front. An unusual degree of latitude is allowed, and it seems to me that if we bound the members of the tribunals by oath it would simply be a further guarantee of impartiality and fairness. If my hon. friend agrees to this, I will move accordingly.

Mr. MEIGHEN: The proposal of the leader of the Opposition meets with no objection at all from me. I thought of that point before, but I apprehended a little difficulty in compelling a member of the tribunal to take an oath. But we are here compelling him to act, and I think we might compel him to take an oath that he will act fairly. The question seemed to me to be surrounded with some difficulty but I do not think the difficulty is insuperable. If he is compelled to act, he is compellable to take an oath or such other affirmation as is consistent with his beliefs. I think well of the suggestion of my right hon. friend. I would suggest that the committee reconsider the clause on the motion of the leader of the Opposition, and that I be given an opportunity to look over the drafting so as to make it parallel with the drafting of the other clauses of the Act.

Mr. McKENZIE: It will be noticed that subsection 4 of section 4, and subsections 1, 2 and 3 of section 16, create criminal offences which are triable by a tribunal or by a court having criminal jurisdiction. In the preceding paragraphs of the section it is held out that those committing any of these offences have the right of appeal. I submit that subsection 6 of section 5 takes away any such right, because it says in effect that you cannot get away from any of the tribunals. I do not think that was the intention of the Government.

Mr. MEIGHEN: It is not the intention at all. I fully understand the argument of my hon. friend. He argues that as subsection 6 of section 5 prevents habeas corpus and prevents the review of any proceedings of a tribunal, consequently any tribunal which tries a man who fails to report for duty, even though it is an ordinary court of justice, is protected and its proceedings restrained from review. I do not take that view, for this reason. Section 6 is the section that establishes tribunals. It establishes first local tribunals, then appeal tribunals—that is, a Central Appeal Judge. Then it proceeds, "Any tribunal may hear evidence," and so on, and the Governor in Council may make

regulations as to how these tribunals shall act. Then it says that any tribunal may have such procedure as it may determine for itself, if not otherwise governed by regulation. Then it says that no member of any tribunal shall be responsible, and then that no proceeding authorized or pending before any tribunal shall be restrained, etc.

I submit to the committee—at all events, it is very strongly my own view—that "any tribunal" means any tribunal covered by the section, just as "any tribunal" in subsection 2 means any tribunal in the section, and just as "any tribunal" referred to in subsection 3 means any tribunal in the section. The word "tribunal" consequently cannot be interpreted in clause 6 as being any wider than the tribunal in clause 2. They are all in the same section. That is the intent, and that is the law. If there is any chance, however, of it being wide enough to include a court of justice the Bill will be amended to meet the view of hon. members. I will give the point further consideration before eight o'clock.

Mr. McKENZIE: I wish particularly to draw the Prime Minister's attention to this matter, because I think it can clearly be argued that the word covers any tribunals.

Sir ROBERT BORDEN: I disagree entirely. I do not think the word "tribunal" has any special legal meaning as used in this Bill. You could not have the word "tribunal" meaning one thing in the first five subsections, and meaning something more in the last subsection; that would be contrary to all principles of interpretation that I am familiar with, and therefore I would not imagine, although I suppose members of our profession can argue almost anything, that any court will give it that interpretation.

Mr. McKENZIE: All I say is that a county court is a tribunal; a magistrate's court is a tribunal. I think we are making it unnecessarily fine when we ask the judges before whom these cases come to say: this is a tribunal, or this is not a tribunal.

Sir ROBERT BORDEN: If you take the word "tribunal" in its widest sense, you might say that the Parliament of Canada is a tribunal or that the Board of Railway Commissioners is a tribunal. I am speaking of the legal interpretation of the word. I do not imagine that this section can be interpreted in any other way than the Solicitor General has suggested. However, we will give it consideration.

Mr. McKENZIE: If the provision is confined to that section, it is all right, but it may be considered as having general application to the whole Act. That is what I would like to have made clear.

Mr. MARCIL: Is there any provision in the Act, aside from publication in the Canada Gazette, for returns being made or information being submitted as to what has been done under the Act?

Sir ROBERT BORDEN: There is no special provision for it in the Act, but the ministers responsible for the administration of the Act—and, indeed, the Government generally—would naturally give to Parliament in the ordinary administration of public affairs all information on the subject that would be available and desirable.

Mr. LEMIEUX: May I ask the right hon. gentleman that the Minister of Finance, who is back from Washington, be made acquainted with the subject of our conversation across the Table this afternoon concerning the insurance feature of this Conscription Bill?

Sir ROBERT BORDEN: My hon. friend has taken up so much of my attention this afternoon that I have had no opportunity of speaking to the Minister of Finance.

Mr. LEMIEUX: I would ask him, before we dispose of the third reading, to ask the Minister of Finance whether he has considered some legislation along this line. I assure my hon. friend that the matter is engaging the attention of many young men who are liable to be called. If the Minister of Finance has in contemplation some legislation along this line, it might facilitate considerably the administration of the present Bill.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock.

Mr. BURNHAM: Before this Bill goes out of committee, I should like to say a word on an entirely non-controversial subject. One of the abuses, if I may call it so, of the whole military system in Canada, and one which has brought most unmerited punishment upon the Administration, is the case of a man who attests at a different age from his real age. That has been a favourite trick. Men have said that they were of a certain age, and since the Army Act does not provide that swearing to a false age is perjury, but provides the oppo-

site, they escape punishment. The consequence is that many of those men referred to by hon. gentlemen opposite, who landed in England performed various functions there and then returned or were rejected, got there solely because they said they were forty-four years of age when they were really fifty-four; and when they were ready to return, they said that they were fifty-four, and were returned accordingly. There are officers who are beyond military age and who know it. They were not rejected, and at any rate before 1917, they had in many cases good grounds for supposing that they could get to the front because the case of officers is somewhat different from that of men.

Mr. OLIVER: What is the age limit for officers?

Mr. BURNHAM: I am not aware that it is different from that for the men. In many cases it has happened that officers, well up, good men in good health, have got away to the front and have done nobly. Their eagerness has excused their age. Other officers, whether non-combatants or otherwise, who have been most willing and determined to go to the front, did not get to the front because of being beyond military age. Other officers again, who did not want to go to the front, did not get to the front, but remained in Canada, and those men are occupying preferential positions to which they are not entitled. I am prepared to excuse, and I am sure all hon. members will excuse, the Administration in this regard, because no remedy is provided. I am bringing the subject up in order that this House which, so far as I am aware, is the only authority which can provide a remedy may provide one. This means more or less the adoption of an amendment to the Army Act which, as hon. members are aware, is adopted every year by Parliament in order to incorporate it in the law, since no longer is there a standing army in England or in the British Empire. The condition of affairs I have described has caused great and perennial scandal. Here are men and officers who know full well they will not be available, but they are occupying positions, whether as non-commissioned officers or as commissioned officers, drawing good fat pay which they could not get in other callings and blocking the way so that other men cannot rise to those positions. There are numerous cases of men who should be brought back from the front and put into those positions that are occupied by men in Canada who are not entitled to them, and who know full well they are not entitled to them. They may be high up, but they do not intend to go to the front. They will plead their age just as soon as it suits them and as soon as they require a stop-gap, but in the meantime they are floating about, and they are doing this country and this Government a great wrong. I have many times thought of bringing up this subject, and I hoped some one else would bring it up in the House; but since this military legislation is about to pass, I do not think it would be excusable longer to delay in bringing this matter to the attention of the House; nor do I think it would be excusable, after this legislation has passed, to bring it up again. Nothing is so much antagonizing the young men of the community and, indeed, the people generally, as seeing those men taking pet positions who have no intention of going to the front. I beg the Government to put a stop to this condition of affairs in the interest of recruiting and of the country.

Mr. MEIGHEN: I think the motion passed to reconsider section 6. That being the case, I am pleased to accept the amendment moved by the leader of the Opposition (Sir Wilfrid Laurier), I have worded it slightly differently, and perhaps it would be better if I made a motion amending the section. I, therefore, beg to move:

That the following be inserted as clause (5) of section 6, and that the present clauses (5) and (6) be numbered (6) and (7) respectively:—

(5) Each member of a local tribunal shall unless he be a judge make oath or affirmation that he will faithfully and impartially perform his duties as such member. Such oath or affirmation may be made before a judge, a justice of the peace, a commissioner for taking affidavits or before such other person as in any special case the minister may direct.

There is no change at all except in the last part of the sentence. It has occurred to me that there may be remote places where it would be a great inconvenience to compel the parties to travel to any of the officials named, and consequently, it was felt better that the minister in such case might direct some one else, such as the mayor or reeve of the town or village, to administer the oath. In this regard I may direct the attention of the committee to section 12 which provides that the Governor in Council may by regulation prescribe forms for the keeping of records. Consequently, it will doubtless be provided by regulation that a definite form will be sent to each tribunal, and also that a record of the oaths so made shall be kept.

Amendment agreed to.

Section 6 as amended agreed to.

Mr. OLIVER: I desire to draw the attention of the House to section 16, as I propose offering certain amendments thereto for which I think there are very good reasons. This section provides penalties for interference with the work under the Act. Subsection 3 says that any newspaper, book, periodical, pamphlet, or printed publication containing matter prohibited by subsection 2 may be summarily suppressed. A newspaper, which is a business organization, and which involves a large investment of capital in many cases, is in a very different position from a book or pamphlet. The suppression of a book or pamphlet because of its containing objectionable matter merely destroys the investment made in the production of the book or pamphlet, but the suppression of a newspaper or periodical amounts to the confiscation of the established business of that newspaper or periodical. I submit the conditions are so different between the newspaper and the book that they should not be placed in the same category as to suppression. While I do not think there is good or sufficient reason for the presence of this provision in the Act, still as the Government in its wisdom has decided to include it, I suggest as an amendment that instead of the business of the newspaper being summarily confiscated by suppression because it has been found to contain objectionable matter, the single issue of the newspaper or the periodical containing the objectionable matter might fairly be placed on the same level as a book or pamphlet, and the single issue of the newspaper or periodical might be suppressed summarily, as is provided in the section. The newspaper property should not be destroyed until after the owners have been given fair opportunity to argue their case and to bring whatever evidence they may see fit in support of their position, or in protection of their interests, just the same as any citizen is entitled to do in the protection of his personal liberty against the provisions of this section.

I move, seconded by Mr. Graham, that section No. 16 be reconsidered.

Motion agreed to.

Mr. OLIVER: I move, seconded by Mr. Graham:

That section 16 be amended by striking out subsection 3 and substituting the following: "Any issue, edition, or number of any newspaper, periodical, book, pamphlet or printed publication containing matter prohibited by subsection 2 of this section, may be summarily suppressed, and further printing or publication of the said matter in any future issue of any newspaper, periodical, book, pamphlet, or printed publication, may be prohibited for any term not exceeding the duration of the present war, provided no action shall be taken under this subsection or under subsection 2 of this section without the approval of the Central Appeal Judge.

That replaces subsection 3 as it stands now, and provides only for the suppression of the single edition or issue of the paper or periodical. Then I would add, as subsection 4:

Any newspaper or periodical containing matter prohibited by subsection 2 of this section shall be deemed to be a person within the meaning of said subsection 2, and shall be guilty of an offence and shall be liable upon indictment before a Superior Court of the province in which the newspaper or periodical is published to be summarily suppressed by order of the presiding judge, and further printing and publication thereof may by such judge be prohibited for any term not exceeding the duration of the present war; provided that the editor, manager, or such other person as may be so designated by the owner or owners thereof shall be deemed by the judge to represent in person such newspaper or periodical in any proceedings that may be taken under this subsection.

Mr. MEIGHEN: I am sorry my hon. friend (Mr. Oliver) did not give me notice of so important an amendment as this—an amendment involving consideration line by line. Subject to my inability to grasp the full effect of the amendment exactly, arising the moment he sits down, I would say that the amendment to clause 3 provides only for the suppression of the single issue which contains matter prescribed by the previous clause. I cannot see any value at all in the suppression of an issue of a newspaper after the contents of that newspaper have reached the Central Appeal Judge, because when the contents have reached the Central Appeal Judge and he has been able to come to a decision, the matter has reached everybody else in the country, and all the harm is done, and the newspaper would not care a fig whether you suppressed that issue or not. Under this amendment one might suppress until one was tired, and it would not do any good.

Then the amendment provides that the same matter which was objectionable in one issue must not be published in a future issue. I should not think it would be. Newspapers do not publish the same thing over and over again.

Mr. GRAHAM: Sometimes they do.

Mr. OLIVER: May I suggest that this relates to the publication of the objectionable matter by any other newspaper.

Mr. MEIGHEN: But, that is forbidden anyway. What is the good of forbidding it

over again. Previous sections forbid the publication of the objectionable matter even by the first newspaper. Consequently, it is forbidden to the second newspaper or the third. It is repeating what the Act says before. It provides that the same matter shall not be published by any other newspaper or by the first offending newspaper. As far as it affects the other newspapers, such forbidden matter is already forbidden, and more language is merely surplusage. In so far as it affects the first offending newspaper, there would be no object in publishing the same thing over again. They would change the verbiage, but the effect would be the same, and they would pursue their course unmolested. As soon as their newspaper gets into the hands of their readers it is like snow in May, it is gone, the work is done, and suppression after the first offence is a purely futile punishment.

Now, as to clause 4; it says that once a newspaper commits this offence and publishes this objectionable matter, that newspaper is subject to prosecution just as a person is subject to prosecution under the previous section, and is liable to such punishment as befits a corporation or company. If the first clause were to remain, and if we were to adopt the futile methods which that clause prescribed, the second might be of some value rather than having nothing at all. But, inasmuch as in my judgment the first clause cannot remain, and we must retain the power of suppression or retain no effective power at all, then, of course, the fourth clause is of no value. So long as we have the power of suppression, there is no value in proceeding against the newspaper publishers as a company or as a newspaper. The power of suppression is quite sufficient. We have to retain that power of suppression or we have no power that is of any value for such a purpose at all. Let me draw attention to this fact: right up to this date, and ever since the war began, or since shortly after the war began, we as a Government have been empowered under the War Measures Act to take the proceedings which we ask to be authorized to take in this particular case. Under the War Measures Act, we have been authorized by Parliament to do that all along. Acting under the authority of the War Measures Act, we have passed an Order in Council that enables a minister of the Crown, that enables the chief censor, on the authority of the Secretary of State and the Minister of Justice, to suppress a newspaper which contains matter in violation of that particular Order in Council. We have had that power all along, and we have had it unrestrained by any provision requiring us to obtain the approval of any central appeal judge or of a judge at all. Parliament felt at the opening of the war that that trial was necessary, and gave it to the Governor in Council. The Governor in Council passed an Order in Council enabling the Minister of Justice and the Secretary of State to do this. Up to the present day no one has unjustly suffered and there has been no restraint. Unless we proceed by suppression we cannot proceed effectively because if we must proceed through the courts, a newspaper might conduct its objectionable campaign until the whole purpose of the Act, in so far as it was in its power, was defeated. Then, perhaps, we might get a decision of the court. It is an ineffective remedy as applied to this particular violation of law. If we are going to suppress this particular violation of law the remedy must fit the offence. It will, of course, be exercised most sparingly. Any power exercised under the Order in Council up to this date a regards these matters has been exercised very sparingly, every hon. gentleman will admit. The power will be exercised under the most definite restraint that a judge of the Supreme Court must first approve of its exercise, and I think Parliament may rely upon it, and it does rely upon it, that no judge of the Supreme Court will harshly, hastily or without sufficient reason, suppress any newspaper in this country and thus bring great loss upon its owners. I think the protections are sufficient. Experience has shown they are sufficient, and the essential features of the case show that the power is necessary.

Mr. GRAHAM: People always feel more secure if they have in their defence a statute rather than the protection of even an honest and painstaking Government. If they have a law on the statute book which says they are protected by certain action that must be taken, they feel a little more secure even if taking of the action is altogether left to the discretion of the Government.

Sir ROBERT BORDEN: It is not left in this case

Mr. GRAHAM: My hon. friend the Solicitor General points out that to suppress the issue of a newspaper would be no punishment, as the harm had been done. That is very true in a large measure, but the

same argument applies in a certain degree to the suppression of a book.

Mr. MEIGHEN: A book is a more permanent form of literature.

Sir ROBERT BORDEN: The difference is very plain. The newspaper is read every day and the reading of a book may extend over months or years.

Mr. GRAHAM: I said in a certain degree. The contents of the book are not known until the book is circulated quite freely. The suppression of the book does not recall the harm that is done; it only provides against the harm being continued in the future. As far as the suppression of a book is concerned, in the first instance, no good accrues because the damage has been done, just as in the case of the newspaper in a measure. My hon. friend from Edmonton (Mr. Oliver) yesterday called attention to a certain book that had been suppressed. Every member of this House had a copy in his possession. As far as influencing members of Parliament is concerned, that seems to have been one of the objects, the harm had been done and the suppression of the book did not cure that harm. As far as the issue of this book was concerned, the suppression was no punishment at all to the publishers. May I make the practical suggestion to the Solicitor General that in case a paper offends the issue offending be suppressed, and if the paper offends again between the time of the publication of its issue and the time of the trial before the judge, the censor would have the power of suppressing the paper altogether. That would be a medium course to take and the cause of the war would not have been prejudiced, because between the time of the publication of the first issue and the trial by the judge, this paper would be precluded altogether from publishing anything else of the same nature. I make that suggestion to the Solicitor General as a way out of the difficulty with full protection, I believe, to all parties. It is a little stringent to say that the goodwill in the entire business may be confiscated for the mistake of some individual on the staff, perhaps without the knowledge of the proprietor at all. It does seem a little harsh that the censor should have the arbitrary power to confiscate all the property.

Suppose that a farmer or any other citizen issued a seditious circular or made a seditious speech, would he not think it harsh that the censor should have the right not only to punish him for the speech but to confiscate his farm or other property as well? All the property the newspaper publisher has—and the great majority have not full equity in that—is found in his newspaper plant, and under this Act he can be punished individually for what he says in his paper, and his entire property can be confiscated. Great offences require drastic remedies I admit, but in this case I think it is not unfair to say that suppression should not take place until the newspaper and the proprietor of that newspaper have had an opportunity to have a trial before a judge to see whether the matter complained of is seditious or not. The suggestion I make to the Solicitor General is, I think, not unreasonable, that the issue in which the seditious matter is found shall be suppressed and the newspaper restrained from publishing any seditious matter between the time of the first publication and the time of the trial before the judge. It strikes me that every interest would be protected if that could be done.

Mr. MEIGHEN: The suggestion of the hon. member is not at all open to the same objection as the former one. At the same time, it would hardly be an improvement. It really amounts to this, that the first offence goes unpunished, and only after a second can punishment be imposed. There is no such thing as suppressing an individual issue of a newspaper.

Mr. GRAHAM: My hon. friend says it goes unpunished. But if it is proved before the trial judge that the article did properly come under the ban, the law takes its course.

Mr. MEIGHEN: That future punishment remains under the Bill. But, in so far as effective action is concerned, it goes unpunished, because suppression is purely nominal as applied to a single issue. You simply cannot suppress a single issue. There would arise cases where it would be proper to warn a newspaper, and I do not think there has been one case where a newspaper has been proceeded against without previous warning. Often there have been repeated warnings, and that will undoubtedly continue to be the practice. It is quite conceivable that a case might arise of brazen, flagrant defiance of the whole Military Service Act, when the punishment provided in the Act should be properly applied. It would not be applied except in such cases. I do not think it is fair to ask that the hands of the Government be tied in this regard, and that the

paper should be permitted to flagrantly, openly and defiantly declare its intention of violating this Act consistently, the Government's only power being to say: Well, you have done it now, we invite you to do it once more. The amendment would leave the Government practically helpless in the face of such a situation.

Mr. GRAHAM: My hon. friend forgets his old friend "sub judice" in this matter.

Sir ROBERT BORDEN: No, we have the judex there.

Mr. OLIVER: It makes a good deal of difference when you are out shooting which end of the gun you are at, and I have no doubt that my hon. friend the Solicitor General feels much more comfortable at his end of the gun than I do at mine; so he will perhaps excuse me if I express my sentiments from my point of view. As with many other newspaper men, everything we have in the world is in our newspaper, and it is not the plant that is of serious value, it is the good-will that is of most material value. A newspaper is in one respect like a member of the animal kingdom—as soon as its circulation stops it dies. The stoppage of the publication of a paper amounts to confiscation of the property, and I cannot see, as a newspaper man, any good reason why my property should be put any more in danger than that of any other man, or why the newspaper business should be considered so exceptionally dangerous to constituted authority that rights which are elementary and universal as applied to every other human activity and interest should be withdrawn from the newspaper. If it is true that there has been no exercise of that very great authority vested in the Secretary of State by the present stringent and drastic censorship regulations, and therefore the Government is entitled to credit for its careful exercise of this authority, may I suggest that on the other hand the newspapers, speaking of them as a whole, have been just as careful to conduct their part of the public service with due regard to the public interest in time of war. Except in one or two flagrant instances, I think that it must be accepted that the press of Canada have accepted in good spirit and in good faith all the regulations and instructions issued by the censorship, although I am bound to say, speaking as a member of the press, that for some of those regulations and instructions I could see no good and sufficient reason.

I think there is nothing in the history of the press of Canada to give cause for making it subject to a law which deprives it of the most elementary rights of citizenship, and treats it as though it were some objectionable institution which was dangerous to the welfare of the State. My hon. friend has made the suggestion that a newspaper which flagrantly defies the law should be suppressed. Surely there is nothing in the amendment I have offered to the House that would suggest the contrary. I am admitting the right of the Government to exercise its authority to suppress for well defined and established reasons, but I am protesting with all the strength I have against this position being assumed; that my property is absolutely subject to destruction by the Government without proof or evidence of offence on my part, and without the possibility of defence on my part. If this law is put into force my newspaper may be suppressed and my property confiscated although I have committed no offence against the law. I cannot admit that in this country of Canada there is any condition or any probability of any condition that would warrant a law being placed on the statute-book that would put that power in the hands of a party Government to be exercised against their party opponents; that is the position.

I do not wish to go over the ground that I traversed on a former occasion here, but there is just one point I wish to emphasize. This Bill does not deal with offences against the State. It does not deal with treason, sedition, or giving information to the enemy. It deals and deals only with an offence against a law passed as a partisan measure by a partisan Government; and to give such a Government the power of destruction over their partisan opponents in the enforcement of such a law is to my mind by all means the greatest derogation from the liberties of the subject that has been perpetrated in this or any other country, so far as I know, up to the present time. I maintain again that there is nothing and has been nothing in the conduct of the press of Canada, as a whole, that warrants any such steps being taken.

As a matter of fact, this Bill was introduced into the House and received its second reading without containing these provisions depriving the subject of his liberty and of the right of free speech. It was only after the Bill had received its second reading that these provisions were inserted, and they were in such form and of such character that they were withdrawn and other provisions, certainly more under-

standable, inserted in their place, and it is with these provisions that I am dealing.

We are told that the Government may be trusted to exercise this terrible authority in the public interest alone. I took the liberty of bringing to the attention of the House yesterday an instance of the exercise of the authority vested in this Government under the War Measures Act, through the regulations regarding censorship. I showed that a pamphlet printed and published in England had been suppressed by order of the censor, and under the Order in Council and under the proclamation every man who holds a copy of that pamphlet renders himself liable to a fine of $5,000, or imprisonment, or both. What is the offence for which this pamphlet is placed under the ban? Is there treason within its covers? Is it an attack upon the welfare of the State? Sir, it is the most powerful arraignment of the liquor traffic of Great Britain that I believe has ever appeared in the English language or any other language in any country at any time, and because that traffic has more friends than have the people of this country this pamphlet has been placed under the ban, and the authority of the censorship established, under the War Measures Act has been invoked for the purpose of preventing its circulation in this supposedly free country of Canada. And it is this Government that asks the newspaper press of this country to accede to a law that deprives them of the right of defence when accused, deprives them of the right even of hearing the accusation against them, and makes them subject to summary suppression at the hands of the Government.

I recall that it was my hon. friend the Solicitor General who brought in provisions to incarcerate a free citizen of this country in the tower of the Parliament buildings. I recall that it was my hon. friend the Solicitor General who introduced the closure into Parliament, and I direct the attention of the country to the fact that it is the Solicitor General who makes himself sponsor for this provision under which he and his colleagues during the election that is about to take place can hold out the threat of suppression against every newspaper in Canada and make the threat good. I recall that in Manitoba in the year 1912, under the administration of the law as it prevailed in that province, men were thrown into jail without a charge, and, after being held there through the election, were released without trial. I recall that when that question was raised in this House, every man on the other side, from the Prime Minister down, voted in justification of that action.

Sir ROBERT BORDEN: What action is my hon. friend talking about?

Mr. OLIVER: I am speaking about the maladministration of justice during the Macdonald election in Manitoba in the year 1912.

Mr. MORPHY: May I ask the name of the man who was put in jail?

An hon. MEMBER: Wagner.

Mr. MORPHY: Sullivan, was it not?

Mr. OLIVER: I do not recall the name. Perhaps it was Sullivan; I do not remember. I do know, however, that three men were put in jail under those circumstances, and my hon. friend stood up in his place and justified by his vote that maladministration of justice; that deprivation of the liberty of the subject. On the eve of a general election, I shall be excused if I recall these events and assert that this provision was put in this Bill, after the second reading, with a view to the forthcoming general election and for the purpose of gagging the press of this country.

Mr. MEIGHEN: Perhaps I should apologize to the committee for daring, after so long a series of crimes against the liberty of the people, to rise to speak before a free Parliament. I am depicted by the member for Edmonton (Mr. Oliver) as author of the incarceration of one Miller, who, against the law of the land, refused to answer questions respecting his conduct as a beneficiary of the moneys of this country and took the punishment which the law of the land entailed. I am not the author of the provisions under which he received that punishment. They are older than myself, older than the hon. member for Edmonton, as old as the British constitution. I trust that they will be in full force and buoyancy when both of us shall have passed from the earth.

Mr. OLIVER: That is a good Tory wish.

Mr. MEIGHEN: I had something to do with, though I did not introduce, the closure resolution to which the hon. member refers. I took some small part in the debate, and my memory is green enough to enable me to recall some of the incidents that took place during that debate. I remember that the member for Edmonton was, perhaps, the loudest among many in

proclaiming to what he thought was an outraged country that Parliament was to be throttled; that free discussion was to be murdered; that he spoke then for the last time in a free Canadian Parliament. He could not have brought to the committee a better illustration to make plain to every one the folly of his own predictions now. Let him reflect for a moment on the prognostications that he made four years ago when the closure resolution was introduced. Free discussion was to be a thing of the past. Parliament was to be gagged just as he says now the press is to be gagged. Hon. members could no longer feel the freedom that they had felt before; he looked forward to a time when he would not be allowed to stand in this House and discuss the subjects of the day as he had done in days gone by. The member for Edmonton himself is the very best of many illustrations of the folly and the failure of his own prognostications.

In this legislation we are not departing from any British principle that I ever heard tell of. It is not departing from British principle to say that if a man disobeys the law he shall then and there 9 p.m. be forbidden to disobey again, and if necessary prevented by physical restraint from disobeying. That is the law of the land, imbedded in almost every criminal statute. If a man runs amuck and commits murder he is not told to go ahead and commit murder until the first offence is brought before a tribunal and he is tried for it. No; he is taken in hand by the physical arm of the law and he is put behind bars, where he can no more commit what he has committed. There he awaits his trial, long before he is proved guilty. The same holds true of every offence that a man may commit.

Mr. PUGSLEY: But he is not punished until he is tried.

Mr. MEIGHEN: Yes, he is punished before he is tried, by the punishment of restraint.

Mr. PUGSLEY: But you propose to take authority to suppress a newspaper, without notice and without trial.

Mr. MEIGHEN: A newspaper is suppressed because that is the only restraint which forbids its committing the offence again. Why is a man incarcerated the moment it is found that he has committed murder or theft? Because if he is not incarcerated he will likely go on in the same way, pending his trial. The same principle applies here.

If a man commits murder, the principle advocated by the member for South Renfrew (Mr. Graham) does not apply. He is not quietly told: For a few minutes we will not let you run at large, but after that, it is all over; we say to you, however, that if you commit murder again, you will be brought to trial. For gross offences of this kind, liable to repetition, the law of every civilized country has deemed it necessary to put the physical arm upon the offender at once and to see to it that he cannot commit the offence again.

This is not a partisan measure; if it were, the amendment introduced by the member for Shefford (Mr. Boivin) would not be attached to the end of this clause. That provision forbids this Government to lay its hand on a single newspaper unless its action is first approved by a judge of the highest court in the land—a judge elevated to his position by the member for Edmonton himself, in association with his colleagues. Would such an amendment have been accepted if this were a mere partisan measure? If the course of the Government in respect to newspapers were dominated by party considerations, would the newspapers have rendered to the Government every co-operation in the carrying out of the censorship regulations? I admit that the member for Edmonton is right in that regard. The newspapers of Canada, with very few and relatively insignificant exceptions, have most faithfully and actively co-operated with the censorship authorities and have rendered the Government of Canada almost universal assistance in all matters pertaining to this war.

Would that have been the case if the regulations had been administered in a partisan spirit? I appeal to the hon. member for Edmonton (Mr. Oliver), who is the publisher of a newspaper: has his newspaper been interfered with? For almost three yeaers we have had the power to suppress the Bulletin of Edmonton at any time we believed that it exceeded the restrictions of the Order in Council passed in accordance with the War Measures Act. We were not restrained by the opinion of any judge of the Supreme Court of Canada; the matter was solely in the hands of the Governor in Council. The hon. member's newspaper has never had its peace or quietness disturbed for an hour since the war began, and I can assure him here and now in so far as the Bulletin is concerned, that while for all those months

up to a very recent date it has been supporting conscription we have never interfered with it, so from that time on, while it just as vigorously opposes conscription, the same spirit will animate and control us. And the principles that have governed us in relation to the Bulletin of Edmonton will govern us in regard to all the other newspapers of Canada. I do not think he shows becoming respect for the distinguished members of the Supreme Court when he says that they will give their approval to such exercise of the powers vested in the Governor in Council by these regulations as would be dictated by partisan considerations and against the interest of the State.

Mr. OLIVER: I have very great respect for the judges of the Supreme Court, but a judge of the Supreme Court does not give judgment against me on the most trivial offence or in the most trivial case without my having an opportunity of stating my case or of having it stated for me before him; but under this measure a judge of the Supreme Court will render his decision on a statute made by the Government or its friends without my having any opportunity of stating my case.

Mr. MEIGHEN: Why does the hon. member say that?

Mr. OLIVER: Where does the Bill say that a judge of the Supreme Court will give me such an opportunity?

Mr. MEIGHEN: He certainly will in any first case.

Mr. OLIVER: There is no provision whatever for his doing so. It is not contemplated in the Bill that there shall be any such notice or any such opportunity, and every argument that my hon. friend has made here within the last hour indicates that there is no such intention. This, he says, has to be an exercise of authority on the instant, or there can be no sufficient protection of the public interest. I maintain that there is no such condition as requires my being deprived of the most elementary right of a citizen in dealing with a judge of the Supreme Court.

Sir ROBERT BORDEN: If my hon. friend were a judge of the Supreme Court, would he render a decision without giving the newspaper proprietor an opportunity of stating his case?

Mr. OLIVER: I would not.

Sir ROBERT BORDEN: Then why does he imagine that any judge of the Supreme Court would do so?

Mr. OLIVER: Because a judge of the Supreme Court is given a statute—

Sir ROBERT BORDEN: So would my hon. friend.

Mr. OLIVER: But a judge of the Supreme Court is given a set statute in which there is no provision for, nor any suggestion of, any right of representation by the newspaper, and therefore he would be in duty bound to act upon the recommendation made to him by the Secretary of State or by the Government or by its agents. There is no provision in the Bill for calling in the newspaper proprietor to make a defence. It would be absurd to suppose that a judge of the Supreme Court would go so far outside of the provisions and the evident intent of the statute, no matter how just he might think it would be to do so. My hon. friend made much of the fact that criminals were not allowed to run at large; that when an offence was committed the criminal was at once seized and prevented from committing the same offence again. My hon. friend's suggestion in regard to the administration of the law reminds me of the Englishman who was frequently called on a jury, and he was asked how, in his large experience, he made up his mind as to the verdict he would give. "Well," he said, "I looks him over, and I says to myself: If he did not do it, why is he there?" So my hon. friend places before the House the suggestion that the procedure with criminals is to punish them whether there is a trial or not. I should think that in the profession he follows, he would recall that there are such things as trials; that there is such a thing as a prisoner being allowed out on bail; that there is such a thing as a jury of twelve men standing between the law and the criminal before the law can be enforced; and that the incarceration of a suspected man in jail is not the same as the suspension of a newspaper. The parallel case would be, just as my hon. friend sketched it to the House—that the prisoner was executed, and then a trial was held. He proposes that the newspaper shall be destroyed, and then—well, that is all there is to it. The newspaper will then be out of the Government's way.

Some hon. MEMBERS: Carried.

Mr. PUGSLEY: Not for a few minutes. I will not detain the committee long. There is a vital objection to this section in that it provides that summary action will be taken and a newspaper may be suppressed without any notice to the proprietor. It is not enough for the minister to say

that any judge having common sense would give notice. There is no provision for notice being given. There is nothing in the section which would indicate to the judge for a single moment that it was the intention of Parliament that notice should be given. If this section passes in its present form, it indicates the clear intention of Parliament that the proceedings should be ex parte, and that the judge should act in an ex parte manner without the proprietor of the newspaper having any opportunity of being heard. That is contrary to the most elementary principles of justice; it is allied with what this Government have asked Parliament to do when they have taken away the sacred right of habeas corpus, a right which was wrested from the authorities by the British people over three hundred years ago and which has existed in every British country since then. If the ministers had given any thought to this question, they would have provided that before this summary action should be taken the proprietor of the newspaper man should have notice, should be summoned before the judge, and should be given an opportunity of stating his objection to the action being taken. It might be that he could show that the article complained of did not bear the meaning attributed to it by the authorities. He might be able to show that the article complained of was published without his authority, without his knowing anything about it, or during his absence. Surely this law ought to provide that he should have an opportunity of stating his defence to the proposed action, but this section provided that his newspaper may be destroyed. That is the effect, because we all know that when you have destroyed even the one issue of a newspaper, you inflict upon the proprietor an irrevocable damage. What would be the objection to provide in this section, just as is proposed by the amendment, that notice should be given to the proprietor of a newspaper before action is taken? This section provides that, simply on the approval of the Central Appeal Judge being obtained, the newspaper may be suppressed; and an order may be made preventing its republication at any time during the period of the war.

My hon. friend the Solicitor General says if a man commits a crime he is not left at large, but is arrested. That is perfectly true, but the law provides that he cannot be kept in prison without a preliminary examination which must take place almost immediately, and which must be held in a public court, when he will have an opportunity of being represented by counsel and of cross-examining the witnesses who may be called by the prosecution. That is an opportunity which the law has provided for the benefit of every man, no matter how vile a criminal he may be. If there is a long or unreasonable delay in bringing him before the magistrate for preliminary examination, he has that sacred right under the Habeas Corpus Act, and he can apply to the judge who will issue an order to the jailer compelling him to show cause why that man is held in custody. In this case no such right is accorded to the proprietor of the newspaper. Proceedings may be taken against him summarily, and his whole property may be destroyed without notice. This is a provision entirely contrary to every principle of justice, and it is an unnecessary provision, because no great harm can be done by delaying for two or three days, or even a week, before final action is taken, thereby giving the man who is charged the same opportunity as is afforded to a criminal no matter how low or how vile he may be, the opportunity of making his defence before final action is taken against him. It seems to me that the Solicitor General would be well advised if he would so frame this section as to have some regard for the principles of justice which prevail at this day in connection with the ordinary administration of law so far as any criminal is concerned. It is truly said that those whom the gods wish to destroy they first make mad. I think they have made this Government mad, when they have come to Parliament and taken away the most sacred right and the most sacred privilege that a British subject enjoys today, the right of appearing before a judge to determine why he is being held in jail. They have taken away that right, when they have provided that one of the greatest safeguards of liberty in this country—the press—may be summarily silenced and summarily put out of existence without any opportunity of being heard.

Amendment (Mr. Oliver) lost on division.

Mr. MURPHY: Might I ask the Solicitor General a question? Possibly the matter has already been explained, but I would like to be informed regarding it. The marginal note to subsection 5 of section 11 says: "Penalty for applying to more than one local tribunal for certificate." In what cases is it apprehended that more than one application will be made for a certificate?

Mr. MEIGHEN: We give every man the privilege of choosing his own tribunal in his own province. The object of this subsection is to prevent a man passing from one tribunal to another—say, having his application rejected by one and then trying another.

Mr. MURPHY: From one province to another?

Mr. MEIGHEN: No. From one tribunal to another in his own province. Once a man selects his tribunal he has to abide by his selection.

The CHAIRMAN: Shall I report the Bill.

Mr. McKENZIE: I think the Solicitor General should at least outline in Hansard the rules of procedure by which a man will come before a judge for the suppression of a newspaper or for taking any action. I think the hon. member for St. John (Mr. Pugsley) is quite right in saying there should be some procedure provided. We know ex-parte motions are made every day, and I think there should be some procedure by which a notice will be given to the other side, giving them an opportunity to come before the judge and show cause why they should not be punished. We are in the dark as to what line of procedure should be followed.

Mr. MEIGHEN: I do not think there is any particular procedure about it. If it were to be taken as a matter of legal procedure and formality there would be no practical way of preventing the continued publication of objectionable and illegal matter, particularly in distant newspapers. For example, a newspaper in Vancouver would have to lay its case before the judge in Ottawa, and by the time they did that a very great deal of harm might be done in Vancouver. I apologize to Vancouver for even suggesting that any such literature might appear in that city; I only mention it by way of suggestion.

As an illustration, there is an Order in Council dated, I think, November 5, 1914, which proscribes a certain class of literature from publication and circulation in Canada. That Order in Council provides that the Secretary of State may, if such literature is published in a newspaper, take possession of the newspaper plant, prevent publication, place a censor in the plant if he desires, or compel the editor or proprietor of the paper to submit all articles to a censor before such articles are published. As a precautionary step this Order in Council provides that before the Secretary of State takes that action he shall first secure the approval of the Minister of Justice. The procedure is simply this: The Secretary of State has a case under consideration. He lays the facts before the Minister of Justice by way of memorial, and if the Minister of Justice approves of the intention of the Secretary of State as expressed in the memorial, he simply writes across it that he so approves. I presume much the same procedure would be followed here, that the facts of the case—and the facts would consist of the article itself—

Mr. McKENZIE: If my hon. friend will pardon me. The Prime Minister said, in answer to the hon. member for Edmonton: "Does the hon. member suppose that any judge would grant such an order without hearing the other side?" That implies there shall be a hearing. How is that hearing to be brought about?

Mr. MEIGHEN: I presume the facts of the case would be laid before the Central Appeal Judge by way of memorial, and the facts would consist, in my judgment, of nothing more or less than the article itself. All the Central Appeal Judge would have to do would be to compare the article with the law, and I do not see how an argument would have very much place, although it might have some.

He would compare the article with the law and he would be guided by his common sense and a regard for the interests of the state as to whether or not the violation was such as to call for a summary remedy. Where there was no open defiance or flagrant challenge of the power of the law, or where there was perhaps some doubt as to the real intention of the writer, the judge might consider it a case in which the writer should be heard, and possibly warned. All he would have to do would be to telegraph the writer or the newspaper publishers and state that up to a certain time he would be willing to hear them as regards this offence. That is all the procedure that would be necessary. Or, he might communicate with them in some other way. It would be very ill-advised if we were to set about legislating any particular machinery into the operation of this Act in this regard by the Central Appeal Judge.

Mr. GRAHAM: Has the Government considered the advisability of placing the censorship under the Department of Justice rather than under the Secretary of State as it now is?

Sir ROBERT BORDEN: The Minister of Justice has control of effective action in the way the Solicitor General has already mentioned, for dealing in a summary way with a newspaper. The Secretary of State, under the terms of the Order in Council, must submit to the Minister of Justice the considerations upon which the proposed action is based, and the Minister of Justice must approve. The censorship is dealt with almost altogether by the officers appointed for that purpose, and we have little to do with it. These officers come to us for direction whenever it is necessary. I do not remember that on more than half a dozen occasions during the last three years has the subject been brought to my attention. But in order that there might be definite safeguards, we did, a year or nine months ago, appoint a committee of the Privy Council. The Solicitor General is convener of that committee. Whenever any matter of importance, upon which the direction of the Government is desired by the censors, is brought up for consideration, it goes to that committee of which the Minister of Justice, the Solicitor General and the Secretary of State are members. I think there are one or two other members of the Government who are on that committee, but I cannot recollect who they are. These matters are really dealt with altogether in that way. I would not like my hon. friend from North Cape Breton (Mr. McKenzie), or my hon. friend from Edmonton (Mr. Oliver), to understand, or to regard it as essential in every case, that notice should be given. There might be a case so absolutely glaring, so malicious, so dangerous, that the Central Appeal Judge would consider that he should not even wait for a copy of the paper but would be willing to deal with it upon a telegraphic report of a deputy censor or other reliable authority. But in ordinary cases matters are not dealt with in that way. The newspaper has been warned two or three times, perhaps, or even oftener, that its course is not in accordance with the regulations laid down. We all know, of course, that a newspaper may introduce matter in its columns when those who are responsible for its management know nothing about it. It might be done altogether inadvertently and, in so far as that newspaper is concerned, it would be most harsh and unjustifiable to deal with a case of that kind without some injury as to the way in which such a thing had happened. No such practice has ever prevailed, and I am quite confident that it never would prevail—certainly, it would never prevail with my consent or approval. The whole question is more or less surrounded with difficulties and perhaps there were in the earlier part of this war more difficulties in this country than in most countries, more difficulties obviously than in Great Britain. There were many matters which it would be very inadvisable in the public interest to have published, and yet for nearly 4,000 miles our boundary ran along that of the great neighbouring nation which was neutral in the war and in which, of course, no censorship regulations prevailed. The difficulty was to create such conditions in Canada as would prevent the publication of undesirable information in the United States. There was a good deal of difficulty about that. We had to take rather extreme powers under the War Measures Act for the purpose of preventing it. I think I am justified in saying to the committee that the censorship regulations have been so effective, and the press of the country and all the news agencies have worked so loyally in co-operation with the Government, that I myself am told of important incidents that have happened in this country and were never published, were never known even to the members of the Government generally, and which it was extremely important should not be known by the public. I could, if it were desirable, give to the committee a great many illustrations of that, and I have been very much impressed from time to time, when matters of this kind were brought to my attention, with the splendid, effective way in which the press and the news agencies of the country have, with occasional trifling exceptions, co-operated with the Government and the censorship authorities in bringing about such a condition.

Mr. McKENZIE: It is well worth while to have the views of the Prime Minister and the Solicitor General upon this matter. It is not a light thing to put such a drastic power in operation without giving the object of it at least an opportunity of defending himself. I am sure the Solicitor General and the Prime Minister are quite familiar with the practice in this matter in our courts. What is proposed to be done here, if it is done at all, is nothing more or less than the parallel of a perpetual injunction proceeding. No perpetual injunction is granted without first, if necessary, an interim injunction for the purpose of giving an opportunity of going into the case and seeing whether the interim injunction

should or should not be made perpetual. If there was any urgent call an interim order could issue stopping the publication in the meantime and an opportunity could be given at a later date to make the interim injunction perpetual if necessary. Why should it be made perpetual in the first instance? That is what we are protesting against.

Mr. LEMIEUX: I wish to welcome my hon. friend the Minister of Finance (Sir Thomas White) back from his trip to Washington. During his absence I called the attention of the right hon. leader of the House to a vexed question which has some relation to this Bill; indeed it arises out of the enactment of the conscription law. Several young men who under this legislation are liable to be called out have written me stating that they carry life insurance, and that if they are forcibly enlisted the insurance companies will immediately raise their premiums to the standard of their war risks. Has the minister decided to implement the present legislation with a view to either paying that premium out of Government funds or fixing by amendment to the Insurance Act a maximum premium? I understand, in fact I know, that the insurance companies would not relish the idea of carrying insurance on the lives of soldiers at their normal rates of premiums, but, on the other hand, I would ask the minister if it is fair in such a case as this that a young man who carries insurance should be compelled by the effect of this legislation to pay perhaps double the premium on his life insurance. It seems unfair that a young man should lose all the benefits of all his past payments upon an insurance policy or that he shall have to incur heavy liabilities for the payment of his premiums in future. It may be that a young man will find some friend or relative who will make the payments in his absence and agree to pay the extra premium, but that must be the exception. What does the Government intend to do under those circumstances? We are told that it is the will of the country that 100,000 men should be secured to reinforce our boys at the front. We are told that this legislation, while drastic in its nature, is absolutely necessary. We are told, indeed we know, that as a result of this legislation young men will have to don the khaki and go into the trenches and possibly never return. I quite realize this condition of things, but at the same time, as was well proven in the course of this debate and notably on the occasion of the amendment moved the other day by the hon. member for South Renfrew (Mr. Graham), it is established beyond peradventure that there are men in this country making huge profits, and those profits are made because of the war conditions. Not later than last week a report was published on the authority of the Government in which it was established that certain cold storage companies were piling up huge, scandalous profits. Will not my hon. friend take heed of what public opinion is demanding at the present time, and if it is necessary to recruit or to enlist under this law 100,000 young men, and if as a result of that enlistment the savings of those young men as represented by their insurance policies are lost or threatened, will he not see to it that the war profiteers shall pay enough out of their profits to make up the difference between the ordinary premium and the war premium which is being asked by the insurance companies? I am in earnest in making this plea. The United States, on the occasion of the conscription legislation passed by the United States Congress, adopted a measure which meets the condition I have already described. The Prime Minister yesterday gave us to understand that this question had received the earnest and serious consideration of the Minister of Finance. This Bill is now practically passed. It will in a few moments be reported to the House to be taken into consideration for its third reading on Tuesday next, I understand. Perhaps my hon. friend is not in a position this evening to give out to the country the decision which has been arrived at on this question of premiums. If he is not ready to make a full statement just now, I would ask him to do so before the third reading, after he has taken into consideration the facts which I have brought to his attention.

Sir THOMAS WHITE: The matter drawn to the attention of the committee by the hon. member is one of great importance and also of great difficulty. It is not possible for me to make a definite announcement upon this subject, which I have had more or less under consideration for some time past. At my request the Superintendent of Insurance has been looking into the whole matter of the insurance of soldiers, with a view to ascertaining the nature of the insurance contracts covering soldiers' lives, and the increased financial responsibility which would devolve upon the companies by reason

of the additional risk of carrying the policies of soldiers at the front.

I gather from what my hon. friend has said that it was made clear to the House yesterday that there would be very considerable additional financial responsibility upon insurance companies. The rates of insurance companies have regard to the risk, and if the risk is greatly increased the companies, subject, of course to the terms of their policies, would naturally desire to increase the premium or terminate the policy. This is not a new question. It came up in connection with the voluntary enlistment system, and I do not think the question to-day is any different from the question that arose in connection with the insurance of those who volunteered their services.

The Canadian Patriotic Fund has been keeping on foot the policies of hundreds of soldiers who have gone to the front, for the benefit of their families. It must not be overlooked that the Government is providing pensions for the families of soldiers who fall in this war, and that fact must be taken into consideration when the question of insurance is being considered. When in civil life a citizen insures his life for the benefit of his family; if he dies the insurance policy is a very valuable asset to his estate, but there is no pension from the estate. When a citizen enlists, however, and goes to the front and falls in battle, there is a pension for his family and that is a consideration which we must bear in mind.

It would not seem to me off-hand that the insurance companies should be compelled to assume a greatly increased risk without some consideration from the Government. I cannot speak off-hand as to the terms of the policies. In some policies, I presume, there is a voidance clause in the event of war and the insured enlisting and being killed in battle.

My hon. friend from Rouville (Mr. Lemieux) has mixed up with this question of insurance—and to that extent weakened what was otherwise a strong argument—some references to profiteers and the duty of the Government to provide money in connection with this insurance by taking away the profits of those who have made money during the war. I would like to say this to my hon. friend: The Government has not been neglectful of its duty with regard to the taxation of profits made by those engaged in business in this country. I say further, and this cannot be controverted, there is no war tax in the world to-day in any country that is now at war that is heavier than the Business Profits War Tax brought in under the Budget of this year. I say that with the most absolute confidence; it cannot be contradicted. The United States is considering a taxation measure at the present time which does not begin to approach the Business Profits War Tax of the Dominion of Canada.

Mr. LEMIEUX: What about the income tax in the United States?

Sir THOMAS WHITE: That is a different matter. The income tax is a small tax as compared with the Business Profits War Tax. It may be two, or three or four per cent, but in Canada we are taking, as my hon. friend knows or ought to know, one-quarter of the profits from seven to fifteen per cent, one-half of the profits from fifteen to twenty per cent, and seventy-five per cent of the profits over twenty per cent. That is a very heavy tax indeed. It is the heaviest taxation in the world to-day upon war profits, and that fact cannot be over-emphasized because it has been misrepresented to the country. When I introduced the Business Profits War Tax I was severely attacked by hon. gentlemen opposite on the ground that it was too severe a tax—not because it was not severe enough. Let us be perfectly fair and frank about this matter. I laid it down in the Budget that those who make profits out of this war should contribute most to the expenses of the war, and that policy we have carried out.

My hon. friend, I think, impaired his argument with respect to insurance by dragging in this irrelevant question of undue profits, of which we have heard so much in this House. What I object to is that when I bring in a measure, as I did in the Budget, for the taxation of business profits in this country, hon. gentlemen opposite object that the tax is too severe, and then afterwards accuse me of being too considerate with respect to the profits made in this war.

Coming back to the question which I assume my hon. friend has most at heart, namely, the insurance of soldiers, I am not able to make a definite statement to-night, nor do I think it necessary that this Bill should be delayed until a definite statement is made. The situation is not materially different from the situation that existed with reference to those who went forward under the voluntary system; they also had insurance. As I stated, this whole matter is under consideration by the Superintendent of Insurance, and after I get his report and know precisely what are the various elements involved, I shall be in a position to deal with the matter.

Mr. GRAHAM: If the Finance Minister will do me the honour of reading the few remarks I made on this subject when the hon. member for Rouville brought it up yesterday, it will save my repeating them now.

Sir THOMAS WHITE: I shall be very glad to.

Mr. GRAHAM: I have been requested to ask the Prime Minister this question: Is he sure that the wording of the clause referring to exemptions, where the word "minister" is used, would include the officers of the Salvation Army, for example? They are not called ministers; they have the designations of officers in the army—captain, lieutenant, and so on. Is my hon. friend sure that they will be included in the exemptions under the clause as it is now worded?

Mr. LEMIEUX: I support my hon. friend's contention that the officers of the Salvation Army ought to be exempt.

Mr. MEIGHEN: Any one who as a matter of practice officiated in the Salvation Army as a minister officiates in relation to his congregation would come under the terms of this provision, because the Salvation Army is a religious denomination. Any one in the Salvation Army who acted the part of minister, even though he might not be known as such, would be entitled to the same exemption as any one acting in a corresponding capacity in another denomination.

Some hon. MEMBERS: Question.

Mr. GRAHAM: Let us take time to consider this matter; if it should happen that some very influential body suffered an injustice, every member of this committee would be sorry that he hurried. If the Government is sure on this point, I have nothing more to say. Could not the language be changed so that it would include any person in any denomination acting in a capacity corresponding with that of minister in a regularly constituted denomination? For instance, in one organization those who officiate are called readers; the word "minister" is not used.

Mr. MEIGHEN: I do not think there is any doubt at all that the effect of the exception is to include such persons. A man does not need to be known as a minister to come under its provisions. I am not very familiar with the terms used in all denominations, but I think that in the Anglican Church the person known as minister in some other denominations is known by another name. No one would suggest for a moment that persons acting in that capacity were not exempt.

Mr. GRAHAM: Perhaps they would be included under the term "clergy."

Mr. MEIGHEN: They may be included in the definition of clergy; undoubtedly they would also be included in the term "ministers of all religious denominations." Consequently, any one acting in a similar capacity in the Salvation Army is clearly included. I recognize that this matter is one of great importance; that it would be the greatest injustice if the Salvation Army should be treated differently from other denominations. However, in my judgment the Act clearly covers that denomination.

10 p.m.

Mr. GRAHAM: Perhaps it is not a denomination, legally speaking.

Mr. PUGSLEY: I think they disaffirm the idea that they are a denomination.

Mr. GRAHAM: I believe that they are incorporated; those who officiate amongst them have power to marry, as other ministers have. Could instructions be given to the tribunals that the word "minister" includes all such persons?

Mr. MEIGHEN: That could be done by regulation under the clause which provides for uniformity. It would only be a matter of uniform application.

Mr. LEMIEUX: If you are to draw regulations—

Some hon. MEMBERS: Carried.

Mr. LEMIEUX: No, not carried.

Mr. CHAIRMAN: The motion before the committee is to report the Bill. Upon that motion there is not very much latitude for discussion.

Bill reported, amendments read the first and second time and concurred in, on division.

Mr. SPEAKER: When shall the Bill be read the third time?

Some hon. MEMBERS: Now.

Sir ROBERT BORDEN: The Bill can be read the third time now only with the consent of the House, as it has been reported with amendments. I should be glad to go on to-night if my right hon. friend (Sir Wilfrid Laurier) has no objection. I understand, however, that he prefers that the third reading be postponed.

Sir WILFRID LAURIER: It will be difficult to proceed with it this evening, as several members have to leave in a few minutes. I ask, therefore, that the third reading be postponed.

Sir ROBERT BORDEN: To-morrow and Saturday are rather inconvenient days upon which to take up the third reading if there should be debate or division. I understand that the Senate adjourned to-day until Tuesday next; therefore the Bill will not be delayed by postponing the third reading until that day. I propose to take the third reading on Tuesday next.

RAILWAY ACT AMENDMENT.

The House in Committee on Bill No. 13, to consolidate and amend the Railway Act. —Hon. Frank Cochrane. (Resumed from Wednesday, July 16).

Mr. D. Stewart in the Chair.

On section 393—Disobeying orders of board.

Mr. J. E. ARMSTRONG: Subsection 2 renders the officers of the company—the president, vice-presidents and managers—liable to very heavy damages for disobeying the orders of the board. Subsection 3 provides a penalty for municipal officers who do not obey the orders of the board, and subsection 5 shows that the board has full charge of all prosecutions in connection with the matters involved.

Mr. GRAHAM: This section, I presume, would apply to a railway company that declined to give the required information for a statistical report?

Mr. J. E. ARMSTRONG: Undoubtedly.

Mr. GRAHAM: I suppose the minister has had the experience that others have had before him of the difficulty of securing such information from some of the railway companies. This section applies to that disobedience to the orders of the board?

Mr. COCHRANE: Yes.

Mr. J. E. ARMSTRONG: Not only does it apply to any railroad corporation, but it applies to any corporation or municipality over which the board has any control.

Mr. GRAHAM: Has the board any control over municipalities?

Mr. J. E. ARMSTRONG: The section says very distinctly—

Mr. GRAHAM: It says so, but has it any right to say so?

[Sir Robert Borden.]

Mr. J. E. ARMSTRONG: Subsection 3 says:

> Wherever it is proved that any municipal or other corporation has neglected or refused to obey any order of the Board made under the provisions of this Act, the mayor, warden, reeve or other head of such corporation, and every member of the council or other ruling or executive body of such corporation, shall each be guilty of an offence for which he shall be liable to a penalty of not less than $20 and not more than $5,000.

Mr. GRAHAM: We have taken a chance for several years trying to control municipalities that are under provincial control; I suppose we shall keep on doing so until we are stopped?

Mr. McKENZIE: What procedure is provided for the enforcement of the penalty?

Mr. J. E. ARMSTRONG: Nothing more than the procedure provided for in subsection 3 which I have just read. In addition to that, the section compels the president, the vice-president—each vice-president, where there are more than one—and every director and managing director—

Mr. McKENZIE: I am not asking the hon. member about that; I quite understand that; but I presume there is a method of enforcing those penalties provided somewhere in the Act?

Mr. J. E. ARMSTRONG: Yes.

Mr. McKENZIE: Penalties may be enforced summarily in an ordinary court; or they may be enforced by indictment. How are those penalties enforced?

Mr. J. E. ARMSTRONG: The board have the machinery to carry out the provisions of this section.

Mr. McKENZIE: The penalties will not be inflicted by the board. The cases would have to go to the courts of the country to have the penalties imposed.

Section agreed to.

On section 395—Purchase of railway securities.

Mr. J. E. ARMSTRONG: The committee amended the first subsection. After the word "Act" in the eighth line, the words "or the Special Act" are inserted. The committee will understand that this Act refers to the Special Act in many cases, and in this one in particular where the words have been added.

Section agreed to.

On section 399—Removing industrial spurs without leave.

Mr. J. E. ARMSTRONG: This section has been recast and made negative as well as

positive. The effect will probably be to increase the powers of the board, but it is conceded it is difficult to know what the meaning of the former section 365 was.

Mr. CARVELL: This section provides a penalty for removing a spur or branch line constructed under or pursuant to this Act. An industrial spur is always put in at the expense of the company or person who wishes it. The railway company furnishes the rails on the ordinary standard agreement by which the company or person pays the cost of the labour and the ties. The local parties pay interest or rental on this spur. The spur becomes the property of the company or person using it. If they have paid for it and it is their own property, why should they be liable to a penalty if they remove it?

Mr. COCHRANE: I understand the penalty is on the railway.

Mr. CARVELL: The section reads:

Any company or person who, without consent or order of the Board, removes any spur—

I am not objecting to the section, but I never could understand it. There may be a previous section which provides that the board has the right to allow a second corporation or person under such terms as it thinks proper, the right to use a spur that is being put down for another person. I know of a case—and I am not going to say anything that will cause the minister any unpleasant thoughts—where the Intercolonial took up a spur without any trouble at all.

Mr. COCHRANE: I received a very large petition for the removal of that spur.

Mr. CARVELL: I have not heard that the Intercolonial have paid any penalty for removing that spur. If the Intercolonial came under the authority of the Railway Board, if they remove a spur again, they will be liable to a penalty.

Mr. COCHRANE: There was no authority for putting down that spur, and it inconvenienced many people. I have in my office a large petition for the removal of that spur.

Mr. CARVELL: I am not going to argue that. I have seen the petition, and I have travelled over every part of the locality in which the spur was. Nobody was inconvenienced, and there was no earthly reason why that spur was taken up except political reasons. A young man started in to do business in competition with three men who, for fifteen years, had carried on all the business in that community. He paid his money and got his spur put in, and he was shipping potatoes and doing a nice business. In three weeks his spur was taken up. There was a street leading down to the wharf, and there was also a private way leading to the wharf, and there were three or four houses on this private way. You cross over the street and go up to the railway station without crossing the track at all, or, if you came up the private way you simply had to cross this spur. I just want to tell the minister, there is no amount of objection no amount of sophistry, and no argument or anything that can be said, which for one moment would justify the taking up of that spur. However, it was done by the Intercolonial and not by a private company, so I suppose there is no use discussing it.

Section agreed to.

On section 404—Improper use of highways.

Mr. J. E. ARMSTRONG: The only change made in this section is in the last line. The words "nor more than $5,000" have been added.

Mr. CARVELL: That limits the damages.

Mr. J. E. ARMSTRONG: That is the penalty for improper use of the highways.

Mr. CARVELL: I was wondering whether it was advisable to include that amendment. The law as it stood provided that the railway company should be liable to a penalty of not less than $40, and there was no maximum. It is now provided the maximum shall be $5,000. I can quite understand there might be circumstances under which a railway company would be willing to pay $5,000, and even more than $5,000, to get the right to use a street.

Mr. COCHRANE: Would that give them the right?

Mr. CARVELL: I will give my hon. friend an illustration. About twenty years ago, in the town in which I lived there was a mill-owner who wanted to get a spur track from the railway siding into his mill. In order to do this he had to go about forty rods along the main street of the town. The town authorities objected very seriously. About the end of April or the beginning of May, when he got through with his driving operations, and had a crew of about 150 men in town, we all went to bed in a peaceful way one night, as we do in that country, and when we woke up in the morning we found a railway running through

our main street. It was there for some years. Under present conditions the board would have power to deal with it, but there is an instance where this mill-owner would have been glad to get that right for $5,000. As a matter of fact he got it for less than that because he simply built the spur during the night. Were any reasons given why the penalty was limited?

Mr. J. E. ARMSTRONG: There were no reasons given.

Section agreed to.

On section 405—Failure to erect signboards at crossings.

Mr. J. E. ARMSTRONG: The only change is that the word "railway" is added after the word "every" in the first line.

Mr. CARVELL: My hon. friend (Mr. Pugsley) asks me whether I do not think there should be something more than the ordinary sign "Railway crossing." I am not sure whether the law provides what the sign shall be. I know the Canadian Pacific railway invariably put up two boards, one across the other. I think that is really more effective than any printing you might have on the boards. I do not know whether it is provided for by statute or not.

Mr. COCHRANE: Why do you think it is better than the other?

Mr. CARVELL: If you simply have two boards, with nothing on them, I think they would arrest the attention of the average traveller more than if you had the words "Stop! look! listen!" on a single board.

Section agreed to.

On section 407—Safety and care of roadway, etc.

Mr. J. E. ARMSTRONG: The only change is the addition of the word "wilfully" after the word "or" in the third line of subsection (d).

Mr. SEXSMITH: In case some one passing through left the gate open and the cattle got in and were killed, who would be responsible for them?

Mr. CARVELL: The farmer.

Mr. SEXSMITH: Is he supposed to keep the gate locked?

Mr. J. E. ARMSTRONG: That is covered in another clause.

Mr. CARVELL: If my hon. friend will go back to section 387 he will find it specifically stated that the company is not liable if somebody leaves the gate open. I think that is only fair. The railway company must provide suitable gates, and if they do not the Board will compel them to do so I know in many cases the gates are not what they should be. However, the farmer has his redress by coming before the Board and having an order issued to the company to install suitable gates. If a tramp comes along in the night and leaves the gate open I do not think the railway company should be held responsible for it. It seems to me that would be carrying the thing to extremes; it would be making the company an insurer against every man's negligence and almost against his criminality.

Mr. SEXSMITH: I think that is fair enough. A farmer could keep the gate locked.

Mr. STEELE: Where land is being taken, that should be considered in fixing the compensation. It is a great inconvenience to the farmer to watch these gates.

Mr. CARVELL: That goes back to the question of compensation at the time the right of way is taken. There are a great many times that the poor farmer, in settling for the right of way, does not realize what it means to be compelled to drive his stock and operate his farm across a railway, but still the principle involved in settling compensation is that once settled that is an end to it.

On section 413—notification of accidents:

Mr. J. E. ARMSTRONG: The only change is the insertion of the word "railway" after the word "every" in the first line.

Mr. CARVELL: That runs all through the Bill, and the reason is that in the old Act the word "company" only meant a railway company by the definition. Now the word "company" means every company over which the Parliament of Canada has jurisdiction—electric light, power, telegraph or telephone company. Therefore, in these particular sections, it is necessary to insert the word "railway" in order to make it intelligible.

Section agreed to.

On section 416—blackboard; notice of overdue trains:

Mr. J. E. ARMSTRONG: The changes are these: The word "railway" is inserted after the word "any" in the first line; the words "or telephone" are inserted after the word "telegraph" in the second line, and the words "or telephone" are inserted in the last line of paragraph (a).

Mr. CARVELL: I do not think that is fair to a railway company under certain conditions. If any railway company, upon whose railway there is a telegraph or telephone line, does not put a blackboard up and give notice of the time at which trains will arrive, or as to whether they are late or not, it shall be liable. That would be all right in the case of a railway company that is operating its road by telephone or telegraph. That is becoming very prevalent. There are many railways that are being operated by telephone and I think on some portions of the big railway systems they are using the telephone almost exclusively, and, I believe, with very great benefit. But in eastern Canada practically all the telephone companies have instruments in the railway stations. I happen to have a little knowledge about telephone matters in New Brunswick. There was a time when our telephone instruments were put into the railway stations practically without any compensation, but an arrangement was made by which they pay a certain rental. I have known cases in which an independent telephone company feels that it is to its interest to have an instrument placed in the railway station. For the purposes of my argument, it does not make any difference whether they are put there at the expense of the company or put there for the benefit of the telephone company and its patrons; the telephone is there. But the telephone, in this case absolutely plays no part whatever in the operation of the railway. You are providing that a railway must do certain things if they happen to have a telephone in their office. The section ought to be so worded as to provide that the railway should do these things when the telephone is there and is used, instead of the telegraph, by the company for the purpose of operating trains. I do not know whether this has been brought to the minister's attention.

Mr. COCHRANE: No, it has not.

Mr. CARVELL: All over the country you will find telephones in railway offices which are there purely for the accommodation of the public and play no part whatever in the operation of the railway.

Mr. ARMSTRONG: They are installing the telephone to a great extent on the main lines, and this clause must be taken in connection with clause 304 dealing with blackboards at stations, overdue trains and further notice in English and French.

Mr. CARVELL: That is quite true.

Mr. J. E. ARMSTRONG: I quite understand what the hon. gentleman means when he says that telephones are frequently placed in the stations, and we compel the companies to allow them to be placed there for the convenience of the people. The hon. gentleman thinks that possibly there might be an unfair advantage taken of the railway under this clause?

Mr. CARVELL: Yes, unless the telephone is owned or leased by the railway company for the purpose of operating its trains.

Mr. COCHRANE: There would not be many branch railways in your country operating by telephone.

Mr. CARVELL: To a certain extent. My own town is a divisional point and trains are operated by telephone nearly 150 miles each way from the station. I happen to know one point on that line within two or three miles of town. It is a junction point, and they have telephonic communication between that junction point and the despatching office. When a conductor on that particular line reaches the junction he telephones in to the head office. As far as that particular line is concerned they are operating by telephone. That case would come under the provisions of this section. But that same office has another telephone in it—a telephone of what is called the Farmers' line, and it has no relation whatever to the operation of the railway. I do not know that this is putting very much of a burden on the railway company, but I felt like pointing out the difficulty. I am sure that if the railways had noticed it there would have been some discussion.

Mr. J. E. ARMSTRONG: I do not think it would operate to their disadvantage in our district. I am sure it is the proper thing to do in the more thickly settled portions of the country.

Mr. CARVELL: It means that the railway must at once put telephones into the offices.

Mr. WRIGHT: It would only be objectionable to apply this provision where there was no station house, and we might limit it to places where there are station houses occupied by the company.

Mr. SEXSMITH: It is all in the hands of the railway company because it is optional with them whether they allow a telephone company to install a telephone in their station. In Peterborough they have

a public telephone, but the Canadian Pacific can compel the Bell Telephone to take the instrument out.

Mr. CARVELL: Then the public have some rights. The Railway Board has the right to order the railway company to install that telephone. Let me give an illustration. At this same junction point to which I have referred, up to about ten years ago they had a station house, an operator, and all the equipment of a regular railway station. The railway line was diverted for six or eight miles to avoid grades; the station house was abolished and the junction moved to a point a mile from the former location. Now there is a small building, simply a shelter, but yet it would come within the definition of this section. There is undoubtedly a station house at that junction point, but there is nobody in charge of it, and no one to keep the blackboard. If this were passed the Canadian Pacific might be compelled to keep a man there to keep the blackboard.

Mr. WRIGHT: My suggestion would cover that point.

Mr. CARVELL: I think so.

Mr. NICKLE: I would move to substitute for the words "in operation" the words "for the operation of the railway".

Mr. McKENZIE: That would only apply to a station in which there was a telegraph or telephone installed.

Mr. CARVELL: They have a telephone in this one to which I refer. When the train on the branch line arrives at the junction the conductor calls up the head office by telephone and gets his orders in that way, so that all of the requirements of this section are found there.

Mr. COCHRANE: Then we would be only emphasizing the trouble by saying "for the operation of the road".

Mr. ARMSTRONG: Do not the words "in operation" cover all the points that have been made?

Mr. CARVELL: Oh, no.

Mr. ARMSTRONG: In the operation of the line.

Mr. CARVELL: No, if a telephone is workable it might be said to be in operation.

Mr. SEXSMITH: Section 303 says that every railway company on whose railway there is a telegraph or telephone line in operation shall have a blackboard, and so on.

[Mr. Sexsmith.]

Mr. WRIGHT: Would such a building as my hon. friend has referred to be considered a station? It might be held that there would have to be some one resident in the station or in charge of it before it would become a regular operating office.

Mr. McKENZIE: I think it would be a pity to begin scratching up this section now. It looks very well as it is and seems to be quite satisfactory.

Mr. CARVELL: I am not very strong on the point, only I felt that we should make this as correct as possible. I have called attention to it, and if difficulties arise I shall have discharged my duty.

Section agreed to.

On section 420—Penalty for failure to sound alarm.

Mr. ARMSTRONG: This section deals with the penalty for failure to sound the whistle and ring the bell, and the damages and exceptions. Subsection 3 is altered to correspond with the change in section 309, subsection 2. While this was in committee the words "if approved by order of the board" were inserted between "by-law" in the third line of subsection 3 and the word "shall." It now reads:

> Such by-law if approved by the order of the Board shall, to the extent of such prohibition, relieve the company from any penalty or liability under this section.

Mr. CARVELL: That is all right.

Section agreed to.

On section 422—Operation of trains.

Mr. ARMSTRONG: Section 422 deals with the care and operation of trains. Paragraphs (g) (e) and (f) are new, added to correspond with provisions added by section 13 of chapter 32 of the statutes of 1909. The paragraph was changed to correspond with changes now being made to section 311. While in committee they decided to strike out certain words in the second line of (g): "moving forward in the ordinary manner." Then again, in the same paragraph, in line 6, after the word "train" they struck out the words "or of the tender, if the tender is in front." The hon. member for Carleton (Mr. Carvell) will remember that the Brotherhood came before the committee and dealt with this question very fully and were very anxious that these changes should be made in this clause.

Mr. CARVELL: Yes, I remember. Of course I have always felt that all of these clauses are violated all the time, and I do not think you could successfully operate

a railway unless you did violate them. However, if the committee is willing to leave them there, I have no objection.

Section agreed to.

On section 423—Obstruction of highway.

Mr. ARMSTRONG: Section 423 deals with the penalty for obstructing a highway. Subsection 2 is new. The object is two-fold; first, at the request of the representatives of the municipalities, to prevent obstruction so far as possible.

Mr. STEELE: It says in the third line "officers, agents or employees." Would the station agent of the company be held responsible if a crossing within the yard limits was obstructed by a train?

Mr. HANNA: His duty is to order the crossing cleared within five minutes, and he is therefore responsible to that extent.

Mr. CARVELL: I am not sure what the rules of the company are as to who is responsible, but certainly somebody should be held responsible. I think it is the trainmen who would be responsible for the blocking of a crossing.

Mr. COCHRANE: The station agent has control of the trains while they are in the yard.

Mr. STEELE: If "agent" does not include station agent I have no objection, but I think it would be very unfair to hold the station agent responsible for the blocking of a crossing, because, when he is busy at his post, it is impossible for him to know whether the crossings are blocked or not.

Mr. CARVELL: If the station agent is responsible for holding the trains within the yard limits and blocking the crossings, it is only right that we should get after him.

Mr. J. E. ARMSTRONG: He has always been held responsible. That part of the clause has not been changed at all.

Mr. STEELE: In a village where there are one or two crossings within the yard limits and the trainmen are shunting cars, a crossing may be blocked without the station agent knowing anything about it. I think it is unfair to hold him responsible.

Mr. CARVELL: But somebody must be held responsible; the public have certain rights. A railway company has absolutely no right to obstruct a crossing. If, under the rules of the company, the agent is the responsible man, then I think the public should have the right to get after the agent. If he is not the responsible man, let us find the man who is responsible. The public have certainly a right to make some one responsible for obstruction of the crossing.

Mr. STEELE: I quite agree that obstruction of the crossing is a perfect nuisance, but I think the company should be held responsible.

Mr. COCHRANE: But the company would not be there, while the agent would.

Mr. STEELE: How can an agent be held responsible when he is not in a position to know whether the crossings are blocked or not?

Mr. CARVELL: Assuming that the station agent has control over the trains while they are within the yard limits, then even if he does not know that the crossings are blocked, he should be held responsible because he ought to know it.

Mr. SEXSMITH: I think the point taken by my hon. friend from South Perth (Mr. Steele) is a good one. I know a place where trains are going in and coming out perhaps fifty times a day, and the crossing will perhaps be blocked twenty times during the day. It is impossible for the agent to know when a crossing is blocked when he is busy at his post. I think it would be unfair to hold him responsible.

Mr. COCHRANE: He has been held responsible for years.

Mr. SEXSMITH: That does not justify us in still holding him responsible if he should not be held responsible.

Mr. WRIGHT: I think clause 2 should be dropped. Somebody must be held responsible for blocking the crossings in the station yard. If an employee is to be allowed to shift the responsibility to the company he could say, "I have instructions from the company to go on with the business," and nobody could get after him. At present the agent knows that he is responsible for keeping the crossings clear, and I think it would be unwise to make a change now. If the company is to be held responsible, in nine cases out of ten no one would bother to enter an action against them, but when the agent is held responsible he can be got after right away.

Mr. CARVELL: They can always get after the superintendent; he is always around.

Mr. MORRISON: If the agent is responsible, I do not see why we should make any change in this clause.

Mr. WRIGHT: Why insert clause 2? It is absolutely unnecessary.

Mr. J. E. ARMSTRONG: Clause 423 says:

> Whenever at any highway crossing at rail level any engine, tender or car, or any part thereof, is wilfully allowed by the company, its officers, agents or employees to stand on any part of such highway for a longer period than five minutes at one time, or, in shunting, to obstruct public traffic for a longer period than five minutes at one time, every officer, agent or employee of the company, who has directly under or subject to his control, management or direction any such engine, tender or car, shall be liable on summary conviction to a penalty not exceeding fifty dollars, and the company shall also be liable to a like penalty.

Clause 2 was inserted at the request of the railway employees in order to relieve them from responsibility when the company is at fault, and not the employees; it is a case between the employees and the company. This clause is inserted to give the employee an opportunity of coming before the company or before the courts to prove that he is innocent.

On section 432—sending of explosives:

Mr. J. E. ARMSTRONG: The penalty here is made more severe. After the word "exceeding" in the third line of paragraph (b), we have added the words, "$2,000 or imprisonment for any period not exceeding two years." The next clause is also amended.

Mr. CARVELL: A very wise provision, indeed.

Section agreed to.

On section 433—Carrying dangerous goods.

Mr. J. E. ARMSTRONG: This section provides a penalty for carrying dangerous goods. It has been amended to correspond with the change in section 349.

Section agreed to.

On section 437—Failure to furnish returns to minister.

Mr. J. E. ARMSTRONG: This section deals with statistics and returns. It is amended to correspond with the change made in section 2, chapter 32 of the statute of 1909, and with the changes now being made in sections 379 and 380. The committee decided to strike out after the word "company" on the second line the words "and every carrier by water." That was necessary owing to the change made in section 380.

Section agreed to.

[Mr. Morrison.]

On section 438—Returns to minister.

Mr. J. E. ARMSTRONG: This section deals still further with statistics and returns. It has been amended in conformity with changes made by section 14, chapter 22, statute of 1911. The words "and any carrier by water" are struck out after the word "company" in the second line. The words "or carrier," wherever they appeared in the section were struck out.

Mr. CARVELL: Where is the section providing that the conductors shall make a return in case of accident?

Mr. COCHRANE: We cut out the conductor.

Mr. CARVELL: I thought that was left in.

Mr. COCHRANE: I think you objected to it.

Mr. CARVELL: I think not. We agreed that the conductor should send to the board a copy of the report which he made to the company.

Section agreed to.

On section 439—Refusal to make returns required by board.

Mr. J. E. ARMSTRONG: In the second line the words any "railway, telegraph, telephone or express company" have been added. Before the word "company" the word "such" has been added in eight or ten different places. These are the only changes which have been made.

Section agreed to.

On section 442—failure of constable in duty.

Mr. J. E. ARMSTRONG: On the last line of subsection 3, after the word "jurisdiction," the words "wherein the railway passes" were struck out and the following words inserted, "of the province wherein the offence was committed."

Section agreed to.

On section 443—Various offences.

Mr. J. E. ARMSTRONG: This section is the same as the old, except that in the second last line the words "with or without hard labour" were added after the word "imprisonment."

Section agreed to.

On section 444—Penalties not otherwise provided.

Mr. J. E. ARMSTRONG: This is a further section dealing with penalties. In the

third line after the word "company," the words "or any contractor or other person having to do with the railway or other works of the company" were added. In the seventh line, after the word "orders," the word "regulations" was inserted, making it a little clearer.

Section agreed to.

On section 448—Procedure.

Mr. J. E. ARMSTRONG: The only change in this section is that in the second line of subsection 1, the words "order, rule or " were inserted after the word "any" and on the fifteenth line the words "or any order, rule or regulation of the board" were added.

Section agreed to.

On section 449—Railway constables.

Mr. J. E. ARMSTRONG: Paragraph (a) has been redrafted and made appropriate to present conditions. The requirement of being a British subject has been added in subsection 1. The committee thought it wise to strike out after the word " Quebec " in the fourth line, the words " or a commissioner of a parish court in the province of New Brunswick." On the eighth line the words " British subjects " were added and on the ninth line the words " recommended for that purpose by such company, clerk or agent " were struck out.

Mr. CARVELL: That was done at the request of the Brotherhoods.

Mr. J. E. ARMSTRONG: In the form of the oath, the committee thought it wise to insert after the word " I," on the third line, the words, " am a British subject."

Mr. McKENZIE: A certain form of oath is given here by which certain officials are to be sworn in. Where these affidavits to be filed?

Mr. J. E. ARMSTRONG: Does the board not make provision for the filing?

Mr. CARVELL: I do not think so.

Mr. McKENZIE: When a municipal officer is sworn in, his affidavit is filed in the municipal office, where access may be had to it if one is desirous of finding out whether or not he complied with the law. As the committee has thought it worth while to provide that this affidavit shall be made, there should be some means of finding out afterwards whether or not the law has been complied with.

11 p.m.

Mr. NICKLE: Does the subsection 3 cover that?

Mr. CARVELL: No, that does not meet the suggestion of the member for North Cape Breton that the affidavit should be registered. In the committee there was a great deal of discussion about this, very largely on account of what took place at Fort William some years ago when a strike was on. The Brotherhood contended that the railway company brought in a lot of foreigners, went to some magistrate who was friendly to the company and had them sworn in—and I suppose they had a serious time. They contended that that should not be allowed; that only a British subject should be eligible for appointment as railway constable.

The affidavit was changed so that he must swear that he is a British subject, but there is, as my hon. friend has pointed out, no provision made for filing a certificate of that oath. The difficulty, of course, would arise if a person felt aggrieved and wanted to bring an action in order to obtain satisfaction in the courts. He would be at a loss to know whether this man had a legal right to act as a constable or not. If a record of this oath were filed in some public office, he could go there and find out that information.

Mr. COCHRANE: Is it not filed in the office of the company?

Mr. CARVELL: My hon. friend referred to it as being filed with the clerk of the peace or some muncipal officer.

Mr. J. E. ARMSTRONG: Does the hon. member think the person administering the oath would not have a record of it filed?

Mr. CARVELL: If I feel I am aggrieved by the act of a railway constable, and I want to start an action against him, I am at sea. If the man were a duly qualified railway constable and were acting within his right, he would be immune, but as the law stands, I have no way of finding out whether this man was a duly qualified railway constable or not. By filing a certificate of his oath, he justifies his appointment. If his appointment is regular, and he has not exceeded his duties, I lose my case and have to pay the costs. My hon. friend suggests that there ought to be some provision whereby a record of this oath should be filed in the registry office or something of that kind, so that any member of the public may go to that office and satisfy himself beforehand whether this man had the authority or not.

Mr. COCHRANE: The registry office may be a long distance away.

Mr. CARVELL: There is a registry office in practically every town.

Mr. COCHRANE: There is not a registry office in every town.

Mr. CARVELL: There are mails and telegraphs and telephones.

Mr. SEXSMITH: In a railway station the record might be filed.

Mr. COCHRANE: If the registrar refuses to register for you, you cannot compel him to register.

Mr. CARVELL: No, I do not think you can.

Mr. NICKLE: Why could not you file it with the Railway Board?

Mr. CARVELL: That raises the objection of my hon. friend again; the Railway Board is still farther away. I do not, however, think there will be any difficulty.

Mr. J. E. ARMSTRONG: This section has been in force now for many years, and there has been no complaint.

Mr. CARVELL: Before the committee where this matter was threshed out very thoroughly, only one instance was given where any difficulty had arisen, and that was in the case of a very serious strike at Fort William some years ago.

Mr. McKENZIE: I am not taking any serious objection, but there is really no sense in requiring a public officer of this kind to take an oath unless a record of it is kept somewhere.

Mr. J. E. ARMSTRONG: I can readily understand the force of the argument made by the hon. gentleman. Perhaps he might make a suggestion whereby the section could be amended.

Mr. McKENZIE: I do not want to change the Act now, but it might be provided that those records should be filed in the municipal office nearest to the place where the man was sworn in, or the nearest office to the terminus of the road, or something like that, so that any person, by making inquiry, could find out whether the man was sworn in or not.

Section agreed to.

On section 215—Notice of expropriation to be served.

Mr. COCHRANE: I have decided to yield to the temptations of my colleague on this committee. This is the section referring to expropriation proceedings. I am willing to adopt the old section 196.

Mr. CARVELL: I am glad my hon. friend has had a change of heart. The present is always the time for a man to repent. Section 196 of the old Act reads:

> If within ten days after the service of such notice, or within one month after the first publication thereof, the opposite party does not give notice to the company that he accepts the sum offered by it, the judge shall, upon the application of the company, appoint a person to be sole arbitrator for determining the compensation to be paid as aforesaid; provided that the judge shall, at the request of either party, on such application, appoint three arbitrators to determine such compensation, one of whom may be named by each party on such application.

Now, the law as proposed provides that instead of appointing three arbitrators, the county court judge or the district court judge would be the sole arbitrator.

Mr. COCHRANE: But, do we not have to change more than that?

Mr. CARVELL: That is the law as it has been for probably thirty or forty years. The intention of the new Act was to make the county court judge the sole arbitrator.

Mr. COCHRANE: I think it is cheaper. Still the committee did not think so, and I agreed to change it.

Mr. McKENZIE: The only question is, how many sections you have to substitute.

Mr. CARVELL: You would have to change a great many sections. You would have to get back to the old section 196. After that, there are only clerical changes, for instance, "arbitrators" instead of "arbitrator." However, if section 219 is changed, it will be all right to allow the minister or any of the officials of the Government to work out the rest of it; it is very simple.

Mr. COCHRANE: I would be very glad to do so.

Mr. CARVELL: I am satisfied with that.

Mr. J. E. ARMSTRONG: Is it understood that section 219 is passed?

Mr. CARVELL: With that understanding, yes.

Mr. J. E. ARMSTRONG: May I call the attention of the committee to the fact that section 215, dealing with expropriation proceedings, was allowed to stand until this matter was disposed of.

Mr. CARVELL: Was not that the section in which we decided ten days' notice should be given instead of six days?

Mr. COCHRANE: I proposed that we adopt the old Act. That provided for ten days' notice, did it not?

Mr. CARVELL: That was six days.

Mr. COCHRANE: Would you rather have ten days?

Mr. CARVELL: In my practice I have found six days' notice is very short. I also wish to point out to the minister that in the changing of these sections there is one very important change in the new Act that should be retained. Under the old law it was only the railway company that had the right to proceed to the arbitration. Under the new law either the railway company or the landowner has the right. The officers of the Government will follow that out in redrafting the sections.

Mr. CHAIRMAN (Mr. Dugald Stewart): Do I understand that all those sections relating to arbitration proceedings, from 219 to 237, will be carried?

Mr. McKENZIE: With the distinct understanding that the old law is to be restored.

Mr. COCHRANE: And, there is one to be added.

Mr. McKENZIE: Your legal adviser will see what is necessary to restore the old law.

Mr. J. E. ARMSTRONG: The chairman informs me that section 215, dealing with expropriation proceedings, was allowed to stand owing to the connection the committee thought it had with section 219.

Mr. CARVELL: There is no change there.

Mr. J. E. ARMSTRONG: He had it marked "passed," but wrote the word "stands" on the other side.

Mr. CARVELL: There is no change.

The CHAIRMAN: All the sections from 219 to 232 are marked in the same way.

Mr. J. E. ARMSTRONG: The committee is now prepared to pass section 215.

Section agreed to.

The CHAIRMAN: Sections 217 and 218 were also allowed to stand.

Mr. CARVELL: Was not subsection 3 of section 217 one of the sections referred to by the hon. member for Rimouski (Mr. Boulay)?

Mr. J. E. ARMSTRONG: Subsections 3 and 4 of section 218 are both new.

Mr. CARVELL: There are two instances there where you would have to change "arbitrator" to "arbitrators." I take it the officials of the Government will work out all these details.

Mr. J. E. ARMSTRONG: It is understood then that in the sections dealing with expropriation proceedings the officials will notice that the word "arbitrator" is changed to "arbitrators."

Mr. CARVELL: And any other necessary changes along that line.

The CHAIRMAN: Is section 217 passed?

Mr. CARVELL: I think there was a question about that which we might as well settle now. It struck me as being a pretty reasonable request and one which should be agreed to by the committee, that in case service was being made by publication in the province of Quebec, if there be papers printed in French and in English, the railway company must publish the notice in both languages. I thought it was a fair provision because, while probably in many cases these notices do not reach the parties interested, still, if you are attempting to give a man notice the idea of the publication is that the relatives or friends of some interested party may see it and may notify him. If in the province of Quebec they publish this notice only in an English paper, in all probability it never will be seen by the man interested.

Mr. J. E. ARMSTRONG: It was understood by the committee, after listening to the hon. member for Rimouski, that he could readily bring it up at any session of Parliament as an amendment to the Railway Act, and that it could be discussed later.

Mr. CARVELL: I did not so understand it. However, he will probably be here at the third reading and he will have an opportunity then.

Section agreed to.

On section 219—Arbitrator.

The CHAIRMAN: Shall this section pass?

Mr. ARMSTRONG: Carried.

Mr. COCHRANE: I think the old Act was different from many of these sections that you are carrying.

Mr. ARMSTRONG: Yes, but the committee have asked that the minister allow his law clerk to make these clauses to conform with the old Act.

Mr. CARVELL: We are willing to trust the minister and his department to work these out; or we will go on now and work them out ourselves.

Mr. COCHRANE: You have adopted the old Act and all you want to do is to insert its provisions instead of the provisions with regard to the arbitrator here?

Mr. J. E. ARMSTRONG: Yes.

Mr. CARVELL: In the beginning the question which we were discussing was as to whether the arbitration should consist of three men as provided by the old Act, or of the county court judge alone. The minister has now decided that he will take the old Act. But, if we change subsection 1 of section 219, we must make certain minor changes in a great number of sections. Outside of those minor changes there are some fairly important changes in those sections which are to remain as they are now. For instance, under the old law only the railway company could bring the matter to arbitration; under the proposed law either the railway company or the land owner has the right to apply after ten days. It is left to the officials to make the minor changes subject to these important changes, just taking the sections and making them read so that they will correspond with secion 219. In the meantime we will carry them.

Section agreed to.

On section 222—Company may offer easement, etc.

Mr. CARVELL: That is an entirely new provision. It was held by the courts that the company must take the whole thing, that they must buy the property from the earth up. The Bill provides now that the railway company can take what is necessary and give back to the owner of the land an easement, the object being to make it less expensive to the railway company and to enable the owner to obtain some very material rights. That is one clause that will have to be left as it is. The officials will have no trouble in working that out.

Section agreed to.

On section 223—Costs of arbitration; expenses of arbitrator.

Mr. CARVELL: Subsection 3 of that clause will have to be struck out. That is the subsection that provides that if the county court judge is acting as arbitrator he shall receive no costs.

Mr. McKENZIE: I think that is a pretty cheeky proceeding from the beginning. We are asking a county court judge to go wandering through the country for nothing.

Mr. COCHRANE: It will give him something to do.

Section agreed to.

On section 227—Notice of award to be given.

Mr. CARVELL: I wish to call the attention of the committee to this section. It provides that:

> After making the award, the arbitrator shall forthwith notify the parties that the award has been made, and shall forthwith deliver or transmit by registered post the award and the depositions, exhibits and all other papers connected with the arbitration to the clerk of the court, to be filed with the records of the said court.

The law has been changed in that regard, I am glad to say. Under the law as it is proposed here, the arbitrator must transmit the award to some proper officer. The way this has been worked out in the past has been that the arbitrator would notify both parties that he had made the award and that if they would pay him so many hundred dollars in costs they could get it. The result was that both the railway company and the land owner had to make a guess whether the award was in their favour or not. But they had to pay the arbitrator's costs, practically what he demanded before they could get the award. It is true that you could have the costs taxed by the proper officer. But I, myself, or rather my clients, have been held up a good many times and we have had to pay out a large amount of money to get awards. I am glad to see that this is provided for.

On section 23—Duties of Secretary of Railway Commission:

Mr. E. M. MACDONALD: This section stood owing to a question which I raised with regard to paragraph (c) of subsection 1, which provides that the secretary shall obey all rules and directions which may be given by the board or by the Chief Commissioner. I pointed out that there ought to be some provision for the case of a conflict between the Chief Commissioner and the majority of the board. I would move an addition to subsection (c) in these words:

> And in the event of a conflict of such rules or directions those made by the Board shall prevail.

Amendment agreed to, section as amended agreed to.

On section 5—Application of Act:

Mr. ARMSTRONG: The Government is bringing in a Bill to amend the Government Railways Act, and it was impossible to amend clause 5 to make it satisfactory. The House did not give the committee the necessary power to amend the Bill so as to include the Government railways. The House could not give such permission to the committee without the approval of the Governor General communicated to the House. Many portions of the Railway Act could not be applicable to the Crown, such as all provisions respecting stocks, shares and bonds.

Mr. COCHRANE: It was agreed to let it stand in its present form until the introduction of the amendment to the Government Railways Act, and we shall have to let it stand.

Mr. ARMSTRONG: The Government system of appropriating land is altogether different, the Crown having a special court, that is the Exchequer Court, to deal with such matters.

Mr. CARVELL: The minister's contention is that we should have no power to include Government railways in the operation of this Act by an amendment to this Act, but must amend the Government Railways Act by a separate Bill.

Mr. ARMSTRONG: It would do no harm to pass the section.

Section agreed to.

On section 388—Fires from locomotives:

Mr. COCHRANE: The hon. member for St. John and Iberville (Mr. Demers) moved to substitute for the words, "the railway making use of such locomotive," the words, "the railway on which such locomotive is used".

Mr. DEMERS: I beg to amend my amendment as follows:

That clause 388 be amended by substituting in the first paragraph, line 15, for the words "making use of such locomotives,' the words "operating the railway on which the locomotive is used."

Amended amendment agreed to.

Mr. SMITH: I beg to move that all the words after "insurance" in line 35 of subsection 2 of section 388 be struck out. I pointed out last evening that if a barn, we will say, had been destroyed by fire and the insurance collected from an insurance company, but not to the full value of the damage done, the owner of the barn could not sue the railway company for the balance, if in the meantime it had been found that the fire was started by a defective locomotive.

Mr. COCHRANE: Who would take proceedings? The insured or the insurance company?

Mr. SMITH: The insured.

Mr. COCHRANE: He has his money. What more do you want?

Mr. SMITH: The insurance he receives from the insurance company might not cover the damage done.

Mr. COCHRANE: The object is to let him sue the railway company for the balance of the damage done?

Mr. SMITH: Yes.

Mr. CARVELL: If the owner got only $1,000 from the insurance company and damage was done to the extent of $2,000 he should have right of action for the other $1,000. Is that the contention?

Mr. SMITH: Yes.

Mr. McKENZIE: At common law the fact of a man having his barn insured does not prevent him from bringing an action against the man who sets fire to it. If the hon. member for Carleton (Mr. Carvell) and the hon. member for Kingston (Mr. Nickle) are satisfied with this amendment I shall make no objection, but we should be very careful when making changes in the law as to the rights of a man who has insured his property.

Mr. CARVELL: Of course, this is purely statutory; we are providing a liability against the railway company. We say that the railway company is liable up to the amount of $5,000, no matter whether they have used the proper appliances or not. I remember when, under the old law, one almost had to look down the smokestack of the engine to find out whether the spark arrester was working. If I have insurance upon my property, I ought not, in case of loss, to be allowed to get the full amount of my insurance and then collect full damages from the railway company; the two put together ought only to make good my loss. The contention of the member for South Ontario (Mr. Smith) is, as I understand it, that under the present law, if you accept the insurance, you have no right to look to the railway company for

the balance. If that is a true interpretation of the statute, I do not think it is right.

Mr. J. E. ARMSTRONG: The member for South Ontario informs me that he has been asked by the local insurance companies to request that the words in question be eliminated from this subsection; that he has consulted with the best legal talent available, who assure him that if they are removed, the claim which the member for South Ontario has made in committee will be allowed.

Mr. CARVELL: In order to expedite matters, I am willing that these words be struck out. If on the third reading we find that we are in error, we may be able to reinstate them. I must confess that it is hard to sit down here in committee and read over an intricate section of this kind and make up your mind as to its true interpretation.

Amendment agreed to.

Mr. CROMWELL: It appears to me that it is hardly sufficient to limit the liability of the railway company at $5,000. It is true that in some instances that amount may be sufficient, but in others it may not. If a property worth $10,000 or $12,000 was destroyed by fire caused by a locomotive, and the property was insured for $3,000, what recourse would the loser have? He could only go to the railway company. I think that the amount of $5,000 should be increased to $10,000 in order to protect sufficiently those who suffer damage by fire caused by locomotives. I hope this suggestion will be taken into consideration by the committee, because the matter is important to any one whose property is located near a railway line.

Mr. SEXSMITH: Many valuable buildings are situated close to railway lines. I think it is highly improper that the amount of liability should be limited to $5,000.

Mr. COCHRANE: I think that $5,000 is enough.

Mr. SEXSMITH: In case of fire, the claimant would have to prove that the railway company caused the fire. I do not see why a man whose loss amounted to $10,000 or $20,000 should be unable to receive from the railway company more than $5,000 because of this limitation.

Mr. COCHRANE: There are not many cases where the loss exceeds $5,000.

Mr. SEXSMITH: I know, but we should not fix the amount at $5,000.

[Mr. Carvell.]

Mr. SMITH: I agree that such a large amount might not always be involved, but there might be cases where $5,000 would not be sufficient to cover the loss. It seems to me that the amount could reasonably be changed from $5,000 to a considerably larger amount.

Mr. CROMWELL: I move in amendment that in this section the words "five thousand dollars" be struck out and the words "ten thousand dollars" be substituted therefor.

Mr. NICKLE: I think, from the language used by the two last speakers, that they are under a misapprehension as to the character and meaning of this section. If the machinery of the company—that is the locomotive—is modern and efficient, they become insurers to the extent of $5,000. That is, if a fire is caused by a locomotive and it was what we call purely accidental, the locomotive being properly equipped and everything being in proper working order, the company are insurers to the amount of $5,000. If there is a defect in the locomotive or any neglect in the operation of the railway, then the company is responsible, in unlimited amount, for the damage done. It struck me that the hon. gentlemen, in speaking to the subject, rather laid down the proposal that there was a general limitation to the amount of $5,000. The limitation is only to the extent of insurance; that is, if the locomotive is modern and well equipped and a fire occurs, the company can only be asked to pay $5.000. If the locomotive is negligently operated or improperly equipped, the liability is unlimited.

Mr. SMITH: I understood that if the locomotive was properly managed and everything was in order, the railway company would not be liable at all.

Mr. CARVELL: If you prove that the fire is caused by the locomotive, you can recover up to $5,000, even if they had the most perfect appliances in the world.

Mr. SMITH: I think a good deal more of the section than I did, in view of that explanation.

Mr. CARVELL: But to recover more than $5,000, you must prove negligence, either in appliances or in operation.

Mr. NICKLE: Under the old law, the plantiff had to show that the spark-arrester was defective or that there was some defect in the mechanism. Having shown that, he could recover damages, but plaintiffs were

12 m.

under this embarrassment; as a rule, they had no opportunity of inspecting the locomotive and they had great difficulty in showing that there was any defect either in the equipment or in the operation of the locomotive. The law was then amended in this manner; if there was reasonable ground for assuming that a spark had gone from the stack of a passing locomotive and had fallen on a man's field or house, causing damage, then the jury were warranted in granting damages not exceeding $5,000. If the plantiff could show in addition that the spark-attester was defective or that the locomotive was incorrectly operated—for instance by blowing up the stack improperly when going up a grade—then the limitation of $5,000 was done away with and the plaintiff could recover to the full amount of the damages suffered by him through the negligent construction or operation of the locomotive.

Mr. CARVELL: That is a correct interpretation of the law.

Mr. COCHRANE: Five thousand dollars is a sufficiently heavy liability.

Mr. CROMWELL: Supposing that I have a set of buildings in close proximity to a railway, and with all the modern appliances that the railways have now to prevent fire, fire takes place caused by an engine. My property is insured for $3,000, but perhaps is worth $5,000, and I have in my barn stock and feed for that stock to the amount of $12,000. If my property is burned down through that fire, I am the loser. I get my $3,000 insurance, but the railway company will pay me only the $2,000, the difference between the $5,000 and the $3,000 I have received from the insurance company. Who is to pay the balance? The railway company should have to pay up to the extent of at least $10,000, because many people are in the same position as that which I have described. If fire should take place in a wood lot, the case would be similar. The owners might lose $25,000, and it would be quite a help to them if they could get $10,000 from the railway company responsible for the fire that took place. We should not give a charter to a company that has not a reasonable amount of responsibility to the people from whom it gets a charter.

Mr. COCHRANE: The railway companies have to insure up to $5,000 even when their appliances are in proper order. That is heavy insurance.

Mr. SEXSMITH: I cannot see where they insure at all. They are liable when they cause a fire, but what right has a railroad, with a smoke-stack in accordance with the law of the land, to set fire to my property or your property and then not be liable? If you allow them to be a little slack, they will cause many more fires. A railway engine may be in the best of condition and still cause fires in very dry seasons. Two or three years ago fire was caused from the railway at a certain place, and the grass was dry. The man happened to be away from home. If it had not been for a couple of people coming along all his buildings would have been burned down, and he would have lost $10,000 or more.

Mr. COCHRANE: The railway companies are blamed for setting many fires for which they are not responsible.

Mr. SEXSMITH: It is up to the railway companies to prove that they are not liable.

Mr. CARVELL: The Supreme Court some years ago decided—there were a series of cases—that if a railway company allowed dead grass or weeds to exist upon the right of way and a spark fell upon that and ignited it, thereby causing fire, they were negligent, and such a case does not come under this limit of $5,000. I hold no brief for the railway companies, as my business is to take actions against them. In the revision of this Act, however, a special committee was appointed, and all parties were invited to come and present their cases. The railway companies were represented, and this section went through the committee without any objection. This, of course, is the Parliament of Canada, and we are not bound to send for anybody or to consider the views of any one, but it might be regarded as a little breach of faith with the railway companies if, under present conditions, we interfered with an important section like this. I am not intimating for a moment that we have not the power to change it.

Mr. SEXSMITH: I cannot agree with the hon. member for Carleton (Mr. Carvell). The railway companies had their legal advisers before the committee. The people did not come to present their case to the committee, and we are their only safeguard.

Mr. COCHRANE: People did come.

Mr. SEXSMITH: Even if the railway companies were willing to accept liability up to $5,000. I do not see that that is any

justification for saying that we should not increase the amount.

Mr. COCHRANE: They were willing to accept that.

Mr. BALL: It is up to the railway companies to keep their smoke stacks in order. If damage occurs, they should pay all damage over the insurance, provided it is proved that they are responsible for the fire. I do not see why any private individual should lose on account of that fire. I do not think the burden of proving that a smoke stack is not in order should be placed on the individual.

Mr. J. E. ARMSTRONG: When the hon. member for Compton (Mr. Cromwell) spoke to me about this matter I thought, perhaps, we would be justified in increasing the amount. After listening to those hon. gentlemen who have been discussing the question, and after reading subsection 7, which reads:

> Nothing in the last two preceding subsections shall prevent or prejudice any action or claim against the company for failure to use modern and efficient appliances or for other negligence—

I can readily understand that action can be taken against a company for any other negligence as well as for inefficient appliances, and I am satisfied now that the claim made by the hon. member for Compton is fully covered by subsection 7.

Mr. CROMWELL: A railway company is a very big corporation, and an individual is at a disadvantage in contending with it. He might not think it worth his while to take action against a large corporation, and, perhaps, be the loser. The individual who sustains the loss should be protected and should not have to take into consideration the fact that he is up against a big corporation. The Government should see that the individual losing through a fire, whether caused by a big corporation or by a small corporation, should be protected.

Mr. MORRISON: When a farmer suffers on account of a fire caused by a locomotive he has not the means of ascertaining whether that locomotive is in proper condition or not. The locomotive is out of reach.

Mr. MORRIS: I am just a little interested in this matter. Although it has never happened in my own immediate locality, I have heard of great damage sustained by individuals who were not in a position to prove where the damage had originated. We knew from the circumstances of the case that it had originated with the railway company, but it was impossible to prove exactly where, and the company took advantage of this fact. We knew, and the company knew, that they were responsible for the damages, but because the man could not produce the evidence necessary to fix it on the company, he had to sustain the loss. I think when the proof is sufficient that the railway company is responsible, they should be made to pay the damages.

Mr. COCHRANE: If you prove they are responsible, they have to pay.

Mr. MORRIS: The difficulty is to prove where they are responsible. Several companies were using the same line. During the night several trains passed, and the damage was caused. The individual could not prove to the court nor to the committee which had the matter in charge which company was responsible, and had to sustain the loss himself.

Mr. CARVELL: Perhaps my hon. friend was not following the change made by the hon. member from St. Johns and Iberville (Mr. Demers), and accepted by the committee. He suggested a change which provided that the company which operates the railway over which the locomotive is being used is responsible for the damage.

Mr. MORRIS: That covers the point I had in mind.

Mr. CARVELL: Of course, my hon. friend realizes that it would not be fair to hold the railway company responsible unless you proved the fire was started by a locomotive or by the railway company in some way.

Mr. MORRIS: That only throws the responsibility from one to another.

Mr. CARVELL: It fixes the responsibility.

Mr. CROMWELL: But, it does not affect what I have said. What I want is that the maximum responsibility of the railways be placed at $10,000 instead of $5,000, no matter what company is operating.

Mr. COCHRANE: If you prove there is negligence, there is no limit to the amount. You make it $100,000. Of course, the railways must have fairplay as well as any body else.

Mr. CROMWELL: But establishing liability is the consideration before the House.

Mr. COCHRANE: I got a telegram last summer from two lumbermen claiming that the Intercolonial had set fire to their tim-

ber. I had the matter investigated and found there was not any fire within ten rods of the track. Their own men had set the fire.

Mr. REID: Did you pay them the $5,000?

Mr. COCHRANE: I did not pay them anything.

Mr. CROMWELL: I cannot see how it would be any disadvantage to the railway companies to place the sum at $10,000 instead of $5,000. We are operating a railway ourselves, and if we do any damage we have no disposition not to settle for the damage. The people of this country have given charters to the railway corporations, and I do not see any reason why those railways should not be responsible. It is only a matter of protecting the individual who is living close to the right of way and who may be in danger of fire.

Mr. CARVELL: We have had to face this question a good many times, especially the lawyers of this House. I have argued it to juries frequently. I am not addressing a jury now, and I am compelled to look at it from a broad business standpoint. In the first place, we must remember this country could not exist without railways, and they are entitled to a great deal of protection. We must also remember that until electric energy is developed to a greater extent than it is at the present time the only known way of operating a railway is by fire; they cannot generate the power otherwise. They have to go through the country at a high rate of speed. I believe the railway companies are trying their very best to use all modern appliances to prevent causing fires. It never seemed to me fair that when a railway company is compelled to use such a dangerous thing as fire, and they cannot get along without it, you should practically put them in a position where they may be mulcted in very large damages for doing that which they are compelled to do, unless you can show that they have done it negligently. I have always felt that Parliament went pretty far when they adopted that clause providing that they were liable to the extent of $5,000 merely by proving the fact that the fire occurred. I hardly think it fair that this should be increased to $10,000.

Mr. REID: The suggestion has been made that a man might have $10,000 or $12,000 worth of buildings destroyed, and that the company would be only liable for $5,000. I look at this clause as being more to protect the farmer who could not possibly insure what this $5,000 is intended to cover, that is the growing grain. I claim a man is negligent of his duty, even in his own interest, if he does not protect himself by insuring his buildings. The insurance premium is not very high, especially if he takes a three years policy. If every man would protect himself there would be more reason for having this limit larger. As the hon. member for Carleton said, we have to be fair to the other side. Every man should take precautions instead of depending on the railway companies.

Mr. SEXSMITH: I realize that the comtry has to have railways and that the railways should have just and proper treatment. But, it is not the railways that are paying this; the people of Canada are paying it. We do not want the fire rate to get too high, because if we do the tariffs of the railways are going to be put up and the people will have to pay. The people of Canada are paying and the tariff is made sufficient to pay the loss of the individual who is unfortunate enough to have his property along the railway line. The railways are not paying it. They figure out what their loss is going to be and they figure their tariffs in accordance with it.

Mr. COCHRANE: They have not the right to figure their tariffs at all.

Mr. SEXSMITH: They do.

Mr. COCHRANE: The commission figures their tariffs.

Mr. SEXSMITH: But they put all these things in and the commission takes them into account. They try to set a limit of $5,000.

Mr. COCHRANE: The limit is not set.

Mr. SEXSMITH: I do not say it is absolutely set, but it is practically impossible for the ordinary individual to prove that a smokestack has a hole in it.

Mr. COCHRANE: Here is a man who proved it.

Mr. SEXSMITH: The case of the hon. member for Carleton will bear out what I say. He had a good deal of difficulty and his client paid out a good deal in costs before he could prove it. I think the railways should be responsible for the fires they set.

Mr. COCHRANE: If you prove they set them, there is no limit to their responsibilities.

Mr. SEXSMITH: There is no limit if you prove they have a hole in their smoke-stack. But how can you prove that? You have to prove first that the fire was caused by the railway.

Mr. WILLIAM SMITH: All those properties along the railway were there before the roads ran through.

Mr. COCHRANE: Not all.

Mr. WILLIAM SMITH: A great many. A farmer will not put up a valuable building to-day near a railway. The mutual companies are refusing a great many otherwise good risks. I think there is a little in the contention of the hon. member for Compton (Mr. Cromwell). I agree that we have to have the railways in the country and that we should deal fairly with them because we are obligated in many ways to them. But the matter of insurance that my hon. friend the Minister of Customs (Mr. Reid) spoke of is a pretty hard one to deal with. I am connected with an insurance company, and we scarcely ever have a meeting of the board but we have to refuse a risk which would otherwise be desirable because it is located near a line of railway.

Mr. CARVELL: My hon. friend from Ontario (Mr. Smith) says that the buildings were there very largely before the railways were built. In many cases, especially if the farmer is looking after his interests, in estimating compensation for the land taken the increased insurance which he must pay is part of the damages and the arbitration courts allow very large amounts for that increased insurance; so that the railway company before hand has paid in the money with which to carry that insurance.

Mr. NICKLE: The committee have opened up a very big subject and perhaps it would not be amiss, although it is late, to say a word or two in regard to the responsibility of any man for his own default. The general principle of the law is that no man is responsible for damage that is caused to another unless he has been negligent. When railway companies came into existence and began to run, that principle of law was applied to their operation and management. We gave them certain charter rights and there were certain rights incidental to their operation. One was the right to generate steam. To generate steam you need fire, and to get fire you need a fire box and a flue leading from it. The principle of law was gradually worked out to be that if the engine was not negligently operated, and if it was efficiently constructed, the railway was not responsible for damages resulting from fire. Time went on and there were no doubt cases where there were great hardships, where there was fire and it was impossible for the plantiff to prove that there had been any negligence in the operation of the road or the construction of the engine. Public feeling was aroused to such an extent that finally the Act was amended and it was declared that if there was fire and it was traceable to a locomotive the railway that owned that locomotive should be responsible to the extent of $5,000 no matter whether there had been negligence on the part of the railway company and its employees in the management or construction of the engine or not. There are two sides to this question. I have acted for railway companies and I have acted against them. I will take the case of a lumber company with a siding on the right of way of a railway. They do not clean up the debris after their loading operations are over, a railway engine comes along, a spark is emitted from the engine, it falls on the debris and sets a fire which burns up a farmer's or lumberman's buildings. It is true that if there had been no railway there would have been no fire; but if the man who owned the adjacent land on which the spark fell had cleaned up there would have been no loss, or the loss would have been less. What this committee is called upon to decide to-night is this: To what extent are we prepared to depart from the general principle of the law that says that a person or a company are not responsible for damages unless they have been negligent? The principle of the old Act was that to the extent of $5,000 the railway were the insurers. Beyond that amount they were responsible to the extent of the damage suffered provided you could prove they were negligent. Whether $5,000 is enough or whether a couple of thousand dollars should be added to that is for the committee to decide, but I feel that it would be most unwise to provide that there should be an unlimited responsibility, because if that were the case it would put a premium on dishonesty to this extent, that those who had property adjacent to the line of railway and could by no possibility suffer loss from fire, under proper conditions, might so arrange events that this property would be burned knowing that they would get the full value from the railway company. My hon. friend from South Ontario (Mr. Smith) says that it would be difficult to

prove damages against a railway company. My experience has been that if you get a farmer's jury they will find some way of proving a defect in the construction and operation of the railway and that if there is a case at all the farmer jury will find something that was done that should not have been done, either in exhausting too rapidly up the stack, or that a spark arrester was defective in construction or in operation. As a rule the railway company has pretty hard going. The principle that underlay the original Act was that $5,000 was thought to be reasonable compensation in the ordinary case, and that this amount did away with unnecessary litigation and gave reasonable insurance to the people who had property adjacent to the railway. Of course it must be remembered that if you unduly increase the responsibility on the railway, in the last analysis you throw that burden on the people in the way of increased freight and passenger rates.

Mr. CROMWELL: The hon. member for Kingston (Mr. Nickle) has referred to exhausts. The exhaust from anything, even a railway locomotive, does not amount to much. It is not exhaust we are after, it is protection for the people who have buildings close to a railway chartered by the Government of Canada to build through a certain district. Why should the railway not be responsible for damages which they cause to the property owner? I do not see any obstacle in the way of increasing this amount from $5,000 to $10,000, and I hope the House will see fit to endorse the amendment I have proposed.

Mr. DEMERS: While it is true that the railways are absolutely necessary to the country, it is also true that they operate under charters granted by this Parliament, and enjoy great privileges. I do not agree that it is easy to get a verdict against a railway company. It is almost impossible to prove negligence or improper equipment of engines. Then it must be remembered that $5,000 covers the total damage, no matter how many owners may suffer loss. A fire in Mississquoi county a few years ago burned an entire village and caused damage of more than $100,000, but under this Act if the law had been in existence at that time $5,000 is the total amount for which the company would have been responsible, and this amount would have been divided among all the property holders.

Mr. COCHRANE: I will agree to change the $5,000 to $7,000.

Section as amended agreed to.

Progress reported.

On motion of Hon. Mr. Reid the House adjourned at 12.50 a.m. Friday.

Friday, July 20, 1917.

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

BOARDS OF TRADE ACT AMENDMENT.

Sir GEORGE FOSTER moved for leave to introduce Bill No. 115, to amend the Boards of Trade Act. He said: This is simply to make provision enabling a group of Boards of Trade in a municipality, for instance, to co-operate.

Motion agreed to, and Bill read the first time.

PRIVATE BILLS.

FIRST READING OF SENATE BILLS.

Bill No. 113, for the relief of William Henry Bishop.—Mr. McCraney.

Bill No. 114, respecting The Montreal Central Terminal Company.—Mr. Girard.

SOUTHERN SLAV COMMITTEE.

On the Orders of the Day:

Sir ROBERT BORDEN: I beg leave to lay on the table of the House a memorandum submitted by the Southern Slav Committee to the representatives of the British Dominions. No particular mode of communication is suggested in the memorandum, and I therefore thought it best to lay it on the table of the House.

PRIVILEGE—HON. MR. PUGSLEY.

On the Orders of the Day:

Hon. WILLIAM PUGSLEY (St. John): Mr. Speaker, I rise to a question of privilege concerning a matter to which I referred when the Military Service Bill was in committee. On the 6th day of June of this year, as reported on page 2149 on Hansard, at a time when I did not happen to be in the House, my right hon. friend the Prime Minister in connection with an Order in Council which had been passed providing for the appointment of two judges to inquire into the report of Mr. Justice Galt in a matter which concerned my hon. friend the Minister of Public Works, made use of these words:

> My right hon. friend (Sir Wilfrid Laurier) challenges the action we have taken and challenges the reflections which have been made

upon Mr. Justice Galt in the letter written to me from the Minister of Public Works. I should like to remind him that on a certain occasion one of his colleagues who sits beside him used infinitely stronger language, if my memory is correct, with regard to Mr. Justice Landry of the Supreme Court of New Brunswick, and he did so without any reproof from my right hon. friend. I am perfectly willing to contrast the action which we have taken in this matter with that which my right hon. friend took on that occasion. Findings had been made by a commission of which Mr. Justice Landry was a member. Those findings reflected seriously upon a member of my right hon. friend's Government. The matter was brought to the attention of Parliament, and it was urged by a motion in this House that such a finding should be disregarded.

I think the word "not" has been left out there.

Sir ROBERT BORDEN: Yes.

Mr. PUGSLEY: It goes on:

My right hon. friend ignored the whole matter and voted down the motion, the precise words of which I have not before me; no consideration to the finding was given by him, and the then Minister of Public Works retained his position in the Government and continued to administer the affairs of his department. It seemed to me, when the matter was brought to my attention by the present Minister of Public Works, that such a course as was on that occasion pursued by my right hon. friend could not be followed or sanctioned with advantage to the public interest.

The statement of my right hon. friend the Prime Minister is contrary to the facts in two most important particulars. I would not bring this matter up were it not for the fact that the statement of my right hon. friend deeply concerns my honour as a member of this House, apart altogether from the reflection upon the attitude of my leader. I think that members of this House ought to be very careful in making aspersions on the character of other hon. members of this House. We ought not to attack each other as if we were wolves anxious to destroy each other's reputation. I think my right hon. friend ought to have been more careful, and to have looked into what took place when the matter to which he referred as affecting myself was before the House. He should have satisfied himself as to what took place on that occasion before so reflecting on me.

Just for a moment I will call attention to the statement which my hon. friend the Minister of Public Works made with regard to Mr. Justice Galt in his letter to the Prime Minister, which will be found on page 2147 of this year's Hansard. These are his words:

It was manifest from Mr. Galt's demeanour—

[Mr. Pugsley.]

Mr. SPEAKER: I do not desire to restrict unduly the hon. member, but I hope he will confine his statement directly to the matter of privilege as affecting himself.

Mr. PUGSLEY: I will do so. The reason I propose reading this is that the Prime Minister says I reflected upon Mr. Justice Landry in infinitely stronger language than was used by the Minister of Public Works in respect to Mr. Justice Galt. I therefore think I am in order in quoting the language used by the Minister of Public Works. He said:

It was manifest to me then from Mr. Galt's demeanour and remarks that he purposed sparing no effort and rejecting no means, however unfair, of doing me all the injury in his power. I therefore, from that point forward, took little or no interest in the proceedings of his Commission, being absolutely certain not only that my own conduct in the premises had been straightforward and in the public interest, but that, though it would be a waste of time to make any attempt to influence the purpose of Mr. Commissioner Galt, there would be no difficulty later in exposing and establishing before any fair and competent tribunal both the true facts of the case and the malice of this commissioner.

A little further on he said:

It is quite true that no explanation or defence, however complete or however substantiated, would have affected in the least Mr. Galt's determination, but this fact cannot be offered as an excuse on his part for abandoning and indeed prostituting the most elementary principle of British justice—that it is a fact, however, does, I think, fully establish the predetermination and malice of the Commissioner.

I will deal first with the second charge that my right hon. friend the Prime Minister makes. He says that there was a motion in 1909 for an inquiry in respect to myself and the Central railway. He must have absolutely forgotten what took place upon that occasion, for there was no motion for an inquiry. The motion was that I had been found by the report of these commissioners to be guilty of misconduct—of conduct not worthy a public man—and a demand was made that I should be retired from the Government; that was the motion. It is important to see how the matter got before the House. There are four gentlemen, members of this Parliament, who took an active part in the attempt so to drive me from the Government at that time. One was my hon. friend Colonel Fowler who is now a member of the Senate.

Mr. SPEAKER: I think the hon. member is going rather far afield now. On a question of privilege it is competent for him to deny statements reflecting on himself, but

I hope he will not bring into his explanation other hon. members of this House, and other matters.

Mr. PUGSLEY: I shall have to do that to a certain extent in order to show how the matter came before this House, and to prove that the statement made by my right hon. friend the Prime Minister the other day: that the leaders of the party at that time asked for an inquiry, is incorrect. What was demanded was that I should be forced from the Government.

Sir ROBERT BORDEN: What were the exact terms of the resolution?

Mr. PUGSLEY: I will come to that in a moment. My right hon. friend the Minister of Trade and Commerce (Sir George Foster) was then leading member of the Opposition, and he requested the then Premier of New Brunswick, now the Minister of Marine and Fisheries (Mr. Hazen), to send the report of this commission here for the purpose of being acted upon. He referred to the fact that I might seek to rely upon the evidence to show the report was false, but he said that they proposed to get after me before I would have a chance to get the evidence. Now let me read the letter. This has been brought down in the Legislature of New Brunswick. The letter reads as follows:

House of Commons,
Ottawa, April, 14, 1909.

Dear Mr. Hazen:—

I telegraphed you this morning re the Comm. Reports and trust you have sent me a number. As to copy of evidence I put that in in case you have it printed which probably you have not. It is, I suppose, voluminous. Why I did so was for this reason. Pugsley so far as now appears will try to bluff the matter out of the House here as not pertaining to Federal affairs.

Some hon. MEMBERS: Hear, hear.

Mr. PUGSLEY: The letter continues:

He will say that the report is not based on evidence and that he will, after getting a copy of the evidence issue a statement showing this to be so. That will be his defence. We propose to get after him here before he gets a copy of the evidence.

Some hon. MEMBERS: Hear, hear.

Mr. PUGSLEY: The letter concludes as follows:

But if by any possibility he does get it then we need the evidence to meet him here.

I presume the evidence will not be available in printed form for some time. If he gets a copy I hope you will see that several copies are made at the same time and that we get one or two here.

I have not seen full report but what I have seen is pretty straight goods.

Yours very truly,
(Sgd.) G. E. Foster.

That is the letter written by my high-handed friend the Minister of Trade and Commerce. When the matter came before the House it was on a motion made by my hon. friend, my Christian friend, the present Minister of Labour (Mr. Crothers). He brought the matter before the House, and if any hon. gentleman has the curiosity to read what took place, I would refer him to Hansard of 1909, at page 5645, and so far as my reply is concerned, concluding upon page 5755. I assure the House that I am not going to read the hundredth part of what took place on that occasion. My hon. friend the present Minister of Labour (Mr. Crothers) proceeded to remark that this report had been made, and it seriously reflected upon me, and at page 5655, referring to the evidence which was then under consideration by the present Minister of Labour, I made these remarks:

Mr. Pugsley: I wish to correct the statement of my hon. friend. I was not the managing director of the company.

Mr. Crothers: I am simply making my observations based upon the judgment of this court.

Mr. Pugsley: My hon. friend must pardon me. I say that there is nothing whatever in the evidence which would justify a statement of that kind, and the statement is absolutely untrue.

Mr. Crothers: I am not here for the purpose of discussing the evidence in this case.

Some hon. MEMBERS: Oh, oh.

Mr. Crothers: Mr. Speaker, I do not propose to discuss the evidence in the case.

Mr. Pugsley: I am not surprised at that.

Mr. Crothers: I am here standing on the judgment of a court.

Mr. Pugsley: If my hon. friend can find anything in the evidence which will justify some of the statements in the report, I shall be greatly obliged if he will refer to them.

Mr. Crothers: As I said a moment ago, I am not here for the purpose of discussing the evidence in this case. I am standing on the judgment of a court.

Further on he said:

Mr. Crothers: I submit, Mr. Speaker, in accordance with well established practice in English speaking communities, that the first thing for the hon. the Minister of Public Works to have done, when that judgment was pronounced against him by a court so constituted, was to step aside and resign his position as Minister of Public Works.

Now you see by that, Mr. Speaker, that leaders of the Conservative party at that time were seeking to drive me from the Government, without any opportunity of discussing the evidence, or having this

House pronounce upon the evidence. I desire to say, Sir, that I appreciate to the fullest extent the desire of my hon. friend the Minister of Public Works (Mr. Rogers) that he should not be condemned upon the judgment of Mr. Justice Galt, without some opportunity being afforded, either to this Parliament or to a committee of this Parliament to review and to consider the evidence upon which that report is founded. That is the right of the present Minister of Public Works. He has a right to demand—

Mr. SPEAKER: The hon. member is surely exceeding his right. He must confine himself to a denial of the matters complained of, but I shall not be unduly restrictive.

Mr. PUGSLEY: I will endeavour to do so. What I say is that the Prime Minister gave to this House the impression that my leader and I were seeking to prevent an examination of the evidence.

Sir WILFRID LAURIER: Hear, hear.

Mr. PUGSLEY: That is what he told this House, and I see the report in Hansard puts it beyond the shadow of a doubt that the hon. gentleman was mistaken in that assertion.

Sir ROBERT BORDEN: Which assertion?

Mr. PUGSLEY: That we were seeking to prevent an inquiry.

Sir SAM HUGHES: In which case?

Mr. PUGSLEY: In my case. The matter came up also in connection with the view which the Speaker took. He took the view that my hon. friend the Minister of Labour had no right to bring the matter up on a motion to go into Supply; that it was contrary to Parliamentary practice, but my right hon. friend (Sir Wilfrid Laurier) who was then the leader of the Government stated that although the Speaker might be right, yet he was desired by me to say that no such point would be taken, because he wanted Parliament to have the fullest opportunity to examine the evidence, and deal with the matter upon the evidence. That was stated by my right hon. friend the then leader of the Government (Sir Wilfrid Laurier) and it will be found that later on I took the same view. The result was that the inquiry was made open, and the evidence was fully discussed. The motion will be found on page 5683 of the Hansard of May 5, 1909. It reads:

That all the words after the word 'that' to the end of the question be left out and the following substituted therefor:

[Mr. Pugsley.]

The unanimous findings of the commission consisting of the Hon. Mr. Justice Landry and Messrs. F. MacDougall and A. I. Teed, appointed by the government of the province of New Brunswick by order in council dated June 5, 1908, and the authorized reports of the proceedings of the legislature of the said province during the session of 1908 set forth serious matters touching the public acts and conduct of the Hon. Wm. Pugsley, formerly a member of Government of the said province and now Minister of Public Works;

That persons occupying high offices of state as constitutional advisers of His Excellency ought to be free from just reproach and from reasonable suspicion in respect of their public character and reputation;

That to this end the said findings in so far as they impugn the public acts or conduct of the said Hon. William Pugsley deserve the serious consideration of this House and demand such action thereupon as may be necessary to enforce worthy and proper standards of public duty.

That was the motion, and, as I have said, upon that, the demand was made by the present Minister of Labour (Mr. Crothers) speaking for the leaders of the Conservative party, that I should immediately resign my seat. On the contrary, as I have said, from what my right hon. friend states, even against the opinion of the Speaker that the motion could not properly come up in that way, we, I and my right hon. leader, waived all objections to it and insisted upon the fullest inquiry by this Parliament into the evidence with a view to determine whether or not the report was well founded. And, Sir, after my hon. friend the Minister of Labour got through insisting that the discussion should be confined to the report, that he had nothing to do with the evidence, and that this Parliament had nothing to do with the evidence, that the report must govern. I followed, and I discussed the evidence very fully. I showed that in twenty different instances this report was absolutely false—absolutely false.

My right hon. friend makes the statement that I made a statement with regard to Mr. Justice Landry in infinitely stronger language than that which was used by my hon. friend the Minister of Public Works in regard to Mr. Justice Galt. I shall not criticise the language of the Minister of Public Works; he may be entirely justified in his statement, I am not here to question that. It may be that the mode which has been taken is the best mode of having the evidence reviewed. Some may think that the best way would be to do what was done in 1909, that is to have this Parliament fully investigate the evidence; but from my experience I am free to say that I would not hang a dog on the report of a commission

without an opportunity to go fully into the evidence and form my own judgment with regard to it.

Mr. ROGERS: Hear, hear.

Mr. PUGSLEY: I am free to say that, I do not hesitate to say it. Perhaps it was because my experience was so painful that I entertain strong views upon it. The only safe thing to do is to look to the evidence and see whether it forms a proper foundation for the report and, as I said, when we came to the examination of this report and evidence, I was able to show that in twenty important particulars there was not a shadow of evidence to support the findings.

Sir SAM HUGHES: Does my hon. friend refer to the commissioners in his particular case, or commissioners in general?

Mr. PUGSLEY: My hon. friend, I trust, will be able to draw a reasonable and proper conclusion from what I have said. I have had a sorry experience. Whether all commissioners might act in the same way I would not say but, if there is danger that they might, the only safe thing in my judgment is to have the evidence and to investigate the whole matter before the high court of Parliament, or before a committee of Parliament, or in some other way. There is no appeal from the court; it is not a judgment in the sense in which the Minister of Labour sought to put forward that it was a judgment, and it seems to me that this Parliament would have the right and would be the proper tribunal to investigate the evidence as was done in 1909, a fact which my right hon. friend must have forgotten when he made the statement which he did. He must have forgotten that the evidence was fully gone into in this Parliament in 1909 with the full consent of my right hon. friend and leader and entirely with my approval, and against the suggestion of the Speaker that it was hardly the proper time to take up the matter or to enter into the motion proposed by the Minister of Labour.

When the Prime Minister states that I referred to the Hon. Mr. Justice Landry in infinitely stronger language than the Minister of Public Works reflected on Mr. Justice Galt, my right hon. friend is wrong. The reflection that I made upon that occasion was upon the report, not upon the individuals. I took up the report, and from the fact that it disregarded the evidence in many particulars, from the fact that it was absolutely contrary to the evidence in many particulars, I argued that it showed partisanship; it showed a reckless disregard for the truth; it bore upon its face evidence of a determination to drive me from public life if it were possible to do so. The strongest language which I used—and I had a right to use it, just as every litigant who has a case before a court has a right to criticise in very strong language the judgment if it is absolutely contrary to the evidence, or if it ignores the evidence. Of course, it is one thing to characterize a report as unsupported by evidence and as evidently showing a lack of desire to get at the truth, and it is quite a different thing to criticise the judge individually. The strongest language which I used will be found on Hansard, page 5700. That is the only one of the twenty instances in respect to which the report was false with which I desire to trouble the House. That had reference to a matter of the greatest possible consequence. It had reference to the guarantee by the province of $250,000 of bonds for the New Brunswick Railway Company. By the statute power was given to guarantee on behalf of the province these bonds as each section of the railway, if I remember rightly, was completed. The Royal Trust Company were the trustees for the bondholders. The bonds were deposited with the trust company of which Mr. Shadbolt was manager, and from time to time as the company became entitled to have them guaranteed, the secretary would endorse the guaranty upon the bonds. Up to a certain period there were $111,500 of bonds guaranteed for which there was provision by Act of the Legislature. These commissioners made a report—and this is what I referred to in very strong language on Hansard, page 5700—that it was conclusively proved that $250,000 of these bonds had been guaranteed by the province without any legislative authority.

If that had been done every man connected with the provincial government, myself included, was liable to criminal prosecution and might have been sent to the penitentiary. It was of the most serious character. Yet that report was absolutely contrary to the evidence. Those commissioners say in their report it was conclusively proved that this guarantee had been made. Surely characterizing that part of the report as false, and characterizing it as made with a reckless disregard of the truth, was not making a charge against the commissioners any stronger than that which my hon. friend the Minister of Public Works (Hon. Robert Rogers) made against Mr. Justice Galt. His charge against Mr.

Justice Galt was against him personally, not showing it by the evidence, but expressing his belief that the report was made with malice, etc. Let me read the language which I used:

> I wish to invite attention to another statement which I think is of great importance, and which no member of this House should have been prepared to practically support by bringing this matter before the House unless he had made some inquiry and satisfied himself of its truthfulness. I find, on pages 18 and 19 of the report of the commissioners, a very important statement, and I am going to press this with a great deal of force if I can press any point with force. I am going to urge upon the consideration of this House, the fact that not only is the statement to which I am about to allude false, but that it is, I am obliged to say, either knowingly or recklessly false. It has been made either knowing that it was false or with an utter disregard of the facts of the case. On page 18 they say:
>
> "Notwithstanding this fact, it appears conclusively from the evidence that the whole $250,000 par value of these 3 per cent bonds had been guaranteed and delivered to the company up to the 6th day of August, 1903."
>
> That is a charge of the most serious character to make against the provincial government. That is a charge that we, in violation of the statute, in violation of our duty, when we had no legislative authority to do it, prior to the passing of the Act of 1904, which extended the powers as far as the guaranteeing of bonds was concerned, prior to the 6th of August, 1903, guaranteed the whole of this issue of $250,000 of three per cent bonds and that they were delivered to the company. They say that that appears conclusively from the evidence. I say it does not appear, not merely conclusively from the evidence but that it does not appear at all from the evidence and that the evidence is entirely contrary to that statement. So far from the whole $250,000 having been guaranteed prior to the 6th of August, 1903, the total amount which was guaranteed was $138,500, a difference of $111,500, between what was actually guaranteed and the statement which these commissioners make as the amount having been guaranteed. There is no excuse for that and it cannot be a typographical error either.

As I have said, taking up that important item, and showing that it was made without any evidence whatever to support it, I think making the charge which I did against the commissioners is a very different thing from the charge which my hon. friend the Minister of Public Works makes. Yet because I used that language with reference to the report, my right hon. friend the Prime Minister has asserted in this House that I made a charge against Mr. Justice Landry infinitely stronger than that which the Minister of Public Works made against Mr. Justice Galt.

I will detain the House a few minutes longer while I call attention to the fact

that my hon. friend the Minister of Marine and Fisheries (Mr. Hazen), who sent these reports to the Minister of Trade and Commerce to be acted upon by this House, knew from the report of the Government counsel that that statement was false and that when this report was presented here—

Mr. SPEAKER: I must ask the hon. member to desist from pursuing his present line of argument. The hon. gentleman has made his denial very fully, and has been given ample opportunity to do so. I think he is going too far on a question of privilege.

Mr. PUGSLEY: I have made the statement that there was no evidence to warrant those commissioners making the report they did in reference to the guarantee of those $250,000 of bonds. Do you not think, Sir, that it would strengthen my position infinitely if I were able to show from the report of the Government counsel, Mr. Powell, that it was unsupported by the evidence, and that it was in that respect a false report, and that my hon. friend the present Minister of Marine and Fisheries (Mr. Hazen) knew it was false? Some people might doubt as to whether I was right or whether the commissioners were right, but if I can show from an official document transmitted to the Premier of New Brunswick that this report of the commissioners was false, surely my position is stronger. If you will let me do that, I will drop the matter.

Mr. SPEAKER: The hon. gentleman has made his denial, and has stated his position very fully. To bring evidence from another person to support his denial would not be permissible on a question of privilege.

Mr. PUGSLEY: But, how many people might say it was just the statement of Mr. Pugsley against the report of Mr. Justice Landry. If I corroborate my statement by showing that the Government's own counsel, Mr. Powell, reported to Mr. Hazen before this report was sent here and before it was acted upon, and before this Parliament was asked to approve it, that the report was wrong, surely it is only fair I should be allowed to do so.

Mr. SPEAKER: On a question of privilege, the hon. member can only deny, as he has done so elaborately in this case, certain statements made by the right hon. the Prime Minister. The hon. member should not try the case ex-parte, which is what he now purposes.

Mr. PUGSLEY: In the first place, this report was sent for by my hon. friend the Minister of Trade and Commerce, who wrote to my hon. friend the Minister of Marine and Fisheries—who was then Premier of New Brunswick—and asked him to hurry along these reports, telling him they proposed to get me before I could get a copy of the documents. The Minister of Marine knew there was accompanying this report, and had in his possession at that time, an official document from the counsel of the Provincial Government telling him that this report was false.

Mr. HAZEN: Does the hon. gentleman say it was an official document?

Mr. PUGSLEY: Yes.

Mr. HAZEN: It was nothing of the sort, it was not intended as an official document.

Mr. PUGSLEY: If it was not it was an informative document anyway, and it told the Prime Minister that the report was false. It told my hon. friend the Minister of Marine and Fisheries that in regard to the $250,000 of bonds there was not a particle of evidence to support it. Whether it was official or unofficial, I care not. It gave the information to my hon. friend that the report was false, yet he sent it here to the present Minister of Trade and Commerce to act upon it, and the Minister of Labour was put up to act upon it and to thrust me from the Government upon a report which the Provincial Government's own counsel told him was false. Have I not the right to read that letter? I have it before me, certified under the hand of the Clerk of the House, and I wish to read it.

The letter reads:

Powell & Harrison, Barrister, Solicitors, Notaries, etc. St. John, N.B., March 31/09.

Sir ROBERT BORDEN: I think that my hon. friend has already far exceeded his right on a question of privilege. His complaint, as I understand it, was with regard to myself, in two respects: one, that I had suggested that an inquiry had been denied, and the other that I had attributed to him language stronger than that which had been used by the Minister of Public Works with respect to Mr. Justice Galt. I must confess my own belief that about two-thirds of what my hon. friend has already alleged is altogether outside the question of privilege upon which he undertook to address the House. If we are to have a debate upon the merits of Mr. Justice Landry's report, that is one thing; if we are to have an explanation from my hon. friend on the matter of privilege which he desires to bring to the attention of the House, that is quite another thing. In the first case, my hon. friend is quite at liberty to go ahead and read letters or discuss the report to the greatest possible extent, with the understanding that the right of reply be admitted. In the other case, I submit that he has already gone much further than he has any right to go under the rules of this House.

Mr. PUGSLEY: I have no objection whatever to the fullest reply. I think it is only fair to public men that these matters should be dealt with.

Sir ROBERT BORDEN: If we are to have a discussion of that, I suggest, with all deference to my hon. friend, that we appoint a day for that purpose. I will then move the House into Committee of Supply and we shall have a discussion on the subject. But it is not desirable to do that in contravention of the rules of the House upon a question of privilege that does not bring the matter into debate.

Mr. PUGSLEY: I will just read the letter, and then I will stop.

Mr. SPEAKER: Does the hon. member say that the letter concerns his statement, that he had referred merely to the evidence and not to the commissioner? If so, there can be no objection to his reading the letter. The Prime Minister has pointed out the difficulty that I had in mind all the while. While I desire that on a question of privilege the hon. gentleman shall have the widest opportunity of making his defence, I do think that there must be some limitation.

Mr. PUGSLEY: I will tell you, Mr. Speaker, what the letter will show. The letter will concern my statement that I was thoroughly justified in criticising Mr. Justice Landry, because the statement of the Commissioners that $250,000 had been guaranteed without legislative authority was absolutely false.

Mr. SPEAKER: Will the hon. member read that portion of the letter?

Mr. PUGSLEY: Yes. This is a letter dated March 31, 1909, addressed by H. A. Powell, of Powell and Harrison, barristers, etc., to Hon. J. D. Hazen, Attorney-General, Fredericton.

Sir ROBERT BORDEN: Whether the letter does or does not concern what my hon.

friend has stated, I cannot see that it has the slightest relevance. Whether Mr. Justice Landry's report is correct or incorrect is not the question of privilege that the hon. gentleman was raising. He raised the question of privilege that I, in characterizing his criticism of Mr. Justice Landry and his report, had gone further than the facts warranted when I compared his criticism against Mr. Justice Landry with the criticism of the Minister of Public Works against Mr. Justice Galt. My hon. friend is perfectly at liberty to go into that; he is also at liberty to show that what I said with regard to the inquiry on that occasion was not justified. These are the points to be brought to the attention of the House, and no others.

The SPEAKER: The Prime Minister has raised a point of order, which I have no doubt in my mind is well taken:

Mr. PUGSLEY: I feel that I have been treated very unfairly; therefore I must insist upon reading the letter. Of course, I respect Your Honour's ruling, but I shall leave it to the good judgment of the House--

Mr. SPEAKER: I rule that the hon. gentleman cannot read the letter. I do so as the point of order has been raised.

Mr. PUGSLEY: Without knowing what the letter contains, or what I propose to show?

Mr. SPEAKER: Quite so. I rule that the hon. member cannot proceed to read the letter.

Mr. PUGSLEY: Before the point is put to the House, I want the House to understand clearly what the point is.

Mr. SPEAKER: The hon. member may, in a limited way, discuss the point of order, but I rule that he may not read the letter.

Mr. PUGSLEY: What I propose to Your Honour is to read a portion of a letter from the provincial Government's counsel, H. A. Powell, in which Mr. Powell states that this statement in the report was absolutely contrary to the evidence. That is what I want to show.

Mr. SPEAKER: The hon. member has already made that statement, and he has given the gist of the letter.

Sir WILFRID LAURIER: I do not want to question the ruling of the Chair, even if in my humble judgment the ruling is not right. But if the Prime Minister will say

that we shall have an opportunity of discussing this matter, say, on Monday, my hon. friend will abide by the ruling.

Sir ROBERT BORDEN: I cannot say that we shall do so on Monday. I understand that the Minister of Marine and Fisheries will not be here on that day. I will see, however, that opportunity is given.

Sir WILFRID LAURIER: Then we will say Wednesday.

Mr. HAZEN: I am leaving for St. John to-morrow afternoon at four o'clock. While there is a possibility of my being back on Wednesday, it is not a probability; I do not think I can get back before Thursday.

Sir GEORGE FOSTER: It will keep.

Sir WILFRID LAURIER: It will keep, but in the meantime my hon. friend (Mr. Pugsley) is under a misapprehension on the part of several people, and he is anxious to clear his name, which he has a right to do at the first opportunity.

Sir ROBERT BORDEN: I think that the hon. member for St. John has gone fully into the matter so far as the point of order is concerned. I should like him to believe it is not and never has been my intention, in any observations which I address to this House, to do him or any other hon. member anything short of the fullest justice. My hon. friend has not examined the remarks which he made in 1909 as fully as I could have desired. I understand him to say to this House that his criticism on that occasion was directed against the report, not against the commissioners, and he repeated that. I must ask the privilege of refreshing his recollection in order that I may do myself the justice of showing to the House that I did not speak without some warrant. On that occasion my hon. friend said this—

Mr. PUGSLEY: I assume that we shall have opportunity of replying to my hon. friend.

Mr. SPEAKER: The very difficulty which I feared has arisen because of permitting to the hon. member undue latitude in his remarks.

Sir ROBERT BORDEN: I am confining myself entirely to the point of order which my hon. friend raised.

Mr. PUGSLEY: That point of order was decided against me.

Sir ROBERT BORDEN: No; this is with regard to what my hon. friend said on that

occasion. He states that he used no language which would justify me in the observations which I addressed to the House and he quoted just one portion—by no means the strongest portion—of his remarks. I desire to point out that he used much stronger language, and that when he stated to this House that he did not attack the commissioner, but only attacked the report, his examination of the speech he made on that occasion was not thorough.

Mr. PUGSLEY: I rise to a point of order. The point of order raised by my right hon. friend was settled by Your Honour, my right hon. friend stating that he would appoint a day next week when the whole matter would be discussed. At that time, it would be quite open to my right hon. friend to take up the evidence, but it would not be fair now to make a speech to which I could not properly reply.

Sir ROBERT BORDEN: I will rise to a question of privilege myself. I desire to point out—

Mr. PUGSLEY: Will my right hon. friend pardon me? I am not quite through with my remarks.

Mr. SPEAKER: Order. The Prime Minister has the floor.

Mr. PUGSLEY: No, Mr. Speaker, I have the floor. The point of order having been settled, I was going to continue my line of argument.

Mr. SPEAKER: The hon. member for St. John made a statement to the House and he concluded by giving the gist of a letter. I ruled that he could not read the letter. I assumed then that he had concluded his remarks.

Mr. PUGSLEY: I was not permitted to continue. I wanted to conclude in some other way.

Mr. SPEAKER: It would be more in order if a day could be appointed when the matter could be discussed in conformity with the rules of the House.

Sir ROBERT BORDEN: Very good. I am content, except that I desire to say that my hon. friend's examination of his remarks on the occasion referred to has evidently been so exceedingly superficial that he has had his attention entirely diverted from those portions of his remarks which justify the observations I made in the House on June 6, and I further say, so far as the rest is concerned that his own statement this afternoon is absolutely in accord with the description I gave in my remarks on that day of what took place in May, 1909.

Mr. PUGSLEY: I can only say in answer to my right hon. friend that he has a strange conception of the difference between attacking a judge and taking up his judgment, and showing that it is not based on evidence, or is entirely contrary to the evidence, and charging that this shows a reckless disregard for the truth.

Sir ROBERT BORDEN: I hope I have a better appreciation of that than my hon. friend has of the remarks he made in May, 1909.

Mr. SPEAKER: Order. I must ask that this discussion cease.

PRIVILEGE—Mr. MICHAEL CLARK.

On the Orders of the Day:

Mr. MICHAEL CLARK (Red Deer): Mr. Speaker, I rise to a question of privilege. A paragraph appeared in the Journal-Press of this city yesterday, and I am told that a similar paragraph appeared in the Globe of Toronto and other papers—I do not wish to read any of them—purporting to give an account of what took place at a meeting of Liberals who voted for the second reading of the Military Service Bill, purporting to give that account as an account endorsed by my hon. friend from Saltcoats (Mr. MacNutt) who was the chairman of that meeting. I have the liberty of my hon. friend from Saltcoats to say what I am now about to say. I read the paragraph from the Journal-Press to my hon. friend from Saltcoats, and with his bluff honesty, he characterized the writer of that paragraph by a very strong substantive. I do not care to repeat it, but it indicated an emphatic belief on the part of that hon. member that the paragraph in question was not only highly coloured, but untruthful. The substantive was further emphasized by the use of an adjective. My hon. friend from Saltcoats asked me not to repeat the adjective as it might reflect on his character as a good Presbyterian. I wish to say, on my own account, that my impression of the paragraph in question is exactly the same as that of the hon. member for Saltcoats.

4 p.m.

LABOUR STRIKE IN WESTERN COAL MINES.

On the Orders of the Day:

Hon. Mr. CROTHERS (Minister of Labour): Perhaps the House would be glad to hear read a telegram that I just received

from the Director of Coal Operations in District 18. The telegram which was sent yesterday says:

District eighteen produced on eighteenth instant fourteen thousand tons of coal and seven hundred tons coke. Production daily increasing but seriously retarded by lack of all classes mine labour. All mines working excepting Pocahontas, which I expect to have operating to-morrow. Railways are heartily co-operating in matter of car supply.

(Sgd.) W. H. Armstrong.

THE SOLDIER SETTLEMENT BOARD.

On the motion of Hon. W. J. Roche, (Minister of the Interior) the House went into committee to resume, from May 7, the debate on the following proposed resolution:

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

Mr. Blain in the Chair.

The CHAIRMAN (Mr. Blain): On the 26th of June, the Minister of the Interior moved:

That the following proposed amendment be referred to the Committee of the Whole on the proposed resolution to establish a Board to be called the Soldier Settlement Board:—

"That the proposed resolution of the 23rd April, last, to establish a Board to be called the Soldier Settlement Board and to effect the other objects set out in the said resolution be amended and that the maximum amount that the Board may loan to settlers be increased from two thousand dollars to two thousand five hundred dollars."

Hon. Mr. ROCHE: When this resolution was up some time ago, I explained the nature of the proposed legislation of the Government, and the leader of the Opposition asked that a map be prepared showing the available undisposed of Government land within easy transportation distance, for the settlement of the soldiers. I have had a map prepared for each of the three provinces—I have just laid them on the Table—showing the acreage of the lands and whether the same are within ten, fifteen or twenty miles of transportation facilities. The amendment that I proposed later on is to increase the amount of the loan to a maximum of $2,000, and to make the terms of repayment to extend over twenty years instead of fifteen years.

Mr. PUGSLEY: I do not want to say anything that might be deemed at all as opposed to granting every possible assistance, aid and encouragement to returned soldiers; but if I have any objection to offer, it is that this resolution does not go far enough. It proposes simply to deal with homestead lands. The Minister of the Interior will agree with me that it is not very much encouragement to a returned soldier to say: You may go out into the growing West and search for a free homestead, which you are not very likely to get unless you go quite a long distance away from settlement, and then give aid by lending some money for the purpose of putting stock upon the place or of giving money to enable the soldier to buy land from somebody else. What seems to me ought to be done would be to endeavour to get land in blocks near the settled communities in good localities, and give to the soldier the opportunity of buying, extending the loan over a long term of years, but taking care that he would be settled where he would have the comforts of communal life near at hand. He should not be on the lonely prairie, at a remote distance from any community, where he would very likely become discouraged. My hon. friend knows that the best homesteads are pretty well taken up in the more settled parts of the country, and I am afraid it is nothing but a gold brick which is being held out to the returned soldier by this Bill. It is nothing more than that; it is doing nothing more than the provincial governments have been doing in times of peace in the way of loaning money to settlers for the purpose of enabling them to buy farms and build homes for themselves. It seems to me that for the soldiers something better should be done. I have not the same personal knowledge of conditions

in the West as my hon. friend and other hon. gentlemen have who represent that section of the Dominion, but I have a knowledge gathered from reading and from seeing resolutions that have been passed in favour of giving encouragement to the returned soldiers, and I am led to the conclusion that in order to produce results of any great importance a broader scheme than is proposed in this resolution should be adopted. I do not believe the present scheme will produce any very encouraging results.

Mr. ROCHE: I think the hon. gentleman is entirely mistaken in thinking that we are here handing out a gold brick to the returned soldier. As a matter of fact, when all the British dominions submitted their land policies at the recent Imperial Conference in London it was admitted on all sides—so it has been reported by our Canadian representative at that conference—that the most generous and practicable offer made by any British dominion was that made by Canada.

Mr. PUGSLEY: What does the minister think of my suggestion?

Mr. ROCHE: I think the hon. gentleman is quite mistaken in his premises. In the first place lands that a few years ago were very far removed from transportation facilities are now being brought within easy reach of the railways by extensions of lines up in the north country, and there is a large amount of available Dominion lands in those western provinces.

The hon. member says that this policy is not very generous. Of course, I expected some criticism along that line, no matter how generous the assistance we proposed, because this is a matter that lends itself to catering to the soldier's sympathies. It has been represented to us by the Land Settlement Committee of the War Veterans' Association that the soldiers who will be likely to settle on the land will be provided with but very little money. The hon. gentleman has suggested that instead of allowing the soldiers to settle on our free Dominion lands, we should purchase lands, which would mean, of course, that we would have to re-sell them to the soldier. Now, I fear there would not be many soldiers who would have sufficient capital to purchase those lands.

We are doing something more than simply granting 160 acres of free homestead lands to the soldiers; it is true we grant him that. There is no interference with his ordinary homestead rights; that is to say, if he has not exhausted his homestead privileges already, he can take up 160 acres of free homestead land by complying with the provisions of the Dominion Lands Act, which are most generous in their terms. But we are doing more than that for the soldier. We are offering him an additional 160 acres under the conditions provided by this legislation. So the soldier can take up 320 acres, one-half of which is to be earned under the Dominion Lands Act, and the other half under the provisions of this Soldiers' Settlement Scheme. Under this scheme we are granting a further 160 acres free to the soldier. We also supply the inexperienced man with agricultural training at the expense of the Government. We also grant him a loan to a maximum of $2,500, which is the largest amount granted in any of the British possessions, this loan being secured by a lien on the land.

I think the hon. gentleman will agree with me, when he reconsiders what he has said, that it would not be the wisest policy or the most acceptable to the soldiers themselves if the Government purchased lands for them in any particular province. Suppose, for instance, in the province of Alberta we bought lands adjacent to the more thickly settled communities, and said to the soldier. "Here is 160 acres of land, and you must settle there if you wish to settle at all." That would be practically dictating to the soldier where he should locate, and if we adopted a policy of that kind in Alberta, every other province would have an equal right to demand such a policy for itself. The Government would then have to buy lands in provinces where the Crown Lands are owned by the provinces themselves. Under our policy, if the soldier wants to settle near a city or town, he has the privilege of purchasing the land where he wants to locate.

Mr. PUGSLEY: Is it not true that there is comparatively little land available for free homesteads in the West, except in that territory north of the Saskatchewan?

Mr. ROCHE: Yes, but the hon. gentleman overlooks one of the very best portions of this Dominion. I refer to the Peace River country.

Mr. PUGSLEY: That is a long way off.

Mr. ROCHE: It is being brought very much nearer by the extension of transportation facilities to that section. British Columbia is still further away.

Mr. MARCIL: On an average, how near are these lands to a railway?

Mr. ROCHE: The map shows the land within 10, 15 and 20 miles of a railway. I will give the area in a statement I have had prepared. I was saying that we are granting this financial assistance to the soldier, no matter in which province he desires to purchase the land.

Mr. MARCIL: Can the soldier purchase anything he likes with the money loaned by the Government, or has the Government supervision over his purchases?

Mr. ROCHE: This Act will be administered by three commissioners, and loans will be made on their recommendation. They will naturally see that the security is good. If a soldier in Ontario, for instance, does not want to go to the West, but would rather purchase land in his own province; he can still receive this financial assistance from the Government. It is true the Government of the province of Ontario have a Soldiers' Settlement policy, but the land is up in the north part of the province, and the soldier might prefer to settle in a more thickly settled section. We are giving him the same financial assistance as we give to the soldier who settles on the Dominion lands in the Northwest.

I have here a statement showing the available undisposed of agricultural lands in the province of Alberta, Saskatchewan and Manitoba. There is still a very large acreage available. In the province of Manitoba there are within ten miles of railway facilities 1,486,176 acres.

Mr. PUGSLEY: Good land for settlement?

Mr. ROCHE: I will come to that later. In Saskatchewan, 917,952 acres; in Alberta, 4,100,736 acres. These lands are reported by our department as the approximate areas of undisposed and available Dominion lands suitable for agricultural purposes within ten miles of railway lines. Then we have within fifteen miles, in Manitoba, 2,144,256 acres; in Saskatchewan, 1,407,728 acres; in Alberta, 5,696,512 acres. The acreage within twenty miles in Manitoba is 2,552,736 acres; in Saskatchewan, 1,802,416 acres; in Alberta, 6,891,008 acres. The acreage over twenty miles in Manitoba is 492,864; in Saskatchewan, 1,627,584; in Alberta, 5,580,992. I do not mean that this land is at the present time all prairie land. Much of it is heavily timbered, some of it is scrub, other portions are open prairie.

Mr. PUGSLEY: And a good deal swamp land.

[Mr Roche.]

Mr. ROCHE: No, it is all suitable for agricultural purposes. Some of it will require drainage, and a certain portion will require the expenditure of some money. It is reported to me by the Surveyor General's Department that we have within ten miles of railway facilities about 500,000 acres, near Lesser Slave Lake, a portion of which is small scrub at the present time. If a soldier desires to locate upon other lands he has the option of doing so, but the hon. member for St. John will admit that unless he has some capital the land will be out of his reach at present prices. It has been stated that certain Indian reservations should be reserved. There was a sale of a certain acreage in the Blackfeet Indian reservation about three or four weeks ago, and it was said that the Government should have purchased those lands from the Indians and sold them to homesteaders or soldiers. I pointed out at the time that those lands would bring, as a minimum, $15 an acre, which would have been $2,400 for a quarter section. If in addition to that the soldier got a $2,500 loan, he would be starting out under a mortgage of $4,900 against his property, and I feared it would take the average soldier a long term of years to clear off that debt. As a matter of fact, some of that land sold as high as $47 an acre, and on the average for over 50,000 acres it brought $23 an acre. I claim very few soldiers would be in a financial position to undertake the purchase of this land and to avail themselves of the loan and make it profitable. We leave it optional with the soldier who desires to locate upon our free lands to take 160 acres first and secure the other 160 acres under the provisions of the Dominion Lands Act, giving him 320 acres, unless he has already exhausted his homestead rights. Then he may get his loan of $2,500 on this land. If he desires to locate in a more thickly settled part of these provinces, or in any other province in the Dominion, we will grant such financial assistance as may be recommended by the commission which will have charge of the administration of the Act. I think, therefore, it cannot be truthfully said that this is a gold brick which is being handed out to the soldiers. I have met many of them and discussed the matter with them. Many of them have admitted that it is much better, instead of the Government buying the lands and reselling them, to allow the soldier to buy the land himself and make his own location in any part of the Dominion he wishes.

Mr. PUGSLEY: I did not intend to suggest that the soldier should be forced to settle in any particular place. My idea was that the Government having the power of expropriation for public purposes, could acquire tracts reasonably well situated upon which settlers who for the sake of their families might like to locate, keeping comparatively close to civilization. The Government proposes to lend up to $2,500 to a soldier for the purpose of enabling him to buy land. If he desires to settle upon Government land, the loan would be for the purpose of paying off the Government, and should be for a long period of years, say twenty, twenty-five or even thirty years, at a rate of interest not exceeding four per cent. I think the hon. minister will admit that while this land he speaks of is available in Manitoba, Saskatchewan and Alberta, until you go north of the existing settlements, there is very little desirable land left for homesteading. The best land in that part of Saskatchewan and Alberta, which is south of the North Saskatchewan river, has been pretty well taken up by settlers. Now if the settler is left to buy land, the landowner will take advantage of it, and the soldier will be at a very great disadvantage. It seems to me it would be much better if the Crown would exercise its right of expropriation and obtain certain lands in well selected localities where those who do not desire to go as pioneers may be able to settle.

Mr. ROCHE: You would confine the settlement, then, to the western provinces?

Mr. PUGSLEY: No, I do not say that. I do not see why land should not be obtained in the eastern provinces as well. This is a new departure caused by the war, and it will be a great advantage to the country if the returned soldier can be settled in comfortable circumstances where he and his family will have an opportunity of making a good start in life under, in most cases, entirely new conditions. I have had a little experience with the West. I remember pretty nearly forty years ago people came out from England and went upon the prairie. Everything looked beautiful and enticing to them, but it was not long before their hearts were broken, and they left the country and all they had put in it and went away to seek life in the cities. Remember, you are not dealing altogether with practical farmers. You are not even dealing largely with practical farmers. You are dealing with soldiers whom you want to encourage to create homes for themselves. If they go to the West as pioneers and take their families with them beyond civilization it is not unlikely some of them may become disheartened before very long and will leave it. I should think you ought to have two kinds of land, land available for the pioneer—the man who wants to get beyond civilization and look to the advance which will come in the future, and who is prepared to wait for a number of years—and land in other localities where the returned soldier who does not want to go off as a pioneer may settle with his family, near a village where his children may have a reasonably good school, where there will be a church, and where there will be the advantages of village life so attractive to the ordinary man who does not like the life of a pioneer.

I think the country would sustain the Government in a very generous and very broad policy for the returned soldier, so far as settling on the land is concerned. My criticism of this scheme is that it is not broad enough to encourage the great body of soldiers to settle on the land. Not one man in a thousand would be attracted by an invitation to settle on land in the Peace river country, six hundred miles north of the American boundary, where there are no settlers, no schools, churches or doctors.

Mr. MARCIL: I would suggest to the minister that Canadian British subjects who left Canada to serve in the armies and navies of the Allies and who return after the war should be embraced in this scheme. This might be accomplished by inserting after the words "self-governing British dominions or colonies" the words:

> Or to any other person who has served during the war in the armies or navies of the Allies of Great Britain, who were British subjects and who left Canada for such purpose.

Mr. ROCHE: I shall be quite willing to take those representations into consideration when the Bill is under consideration. Our legislation is broader than that of New Zealand, Australia or any other British possession. In New Zealand the original legislation included only those who joined the New Zealand expeditionary force. The following session it was made to include those who were resident in New Zealand at the outbreak of the war and had enlisted in the British expeditionary force. The Australian law includes those of the British expeditionary force but not those who joined, for instance, the Canadian expeditionary force. Our proposed legislation will include not only those who enlisted in the Cana-

dian expeditionary force but those joining the force of any British dominion. I see certain difficulties in the way of adopting the suggestion now made.

Mr. MARCIL: Has any arrangement been made with the provinces in connection with the settlement of soldiers on lands in eastern Canada?

Mr. ROCHE: We had a talk with the provincial representatives before we finally decided on this policy. It was decided that, inasmuch as the eastern provinces were the owners of their Crown lands, they should be left to dispose of them as they deemed best to the returned soldiers. Some of them have already passed legislation of this kind. This legislation will permit any returned soldier to acquire land in Quebec or in any other province that is not Crown land.

Mr. MARCIL: I understand that if a soldier takes up land in Quebec the province takes the first mortgage.

Mr. ROCHE: That is Crown lands.

Mr. MARCIL: The province then having the first lien, what will the Dominion do?

Mr. ROCHE: Our legislation does not contemplate our coming in on a second lien. It is only right that we should protect the people of Canada and have ample security for any loans we make. I take it for granted that in the case of Crown lands owned by the provinces the provinces themselves will want the first mortgage.

Mr. PUGSLEY: Really all the Government is doing for the soldier is to lend him money and charge interest. What is the rate of interest?

Mr. ROCHE: Five per cent. That is less than we can borrow for.

Mr. PUGSLEY: That does not strike me as doing much for the soldier. You give him, as you give every one else, the opportunity to pick out a free homestead, and in addition to that all you do is to lend him money for which you charge him five per cent. Interest is high just now, but a few years ago it was only three per cent, and in five years it may again come down; yet for twenty years the soldier must go on paying five per cent.

Mr. ROCHE: Ontario charges soldiers six per cent interest and Australia lends at cost price plus a reasonable allowance for running expenses.

Mr. PUGSLEY: We profess to be doing something splendid for the returned soldier but are really not doing anything for him. The country is getting a settler on the land, which is a benefit to the country at large because the soldier is expected to work hard developing the land and creating business, assisting in contributing to the revenues of the country. We are charging him higher interest than he would have had to pay before the war broke out, and higher than the Government will have to pay two years after the war closes. That does not seem to me to be doing very much for the soldier. I think the policy of the Canadian Pacific is far better, although it has been carried out in times of peace.

Mr. ROCHE: What are they charging?

Mr. PUGSLEY: The Canadian Pacific Railway are charging 6 per cent interest, but they were selling land which was irrigated, in a well settled section of the country in southern Alberta. In addition to settling the land, they lend up to $2,000, to enable the settlers to buy stock, horses, and cattle, and engage in all active work of farming. They build a house for the settler, plow up for him and prepare for crop ten acres of land.

Mr. ROCHE: And charge him for all that.

Mr. PUGSLEY: Quite so, and that is what gives the foundation of a start for the settler. During the first two or three years of life on a prairie the settler's heart is apt to be broken in many cases. As I understand what the Government propose to do, the policy of the Canadian Pacific Railway, not for the soldier alone, but for any good industrious man who wants to go upon the land, is far better than the Government's proposition. The Government gives nothing to the farmer to buy stock.

Mr. ROCHE: The hon. gentleman is wrong.

Mr. PUGSLEY: Suppose a soldier wants to build a house, $2,500 does not go very far. The minister says that, if he wants to buy a piece of land, the Government will not lend him $2,500 to pay for improvements, but they want a first mortgage for any money they lend.

Mr. ROCHE: The hon. gentleman is wrong. He can equip his farm with stock, and can utilize the money for that purpose. The hon. gentleman has not read the resolution, nor has he read the details of the Canadian Pacific Railway scheme. While not desiring to knock any other scheme, I have heard a criticism of that scheme quite

the opposite of the hon. gentleman's statement to-day:

Mr. PUGSLEY: I have heard it spoken of very highly.

Mr. ROCHE: The provision in the Bill reads:

The Board may lend to a settler an amount not exceeding $2,500 for any of the following purposes:—

(a) The acquiring of land for agricultural purposes.

(b) The payment of encumbrances on lands used for agricultural purposes.

(c) The improvement of land for agricultural purposes.

(d) The erection of farm buildings.

(e) The purchase of stock, machinery and equipment.

(f) Such other purpose or purposes as the Board may approve.

Mr. PUGSLEY: Suppose a returned soldier selects land in a good locality, where he would like to be able to make a comfortable home for himself, and it costs him $2,000. He wants to buy stock. He wants perhaps to build a house, and to buy farming implements. He goes to the minister and says, "I want you to lend me, under this Act, $2,500." The minister says, "Have you paid in full for your land?" And the soldier says, "Oh, no, I have paid $250, but I have given a mortgage for $1,750 on the land, and I want this money for improvements; I want to break up my land and plough and harrow; I want to get a couple of harrows and some general farm implements, and I want the Government to give me a start." The minister says, "Oh, we cannot lend you on your land; we have a mortgage already for $1,750 against it; we cannot lend you anything for these improvements." Is that not the case?

Mr. ROCHE: No.

Mr. PUGSLEY: The hon. minister said they could not take a second mortgage. If there is a mortgage on the land, you cannot lend him the $2,500 to build his house and buy horses and stock, which he requires in order to give him a fair start in the world.

Mr. ROCHE: You can take a chattel mortgage on the stock.

Mr. PUGSLEY: Without a mortgage on the land?

Mr. ROCHE: Yes.

Mr. PUGSLEY: Where do you find that?

Mr. ROCHE: The provision is:

No loan shall be made until the Board is satisfied that the additional security offered is sufficient to justify the loan.

That is in the Bill.

Mr. PUGSLEY: I am discussing the resolution.

Mr. ROCHE: I am discussing the policy of the Government, and the hon. gentleman is discussing the matter with imperfect knowledge.

Mr. PUGSLEY: I resent that remark. The resolution is supposed to contain the terms of the Bill.

Mr. ROCHE: Not necessarily all the terms.

Mr. PUGSLEY: There cannot be an essential departure from the terms of the resolution. My hon. friend can't say to me that I am simply discussing the resolution and that the Government has a broader policy than is contained in the resolution. That cannot be done according to rules of the House. If the minister has some provisions to embody in the Bill which are different from the resolution, without taking any technical objection to it being against the rules of the House to depart from the terms of the resolution, I think he should furnish us copies of the Bill, so that we can discuss the resolution intelligently. Perhaps the hon. gentleman could send me a copy.

Mr. ROCHE: I have only a confidential copy.

Mr. PUGSLEY: How can we discuss it without a copy of it?

Mr. ROCHE: It is not usual to put in the resolution all the terms embodied in the Bill. The hon. gentleman will have an opportunity on the second reading, or when in committee, to discuss the various provisions, but the Bill itself amplifies the resolution. There is nothing contradictory to the terms of the resolution. It is a little fuller, and there nothing in the policy as set forth in the Bill that would prevent the commissioners loaning the money on stock by taking a chattel mortgage on the stock. When I referred to the Provincial Government loaning money on their Crown lands, probably they would ask for a first mortgage, and we would not want to come in as a second mortgagee. They might utilize a portion of the money to pay off the original mortgage, and our security would stand first.

Mr. PUGSLEY: In New Brunswick, while the Bill provided that, if a returned soldier has purchased his land in one of the eastern provinces, without taking any security for

the land the Government will be able, under this Bill, to lend him money to buy stock, and farm implements and to make improvements and develop his property, and take security on personal property for it. I have no doubt our legislation will cover that.

Mr. MIDDLEBRO: The hon. gentleman says that under the resolution the Government would not be permitted to lend money to pay off the first mortgage. I do not see how he comes to that conclusion, from the wording of the resolution itself.

Mr. PUGSLEY: I did not say that. I understood the minister, in answer to my hon. friend from Bonaventure, when the question with regard to assistance in the eastern provinces was discussed, to say that the Government could not lend the soldiers money on land which had been bought from the Provincial Government, because they would have to take a second mortgage, and they could not take it.

Mr. MIDDLEBRO: My hon. friend knows that is not true, according to the resolution itself.

Mr. PUGSLEY: The Minister of the Interior (Mr. Roche) is authority for that.

Mr. MIDDLEBRO: My hon. friend knew, when he made that statement, that it was not true, according to the terms of the resolution itself.

Mr. PUGSLEY: I rise to a point of order. I think the hon. gentleman has no business to tell an hon. member of this House, when he makes a statement, that he knew it was untrue. I ask the ruling of the Chair?

Some hon. MEMBERS: Chair, chair.

Mr. PUGSLEY: There is too much of that from the other side of the House.

The CHAIRMAN (Mr. Blain): I think the hon. gentleman (Mr. Middlebro) should withdraw that remark.

Mr. PUGSLEY: Withdraw.

Mr. MIDDLEBRO: I have nothing to withdraw.

Mr. PUGSLEY: Withdraw.

Mr. MIDDLEBRO: I have nothing to withdraw. I am simply saying that the hon. member must have known from a reading of the resolution in his hand—

Mr. PUGSLEY: Mr. Chairman, I call for your ruling on the point of order. I think that you should insist upon the hon. gentleman's withdrawing his remarks before he proceeds.

The CHAIRMAN: I think that my hon. friend (Mr. Middlebro) ought to withdraw the remark.

Mr. MIDDLEBRO: I say that the hon. member must have known—

Mr. PUGSLEY: Chair.

Mr. MIDDLEBRO: I want to state my point of order first. The hon. gentleman must have known from the terms of the resolution which he had in his hand that it was possible for the Government to pay off a prior encumbrance, because the resolution distinctly says so.

Mr. PUGSLEY: That is not what the hon. gentleman said. He said that I knew it was untrue when I made the statement.

Mr. MIDDLEBRO: I said that the hon. gentleman must have known, from the resolution in his hand—

Mr. PUGSLEY: Mr. Chairman, in order that the proceedings may be properly carried on, the hon. gentleman should be asked to withdraw his remark.

The CHAIRMAN: I must ask the member for North Grey (Mr. Middlebro) to withdraw the remark.

Mr. MIDDLEBRO: If I said what the hon. gentleman said was untrue, I withdraw. What I did say was—

Mr. PUGSLEY: I accept my hon. friend's statement, but I am very sorry for his weakness of memory.

Mr. MIDDLEBRO: And I am very sorry for my hon. friend's apparent lack of intelligence if he came to the conclusion from the reading of this resolution that the Government would not have the power to pay off a prior encumbrance of $250, because the resolution distinctly says that the Government has the right to pay off prior encumbrances.

Mr. PUGSLEY: I wish to correct my hon. friend. I said nothing of the kind. What I referred to was the fact that the Minister of the Interior had told the member for Bonaventure (Mr. Marcil) that the Government would not be able to lend money on second mortgages.

Mr. MIDDLEBRO: Did my hon. friend believe from a reading of the resolution that that was the case?

Mr. PUGSLEY: I was bound to accept the statement of a gentleman so truthful as the Minister of the Interior.

Mr. MIDDLEBRO: I shall read the resolution to see whether the member for St. John was justified in coming to that conclusion, or whether there was an attempt to give a wrong impression to the committee. The resolution says:

> And further to provide that the Board may loan, upon such terms and conditions as may be prescribed, to any such settler an amount not exceeding two thousand dollars for acquiring land for agricultural purposes, payment of encumbrances on lands used for agricultural purposes.

They do not even have to lend the money upon the security of the land; they may lend on any security and upon such terms as they deem prudent; and they may lend the money for the purpose of paying off a prior encumbrance. So that in the case cited by my hon. friend, that of a man who had a farm worth $2,000 against which there was an encumbrance of $250, the Government would be justified, under the terms of the resolution, in paying off the first mortgage and in that way granting a loan, or they could pay off the first mortgage and take a loan for $2,000. The resolution, therefore, outlines clearly the powers contained in the Bill as read by the Minister of the Interior.

Mr. PUGSLEY: The hon. gentleman has attempted to answer something which I never said and which I did not dream of saying. I was pointing out that in the eastern provinces, where the Crown lands are owned in the right of the provinces, it might be desirable to buy land—which, I understand, can be obtained at a low price—and agree to pay the Provincial Government for it an amount running over a period of years. I thought it would be a great advantage to the returned soldier that he should be able to borrow money from the Government upon second mortgage on his property, farm implements or stock. The minister stated that the Government could not take a second mortgage under those circumstances. I was suggesting that it was desirable that that should be done, if the Board were satisfied that a settler of reasonable energy and thrift wanted the money for productive purposes—perhaps to clear the land, perhaps for drainage purposes, the erection of buildings, or the purchase of stock. I think it is a great mistake that the Government should not be able under those circumstances to take a second mortgage upon the property, in addition, of course, to security that might be taken upon personal property. Notwithstanding the great ability of the hon. gentleman (Mr. Middlebro) who is the Chief Whip on the other side; who, when he rises in his place to speak about anything which the Government has done, uses the word "we," never forgetting to convey the impression that he is an adjunct to the Government—notwithstanding what he says, I prefer in this case to take the statement of the Minister of the Interior as to the real intent of this legislation

Mr. McCRANEY: When this resolution was before the House on a previous occasion I mentioned the case of Private Baldwin of Saskatoon. Private Baldwin is a returned soldier who lost his leg. He had been a homesteader before the war; he left his homestead to enlist, and he now wants to go back to his land. I hope that the provisions of the legislation which will be introduced by the minister will apply to land which had been already homesteaded or purchased as well as to land which will hereafter be taken up by returned soldiers.

Mr. ROCHE: It is broad enough for that.

Mr. OLIVER: The homesteader who is now on service will, on his return, be able to take advantage of this loan?

Mr. ROCHE: Yes.

Mr. OLIVER: The provision for the reservation of land is somewhat questionable. In the first place, reservations are in themselves an impediment to the general settlement of the country. In the next place unless there is some reason why the Government, for the sake of supervision, desires to keep a number of homesteading soldiers close together, it will be a very serious drawback, not only to the settlement of the country, but to the soldiers themselves, if the soldiers are to be allowed to exercise this privilege only within reserved areas. I do not object to a provision for reservation, so that in extreme cases action may be taken to give the soldiers the first opportunity of obtaining a desirable piece of country. But if the Government put in reservation, say, in the Peace River district, a desirable piece of country for the purposes of this Bill, ordinary settlement might be prevented from coming in and the soldiers themselves might not come in in the end. The Peace River country is a very large country, but it is what we might call spotted: certain areas are very desirable, and other large tracts are very much less desirable. So that when we speak of the great area of the Peace

River country and then speak of the advantages of that country, there is apt to be confusion of ideas.

There are exceedingly good portions of the Peace river county, but the land is not all of the same character, and so in dealing with the Peace River country, it is quite possible that the Government might do both the development of the country and the soldiers themselves very great injury by applying a policy of reservation. I am, therefore, going to ask the minister: What is the proposed policy of the Government in that particular? Is it considered to be desirable to keep in certain localities the soldiers, who are to get the benefit of this section and who occupy homestead lands?

Mr. ROCHE: The commission is given the power to inspect the land and to recommend to the Minister of the Interior the reservation of any particular area suitable for the location of returned soldiers, and in whatever locality they deem best suited for the purpose. I quite agree with the hon. member it would be impolitic to retain that for permanent reservation. That would prevent, as he has explained, ordinary settlers coming into the country from locating in that reservation, and at the same time, the soldiers might not take as great advantage of the reservation as we would hope. But we are limiting that reservation. The legislation will provide for the reservation to last for a maximum period of three years after the close of the war. We thought that surely within that time any soldiers that were going to locate upon the land would do so. The reservation may be lifted on the recommendation of the commissioner sooner than that. But the soldier is not confined to that reservation; he can go beyond it and select any homestead land he desires, and he will get the same privilege as he would receive on those lands that are reserved.

Mr. OLIVER: The important point is that the soldier may locate anywhere he pleases and still receive the benefit of this legislation.

Mr. ROCHE: Yes.

Mr. OLIVER: That is entirely satisfactory. This authority of reservation should be exercised with a fair regard not only to the interest of the soldier but to the development of the country. It will not be to the interest of the soldier settler that the development of the country be retarded, and if it is the intention of the Government to hold land under reservation for three years after the war, that would be a huge mistake, to the detriment of all parties concerned. My suggestion would be this, that a reservation be not made unless and until it is expected it will be brought into use, and then notice should be given that that reservation is for the benefit of the soldiers; that it will remain for so many months for their benefit, and that after that time it will be open to general settlement. I certainly will not favour the closing of land from settlement for any considerable period, or except under circumstances under which it would be understood it was going to be required and desired by the soldiers. I would be glad to endorse the suggestion of my hon. friend from Bonaventure (Mr. Marcil) in regard to the settlement of Canadians who, by reason of being reservists of allied countries, left Canada to serve in the armies of those countries. They are our citizens, and it would be a gracious and just act that they should be given the same consideration as though they were fighting in our own armies, because we are all fighting in the one cause. I would follow the suggestion made only so far as it refers to citizens of Canada at the time of their call to service in their home countries.

5 p.m.

Mr. ROCHE: Would the hon. member include in that list, for instance, the Japanese who were Canadian citizens before going over to engage in the war?

Mr. OLIVER: It would be very hard, of course, to refuse them consideration if we included the others. That would be a matter for consideration.

Mr. MARCIL: I have here a newspaper published in Montreal, and called La Victoire, which is a good name. It is the organ of the French people settled in Canada. I see in it an article signed by Mr. Chevassu, a French reservist, a British citizen, a former member of the press gallery here, and a former secretary of the mayor of Montreal. He was one of the first to go to the front, and, I understand, he was wounded at the battle of the Marne. His article, which is a strong one, is headed, "Shall we have the same rights and the same privileges?" He claims that the Frenchmen and Belgians settled in Canada, British citizens, who responded to the call of duty as soon as that call was sounded, and who comes back to this country, should be given the same opportunity of settling on the land as our own returned soldiers. The minister knows how valuable the French and Belgian farmers are and

how difficult it is to get them into this country in any large numbers, as they do not emigrate so freely as the farmers of other countries do. The writer of this article hopes, and he says it is almost a conviction on the part of these people, that the Canadian Government will not refuse their request. On the question of settlement in the provinces, I would not like to have any misunderstanding. Suppose the province of Quebec gives a grant of land to a returned soldier, will this Government supplement that by a Dominion grant to enable him to work the land? If so, will the Government take a mortgage on the property, or how will it give such a grant?

Mr. ROCHE: Under this legislation there is nothing to debar that man from receiving the monetary assistance provided by the legislation so long as the commission can get similar security. The security has to be agreed upon to the satisfaction of the commission.

Mr. OLIVER: Will the Bill set out the terms and conditions under which the settler will acquire his grant and also the terms and conditions on which the loan of money will be made to him?

Mr. ROCHE: The Bill deals in general outlines and will deal with the principle, but it is intended to have the administration of the Bill carried out under a set of regulations by the commissioner. This is the policy that has been adopted in Australia and New Zealand, where, I understand, it has thus far been found to operate well, and we thought it would be a good idea to follow out the same policy.

Mr. MARCIL: Is there a time fixed when this Bill goes into operation and when the soldiers begin taking up the land, or is the Government going to wait until the war is over?

Mr. ROCHE: As soon as this legislation comes into force the land will be available for the soldiers.

Mr. OLIVER: While it is very desirable that aid should be given in this practical form to returned soldiers as an inducement to them to occupy land and take up cultivation, I have seen a great deal of discussion on the matter that seems to me to have been based on a misunderstanding of the situation. In many cases the discussions that I have read have appeared to assume that this Bill was intended to deal rather with the disabled or partially disabled men. That, of course, is a mistake. Other provision would have to be made for the disabled man. This only applies to the man who comes back in the full exercise of his faculties and abilities, and who has the enterprise and desire to establish himself on the land.

I do not think this measure will be taken advantage of to nearly the extent that many people seem to think; in other words, I do not think it will solve the problem of the returned soldier, or even measurably solve it. So far as this Bill will attract our returned soldiers to the land it will serve a good purpose, but it will not solve the problem of the returned soldier. It is a help towards a solution, but the problem is very much larger than this Bill will by any possibility solve. I should like to follow what my hon. friend from St. John has said, that of the vast number of millions of acres of available free land there is very little, except in some portions of the Peace River country, that is not covered with woods and is more or less difficult to bring under cultivation. So that while the financial assistance that is proposed here is substantial, and of great advantage to the man of ability, industry and enterprise who desires to establish himself on a farm, even in that wooded country, it could not really bring the 160 acres under cultivation. I am not suggesting for a moment that this assistance is not desirable, or that it will not be useful; it is desirable, and it will be useful, but conditions in our western country to-day are not as they were ten years ago, when millions of acres of prairie land were available for homesteading, when the question of roads hardly came up at all because there was the prairie to drive over, and when the question of clearing did not exist, because there was nothing to clear. But now we have to deal with a country that is very largely of a wooded character, and bringing a country of that kind under cultivation involves a very large expenditure of labour or cash, or both, and the lapse of a considerable amount of time, for wooded country cannot be brought under cultivation like prairie land, in a year or two; it takes years to do it. So we are dealing with different conditions in the West from what prevailed in former years, and that fact must be taken into consideration in any problem of settlement. The problem of settlement in the West to-day is a different problem from what it was ten years ago, and it must be approached in a different way. So I say there is very great force in the argument of my hon. friend from St. John. I myself

saw the statement made by the President of the Canadian Pacific railway some months ago when he suggested that land not now being used for a beneficial purpose, good land conveniently situated, which would cost a minimum of expenditure to bring under cultivation, should be expropriated— I think that was his suggestion— at a fair valuation, and should be brought under cultivation and placed at the disposal of the soldier.

There is a good deal of merit in that suggestion, because the cost of acquiring the wooded land and bringing it under cultivation practically amounts to the value of the prairie land that is now under private ownership and is not being beneficially used. It would, as the minister has said, mean a larger investment, but, on the other hand, to bring the wooded land under cultivation an investment has to be made in some form or another—either by lapse of time, or by a greater expenditure of effort, or by the actual expenditure of money. The soldier might very well spend the greater part of the $2,500 that he borrows in merely bringing his land or a part of it under cultivation, and then have no team or implements or stock with which to go on with and bring in returns. I think the Government might very well consider the suggestion made by Lord Shaughnessy. I would not suggest that this land be bought at an extortionate price, but it is just as cheap to buy good prairie land that is well situated and sell it to the soldier as it is to lend him money to cultivate wooded land that is not well situated, where roads have to be made, and where other great difficulties exist. On the wooded land the soldier's time, money and energy has to be expended in bringing nature under subjection, whereas on the prairie the same expenditure of time, energy and money would be producing actual monetary results. By utilizing this prairie land that is not now being cultivated, and of which it is to be regretted there is such an enormous amount in sight, we will be securing production to a greater degree and in a very much shorter time than if we make provision for assisting the soldier who is going on land that for the most part is wooded, and which will cost time and money before it can be made productive.

Mr. LEVI THOMPSON: I do not know what the Government think of the suggestion of my hon. friend from Edmonton, but I think it would be well to give power to the commissioners to expropriate land where they see fit, or let the Government do it themselves. I presume the minister is so well acquainted with conditions in the West that it is unnecessary for me to remind him of the tremendous amount of vacant land that is held out there—and more so in Alberta and Saskatchewan than in Manitoba—for speculative purposes. The owners buy this land without any intention of working it, in the hope that as the surrounding land is cultivated their property will increase in value. Now, although every citizen is entitled to some consideration, I do not think very much consideration should be shown to a citizen who does that. I think his land should be expropriated. I think there is a great deal in what my hon. friend from Edmonton says on this point.

Let me add this: there is a public interest to be served as well as the interest of the returned soldier. All of us in this House realize, I think, that at no time was the world ever so close to starvation as at present. Our crop reports for this year are not very encouraging, and that does not promise well for next year, because whenever there is a great shortage one year, conditions are unfavourable for the following year. On the virgin prairie a man could get a crop the first year, even if he only started to cultivate his land in the spring. He could grow oats and flax at least, particularly flax, and that would relieve the situation to a great extent; I admit that he would not be able to grow wheat successfully. Of course, it is now too late for this legislation to be of any assistance in bringing land under cultivation and increasing production this year. That would help for next year's crop, because there is any amount of land actually lying idle on which returned soldiers might be placed, and so help out the situation, not only for themselves and for Canada but for the whole world. We who have some experience with western conditions know that the farmer feels he should have more than a quarter-section for a successful farm. He feels he should have at least a half-section, and from my own observation and experience in farming I believe that is right. A farmer to carry on his work in the most successful manner should have 320 acres to work on.

Mr. BURNHAM: Is not intensive farming possible out there?

Mr. LEVI THOMSON: It may be possible later on, but I think my hon. friend will agree with me that intensive farming is

not just the thing for a new country. Intensive farming is proper and advisable where the land is scarce and dear. There are other conditions in older and more settled districts which make intensive farming very successful. My hon. friend lives in the province of Ontario, and knows that intensive farming is practically confined to the raising of potatoes and other vegetables. The market in the West is very limited and uncertain for that class of produce. If my hon. friend means by "intensive farming" that a man's land should be farmed in such a way as to yield heavier crops, I agree with him that it should be done, but I do not see how we can deal with that phase of the question.

Mr. BURNHAM: You certainly cannot encourage it by advocating farms of 320 acres instead of 160.

Mr. LEVI THOMSON: I will not enter into a long argument on the point, but if I had an hour or so with my hon. friend I think I could convince him that I know a little more about the subject than he does, and perhaps persuade him that he is quite wrong and that I am quite right. I believe the hon. minister (Mr. Roche) will agree with me that the most successful farmers in the province of Saskatchewan are the men who have about 320 acres. That being so, let us suppose we have a man prepared to take 320 acres; I am afraid the amount suggested will not be sufficient, if he has not a fairly large capital to start with, unless the Government advances him the necessary funds on the security of a second mortgage, and I am not in favour of that. Whatever power may be given to the board with regard to the lending of money, I think the Government should have a first mortgage unless there be some very exceptional circumstances. It may be a very serious proposition to say that the amount should not be limited to $2,500, but I think the board might be allowed to exceed this figure, or it might be arranged that there should be a limited sum for a quarter-section, and a proportionate increase for a half-section.

The matter of wooded lands is another important subject which should not be lost sight of. I have already spoken to my hon. friend personally about this, and he was very ready to consider any suggestions. This is a question, however, on which it is hard to make intelligent and useful suggestions. About a year ago I had occasion to examine some land along the Saskatchewan river, directly north of Tisdale. On the south side of the river was practically bare prairie land, although I saw some very fine pieces of wooded land left. The north side of the river was almost entirely covered by the finest growth of poplar I ever saw. I was told that the land on the south side was very heavily wooded some years ago when the homesteaders went there first, and in the natural course of events the homesteader had gradually burned it clear. I should be very sorry to see the poplar on the north side of the river destroyed, because it is extremely valuable, and I think it would be advantageous if some means were devised by which say one-half or three-quarters of this land could be burned or cleared for homesteading and leave the balance in wood as it is. I have not a very clear suggestion to offer to my hon. friend as to just how it could be done, but I would like to see the board given sufficient power to deal with it.

Mr. ROCHE: That is one of the benefits of having the Act administered under regulations which may be changed from time to time, according to the judgment of the commission.

Mr. WRIGHT: May I ask whether it is the intention to acquire land in the different provinces of the Dominion under these regulations? No doubt the attention of the Government will be largely directed towards the West for the settling of soldiers on the land. At the same time, I would like to point out that there are large stretches of territory in the other provinces which, while they might not be quite as desirable as some parts of the West would be equally as desirable as the wooded lands spoken of by the hon. member for Qu'Appelle (Mr. Thomson). In the northern part of Ontario, for instance, there are large stretches of land, not very valuable, financially speaking, but which could be used to great advantage by returned soldiers. In the districts of Muskoka, Parry Sound and Nipissing, and down through the east, they have large stretches of land which the farmers find it almost impossible to work because a great many of the young men had gone off to the West and the few that were left have been drawn off to the army by the recruiting officers. The old men and women who are left upon the farms have not, for the most part, the means of getting help, and they cannot work the farms. These old people would like very much to dispose of their lands and to join their young folk in the West or in the cities. The lands may not be as desirable, but

they can be acquired at a moderate price and can be used to very great advantage for the production of dairy produce, sheep, cattle or anything of that kind. They will produce enough feed for large numbers of stock and make equally desirable homes with anything in the West, or anywhere else, for the average comfort of life. There is plenty of fuel, and work all through the winter, while prices for all produce are equal to those in Ottawa or anywhere else. I hope that these sections will not be overlooked in connection with the settlement of soldiers. We require more settlers and more farm help, and the settling of soldiers on these lands would be for the benefit both of that section of the country and of the soldiers. We can make good, comfortable homes for them with a small investment of money.

Mr. BURNHAM: If this were merely a question of farming in the West, I should perhaps not venture to enter the discussion. But there are two elements connected with it which perhaps justify my saying a word upon it. In the first place, this is a matter of the expenditure of public money, and therefore it is open to discussion by all members. In the second place, I have listened this afternoon to a repudiation of intensive farming, something that I must confess has amazed me. Intensive farming, of course, is not truck farming, it is farming; it is making the land grow twice as much as it did before by introducing the equivalent in nitrates or general fertilizer. The growing of crops of various sorts on land spread over a large area entails a vast amount of work. It does nothing whatever to relieve the help problem, and, in addition to that, it means the tying up of a vast lot of capital in the purchase of land which otherwise might be used for other purposes. If, for instance, a man, instead of having 300 acres of land and presently raising from 15 to 18 bushels an acre—and in many cases, after a few years, less—had 100 acres and raised 35 or 40 bushels an acre, he would be doing vastly better and would very likely be able to farm his land, and we should not hear these complaints. But, in any event, speaking upon general principles, this extensive farming has ceased to be considered reasonable and sensible farming in any well settled country. The Americans have abandoned it, and we find that in Belgium, before the war, the people were devoting themselves to enriching the land and raising large quantities of produce upon it. They were not attempting to run all over the face of the earth raising sparse crops and complaining about help and wondering where they could get money to buy more land. That kind of thing is out of date and I certainly hope that the minister will take into consideration advanced or scientific farming and not this commonplace style of spread-eagle farming of which we have heard so much and which, very strangely, has been so advocated this afternoon.

Mr. OLIVER: My hon. friend reminds me of the late Mark Twain who on one occasion explained that the less he knew of a subject the more fluently he could speak on it.

Mr. MARCIL: It is now proposed to give an advance to the men of $2,500. This was originally $2,000. I see a press dispatch from Melbourne to the effect that the Australian soldiers will get $2,500 to go on the land. I was wondering if the minister was taking a leaf out of their book. The dispatch reads:

> The Senate Repatriation Bill provides a maximum grant of £500 to each settler on the land. It is estimated that £32,000,000 sterling will be required, excluding the sum for British soldiers who are to equally participate as far as finances will permit.

Is that a grant or loan?

Mr. ROCHE: It is a loan. They have no free lands there. Their public lands are the property of the State, not of the Commonwealth, and the State Governments supply the lands on the long term lease or by sale. The Commonwealth Government borrows money and lends it to the State Government who in turn lends to the soldiers, charging cost price of the loan with a reasonable amount added for working expenses.

Amendment agreed to.

Resolution reported, read the first and second time, and concurred in.

Mr. Roche thereupon moved for leave to introduce Bill No. 116, entitled "An Act to Assist Returned Soldiers in Settling Upon the Land, and to increase Agricultural Production."

Motion agreed to and Bill read the first time.

SUPREME COURT AND EXCHEQUER COURT ACTS AMENDMENT.

On the motion of Hon. C. J. Doherty (Minister of Justice) Bill No. 98, to amend the Supreme Court Act and the Exchequer Court Act, was read the second time and

the House went into committee thereon, Mr. Blain in the Chair.

On section 1—Crown entitled to costs notwithstanding solicitor, etc., is salaried officer.

Sir WILFRID LAURIER: Will the hon. minister explain this?

Mr. DOHERTY: The purpose of this section is to place the litigant who has litigation with the Crown in the same position, with regard to liability for cost, in the case where the Crown conducts its proceedings through the law officers in the Department of Justice, who are all salaried officers, as in the case where outside counsel are employed. As the law stands at present, where the cases are conducted by lawyers outside the department, and the Crown is successful, costs are always taxed, of course, against the losing litigant, in favour of the lawyer conducting the case, and include fees to that lawyer. Where, on the other hand, the Crown conducts its case through the law officers of the department, it has been held that, inasmuch as these officers are salaried officials, and the Crown does not pay special fees for the particular case, they are not entitled to have their costs taxed. It seems anomalous that the position of a litigant, with regard to liability for costs, should be different, in the case where the Crown conducts its business through its own officers, from the case where the Crown retains counsel specially for the purpose. I think it will be acknowledged that it is desirable, as far as possible, and it certainly is in the interests of economy, that the cases on behalf of the Crown should be conducted by the law officers regularly employed. That, of course, takes their time away from other duties, and the Crown pays them for that work, through their salaries. Where their time is so occupied, and where the Crown succeeds in its litigation, it seems but fair that the unsuccessful litigant should pay the costs, just as he should pay them if we employed some other lawyer. I do not think it is desirable that the unsuccessful parties, who, in many cases at all events, are conducting the litigation quite without foundation, should escape from the ordinary penalty that attaches to the unsuccessful litigant with regard to the liability for costs.

Sir WILFRID LAURIER: If this be not intended to add to the salary of the official of the department who acts as counsel, I can see no very serious objection to the proposed change.

Mr. DOHERTY: It is not so intended.

Sir WILFRID LAURIER: But if it is intended to add to the fee, or salary, or remuneration of the officers of the Crown, I think it will be very objectionable.

Mr. DOHERTY: It provides that the money so paid shall go into the Consolidated Revenue Fund of Canada.

Section agreed to.

On section 2—Exclusive original jurisdiction.

Mr. DOHERTY: I desire to move an amendment to this section. I might point out that the purpose of this section, as I explained when introducing the Bill, is to rectify the consequences of the interpretation that has been placed upon the subsection of the present Exchequer Court Act. The section, as it stands, gives the Exchequer Court jurisdiction in respect of every claim against the Crown arising out of any death or injury to the person, or to property on any public work, resulting from the negligence of any officer or servant of the Crown, while acting within the scope of his duties or employment. That section has been interpreted—and I think the wording fully justifies the interpretation—as limiting the liability of the Crown under it to the case where the death of or the injury to any person or property occurs on the public work; that is to say, all cases where the individual who is injured or killed is at the moment actually on the public work, or to cases where the property damaged is, at the time that it is damaged, actually on the public work. Giving it that interpretation, it has produced this result: that you may have two persons, one of them standing actually on the public work, the other one standing, say, on an adjoining street. By some negligence of the employee, the officer or servant of the Crown working upon that public work, say, for instance, handling explosives, injury is caused to these two people. The one who is standing actually on the public work will, under the section as presently interpreted, have a right of action against the Crown. The other one, because he was standing on an adjoining street, perhaps ten feet away, and receives much more serious injury, has no recourse, because he was not injured on the public work. While I think this interpretation is a perfectly proper one of the section as it now stands, I do not think that the intention of the law is thereby realized, and the present amendment leaves the law as it stands, except that we do away with

the requirement, where the injury is the result of the fault or negligence of the officer or servant of the Crown actually within the scope of his duties on a public work, that the victim should also actually be on the public work—the victim himself, where it is a matter of personal injury, or the property itself, where it is a matter of damage to property. The wording, perhaps, goes a little further than the intention; at all events, it is subject to the criticism that more words are used than are necessary. I beg to move to amend section 2 of the Bill by striking out the words "during the course of his employment on any public work," in lines 3 and 4 of paragraph (c) of clause 2, and adding the words "upon any public work" at the end of the paragraph. The section sought to be substituted for the present provision of the Exchequer Court Act would then read:

> Every claim against the Crown arising out of any death or injury to the person or to property resulting from the negligence of any officer or servant of the Crown while acting within the scope of his duties or employment on any public work.

Sir WILFRID LAURIER: Would my hon. friend read section (c), which he intends to repeal.

Mr. DOHERTY: Section (c) reads:

> Every claim against the Crown arising out of any death or injury to the person or to property on any public work resulting from the negligence of any officer or servant of the Crown while acting within the scope of his duties or employment.

Under that section it is required that the victim of the accident should be on the public work at the time of the accident, whereas I think the intention was to limit the liability to cases where the servant who is responsible for the negligence is engaged in employment on the public work, and to attach responsibility to the Crown even if the accident resulting from that negligence happened off the public work. In some cases where the cause of the injury was negligence on the part of the Crown's servant engaged on the public work, the individual hurt did not happen to be actually on the public work. A sample case would be the one that I mentioned. Suppose the Crown is excavating for a canal and I happen to be standing on the canal bank or upon anything that can be construed as part of the public work. If, through negligent blasting operations, I am injured, under the section as it now stands I will have an action, because I was on the public work. But if another gentleman standing ten feet away, beyond the limit of the property which can be considered as part of the public work, receives absolutely similar, or, perhaps, more serious injuries from the same cause, the court would hold that that gentleman had no action. I think it is quite clear that the trouble comes from the words "on a public work" being in the wrong part of the section and being made applicable to the victim and not to the servant of the Crown who causes the damage.

Mr. BURNHAM: Very recently there was a case in my own riding in which property was alleged to have been injured by the improper raising of the water. Because the property was many miles away and was not on the dam—of course, it could not be—the case was ruled by the judge as not coming within this Act, and the man had no redress. It is a matter of question whether another section of the Act did not allow this man to bring an action against the Government, but the Exchequer Court ruled otherwise, holding that the action must be brought in under subsection (c). Of course, you could not have hundreds of acres of property on the dam; therefore, in all cases where property was damaged under such circumstances, no recovery could be had. I ask the Minister of Justice whether such cases have been provided for?

Mr. DOHERTY: This legislation will meet precisely that case. If this legislation had been enacted and were in force at the time of the case in question, any objection to the recovery of damages based upon the fact that the property was not on the public dam would disappear. Of course, I am not in a position to say whether there was any other reason why the Crown should not be responsible in that particular case, but in so far as the hon. gentleman has stated the case, this amendment will meet it. It is quite unreasonable to say that while there is liability if your property is actually on the public work, you may with impunity commit precisely the same fault and produce precisely the same damages if the property damaged is not on the public work.

Mr. MARCIL: I think that this section is identical with Bill No. 49, introduced by the member for Kamouraska (Mr. E. Lapointe).

Mr. DOHERTY: I do not know that it is in the same words, but it is designed to attain the same purpose.

Mr. MARCIL: Many years ago the late Mr. Monk brought up a case that occurred

in the county of Jacques Cartier: that of a man who was shot on his farm while volunteers were firing at a target. It was found afterwards that the boys who were firing were not authorized to do any shooting, and the farmer never got anything.

Mr. DOHERTY: At the time that case occurred I was not in a position to bring in an amendment to the law. Since the hon. gentleman mentions the fact, I have some recollection of their being such a case. I think it would have been desirable if this anomalous condition of affairs had been earlier corrected. The matter had been brought to my attention this year, in connection not with the case that the hon. gentleman mentions, but with one or two other cases that occurred in the province of Quebec. At that time I rather came to the conclusion that the law ought to be amended; the member for Kamouraska very likely had similar information and entertained the same view of the matter.

Amendment agreed to, and section as amended agreed to.

Bill reported, read the third time and passed.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

AERIAL LEAGUE OF THE BRITISH EMPIRE.

House in committee on Bill No. 84, to incorporate the Canadian Division of the Aerial League of the British Empire.—Sir Herbert Ames.—Mr. Blain in the Chair.

Mr. PUGSLEY: Perhaps the promotor will explain the meaning of the Bill.

Sir HERBERT AMES: This league is a branch of the Aerial League of the British Empire, which is a very important organization across the seas, and is in close relation with the British War Office. It has rendered very great service in aerial training. The organization in Canada has taken a large part in the same work here, acting in co-operation with the authorities. The Bill has been very carefully considered in the Private Bills Committee. Some amendments have been offered, which have been accepted, and as I understand the matter, the Bill is now satisfactory to all parties concerned.

On section 9—Real property.

Mr. STEELE: The Private Bills Committee added several subsections to this section. Subsection 2 limits the annual value of the real estate to be held by the association to $50,000. The other subsections are the stock clauses which have been inserted in all similar Bills in the last two years providing for the disposal of property which is not required for the purpose of the association at the end of ten years.

Section agreed to.

On section 10—Borrowing powers and investments:

Mr. STEELE: There is added to this section, subsection (2), providing that:

> Nothing in this section shall be construed to authorize the association to issue any note or bill payable to bearer thereof, or any promissory note intended to be circulated as money or as the note or bill of a bank, or to engage in the business of banking or insurance.

Section agreed to.

On section 12:

Mr. STEELE: This section is the usual one inserted in similar Bills providing that the association shall take over all the existing assets, interests, rights, credits, effects and property movable or immovable, held and enjoyed by the existing association, and also take over all the liabilities of the existing association before it shall be allowed to do business.

Section agreed to.

Bill reported, amendments read the first and second time and concurred in.

CONSIDERED IN COMMITTEE—THIRD READING.

Bill No. 109, for the relief of John Newton Salter.—Mr. Northrup.

SUPPLY.

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

Post Office—outside service—salaries and allowances, $8,447,263.25.

Mr. PUGSLEY: I notice in the newspapers that a body called the Public Service Committee has recommended that a large number of civil servants should be dismissed from office. Perhaps the minister would state whether the Government has given any consideration to that subject, and whether there will be any reduction in the staff of the Post Office Department, and if so, to what extent. I see that the minister is asking for an increase of half a million

dollars on account of salaries, which does not look much like a reduction in the staff.

Mr. DOHERTY: These salaries are for the Outside service.

Mr. PUGSLEY: I think the recommendation of the Public Service Committee referred to the outside service as well as the inside.

Mr. DOHERTY: I did not understand it to refer to the outside service. I am not in a position to give my hon. friend any information on this subject because I have not prepared myself on it, as I did not think it particularly pertinent to the Post Office Department. I am informed by the Deputy Minister that the recommendation has been called to his attention, and that it will receive his consideration. He will ascertain whether there is occasion for such reduction in the Post Office Department, and whether it is possible to effect the same without detriment to the public service. The increase in the amount asked for this year is made up practically in its entirety of the statutory increases.

Mr. EDWARDS: I wish to call the attention of the Acting Postmaster General to a matter which I have on more than one occasion brought to the attention of former Postmaster Generals. I realize that it is not a very easy matter to deal with, but nevertheless justice and fairness demand that it should be dealt with. It must be apparent to every member of this committee that the inauguration of parcel post and rural mail delivery has imposed a great deal of extra work upon the country postmaster. Many post offices have been cut off entirely owing to the establishment of rural routes, and this has necessarily increased the work of the post offices that are left. In many cases the country post office has become the distributing point for rural routes within a radius of 15 or 20 miles. That means a great deal of extra work and longer hours for the country postmaster, for which he is not adequately paid. His remuneration is certainly not in proportion to the extra work that has been thrown upon him by these changed conditions.

There is another point. Many of the men who have submitted tenders as couriers on the rural routes are not receiving the remuneration they should receive, having regard to the extra work that the parcel post has thrown upon them. Previous to the establishment of the parcel post, the courier added to his salary by charging 10, 15 or 25 cents for carrying parcels, but now he has to take all the parcels that come by parcel post as part of his day's work, and he is frequently obliged to use a two-horse rig where formerly a one-horse light rig sufficed. Parcel post has thus put him to extra expense and deprived him of the little revenue he formerly received for carrying parcels. I think I am right in saying that after parcel post was established the railway companies represented that they should receive remuneration for the extra work that parcel post threw upon them, and I think their claims were satisfied to a certain extent, and quite properly so. Now if the railways can receive extra remuneration, surely the rural mail carriers are entitled to extra pay. I have taken this matter up with two or three Postmaster Generals, and in every case they have agreed that the matter was worthy of serious consideration. But it is not an easy matter to adjust. They could hardly be paid on a mileage basis, but there ought to be some way of dealing fairly with these men, and at the present time I do feel that they are not being treated fairly in view of the extra work they have to do. I have been told in one or two cases to instruct the parties who claimed that they should receive more money, to keep an account of the number of parcels they carried and of the number of trips on which they had to use an extra rig for carring the mail, and that each case would be dealt with on its merits. If the department is prepared to do that, I shall be in a position to tell the couriers of my county to keep an account of the extra rig for carrying the mail, and that each munerated accordingly. Where a country postmaster has given up his office for one reason or another, I am beginning to find a good deal of difficulty in getting any one to take his place. They say there is nothing in it, that they are tied down to certain hours, that there is no such thing as a holiday for them, and that the remuneration is very small

I am sure the people of the rural districts appreciate very much what the Government has done in the way of extending postal facilities, and anything that can be done along that line will be borne out by the best judgment of everybody regardless of party. When the Post Office Estimates have been before the House, some members have spoken of the cost of this department. I want to state again that if there is any department of the Government which is justified and which will be justified by the people of this country in having a deficit it is the Post Office Department. Its revenue is derived entirely from the people, and in

my judgment it should not have any surplus, and it certainly should not have a surplus so long as any member of this House can point to places where the people are not being properly served with postal facilities, or where they could be better served than at present. As to this department we should not be very censorious about expenditure. The public chest is pretty well protected in providing rural routes and rural mail service. Competition is so keen in many cases that the men must be performing the service at a loss. In any event, the country is not being robbed in regard to the amount paid for mail service.

We should take into consideration the fact that cities, towns, and centres of population call upon the Government of Canada for the expenditure of money in many ways, such as the improvement of harbours, public works, and so on. These are of course a benefit to the country, but they are especially beneficial to the particular town or city which obtains the grant. The strictly rural sections do not get such grants, and about the only way the Government can really be of service to the people in the country districts is by giving them the very best possible postal facilities. I maintain that in so doing, even if the Post Office Department should show a deficit, this Government or any Government is justified in having that deficit, if they can show that it has been produced by giving the people proper postal facilities—a daily mail service, so far as it is possible to give a daily mail service.

Once more I want to ask the acting Postmaster General (Mr. Doherty) to give his serious consideration to the question of an increase in pay to the men on the rural routes, because of the increased work those men have to do, which in many cases obliges them to place an extra horse or an extra vehicle upon the route, involving, particularly during the last year, a very great increase in their expenditure.

Mr. DOHERTY: With reference to what the hon. gentleman (Mr. Edwards) has said concerning the remuneration of country postmasters, I quite appreciate that there is a good deal of force in his representations. The subject is not entirely new to me—although most things connected with the Post Office Department are new to me. Quite recently I have had put before me by the deputy minister representations made by a considerable body of the postmasters looking to an increased remuneration. So far as I was able to go into the matter, it seemed to be quite fair that if any means could be found by which a reasonable increase in their remuneration could be granted, we should be glad to do it. The question of rural mail routes is, I must confess, quite new to me. Increased work will very naturally call for increased remuneration. I shall take the matter up and shall be glad if I can find a method by which this work may be better remunerated.

Mr. PUGSLEY: I would like to ask the minister if generally the department allows the exercise of patronage in connection with the awarding of contracts for the carrying of the mails. The reason I ask the question is because it has quite recently come to my notice that where tenders were called for carrying the mails, the tenderer who had offered to do the work for the lowest amount and who naturally expected to receive the contract was disappointed. There was political interference and the contract was given to a political friend of the Government, whose figures were higher than those of the other tenderer. It seems to me that should not be so, and in connection with services of this character the department should be left absolutely free to secure the performance of the work at the lowest price, because if there is political interference and the contract is given to a higher tenderer, it necessarily means the paying out of more public money to mail carriers than would otherwise have been the case.

Mr. DOHERTY: I have no knowledge of any practice prevailing other than that of dealing with tenders upon their merits as they come in. For the short time I have been in charge of the department, I have observed that that was the method in which they have been dealt with, and such cases as have come under my supervision have been awarded to the lowest tenderer. Of course, one can see there might be circumstances which would justify the acceptance of a higher tender. I do not know that I can go into the question, however, because the contracts I have had to deal with have all been awarded to the lowest tenderer.

Mr. BICKERDIKE: I would like to ask the minister in regard to the dismissal of a man named Dubreuil. Perhaps this is not the time to bring the matter up, but I would like the information. I have written several letters about it, and I presume it has not been attended to because the Postmaster General has been away so much. Probably the Deputy Postmaster Gen-

eral will remember the case. Dubreuil claims he was dismissed without a hearing. I asked that the man should have a trial and that he should be present at the enquête. I do not think it is British fair play to deal with charges against a man unless he has an opportunity of being present and hearing them.

I simply bring the matter to the minister's attention so that the deputy minister may know that we should like to have the matter inquired into, and have the man present.

Mr. KYTE: In awarding contracts for the carriage of mails it is sometimes found that, owing to the increased cost of living, plant etc., the lowest tender received is somewhat higher than the former price. The department in such cases does not always enter into a contract with the lowest tenderer, but, after consultation with party friends in the constituency, enter into negotiations with some friend of the Government who is asked if he will not put in a tender, and an intimation, I have no doubt, is given to him of the amount of the lowest tender that has been received, with the statement that the amount is too large and that the department is unwilling to enter into a contract. Then this party friend makes an offer slightly lower than the lowest tender, and the contract is given to him. I asked for correspondence relating to the contract for the carriage of the mails between Grand River and Fourchu. I am unable to understand why I have not yet received that correspondence. If I had it I might be able to illustrate the point I am endeavouring to make.

Mr. DOHERTY: We have a number of similar returns in preparation, and hope to have them ready almost immediately. I am not familiar enough with the work of the department to say more than I have said to the hon. member for St. John. I was not aware of any other method of dealing with tenders than upon their merits.

Mr. BLAIN: I would ask the minister to consider the desirability of making more frequent paymehts to the rural mail couriers. I understand they are paid once a month, but with the higher cost of living they would greatly appreciate more frequent payment.

Mr. SUTHERLAND: May I point out to the minister that in some districts during the winter the rural mail couriers at a good many points have no places in which to keep their horses while awaiting trains, which may be several hours late, the horses having to stand outdoors during that time. When some of these men entered into contracts several years ago the prices of commodities were not as high as they are to-day. That applies particularly to horse feed, and men who put in very low tenders now find that it is very hard for them to get along. I have in mind one man who was most anxious to get a contract and whose tender was $100 lower than the next lowest tender, $450 for a twenty-mile route. I believe the rule of the department is not to pay in excess of $30 per mile. The repairs to rigs have become a very heavy item as compared with five years ago, and many of these couriers have open rigs, in which the mail is exposed to the weather, and which are quite unsuitable for the purpose. It is not to the credit of the country to have His Majesty's mail being carried about the country in rigs of that kind, and I think it would be advisable for the department to furnish rigs for rural mail couriers. This would remove some of the expense under which they are now placed. Many of them are not renewing their contracts; new tenders are being called for, and they are much in excess of those sent in three or four years ago. I understand that in the United States they furnish rigs to the couriers.

Mr. DOHERTY: As to the more frequent payment of rural mail couriers, my information is that the work is done under contract and the times of payment are fixed by the contract. At the same time one realizes that there might be substantial advantages to the contractor from more frequent payments, and if arrangements could be made to obviate the difficulties which I am told exist in getting these accounts in so as to permit of their more frequent payment, I should be glad to consider the possibility of meeting the suggestion.

It looks to me as if it might not be easy for the Post Office Department to undertake to afford accommodation for the horses and rigs of the couriers at railroad stations. I shall enquire as to what can be properly done. This remuneration is a matter of contract, and no doubt the department would find itself open to criticism if it undertook to raise the rates which were to be paid for this work. A change of conditions might justify an increase. As to the suggestion that the department should furnish vehicles for the carriage of mail, whether there would be any advantage to the public by the adoption of a general system of that kind, is a matter which is

worthy of consideration. I suppose if vehicles were furnished for the carriage of the mail, contractors would not expect the same rate of remuneration that would otherwise be paid. I shall be glad to consider the matters referred to and see if the suggestions can be met.

Mr. McKENZIE: The hon. member from St. John and the hon. member from Richmond mentioned certain complaints about the unfairness of the department in dealing with mail contracts. I had some correspondence which took place between the post office inspector for Nova Scotia and a gentleman in my riding who had a mail contract. This mail contractor was asked if he would be willing to renew his contract at the old figure. He immediately answered that he would accept a renewal of his contract at the old figure, but, much to his surprise, a month or so later he received a letter stating that his contract would not be renewed, and that the contract was not to be put up for tender, but that it was to go to a friend of the Conservative party in his immediate neighbourhood. That is exactly what took place. In order that nothing may depend upon my version of the facts, I will read the letters, which are very short. The first letter reads:

Post Office Inspector's Office,
Halifax, N.S., April 23, 1917.

Dear Sir,—

I beg to inform you that the Postmaster General has been pleased to authorize the renewal of your contract for the mail service between Baddeck River North Branch and Forks Baddeck, for a further term of four years, dating from the 1st July next.

Please inform me, with the least possible delay, whether you will accept this offer of the department. You, of course, understand that a contract can only be renewed on the existing terms and conditions. If, however, you do not care to continue at the present rate, the service will have to be put up to tender.

Yours truly,
W. E. McClellan, P.O. Inspector.

Mr. D. McPhee, Mail Contractor,
Baddeck River, North Branch, N.S.

To which Mr. McPhee informs me he immediately replied, stating that he would comply with the offer of the department, and continue the service for another four years. His first letter was dated 23rd April, and on the 7th May he received this reply to his offer to continue his contract:

Post Office Inspector's Office,
Halifax, N.S., 7th May, 1917.

Dear Sir,—

With reference to my letter of the 23rd ultimo, notifying you that authority had been received to renew your contract for the mail service between Baddeck River North Branch and Forks Baddeck, I have to inform you that I am now in receipt of a letter from the department at Ottawa, cancelling the authority for the renewal of your contract.

Yours truly,
W. E. McClellan.

Mr. Dan McPhee, Mail Contractor,
Baddeck River North Branch, N.S.

I asked questions in the House, and they were answered, stating that the contract was not put up to tender at all, and that it was given to John McLeod, a friend of the party, without competition at all. I do not know at what figure it was so given, possibly at the same figure, but that is not a fair deal at all. Why throw temptation like this, if temptation it might be called, in a man's face? This man may have lost other opportunities. He may have made preparations to carry out the work after the offer from the department, believing he would get the contract. He was offered this contract and said he would take it, and then, on some representation that it ought to be given to a Tory, the whole thing was thrown to the winds, and it was given, with no competition at all, to another man. The old time principle of competition, and giving the contract to the lowest tenderer, is to be destroyed altogether if this sort of conduct is being carried on by the department, because men who do not happen to be of the same political stripe as the heads of the department, will not bother making tenders at all.

Mr. EDWARDS: What is the amount of the contract?

Mr. McKENZIE: It is only $69 a year or something like that, but I am not talking about the amount. It is the question of principle. There should be a fair deal of this kind, and we on this side are accused, even by our own friends, of not being high minded enough, and not big enough, and that all our energies and thoughts should be devoted to the winning of the war, which is true, but it is surprising that, in the midst of the great burden on the department now, that small petty connivance of this sort should be engaging the attention of the head of the department, taking a $60 contract from one man and giving it to a Tory. We are justified in refusing to believe that the department are regarding the war as serious, as they want us to, when such small matters are engaging their attention. I wish to bring this matter to the notice of the Minister, so that he will not be encouraging such conduct. I have the documents here, and the proof is conclusive. The

amount is small, but the principle is the same as if the amount were large.

Mr. DOHERTY: I shall be glad to look into it. Was the cancellation subsequent or anterior to any offer that was made?

Mr. McKENZIE: The correspondence is no doubt available. The letter of the department making the offer was dated the 23rd April, and the man replied immediately, stating that he would accept. Then on the 7th May he received a letter stating that the offer was cancelled, and that the contract was given to the other man, commencing on the 1st July. The cancellation was on the 7th May.

Mr. DOHERTY: I shall look into the matter. My hon. friend speaks about tenders not having been called for. I understand the law is that contracts for amounts less than $200 are awarded by the department, as a rule, without tender.

If the department is subject to reproach for offering the contract without tender in one case, it must be equally subject to reproach for offering it without tender in another. I do not suppose that it is any more wicked to offer it to a Tory without tender than to offer it to any other man without tender. However, if the contract was offered by the department to the gentleman referred to and was accepted by him, it is a matter that ought to be inquired into, and I shall certainly look into it.

Mr. McKENZIE: It is an old established practice in the department, particularly in respect to small contracts, that upon expiration of contract the contractor is asked whether he will continue the contract at the old figure. That is the practice that was followed in this case. The letter of the inspector says: "The service will have to be put up at tender if you do not care to accept." He did accept, they refused to give the contract, and they did not put it up at tender. If that is a square deal, I do not know what a square deal is.

Mr. OLIVER: What is the frequency of the mail service in the summer and in the winter on Peace river, from Peace River town to Vermilion?

Mr. DOHERTY: I have not the information with me, but I shall see that it is furnished to my hon. friend.

Mr. OLIVER: Peace River town now has a railway service twice a week. During the summer season there is steamboat navigation down the river three hundred miles to Vermilion and up the river about two hundred miles to Hudson Hope. I think that there are three steamers running on both those routes. If the department have not done so, I suggest that they take advantage of this steamboat service for the purpose of giving mail facilities up and down the Peace river as frequently as the boats travel. That may be a little outside the ordinary system of the department, but the distances are so great, and, now that the steamboat and railroad are running, the conveniences are so ample, that there is no reason why the people there should not have mail facilities while the steamers are running, because the expense to the country would be only trifling. As to the winter service, the stretch of country up and down the Peace river is now open to settlement and occupation by reason of the railroad and steamboat service, and there is a greater demand for mail service during the winter now than there was a year or two ago. Three years ago the Peace river was practically a closed country; to-day it is wide open, and people are coming in with considerable rapidity and scattering to all points. The service, therefore, that was quite adequate two or three years ago is inadequate now during the winter and still more inadequate during the summer. In the summer the needs can be met at a trifling expense to the department if arrangement is made with the steamboat companies. The increased service in the winter will cost money, but the circumstances justify that increase of cost.

9 p.m.

I wish to draw attention also to the conditions at Fort McMurray on the Athabaska. Fort McMurray is three hundred miles north of Edmonton. It is the terminus of the Waterways Railway, and is at the head of steamboat navigation on the lower Athabaska. The rails are laid to within twenty miles of Fort McMurray; there is not as yet a regular train service. I do not know how soon the train service will be established, but there is such communication at the present time as can be carried on by gasoline speeders on the railway. Fort McMurray is reached by a Government telegraph line. Being the head of navigation on the waterways of the north, and being the terminus of the railroad, it is a permanent point, and, naturally, such business as there is in that country centres there. The department may say, of course, that when the railroad is completed it will do business with that railroad. The railroad is not completed, but there is

means of communication measurably better than the means of communication on the river. I would suggest therefore, that advantage be taken of the facilities that are now available for the purpose of giving suitable mail advantages to this important stratagetic point in that part of the north country. There shou'd not be delay until the regular service has been established on the railway.

Mr. DOHERTY: I will ask the Deputy Minister to look into both cases mentioned by my hon. friend. I shall be glad to take any means that may be proper to afford suitable service, as far as that is possible.

Mr. OLIVER: In the country lying west of Edmonton, from Edmonton to Resplendent on the British Columbia side, there is a train service on the Grand Trunk and on the Canadian Northern. I would judge from what the Minister of Railways said that there is no mail service on the Canadian Northern, because points on the Canadian Northern are served by mail from the Grand Trunk. There is a regular service of three through trains a week on each line, in other words, a daily service from Edmonton west, but the people got their mail only three times a week. When there is a daily train, I think that the pople ought to have a daily mail and that the Canadian Northern trains should carry mail and distribute it to the post offices as well as the Grand Trunk trains. That would give the whole of that system, about three hundred miles, a daily mail service—and I think the people are entitled to it. I hope that the minister will consider that.

Mr. DOHERTY: I shall have a note made of it and see what can be done.

Mr. MICHAUD: I desire to call the attention of the department to a resolution forwarded to the Postmaster General four or five weeks ago by the Board of Trade of the town of Edmundston in the province of New Brunswick. There is a mail sevice on the Transcontinental railway between Lévis and Monk, half the distance between Lévis and Edmunston, and the people on the line between Monk and Edmunston are desirous of having a mail service on the train. Along that line of railway a good deal of business is being done. Very often the mail car attached to the express, instead of being left at Monk, comes as far as Edmunston. The mail clerks remain on the car, and it would be an easy matter for them to sort the mail all along the line. I hope the acting minister will take the request of these people into consideration.

Mr. DOHERTY: I shall be glad to look into the matter.

Mr. KYTE: Has the department in contemplation any increase in the salaries of letter carriers and postal clerks? Representations have been made to the department from time to time by employees in those branches in the mail service, and communications have been forwarded to members of this House. I speak more particularly of the letter carriers in the city of Sydney and the postal clerks in the Nova Scotia division. I am not going to argue why increases should be made, but some weeks ago the Minister of Finance brought down legislation providing for substantial increases for employees in the Inside Service, and there is no apparent reason why the Government should be absolved from paying similar attention to the necessities of the employees of whom I speak more particularly.

Mr. DOHERTY: I quite appreciate the claims of the class of employees of whom the hon. member speaks, and when the Supplementary Estimates are brought down, I expect to make provision for an increase in the salaries of the employees of that class analagous to the increase made to the employees in the lower grades of the Inside Service. What is in contemplation is, in the Supplementary Estimates, to provide for an increase under the guise of an allowance to meet, in some way at all events, present conditions.

Mr. KYTE: Has the Government considered the desirability of making some allowance to the mail couriers for services rendered by them in connection with parcel post? That matter has also been brought to the attention of the Postmaster General from time to time. When parcel post was inaugurated in Canada some years ago, substantial allowances were made to the railway companies for the additional carriage imposed upon them in respect of that service. I, as well as several hon. members on both sides of the House, have called the attention of the Postmaster General to the fairness of making some allowance to the mail couriers throughout this country. I refer more particularly to the mail couriers in Nova Scotia. I cannot say that a definite promise of an allowance was made by the predecessors of the present Postmaster General, but I would like to hear the acting

Postmaster General state whether or not the mail couriers throughout the country are entitled to some consideration in respect to the extra work entailed upon them by the parcel post service.

Mr. DOHERTY: As I had occasion to say earlier in the evening, when the hon. member for Frontenac (Mr. Edwards) raised the same question, it came to me then as a new question. I quite realize that there probably would be an increase in the work imposed on the mail couriers by the establishment of parcel post, and it seems reasonable that an increase in work ought to call for an increase in remuneration. I took the matter up with the deputy minister, and the suggestion is that it is not quite clear how we can arrive at a basis for making an increase. I have asked him to look into the matter, and I shall be glad to give it consideration and to see if we can find a way to make such compensation for increased work as will be reasonable.

Mr. MICHAUD: Is the minister in a position to give me an answer in reference to applications which have been made during the past few years to establish a mail service on the railway operated between Campbellton and St. Leonard in New Brunswick? There are many settlements along that line, and there is a large business being done by lumbermen and merchants. The people need a daily mail service. A daily train has been operated during the last few years.

Mr. DOHERTY: What is the service at present?

Mr. MICHAUD: There is a bag left on the train, and it takes about three days to get a reply from a distance of five or ten miles from where a letter is mailed. The mail bag is often left on the train, and the service is certainly very poor.

Mr. H. BOULAY (Rimouski) (translation): Mr. Chairman, I believe I should endorse the remarks just made by the hon. member for Madawaska (Mr. Michaud), though it may not be very agreeable to my hon. friend, the member for St. John (Mr. Pugsley) when I trouble myself a little about New Brunswick.

As my county is somewhat close to that of Restigouche, I have many an occasion to travel through that district inhabited by people who come, for the larger part, from the counties of Rimouski and of Matane. So I take a permanent interest in the welfare of that community whose members are anxious to find in their new abode a few of those advantages we enjoy in the province of Quebec. These people, for the past six years, have had to be content with a very poor mail service. At the outset, when the railway line was first established, they got their mail only as a matter of courtesy on the part of Mr. Malcolm who was the owner of the road, and when the line became a part of the Intercolonial, the Government gave them a tri-weekly mail service. There is already, all along this line, a population of some ten thousand souls, most of them new settlers. In their midst there is much business going on, and the fact of having the mail service only three times a week and of not having any mail clerk, is most prejudicial.

I had, almost two years ago, drawn to this fact the attention of the Postmaster General, the late Mr. Casgrain, and he had promised to attend to it. I do not see why that section of our country should be more neglected than the others. I realize that there would be no money in it, that the Postmaster General's Department would be out of funds by appointing a mail clerk for this section. That cannot be gainsaid. However, there are many other localities, throughout the country, where the Post Office Department makes no money, but just the same provides a good service, with a view of fostering the industries, helping the trade and assisting the people who go into these new townships. Naturally, it takes more heart to go into the forest, as those brave settlers have been doing for the past six years, than to continue labouring in the old settlements. I believe it to be the Government's duty to give them a daily mail service and also a mail clerk.

Hon. Mr. DOHERTY: I admit the importance of the remarks just made by the hon. members, and inasmuch as the limits of a wise economy will not be exceeded, we will see that the present conditions be properly attended to.

Sir HERBERT AMES: Would the acting Postmaster General kindly repeat what he said a moment ago about his expectations in regard to the increased salaries of city postmen? I could not quite catch what he said.

Mr. DOHERTY: What is in contemplation is to provide in the Supplementary Estimates for an additional allowance to the employees generally whose salaries are of the lower class. I understand that would cover letter carriers and employees with salaries under $1,000.

Sir HERBERT AMES: It would cover postmen of the various grades?

Mr. DOHERTY: It would cover letter carriers.

Sir HERBERT AMES: A supplementary grant towards living expenses will be made?

Mr. DOHERTY: Yes.

Mr. ROBB: In the fall of 1916 the Government established rural mail delivery from Glenelm in the township of Elgin, and closed some of the post offices. As a result of the change a number of families, as I represented to the department on the 2nd of January this year, living along the first concession of Elgin, which is the main road running through the whole county of Huntingdon, were deprived of their post office and also of rural mail delivery. They think it most unfair that they should not be served by rural mail delivery now that the post office at Powerscourt has been closed. I should like a statement from the minister as to whether he proposes to give these farmers the service they are entitled to.

Mr. DOHERTY: The Deputy Minister explains to me that the parties living along this mile of road are within half a mile of a rural mail route on either side of them, and I understand that under the regulations if the route is within a mile that is all that can properly be expected. Under these circumstances, unless there is some special reason why the rule should be departed from, there would hardly seem to be justification for providing for the carrying of mail between the two routes I have referred to. I understand that the parties complaining desire a connecting route, so to speak, between the two present existing routes, and I am informed that none of them are more than half a mile distant from one or other of the existing rural mail routes.

Mr. ROBB: What I want to make clear is that this mile of road deprived of rural mail service is the main road running through the whole county of Huntingdon from Hemmingford to Dundee. The rural route is run up a side line. What I want from the minister is a direct statement whether the department will take into consideration the rights of the families living along this mile of main road.

Mr. DOHERTY: I would not like to say absolutely that I will not take into consideration anything that the hon. member represents, but I am informed by the Deputy Minister that to meet the wishes of those on whose behalf he is speaking would involve a departure from the general system of laying out the mail routes, which he assures me has been followed in laying out the routes in this particular section. The hon. member speaks about the rights of the people who live on this strip of road. I do not understand that everybody has a right to have a mail route pass his front door. There has to be some limit as to distance, and I am informed that the parties in question are well within what is considered under the general rule to be such a distance from a mail route as to give rise to no ground for complaint. If I understand the hon. member correctly the basis of his claim that the mail route ought to follow this road, is that it forms part of the main road running through the county of Huntingdon. On the other hand it is represented to me that the present disposition of the mail routes in that section is more generally convenient to the public than if one of the routes were to be sacrificed, so that the mail could be carried along this strip of road. However, I shall be glad to look into the matter to get a clearer comprehension of it myself, and to see whether there is reasonable ground for complaint.

Mr. ROBB: This matter has been before the department since last January, and I wrote the Deputy Postmaster General that I would bring it up again when the Post Office estimates were under consideration. Has the inspector reported against giving these people this service?

Mr. DOHERTY: The Deputy Minister informs me that he is not in a position to speak positively, but he believes there must be a report from the inspector on the subject. I cannot undertake to say off-hand whether this service will be granted, nor would I give an absolute refusal, but I shall certainly look into the matter and if it appears that there is a grievance I shall be glad to try and find a remedy.

Mr. ROBB: Will the minister give us the assurance that he will have another report made on the matter? This is a matter which has been before the department since early in January, and complaint was filed by the secretary-treasurer of the municipality, and representations have been made by people who live there, and who should know, that the route could have

been laid out more economically for the service.

Mr. DOHERTY: I certainly shall get the facts and give them my best consideration.

Mr. MARCIL: Does the department undertake of its own volition to institute a rural mail service in a particular locality, or does it wait until the people ask for it?

Mr. DOHERTY: I understand as a general rule—in fact, I may almost say as an absolute rule—it is done upon the request of the parties interested.

Mr. ROBB: Following the question of the hon. member for Bonaventure (Mr. Marcil), I would like to ask if the department has organized rural mail delivery along routes where two-thirds of the people have protested against it and have stated they were better satisfied with their post office service.

Mr. DOHERTY: I understand from the deputy minister that there have been rural mail deliveries established after some portions of the people along the routes had objected to its being done. They were established because it was found that the service could be more economically and advantageously carried out by the establishment of the routes, and because it appeared that the people who objected did so through caprice. There have been cases where rural routes have been established although the desire of a portion of the people was to adhere to the post office system, but I am told that was done because it was believed to be in the best interests of the locality. I understand that unless one-half of the people interested purchase the boxes the route is not established, and the fact that the route is established indicates at all events the consent of at least one-half the persons interested.

Mr. THOBURN: I have a communication from a postmaster in the county I have the honour to represent, which I would like to place before the committee. The member for St. Antoine division (Sir Herbert Ames) drew attention to the small salaries paid the city postmasters. This communication deals with the very small salaries paid to postmasters in towns and villages, and if the statements made are correct, I think the poorest paid officials in the employ of the Government are the postmasters in the towns, villages and rural municipalities. This communication is headed, "Compensation of Country Postmasters." It says:

After Confederation the scale of commission on which postmasters' salaries was fixed in offices such as Almonte, Carleton Place, Clayton, Appleton, Pakenham, etc.,—

These are all towns in the county I have the honour to represent.

—was forty per cent on first $800 of postal revenue, and twenty-five per cent on amount of revenue in excess of $800.

Some years ago (probably ten or fifteen) it was felt that this scale ought to be made more favourable to the postmasters, so a new scale was adopted under which the postmaster received fifty per cent on first one thousand dollars of postal revenue and thirty per cent on amount of revenue in excess of $1,000. This scale was used, without any suggestion that the postmasters were being overpaid, until the introduction of the war tax on letters. Then the department thought that the increased revenue by reason of war stamps would give the postmasters too much on that scale. So, some Inside Service man who finds he cannot live on his 1914 salary, figured that the proper thing was to go back to the Confederation scale of forty per cent to $800, and twenty-five per cent on excess above $800, and this has been done. Please note that the postage rates to-day (including war stamps) are still lower than at Confederation; please note that the cost of living to-day is about double what it was at Confederation; please note that the country postmaster does a much greater volume of work to-day which does not produce revenue to the credit of his office than he ever did; and please note that the scale on which the country postmaster is being paid to-day is the same as at Confederation.

I say that the country postmaster does a greater volume of work to-day which does not produce revenue to the credit of his office, than he ever did. The enormous increase in the circulation of daily newspapers of late years, and especially since extension of rural mail system, involves a burden of daily work, 310 days in the year, which does not increase his office revenue by a cent, and the extension of the parcel post system has had the effect of bringing into his office for distribution the departmental store shipments which pay their postage to the city officers; and his work in the distribution of parcels, which produces no revenue in his office, is out of all proportion to what he collects on parcels despatched from his office.

A single illustration will show the weakness and shortsightedness of the action taken in pitchforking us back into the old Confederation scale. Take Pakenham post office as an example. I have not the exact figures, but approximately the postal revenue used to be about $1,000, which gave the postmaster a salary of $500 a year under the old higher scale. In order that he may get a salary of $500 under the present scale, he has to increase his office revenue to $1,520, and he can then meet the increased cost of living out of the savings he has laid aside out of his salary in previous years.

Mr. MARCIL: Does he have to employ an assistant?

Mr. THOBURN: I will come to that a little later on. (Reading):

It was quite right that the scale should be modified to make adjustments for the war

stamp addition to revenue, but the rule-of-thumb way they jumped at the thing was inexcusable. Confidentially, I may say—

—and this is the part to which I want to draw the attention of the Acting Postmaster General—

Mr. McKENZIE: But, it is confidential.

Mr. THOBURN: It will work out all right.

—Confidentially I may say that my own salary warrant is $214 per month, out of which I pay three assistants. I have had girls in my employ, who are now in the Civil Service. Those in this post office are just as intelligent and industrious and work longer hours. I give full time to the work myself.

$214 per month means $2,568 per year, and allowing, say, $1,200 salary for himself, there is the enormous sum of $1,368 to pay three assistants. So I think I was justified in saying that the poorest paid officials of the Government are in the Post Office Department. There is no doubt as to the truth of what this postmaster says with reference to the increased work devolving upon them on account of the rural mail and parcel post. They get little or nothing from the sale of postage stamps for parcel post as the parcels are all sent from the cities into the towns and villages. They have to handle all the parcels and get no extra revenue. The same thing applies to the mail going out into the rural districts. It has increased very materially. If there is any department of the Government that needs special care it is the post offices in towns, villages and rural districts.

I have been repeatedly asked, but have been unable to explain, the difference in postage on a parcel to a Canadian soldier in England and in France. The rate from Canada to England is the same as the ordinary parcel post rate before the war, 12 cents per pound. To the Canadian soldier in France or Belgium, the postage on a three-pound parcel is 24 cents. The same parcel to a soldier in England would cost 36 cents. Can the Postmaster General explain why the rate to England is exactly 50 per cent higher than to France or Belgium?

Mr. DOHERTY: Under the convention with regard to the postal rate to France and Belgium, Canada receives a certain portion of the postal rates for parcels transmitted to those two countries, and to her own soldiers Canada has thrown off ner part. That makes the rate cheaper to these countries. The rates between England and Canada are adjusted by arrangement between these two countries. The deputy informs me that although negotiations have been attempted looking to some arrangement on the subject, nothing has yet been concluded. I have no doubt they have bigger things to attend to over there.

As to the remuneration to country postmasters, I certainly must concede that my hon. friend's correspondent writes a forcible letter. It is exceeded in cogency only by the arguments of the hon. gentlemen in support of it. The subject has been engaging the attention of the department recently. We have had representations by a number of postmasters and an intimation of what they considered would be the proper way to deal with the question. I do not know whether we shall be able to do quite what they suggest, but I do hope we shall be able to do something in the direction of improving the condition.

Mr. MARCIL: What is minimum paid to country postmasters?

Mr. DOHERTY: $50.

Mr. MARCIL: We all remember when the minimum was $10 a year. There has been a great change in fifteen or sixteen years.

Mr. CURRIE: May I add a word on behalf of rural mail carriers? The current impression through some articles that have appeared in the press is that the carrying of the rural mail is not a matter of contract and that the Government could either increase or reduce the remuneration of the rural mail carrier without any regard to any contract, that the whole thing rested entirely with the Postmaster General. Of course the rural mail carrier takes a contract to carry mail at a certain price for a certain term of years and he gets that amount of money. He cannot secure an increase without the route being once more put up to tender. Since many of the existing contracts were entered into, a great deal of additional work has been imposed on the carriers through the parcel post system; there has been an increase of perhaps 40 per cent or 50 per cent. There is general dissatisfaction among the carriers, who think they should get something additional for this work. It would be invidious to grant an additional sum to any special route, but owing to the increased cost of living and the additional cost of carrying the mail, the higher price of horse feed, etc., and the higher cost of labour, if any is employed, there is not much profit left for the rural mail carrier to-day, and I think the department would be justified in giving an increase of 10 or 15 per cent to all rural mail carriers. The rural mail system probably

pays the country as well as the old system of having little country post offices with couriers carrying the mail to these offices and postmasters paid for attending to the offices. I wish to put in a special plea for the country mail carrier. I trust the minister will remember it and that when the Supplementary Estimates come down we shall find that the rural mail carriers will receive a flat increase of 10 per cent or 15 per cent. That should be done in justice to these men, owing to the great increase in their work through the establishment of the parcels post system. The Government must have a very large increase in revenue from parcel post. The figures have not been given to the House. Are they available?

Mr. DOHERTY: I am told there is not any separate accounting.

Mr. CURRIE: How much is the general increase in post office revenue from the sale of stamps since the parcel post system was instituted? Will it be 20 per cent?

Mr. MARCIL: You will have to eliminate the war tax.

Mr. DOHERTY: I am informed it is safe

Mr. MARCIL: You will have to eliminate the war tax.

Mr. CURRIE: I think five per cent of that increase should go to the rural staff. A number of these local carriers were paid for handling local express. A woman, for instance, would give a man a parcel of eggs and perhaps give him ten cents, but now that is all done away with, and the carriers receive nothing in that way. I think the Government should increase the pay of these men at least 10 per cent. Referring to the soldiers, I was on the Board of Inquiry on the postal question in England and I gained some knowledge there. I ascertained that the British Government handles all the mail to France free. I will be corrected if I am wrong. Therefore, the French Government gives us nothing, as the statement was made. When a parcel is sent from here to a boy in France, it goes to England first, and from there to France. It goes from England to France free, there being one consideration, namely, that that parcel virtually becomes military property the moment it leaves England. If a mother sends a pair of socks to her boy in France, it goes to England and from England to France, and if the boy happens to be killed or wounded in France, the parcel is expropriated by the military authorities in France, and those socks go into a general fund with other articles, the idea being that it is not fair that these parcels should be returned, but that some use should be made of them at the front. Every mother in England who sends a parcel to her boy knows that that is the rule. I do not think the Canadian women know, and notice of that fact should be given. I might say, also, that all the mail from Canada is handled free by England, and I cannot understand the Postmaster General putting up a story to the effect that he had to pay a large sum for that postage over there. I do not think we have to pay anything for it. That is my own opinion, formed from what I ascertained over there.

Mr. PUGSLEY: When did they put up that story?

Mr. CURRIE: The statement was made last year, and repeated again to-night. I think a certain weight of parcel should be permitted to be sent to the soldiers at the front by the mothers in Canada without any postage, as is the practice in England.

Mr. MARCIL: How about letters?

Mr. CURRIE: I would not make that applicable to letters, because the girls would write too many letters to the boys at the front.

Mr. MARCIL: I asked about that, and they said the Union Postal Regulations were against it.

Mr. CURRIE: That is a fallacy. All those regulations fail in time of war. A soldier in the field writes his letter. It is franked by his officer and the letters pass through France, and through the British post office, and come here, and the Post Office Department here places a stamp on them; I do not know why.

Mr. MARCIL: I got a letter from the front bearing two Canadian stamps.

Mr. CURRIE: They are put on by the postal authorities here. I think the postal regulations, as far as letters and parcels sent to England and France are concerned, require revision. I do not want to attach any blame, but I think the people in this country have been mulcted in large sums for postage on letters to their boys in England, which sums they are not entitled to pay, and that has been an added source of revenue to the department here. The people understood the money had to be paid to England, which I do not think is a fact. I think we would be justified in making some change in the regulations.

Mr. DOHERTY: I do not want to question the accuracy of what has been said, but I am informed by the deputy minister that on the cost on parcels from here to France, Canada gets absolutely nothing. With regard to parcel post, the rate stands as it stood before the war.

Mr. CURRIE: England carries free for us?

Mr. DOHERTY: Yes.

Mr. CURRIE: Why do we have to pay large sums of money?

Mr. DOHERTY: I suppose we could stop charging anything at all, but England will not consent, or has not as yet consented, to the collection upon her side, and it is a matter of arrangement between the two countries.

Mr. CURRIE: The minister does not seem to understand. There is a postal union between the various countries, and under that union each country carries the other's mail free. I speak subject to correction. When we send parcels to France, when they reach England they carry them free. When there is no charge for carrying parcels in England, why do we not follow suit and make no charge? Why do we collect a revenue on parcels here and let the people think we have to pay the money to England? I do not see any items in the Public Accounts showing that there is anything paid for that.

Mr. PUGSLEY: Do I understand the hon. gentleman to say it costs less to send from Canada to France than it does to send to England?

Mr. CURRIE: Yes.

Mr. PUGSLEY: I understood that was the case. The mother of two boys, who happened to be very closely connected with myself, told me that in respect of one boy who was in France, the postage was less than it was to her boy in England, both sons serving in the expeditionary force. That seemed to me pretty strange, and certainly it requires explanation. I could not believe it to be true, but my hon. friend from West Simcoe corroborates the statement?

Mr. CURRIE: Yes.

Mr. PUGSLEY: What is the reason for that?

Mr. CURRIE: There is no charge on these parcels once they land in England, whether they go to England or France, but we are making a charge on this end, on the understanding that there is a charge on the other end. There is no such charge. If there is no charge in England, there should be no charge here. I claim the people are paying all that postage to the department here, thinking they have to pay large sums to send things to England and France.

Mr. PUGSLEY: It would look as though somebody ought to study this matter.

Mr. CURRIE: I have not heard an explanation yet, and having gone into the matter a little bit, and having been interested in the matter over there, I ascertained that there was no charge for parcels in England. I went into the matter when I was over there and I was given to understand that there was no charge for parcels on the other side. I cannot understand, therefore, why this country is charging for carrying those parcels from inland villages, towns and cities to the coast. I think it is only fair that a more lucid explanation of the whole matter should be given. If the thing is justified by the old regulations of the Postal Union, then those regulations should be abrogated during the war. Surely Canada can carry parcels for her boys free if England and France are willing to carry them free.

Mr. LEVI THOMSON: If the hon. member is right, it is an outrage that we should have to pay more for the carriage of parcels to our boys when they are in England than we have to pay when they are in France. When sending parcels to my boy, I have often wondered why I had to pay more when he was in England than I had to pay when he was in France.

Mr. CURRIE: I should like to see the item in the public accounts showing that we paid for the carriage of these parcels in England and in France; then I would be satisfied that the information which I obtained from different general post offices in England at the beginning of the war was wrong. As soon as the parcel reached Liverpool it was carried free to London and then sent free to the soldier in France or wherever he happened to be, no charge being made to the Canadian Government. Indeed, the parcels were handled almost entirely by he Canadian officers over there; they hardly ever went into English hands.

Mr. DOHERTY: My information is that there are matters in connection with this which it has not been considered desirable

or proper to explain to the public. But I am in a position to say that whatever may be the reason of it, it does not depend on action which Canada would be free, independently of her contract in the Postal Union arrangement with the Mother Country, to alter. As the matter has been put forward, I shall inquire whether I am at liberty to give an explanation or not. There is an absolutely clear and settled explanation, I am told, making it clear why Canada cannot control the matter. I cannot say more at the present moment.

Mr. PUGSLEY: This matter is of very great interest to the mothers of the boys who are at the front.

Mr. DOHERTY: It is, and when I am at liberty to do so, I shall explain.

Mr. PUGSLEY: We have heard a great many times during this war that there are all kinds of subjects upon which no information can be given to this Parliament. I think that the sooner we have a secret session of the House of Commons in order to get some information upon these questions, the better. They have had secret sessions of Parliament in England, as well as in France. Although this country has been engaged in the war for nearly three years, not one particle of what may be called secret and important information has been given to this House. This House has never received any information except what has been given to the general public. I think that the minister ought to let this item stand and get the information, or else give to the committee a satisfactory reason why he does not give us the information now. It is difficult to comprehend why people sending parcels to their boys in England should be obliged to pay more than they pay on parcels going to their boys when they are in France. The minister says there is a perfectly good reason; well, if there is, I think that Parliament ought to know it. I can see no reason why it would not be quite right to communicate the information to Parliament.

10 p.m.

Mr. DOHERTY: Perhaps the hon. gentleman attaches too great weight to what I said. As to the suggestion that there should be a secret session of Parliament, I shall be happy to communicate that to the Prime Minister. The hon. gentleman would hardly expect me to undertake to

Mr. PUGSLEY: The minister is a very important member of the Government.

[Mr. Doherty]

Mr. DOHERTY: I appreciate the hon. gentleman's appreciation of my importance. I shall be absolutely frank; I do not understand the explanation of the deputy minister, beyond that he does assure me that there is a reason that interferes with our independent action—interferes for the moment, at all events, with my going into the explanation. Perhaps the best reason why I cannot explain at the present moment is that I do not myself grasp what the reason is.

Mr. PUGSLEY: Perhaps the minister who has been on military service can tell us.

Mr. MARCIL: Will the minister explain why stamps are put on letters sent to Canada by the boys at the front? I have received censored letters from the front upon which Canadian stamps were placed, evidently in Ottawa. Why should this be done?

Mr. DOHERTY: That costs nobody anything, and is to facilitate distribution. Otherwise we would have to have some kind of franking system.

Mr. PUGSLEY: I suppose that adds something to the apparent revenues of the Post Office Department.

Mr. DOHERTY: The stamps are handed out gratuitously; how could that figure as revenue? That is as difficult to understand as the other explanation. Indeed, if they were charged up, they would help to make a deficit. Whatever the cost of these stamps is, we get nothing back for it. I do not know whether you can trace that loss or not. However, that is the only method of enabling the soldiers' letters to be distributed free without their being held up for lack of postage. The method is the simplest and costs nobody anything.

Mr. PUGSLEY: Why not stamp the letters "free."?

Mr. DOHERTY: If it is thought that the revenues of the country will be increased or any good purpose be served by stamping the word "free" upon the letters instead of affixing a stamp, which has so far been found the most convenient method, of course we shall be glad to do it. I cannot, however, see what advantage would be in that. I might have a calculation made as to how much these postage stamps cost the country and what difference in cost would be involved in buying a rubber stamp, paying for the ink, and stamping "free" upon the envelope. If there is any differ-

ence in favour of the latter method we might adopt it. I must say, however, that I am doubtful whether there would be any advantage in departing from our present method.

Mr. CARVELL: How does the placing of a stamp on a letter from the front at St. John or Halifax expedite the delivery of a letter to an internal point in Canada? As the member for North Simcoe (Mr. Currie) says, the letter is franked in France.

Mr. CURRIE: The censor's stamp is the frank.

Mr. CARVELL: When I mail a letter in the House of Commons with my frank on it, my hon. friend does not have to put a stamp on it in order to ensure safe delivery. If the censor's stamp will carry into Canada a letter from the front, I do not see why that letter should not go to its destination just as readily with that censor's stamp on it and without postage stamps on it as my letter goes from the House of Commons with my frank on it. Moreover, putting the stamp on the soldiers' letters involves time and trouble. The minister says that the placing of stamps upon these letters does not involve an increase in the revenues of Canada.

Mr. MARCIL: It is a waste of stamps.

Mr. CARVELL: I would like to be sure of that because I have an idea that the revenues of Canada are increased to that extent. The minister, however, may know about the matter.

Mr. CURRIE: Possibly the method intimated by the minister would be the best one, because I think the whole trouble is due to red tape in the department, and the people have been paying for red tape. The House will anxiously await the solution of this trouble, which to anybody who has anything to do with the postal service in the Old Country so far as the Canadian soldiers are concerned, is certainly a mystery. For that reason I suggest that some other item be taken up.

Mr. DOHERTY: These soldiers' letters come together as soldiers' letters, and the man in this country who receives the bundle knows that they are soldiers' letters, but if he sent them off to all their destinations, when one reached the postmaster who would have to deliver it, he would not know it was a soldier's letter, and he would hold it back until double postage was paid. It is only to avoid that difficulty that the stamps are put on. I understand a system is being sought to be arrived at by which those letters will individually when they are sent from the other side, be stamped as being soldiers' letters. When that comes to be done, of course, it would not be necessary for us to put stamps on them when they reached here. It is only quite recently that the British authorities have undertaken to consent to that system. Until we have a system of that kind identifying a soldier's letter, something has to be done with it to ensure that the recipient would not be held up for additional postage when the letter arrived with nothing on it to show that the postage had been paid, and what was thought the simplest way to show that the postage was paid was to put stamps on it when it arrived in Canada.

Mr. CARVELL: I suppose we must accept that reason. Any letters that I have received from soldiers overseas have been marked "on active service" or something of that kind. There is certainly a mark on every letter coming from a soldier to indicate that it is a soldier's letter.

Mr. DOHERTY: Some of the letters are marked and some are not. Of course, one could separate all those that bear marks from those that do not and put stamps on those that have no mark and not put stamps on the others, but inasmuch as many of them are not marked, it was thought the simplest way to put stamps on them all.

Mr. CARVELL: Are there any well defined regulations or rules of the department by which people in any portion of the country can obtain rural mail service? I was told some years ago that if 50 per cent of all the residents along a certain route or road would subscribe for the boxes and agree to become patrons of the rural mail service they would obtain that as a matter of right. Is that correct?

Mr. DOHERTY: I am informed that where 50 per cent of the people interested make a request a rural mail service is established.

Mr. CARVELL: Within the last year or two I have received many complaints, some of which I have forwarded to the department, that those regulations are not lived up to at all, and that the only way the people can get rural mail service is by putting their request through a political organization. In my own constituency the bribe is notoriously put forward that if you will do certain things we will give you a rural mail delivery. I think I am safe in

saying that if 90 per cent of the people in certain districts signed a petition asking for a rural mail delivery they would not get it unless they put their request through the proper political channel. That is the way in which the matter works out. I have not bothered the department very much about the matter, but I have felt a great many times that when these estimates were up I would like to ask the question. I intended to do so last year, but when these estimates went through I was busy at another place in the city. I am glad to have the assurance from my hon. friend to-night that, as a matter of right, 50 per cent of the people living along a certain route can demand the boxes, and I shall have great pleasure in notifying many people in my constituency to that effect.

Mr. DOHERTY: It is not in my knowledge, nor in that of the deputy minister, what representations have been made as to what is necessary in order to get a rural mail service, but I am told by the deputy minister who locates the rural mail routes that he has never had political influence of any kind brought to bear on him in connection with the matter, and that it has been dealt with on the principle which I have just mentioned. That is all the information I have on the subject.

Mr. CARVELL: The deputy minister does not know what takes place in the local communities. I have known the deputy minister for a long time, and I know he possesses a great deal of knowledge, but there are taking place around the post office inspector's department, and many places in the different provinces many things of which the deputy minister knows nothing. I assure my hon. friend that what I have described is the practice, but having his assurance to-night, I hope we shall be able to get rid of that little difficulty.

Mr. DOHERTY: The deputy minister assures me that the routes are laid out in this way, and that the political influence that is talked of has never in any way reached the man who allocates the postal routes. The only conclusion one can draw is that somebody must have misrepresented the matter.

Mr. CARVELL: I will bring the thing to a head in a very short time. We will send in an application, and it won't go through the political end of the constituency either, or through the inspector's office, but straight to the deputy minister with ample evidence that 50 per cent of the people want the accommodation.

Mr. COPP: Are forms furnished by the department to people who desire to petition for a rural mail route?

Mr. DOHERTY: Yes.

Mr. COPP: Is an affidavit required as to 50 per cent of the inhabitants wanting the accommodation?

Mr. DOHERTY: The deputy tells me it has not been the practice to require an affidavit. The applications may be made directly to the department or to the inspector. Where they are made through the inspector he is in a position to know, I suppose, whether the petitioners form 50 per cent of the population.

Mr. COPP: I know that within ten miles of my home a rural mail route was established in a section that was formerly served by a post office. One route was cut off entirely, and the people along it are without mail accommodation at all. I do not know whether this is a case of politics or not.

Mr. DOHERTY: If the hon. member will be good enough to furnish me with the facts I shall be glad to look into the matter.

Mr. COPP: I was just drawing it to the attention of the minister in that way.

Mr. PUGSLEY: What are the considerations that govern in the establishment of these mail routes? What are the limitations as to the number of people to be served? I know of one or two places myself where I should very much like to see a rural mail delivery route provided, but I am not quite sure that the route is long enough. How many miles long has it to be?

Mr. DOHERTY: I am informed that there never has been determined an absolute limit below which a route would not be established, but in practice it is not usual to establish a route longer than 20 miles or for a shorter distance than 10 or 12 miles. As to population, routes have been established where the number of people to be served was as low as 25, but that is not usual. I understand that no limits have been fixed as to the length of route or the number of people to be served. The deputy informs me that the department has tried to meet every request for the establishment of a mail route where 50 per cent of the people interested were agreed in asking for it, and where

the length of route and number of people made it at all reasonable.

Mr. MARCIL: I was asked a question yesterday which I was unable to answer. Can public documents of this House be mailed free by members of Parliament from any post office in Canada? It would be interesting to know, for instance, in view of the election, if a member could mail a copy of Hansard containing his speech in an open letter from any post office in Canada?

Mr. DOHERTY: I understand that the franking privilege is limited to the House of Commons Post Office.

Mr. MARCIL: I understood that official publications could go free from any post office in Canada.

Mr. DOHERTY: I understand that members of Parliament have the right of mailing public documents free from their home post office.

Mr. PUGSLEY: Is the minister quite sure of that?

Mr. DOHERTY: I am making the statement on the assurance of the deputy minister. My own impression was that the franking privilege was limited to correspondence from Ottawa. The deputy minister informs me that while some distinction is made in regard to public documents, it would not be quite safe to take as positive the answer he gave me a moment ago, but I shall have it verified and let my hon. friend know.

Mr. MARCIL: The question was put to me as regards Hansard. Could a member send 100 copies of his speech, for instance, free from his home post office?

Mr. DOHERTY: The deputy minister informs me that Hansard is not quite what he had in mind when speaking of public documents. Hansard, at all events, would have to be mailed from here to go free.

Mr. A. W. CHISHOLM: Some time ago a petition was forwarded to the department from the inhabitants of Scotch Hill, in the county of Inverness, asking for the removal of the post office from its present site to the main road. Where the post office is now, there are only two mail days a week, and if the post office were removed to the main road the people could get their mail daily, and the department would be saved the cost of carrying the mail to the present site. The petition was signed by every inhabitant in the district, irrespective of party, except the person who has charge of the post office. I want to know what has been done with that petition, which was forwarded to the department about two months ago.

Mr. DOHERTY: I shall make inquiries and be glad to give the hon. member the information.

Mr. A. W. CHISHOLM: Shortly after sending the petition forward, I had a communication from some parties down there, and on making inquiries at the department I was informed that they were awaiting a report from the post office inspector. That report, I presume, is now in the department, and I should like to know what decision has been arrived at.

Mr. DOHERTY: The deputy minister does not recall at the moment.

Mr. A. W. CHISHOLM: I had a communication from some officer in the department—I do not know his name. He said the prayer of the petition was not granted. What I want to call the attention of the minister to particularly is the fairness of the demand of those people, and I cannot understand why their request was disregarded. They wanted to get a daily mail, and by granting their request the department would have saved a matter of $70 or $80 a year, and at this time when money is so scarce it is difficult to me to see why the request was refused. I would ask the minister to be kind enough to give me some information on the subject before the estimates are passed.

Mr. DOHERTY: I will be glad to look into the matter, and inform my hon. friend as to the result of my inquiry.

Mr. MARCIL: I would call the attention of the minister to the fact that Hansard is "printed by J. de L. Tachè, Printer to the King's Most Excellent Majesty," and would appear to be a public document entitled to be sent free through the post by members. Will the minister kindly clear up the matter so that we may know where we stand with regard to the mailing of Hansard?

Mr. DOHERTY: I will ask the deputy minister to distribute copies of the regulations.

Mr. McKENZIE: I would like to ask the minister for some information in regard to the St. Pierre-Miquelon mails. They used to be conveyed from Halifax to North Sydney by rail, then placed on board the steamer for St. Pierre. This steamer runs

from St. Pierre to Halifax, calling at North Sydney, and when she returns from Halifax to St. Pierre she also calls at North Sydney and there receives all the Canadian mail. The mails are brought from Halifax to North Sydney by rail, unloaded there on trucks, and brought into the post office, where there is very poor accommodation for them. The place is comparatively small, and these mails fill it up so that you can hardly move around. After they have been there for some time they are re-trucked from the post office and put aboard the boat. This was the custom, and I believe it is still carried on. I could never understand why those mails were not put aboard the steamer at Halifax. Not a moment of time is gained by sending them by rail to North Sydney because there they have to wait for the boat. I brought this matter before the Postmaster General some years ago, and was told some change had been made, but so far as I know nothing has been done. The people of North Sydney protest very strongly against the practice, because it results in filling the post office up.

Mr. DOHERTY: It certainly does seem as if that were a very reasonable request. I will look into it. I understand the hon. member is not quite sure as to whether that system still prevails.

Mr. McKENZIE: I think it does.

Mr. PUGSLEY: I would like the minister to tell me how the amount of $3,519,932 for mail service by railway is made up. I take it that is the amount which is paid to the different railway companies.

Mr. DOHERTY: That is the total amount paid to the railways for mail service.

Mr. PUGSLEY: On what basis is it arrived at?

Mr. DOHERTY: There are different contracts with different companies, and that the services are paid for at so much per running mile.

Mr. PUGSLEY: How much per running mile?

Mr. DOHERTY: They are paid at the rate of 16 cents per running mile for a car, and nine cents per half car, and that in certain places where a baggage car is supplied they are paid four cents per running mile.

Mr. PUGSLEY: Is not that quite an increase over what it was a few years ago?

[Mr. McKenzie.]

Mr. DOHERTY: There was an increase made two years ago. The rates were then readjusted. I understand the arrangement did not really result in an increase. The difference is they are now paid per running mile, whereas previously they were paid per track mile.

Mr. PUGSLEY: Then, if they carry two mails a day they would really get double what they were getting when they were being paid by the track mile?

Mr. DOHERTY: I did not quite follow that. I understand that on the track mile system the post office used any car that was available and paid for the number of track miles, while they now have a car especially purchased and pay for the number of miles that the car runs.

Mr. PUGSLEY: What was the percentage of increase to the railway companies as a result of the readjustment a few years ago?

Mr. DOHERTY: I understand it was approximately $1,000,000 per year.

Mr. PUGSLEY: Before the war broke out?

Mr. DOHERTY: Yes.

Mr. COPP: I wish to bring up a complaint with reference to unsatisfactory mail service on the Intercolonial in a very large portion of my constituency, particularly during the winter. For years a train leaving St. John at seven a.m. has connected at Moncton with the Maritime Express during the winter, although it runs on to Truro in the summer. The Maritime Express is supposed to take the mail on from Moncton. If, as frequently happens in winter, the Maritime Express is more than two hours late, a special is run through from Moncton. But on that special they do not carry mails or papers and all the eastern section of Westmorland county from Moncton down is deprived of mail service.

Mr. DOHERTY: I shall ask to have the matter investigated. It seems only reasonable that we should take advantage of the special train.

Mr. McKENZIE: I have here a memorial by certain railway mail clerks. It appears that railway mail clerks operating west of Sudbury receive a provisional allowance of $15 a month in addition to the regular pay. Clerks operating east of Sudbury do not receive that. According to the memorial placed in my hands, the eastern men discussed this matter with the late lamented

Mr. Casgrain shortly before he died, and they say that they had made good progress in their negotiations with him, that he was much impressed with their story and that something was about to be done. Owing to the death of Mr. Casgrain and several changes in the Postmaster Generalship that have occurred since, nothing has been done. They ask that all railway clerks in the eastern division be placed upon the same footing as those in the West. I am requested by the clerk of the association to bring this matter to the notice of the minister.

Mr. DOHERTY: I shall be glad to consider it. The payment of a special allowance to western employees is not confined to the post office. Owing to the high cost of living in the West, many departments have granted an extra allowance to employees there. As to the particular case, I presume that the memorial will be brought to my knowledge and I shall be able to give it consideration. In the allowance that we propose to make to employees on salaries of $1,000 or under there will be some step in the direction of equalization, because it is contemplated to give a larger allowance to the eastern men who have not presently this additional amount than it is contemplated to give to western men. That would not apply to all railway mail clerks inasmuch as the salaries of some of them are larger than $1,000.

Mr. McKENZIE: This memorial says that in April, 1914, an Act put through by the Postmaster General, granting certain concessions to those clerks in the eastern division, but it went to the Senate, and, being mixed up with other Acts that were defeated, this Act, while in itself not objectionable, fell by the way with the other Acts, and nothing was done. This is evidently not a new matter, and perhaps the knowledge of that Act having passed through the House would help the minister in reaching a conclusion in regard to it.

Mr. PUGSLEY: I would like to take advantage of the presence of the deputy minister to ask a question in regard to the postmastership at Dorchester, N.B. The office became vacant recently. Has an appointment been made, and if so, who is the present official?

Mr. DOHERTY: I understand it has not been filled.

Mr. McKENZIE: I have been asked to obtain some information from the department in connection with the postmastership in the town of Stellarton, in the county of Pictou. Some questions were asked not long ago as to who the postmaster was, and I understand the answer was that a man by the name of William G. Miller was postmaster, the former postmaster, Alexander Inglis, having been dismissed, but my information is that Inglis is still acting postmaster, and it is regarded as peculiar that the gentleman who was referred to in answer to questions, as the dismissed official is still performing the duties of postmaster, while the real postmaster is William G. Miller. Is there any explanation, first, as to why this man was dismissed, and, if dismissed, why was the regularly appointed official not installed in office, and why is he not discharging the duties of the office at present?

Mr. DOHERTY: I am informed that the reason why he was dismissed was that his performance of the duties was not satisfactory. He was insubordinate and negligent, and more particularly, I think, in the matter of answering correspondence and giving information. At all events, he was dismissed, and Mr. Miller was appointed, but the actual transfer of the post office has been delayed, by reason of the fact that it was necessary to make certain alterations in Mr. Miller's establishment, to adapt it to the business of the post office. Those alterations are nearly completed, and, pending their completion, it was not convenient that Mr. Miller should carry on the business instead of Mr. Inglis. Mr. Inglis has been acting postmaster, pending the alterations in Miller's premises. It is expected that in a week or two the new premises will be in proper order.

Mr. McKENZIE: I did not expect the minister to have any information about the premises, but I am told the whole store owned by Mr. Miller is now rented by the Government. It is a small store, but rented at rather a good price, namely $600 a year, by the Government. As the minister is aware that some changes are being made in this building, perhaps he could tell us whether the Government rented the building, or is it in that building that changes are being made for the post office?

Mr. DOHERTY: The Post Office Department made the usual allowance to Mr. Miller for rental, but, in view of the nature of the premises he is furnishing, the Public Works Department is making a certain addition to that allowance, bringing the total up to $50 a month, which is paid to him as rental.

Mr. McKENZIE: Does the minister know what the Public Works Department want this for?

Mr. DOHERTY: They want it for the business of the department.

Mr. PUGSLEY: Is the minister satisfied with the night's work?

Mr. DOHERTY: Yes, very well satisfied.

Mr. PUGSLEY: There are some other items in the supplementary estimates.

Mr. CROTHERS: I have some items.

Mr. DOHERTY: Yes, there will be items in the supplementary estimates, but that covers the main items.

Mr. PUGSLEY: Does the Minister of Labour intend proceeding with his items to-night?

Mr. CROTHERS: Yes, they will not take very long.

Fair wages and inspection officers, $15,000.

Mr. A. K. MACLEAN: I would like to ask the minister if the findings made by Mr. O'Connor are to be referred to a judge for further inquiry?

Mr. CROTHERS: The matter has not yet been fully determined. My hon. friend will remember that, in the order in council passed November last, provision is made for a further examination under the directions of the Minister of Labour, who is authorized to appoint an examiner, and to confer upon him power to examine books and witnesses under oath, and all that sort of thing. Whether a further investigation will proceed under that clause of the order in council or otherwise, I am not in a position to say definitely, but there will be a further investigation.

Mr. A. K. MACLEAN: I did not make myself plain. What I meant to inquire of him was whether his report, covering the matters of bacon and foodstuffs, is to be the subject of an investigation by some judicial tribunal. There is some intimation of that in the press to-day. If there is to be such an inquiry, has a judge been appointed yet to conduct it?

Mr. CROTHERS: I think I understood what the hon. gentleman asked. What I said was that it had not been determined yet whether there would be a further inquiry or investigation under that order in council. There will be a further investigation.

[Mr. Doherty.]

Mr. CARVELL: Will there be an appeal from that investigation?

Mr. CROTHERS: No telling what the future may bring forth. Perhaps I ought to make a little explanation as to a misunderstanding concerning that report. Questionnaires were sent out to those having cold storages in Canada, somewhere about a hundred, I think, just as we had sent out questionnaires to dealers in coal.

Mr. PUGSLEY: What are questionnaires?

Mr. CROTHERS: It is a name given to a set of questions. Take the matter of bacon, for instance; the first question was as to the quantity of bacon on hand on a certain date. The next question was with regard to the cost of the bacon laid down in cold storage, including freight and unloading charges. The questions were answered satisfactorily. The next question was: what was the storage, overhead, and delivery cost. One or two of the firms said: "we cannot answer these questions; we are not in a position to give you the particulars." Hon. gentlemen will see at once that in the case of bacon that is sold in Liverpool that the delivery charges would be a very important matter. No answer was given to that question by the firm about which there has been so much talk during the last few days. In his report, Mr. O'Connor does not profess to deal with net profits; he deals with what is known in economics as margins. He pointed out the gross profit, that is the difference between the cost of the bacon and its selling price. Margin is made up of the different items of cost, delivery charges, overhead and cold storage charges —which the firm failed to give us. In a day or two after the report was filed these items of margin, the cost of delivery, storage and overhead charges were all provided and published in the Citizen and other newspapers.

Mr. A. K. MACLEAN: Then what is the purpose of having a further inquiry by a judge? Why should not Mr. O'Connor make a further explanation of his report, having obtained from the firms investigated information which they failed to give to him upon request earlier in the proceedings?

Mr. CROTHERS: It is thought desirable that the information should be got by the department through some special officer— not necessarily a judge, though that has not been determined. Uuder the order in council we have power to send a man out

who may examine the books of the company and any witnesses under oath that it may think it desirable to call, with a view to ascertaining without any doubt what the net profits of this particular concern were within a certain period.

Mr. McKENZIE: The Government seems to have established a peculiar system under which these examinations go on indefinitely. You appoint a commissioner to make certain inquiries according to the best of his ability. Perhaps his report is not quite satisfactory to the party whose affairs are investigated. Accordingly, that party raises a howl and makes a lot of noise, the effect of his noise being proportionate to the influence he has with the department or with the Government, and, in some degree, to the size of the interests that he represents. Then another commissioner is appointed to investigate the first commission. If the second commissioner is not orthodox in his report, the first may say: This report is not fair to me; I did the best I could; I furnished the facts and gave good reasons for the conclusions to which I came. Over my head you have appointed a judge who does not agree with me. I want to investigate him; he is not right; he is not fair. And then it goes on—ad infinitum. There is an old saying, well known to the Minister of Labour, that it is in the interest of the state that litigation should end. The minister should tell his officials that when they make a report upon a matter of this kind, the report will be final; that the first investigation or finding of a properly constituted court must be considered as final. If that is done, the public will know that when a report is filed, that is the end of the matter. The principle established now seems to be that of waiting a certain number of years after the filing of the first report for a further report on the subject. Has the minister any particular policy in his department in that regard? Is there any statute of limitation which he regards as applying to these investigating commissions?

11 p.m.

Mr. CROTHERS: In his report Mr. O'Connor points out that the information is not complete and he asks that an expert accountant be employed to make a further investigation. This was done before the William Davies Company ever saw or heard of the report. I quite agree with my hon. friend that it would have been better that further investigation by an expert accountant should have been made before the report was published. But the further investigation is not to be an investigation of Mr. O'Connor's work, whether it was right or not right; it is the further investigation under order in council as recommended by Mr. O'Connor in his report.

Mr. PUGSLEY: Do I understand that the minister thinks he was premature in submitting the incomplete report to the House?

Mr. CROTHERS: I admit frankly that it would have been better to have had an investigation by an expert accountant first.

Mr. PUGSLEY: Perhaps "it would have been better" is a mild way of saying that it was a grievous mistake.

Mr. CROTHERS: Characterize it as you please.

Mr. A. K. MACLEAN: Mr. O'Connor made reports also with respect to coal, sugar and other commodities. Was his investigation complete in this or should further inquiry have been made? Perhaps these reports also were defective; perhaps he lacked some information which was not supplied by the parties interested. It is a very serious matter if the inquiry was not complete or the information given not reliable.

Mr. CROTHERS: The answers sent in concerning anthracite coal and sugar were satisfactory; it was not considered necessary to make any further investigation by an expert accountant. But my hon. friend will realize that the investigations never cease. We are getting monthly reports from all the leading coal dealers and sugar dealers and cold storage people in Canada concerning the quantity of goods in storage and the amounts bought and sold during the month in question. In that sense, therefore, the investigation continues right along, going back to the year 1913. There is an immense amount of work connected with it. The inquiry will continue right along in that sense.

Mr. PUGSLEY: The minister must be unconscious of what is going on. He says that it has not yet been decided whether there is going to be a further investigation by Mr. O'Connor.

Mr. CROTHERS: I did not say a further investigation by Mr. O'Connor; I said a further investigation under the order in council, by an expert accountant.

Mr. PUGSLEY: Let me read what the Prime Minister says in a telegram to the William Davies Company. A despatch from Toronto states:

This morning, the William Davies Company received a reply from Sir Robert Borden to the telegram sent the morning after the publication of the O'Connor report. Sir Robert's telegram says:

"I think it desirable that an investigation into the whole matter raised by Mr. O'Connor's report should be made by a competent judicial officer. This course I propose to direct."
(Signed) "R. L. Borden."

Mr. CROTHERS: Is the word "judicial" there?

Mr. PUGSLEY: Yes—"by a competent judicial officer." The minister was not aware of that?

Mr. CROTHERS: I have seen the telegram.

Mr. PUGSLEY: But the minister did not know the word "judicial" was in it.

Mr. CROTHERS: I read the whole telegram, but I do not think the term "judicial officer" is necessarily confined to a judge.

Mr. PUGSLEY: What is the meaning of the term "judicial officer" if it does not mean a judge?

Mr. CROTHERS: I do not think it is confined to a judge.

Mr. PUGSLEY: What class of officers would it cover?

Mr. CROTHERS: I do not propose entering into a discussion as to the definition of the term.

Mr. CARVELL: A lawyer of ten years' standing might come under that.

Mr. McKENZIE: Does the minister make any inquiry as to the wages paid by contractors who have large contracts with the Home Government for supplying war munitions?

Mr. CROTHERS: I understand that the Imperial Munitions Board does not insert in any of its contracts what is known as a detailed schedule giving the schedule of wages or the general fair-wage clause; but when any complaints are made to us—and there have been a few, although not many—we have made an inquiry and then taken the matter up with the chairman of the Imperial Munitions Board, and he has gone, in at least one case, so far as to cancel the contract because the contractor refused to pay the wages that we found were current in the neighbourhood and which we thought should be paid. When any complaint is made regarding wages we make inquiries just as we do in the case of contracts let by our Government.

Progress reported.

[Mr. Pugsley.]

On motion of Hon. Mr. Doherty, the House adjourned at 11.12 p.m.

Saturday, July 21, 1917.

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

FORBIDDEN CIRCULATION IN CANADA.

On the Orders of the Day:

Hon. FRANK OLIVER (Edmonton): Before the Orders of the Day are called, I desire to draw the attention of the Government to a matter I brought to its notice on July 18th, in connection with the book "The Fiddlers," and its prohibition in Canada. I said:

I desire to ask the Government under what paragraph of these consolidated orders this notice has been issued, and in respect of what portion of the matter contained in this book?

I would like to ask if the Government is prepared to give an answer to that question.

Sir ROBERT BORDEN (Prime Minister): The subject to which my hon. friend alludes is under the consideration of the Committee on Censorship. A report has been received from the Deputy Chief Censor setting forth the reasons why it was thought desirable and necessary to take the action which was taken. That report, together with the report from the Under Secretary of State, will be considered immediately by the Committee of the Privy Council to whom these matters are referred.

Mr. OLIVER: May I ask if the report will answer the questions I have asked?

Sir ROBERT BORDEN: I do not know whether it would be desirable or necessary to set out all those portions of the book which might sustain the action, if the action should be sustained. I cannot say that in advance.

Mr. OLIVER: When will the report be available to the House?

Sir ROBERT BORDEN: Just as soon as it is made. We hope to have it in the early future.

Mr. OLIVER: I asked the Prime Minister two specific questions in regard to a specific matter, and I desire to press for an answer to those questions.

Sir ROBERT BORDEN: I have given my hon. friend the only answer possible at the moment. I have not a sufficient recollec-

tion of the regulations to say under what particular paragraph it was done. The action was taken on the report of the Deputy Chief Censor by the Under Secretary of State, and following the inquiry of my hon. friend—which was the first knowledge I had of the matter—I asked that a report should be procured from the Deputy Chief Censor. This has been prepared for the Censorship Committee, and a further report is being made by the Under Secretary of State. Both of these reports will be referred to the Censorship Committee immediately. I cannot give any further answer at the moment.

Mr. OLIVER: The result will be laid on the table of the House in due course?

Sir ROBERT BORDEN: Yes.

Mr. MURPHY: Did I understand my right hon. friend to refer to Col. Chambers as Deputy Chief Censor? If so, who is the Chief Censor?

Sir ROBERT BORDEN: The Chief Censor is in England. Persons appointed for the various dominions overseas have the title of deputy chief censors. They fulfil, in the dominions for which they are appointed, the functions which are fulfilled by the Chief Censor in England.

BUSINESS PROFITS TAXATION.

DETAILS OF RESULTS ASKED FOR.

On the Orders of the Day:

Mr. CARVELL: I wish to ask the Minister of Finance (Sir Thomas White) a question, and I ask it in view of the discussion which has taken place in the newspapers recently in regard to the report of Mr. O'Connor on the meat and bacon situation. When the matter of the taxation of business profits was before the House I asked the Minister of Finance to produce to the House, in the form of a return, full and detailed statements of the result of the business profits taxation. I felt that the House and the country are entitled to know not only the fact that a company or person paid so many thousand dollars of taxation, but that they should have a resumé of the report, showing the capital invested, taxation, and so on. The minister, for some reason or other, thought it would not be in the public interest if all this information were divulged. I find that on June 20 last, as reported at page 2614 of Hansard, the hon. member for North Grey (Mr. Middlebro) was able to give certain portions of this report, for twenty-two of the leading firms in Canada, the object being to show how much they would have paid under the new system of taxation as compared with that of the first year. If the hon. member for North Grey could go to the department and get such portions of these returns as he wished to use for his own purposes, surely the people of Canada are entitled to the whole of them. Therefore, I ask the Prime Minister if he cannot, without delay, and before this Parliament prorogues, lay upon the Table a complete detailed statement of all the returns of persons and companies who have been taxed under the business profits tax.

Sir ROBERT BORDEN: Did the hon. member for North Grey give the names of the firms?

Mr. CARVELL: Yes. It will be found at page 2614 of Hansard. There is a tabulated statement of 22 of them. It shows, first, the amount each concern was assessed for the accounting period from 1914 to 1915, and their amounts which they severally would have been assessed under the law as it has been changed.

Sir GEORGE FOSTER: Does he give the names of the companies?

Mr. CARVELL: Yes; twenty-two of them. So far as the William Davies Company, Limited, is concerned, the accounting period from April 1, 1914, to March 30, 1915, shows the amount assessed as $109,623.99, then in the column showing what the assessment would have been under the amendment of 1917, I find $223,062.08. The statement gives the same detail with regard to the other twenty-one companies. If the hon. member for North Grey could get portions of the information which he wished to use, surely the people of Canada are entitled to full information on the subject.

Sir ROBERT BORDEN: I am afraid, in the absence of the Minister of Finance, I cannot say very much to my hon. friend, except that I will direct the attention of the minister to the matter. If the hon. member for North Grey had more information than my hon. friend has, he also had more information than I have, so my hon. friend (Mr. Carvell) and I are very much in the same boat in that regard. I do not really know what the policy of the Minister of Finance is in regard to the matter, but there seems to be some force in the observations of my hon. friend (Mr. Car-

vell) and I will direct the attention of the Minister of Finance to them.

EXPLANATION—MR. MACNUTT.

On the Orders of the Day:

Mr. THOMAS MACNUTT (Saltcoats): I wish to make a statement with regard to a matter which has been discussed both in the House and among the public. It is not a matter of the most extreme importance, but I think it should be straightened out. I refer to a report of a meeting held a few days ago, at which I was present. I was approached by a reporter, and I gave him a statement of what had actually occurred at the meeting with regard to this matter. I do not know how he understood me as he did. The report in the Journal-Press is as follows:

> Mr. Thomas MacNutt, of Saltcoats, who was chairman of the Liberal caucus on Tuesday, made the following statement last night:
>
> "The statement made in some of the Government organs to-day that Hon George P. Graham's amendment to the extension resolution yesterday was sprung on the House without the unanimous consent of his party, and that thereby some of the Liberals who favoured the Government's conscription measure were "tricked" into an embarrassing position of opposition to the extension, is wholly without foundation in fact. The chairman of the Liberal caucus yesterday, (Mr. Thomas MacNutt,) declared to-night that Mr. Graham's amendment had been unanimously consented to by every member of the party. The only instruction was that it should not be moved as an amendment of the third reading of the conscription Bill, lest it be represented as being a motion to delay the passing or enforcement of that measure. Mr. Graham was authorized to present the amendment at the first opportunity, and no dissent was taken to his suggestion that it might be fittingly moved as an amendment to the extension resolution. Even Dr. Michael Clark who voted against the amendment last night, had previously endorsed the principle and wording of it."

I never mentioned that hon. gentleman's name at all. For fear that I shall be again misquoted, I have written out what I remember did actually occur and you will notice there is a difference.

In the first place, the caucus was very informal. No motions were put from the Chair, and no vote was taken by me as chairman on any question whatever. The hon. member for South Renfrew (Mr. Graham) stated at the meeting in my hearing, and no doubt in that of others, that he had been looking for a chance to move his resolution for some time. He had thought of moving it on motion for Supply, but none had yet been made. He had also thought of moving it as an amendment to the third reading of the Military Service Bill, but had given up this idea, as it might be considered a dilatory motion. He had now decided to move it as an amendment to the extension resolution, but would drop the term "accumulated wealth" and present it in a different form with the same object in view. I am not quoting his exact words, but that is the purport of his statement as I understood it. The point is this: If the matter had been discussed as reported by the Journal-Press, the hon. member for Red Deer (Mr. M. Clark) must necessarily have heard it, but as it was not formally discussed, the statement merely having been made by the member for South Renfrew, it is possible that he and others might not have heard this statement and might therefore have been under the impression that no announcement in regard to the matter had been made. There was no "trickery" or anything approaching it. I do not wish to impugn the veracity of the reporter, but he got it wrong some way; I do not know how.

ENLISTMENT OF PERSONS OF FOREIGN BIRTH.

On the Orders of the Day:

Mr. MACNUTT: I have another matter to bring up. I gave notice yesterday to the hon. Minister of Militia and Defence (Sir Edward Kemp) in regard to this question. I might have brought it up in committee but failed to do so. However, it is not too late yet. It may be of some interest to a good many people of my district. I have also written this out, and it is as follows:

I wish to ask a question of the Minister of Militia as to the enlistment of naturalized enemy country aliens, with especial reference to Ruthenians who formerly resided in the eastern provinces of Austria. My information is that recruits have not been accepted for the overseas forces for enlistment from among these people, who, if they wished to enlist, had to claim they were Russians. Is it the intention of the Government to accept persons of enemy country birth as recruits in the future, and is it the intention of the Government, under the Military Service Act, to conscript those classes of people of alien birth whom it refused to accept as volunteers?

Sir ROBERT BORDEN: In the ordinary course, my hon. friend's question would go on the Order Paper and the Government would have an opportunity of considering it. My hon. friend the Minister of Militia and Defence unfortunately is not here

to-day. We shall be prepared to give my hon. friend an answer on Monday or Tuesday. I am not personally familiar with the facts as to whether persons of foreign birth have been refused by the recruiting officer. It is, of course, perfectly true that the British Government have been very strict as to the enlistment of persons who were born in an enemy country. On the other hand, I believe that there have been a great many people of foreign birth, possibly some of enemy nationality, who have enlisted and gone to the front. I am disposed to think that, although I am not sure. But we will have inquiries made on the subject and will give my hon. friend an answer on Monday or Tuesday.

Mr. MACNUTT: I am not criticising the policy of the Government at all; I am simply asking for information.

BOARDS OF TRADE ACT AMENDMENT.

On motion of Sir George Foster (Minister of Trade and Commerce), Bill No. 115, to amend the Boards of Trade Act, was read the second time, and the House went into committee thereon.

Mr. Dugald Stewart in the Chair.

Mr. PUGSLEY: The Bill is not printed.

Sir GEORGE FOSTER: In the meantime I may explain the Bill and we will have it on the record. This is to amend chapter 124 of the Revised Statutes, an Act respecting the incorporation of boards of trade. Section 2 of that Act, the interpretation clause, reads in part as follows:

> In this Act, unless the context otherwise requires,—"district" means and includes any judicial district, or temporary judicial district, which is set apart or constituted as such by any Act of the Parliament of Canada, or by any Act of the Legislature of any province of Canada, or by any proclamation issued under or by virtue of the provisions of any such Act.

Also:

> Any city, county, town or village, to any of which may be added one or more townships selected for that purpose.

After the word "purpose" it is proposed to put in "or any group of such municipalities or divisions." This allows a group of boards of trade, close to each other and with a centre of a considerable town or city, to amalgamate for the purposes of the various operations of a board of trade. The special occasion that brings it up is the desire for such an amalgamation between the towns of Windsor and four municipalities about it. Each one of them has a small board of trade and they have agreed to go together and work as an associated board of trade. Their membership is about 800, and it is supposed, and I think rightly, that an aggregation of this kind working in unison will make for more effective board of trade work and for carrying out the purposes of the Act to better advantage.

Mr. PUGSLEY: This is only a little Bill, but that is all the more reason why it should be printed.

Sir GEORGE FOSTER: I have no objection to printing it. I simply made the explanation so that it would be on Hansard.

Mr. MURPHY: It is printed.

Mr. PUGSLEY: It is not marked on the Order Paper as being printed.

Sir GEORGE FOSTER: It is not printed in both French and English.

Mr. PUGSLEY: How could my hon. friend move the House into committee.

Sir GEORGE FOSTER: The House went into committee on the Bill and then it was pointed out that it was not printed in French. I took advantage of its being in committee to explain the Bill so that it might be before the House. I do not propose to go on. Of course, my hon. friend, being very familiar with parliamentary practice—

Mr. PUGSLEY: I always look on my file for Bills. It is really of some advantage for members to read the Bills before discussing them. Of course, if it is a matter of urgency, and it has been fully explained in committee, that might be a reason for proceeding with it now.

Progress reported.

PROTECTION OF MIGRATORY BIRDS.

On motion of Hon. W. J. Roche (Minister of the Interior) Bill No. 92, respecting a certain convention between His Majesty and the United States of America, for the protection of migratory birds in Canada and the United States, was read the second time, and the House went into committee thereon.

Mr. Douglas Stewart in the Chair.

On section 3—Definitions.

Sir WILFRID LAURIER: May I ask, has this treaty been ratified by the Senate of the United States?

Mr. ROCHE: Yes.

Sir WILFRID LAURIER: Is it before the United States now?

Mr. ROCHE: Yes.

Mr. PUGSLEY: Would it not be desirable for the minister to explain what birds are meant in section 3, using ordinary common language, because I am sure the public would not know them by these names?

Sir GEORGE FOSTER: Most of them are common names.

Mr. PUGSLEY: I do not know whether the Minister of the Interior (Mr. Roche) could give any further explanation?

Mr. ROCHE: No, those are common names.

Mr. PUGSLEY: I was brought up in the country, but scores of these names are unfamiliar to me, and I never heard of them in our country. For instance, the name "flickers" is unknown to me.

Sir GEORGE FOSTER: Does the hon. gentleman know what the name "dowagers" means?

Mr. PUGSLEY: Oh yes. Somebody may be able to inform the House later on, if the Bill becomes law.

Mr. ROCHE: These are the names ordinarily given to them. They are called migratory as distinct from resident birds.

Section agreed to.

Sir WILFRID LAURIER: The usefulness of this law will depend largely upon joint action on the part of the American and Canadian Governments. The Governor in Council here takes power to make regulations prohibiting the killing of birds. But I think that the birds mentioned in subsection (c) of this section—bobolinks, catbirds, chickadees, cuckoos, flickers, flycatchers, grosbeaks, humming birds, kinglets, etc., should not be killed under any circumstances. I suppose it is the intention to provide that they shall not be killed, if that is not already provided for.

Mr. ROCHE: It is in the treaty. Article 2, subsection 2, says:

> The season for hunting shall be further restricted to such period not exceeding three and one-half months as the High Contracting Powers may severally deem appropriate and define by law or regulation.

It is provided under article 2 that the season for hunting shall be arranged as between set dates. The close season is to be three and one-half months. This period of three and one-half months shall be established at any time between 1st September and 10th March, to suit local conditions.

Mr. COPP: What effect will this legislation have upon provincial legislation for the protection of game?

Mr. ROCHE: The draft of the treaty was submitted to all the provincial legislatures, and approved. The treaty itself, after it was signed, and the Bill, were also submitted to the provincial legislatures. Some of the provincial legislatures have adopted legislation approving the steps taken in this respect and have passed their Game Acts in accordance with the conditions of the treaty. Others have promised to do so at the next session.

Mr. COPP: I assume that the matter has been submitted to the provincial executives.

Mr. ROCHE: We have communications from the executives stating that it is their intention to introduce legislation confirming this at the next session.

Mr. COPP: The New Brunswick game law was amended at the last session of the provincial legislature, not in accordance with this proposed legislation. The game birds in New Brunswick are a source of revenue to the province; regulations are made and licenses issued for the shooting of game birds.

Mr. ROCHE: This will not interfere with that at all.

Sir WILFRID LAURIER: I notice that in the treaty the prohibition of the killing of migratory and insectivorous birds is made absolute. It reads as follows:

> The close season on migratory insectivorous birds shall continue throughout the year.

And that I approve. I call attention, however, to the fact that in subsection (b) of section 4, my hon. friend takes power to make regulations for the granting of permits to kill or take migratory game, migratory insectivorous and migratory non-game birds, or their nests or eggs. I imagine the intent is not to grant licenses for the killing of these migratory and insectivorous birds, because in the treaty the killing of these birds under any circumstances is prohibited.

Mr. ROCHE: I shall read to the right hon. gentleman article 7 of the treaty. It is as follows:

> Permits to kill any of the above-named birds which, under extraordinary conditions, may become seriously injurious to the agricultural or other interests in any particular community, may be issued by the proper au-

thorities of the High Contracting Powers under suitable regulations prescribed therefor by them respectively, but such permits shall lapse or may be cancelled, at any time when, in the opinion of said authorities, the particular exigency has passed, and no birds killed under this article shall be shipped, sold, or offered for sale.

Mr. COPP: The minister says that this legislation will have no effect upon provincial game laws. Suppose the Dominion Government makes the open season different from the open season in the province; will that not cause difficulty?

Mr. ROCHE: I shall read some correspondence that has been had with the Government of New Brunswick in respect to this matter. Here is one letter:

With further reference to your letter of the 20th of March last respecting:

"A proposal made by the United States Government for a convention between Great Britain and the United States for the protection of migratory birds in the United States and Canada."

I herewith enclose you a letter from Mr. Loggie, Deputy Minister of Lands and Mines.

It appears the laws now in force in this province for the protection of birds and game embrace almost everything included in the convention proposed and very little change would be required, if a convention were adopted.

I note that the constitutionality of the Act of March 4th, 1913, passed by the United States Congress, was doubtful; whether this question has been settled by the courts I do not know. A similar difficulty will be found in legislating in Canada. The laws upon this subject come within the jurisdiction of the different provinces.

The establishment of refuges referred to in Article 4 of the draft convention has at different times been discussed here and I trust that in the near future, action may be taken to establish these refuges.

Another communication is as follows:

Referring to the enclosed correspondence received through you on the 15th inst., with regard to the proposed conference for the protection of migratory and insectivorous birds, I have had reference to the correspondence with your honour and the Deputy Minister of Lands and Mines dated 24th of April, 1914.

The only inquiry called for in the enclosed correspondence is that contained on the third page of the commercial paper No. 95 from Sir Cecil Spring-Rice, British Ambassador at Washington, to the Hon. Sir Edward Grey, Bart., K.C., dated April 30th, 1914, namely a close season for plover in New Brunswick. The date suggested by the conference is from September first to January first. If reference is made to the enclosed proclamation of the President of the United States on the close season for plover it will be shown that an exception is made of the states of Maine, Massachusetts, New Hampshire, Rhode Island and Long Island by allowing the open season for plover to commence August 15th or the same date as is now in force by the game laws of this province. I am, therefore, of the opinion no change in our game laws is required to keep them in harmony with what is proposed by the convention.

Mr. COPP: Under section 4 the Governor in Council may make such regulations as may be deemed expedient for the protection of migratory game, etc. If the Governor in Council passes a regulation making the close season for certain game between certain dates and the provincial legislature of New Brunswick specifies totally different dates for that purpose, the result will be that a man may be poaching so far as Dominion legislation is concerned, but absolutely within his rights under the provincial law.

Sir WILFRID LAURIER: If there is a clash between legislation passed by the provincial parliaments and regulations passed under this measure I presume the provincial legislation will go by the board, and the regulations passed under this legislation will be effective. I think, however, this is very proper legislation. Article 7 of the treaty says:

Permits to kill any of the above-named birds which, under extraordinary conditions, may become seriously injurious to the agricultural or other interests in any particular community—

Does the minister apprehend any danger of that kind from bird life to-day?

Mr. ROCHE: For example, in Saskatchewan cranes are occasionally injurious to grain. In British Columbia geese, pigeons and robins are sometimes injurious to agriculture. In other parts of Canada mergansers may destroy young fish. To meet all such cases where a bird, which is ordinarily useful to agriculture, or innocuous, becomes injurious to agriculture or other interests, permits may be given to kill such species so long as they may be injurious.

Mr. MARCIL: Has the minister had any correspondence with the Quebec Government on this matter?

Mr. ROCHE: Yes.

Mr. MARCIL: What did they say?

Mr. ROCHE: They approved it at the last session of the legislature.

Mr. SINCLAIR: Did the minister have any communication with the Nova Scotian government with regard to this matter?

Mr. ROCHE: Yes.

Mr. SINCLAIR: Is this legislation satisfactory to that government?

Mr. ROCHE: Yes, it is at the present time. An objection was raised, but the

legislation had been amended to their satisfaction since. The Quebec Government have sent a communication stating that

> The Province of Quebec welcomes this treaty, and will endeavour to carry out its provisions affording uniform protection throughout the greater part of the North American continent.

Mr. MARCIL: The crow is a nuisance down in eastern Canada.

Mr. ROCHE: That bird is not in the treaty.

Mr. COPP: I have no objection to this legislation, but I would like to know what effect it is going to have on provincial legislation, and my hon. friend has not answered me in regard to that matter. This Bill says that the Governor in Council may make certain regulations in regard to migratory birds. The province of New Brunswick has certain laws in regard to game birds and it has been very careful and jealous in looking after the game birds in that province for a number of years past. The Governor in Council, after the passage of this measure, may make an arrangement as to the close season for game birds. But the provincial government cannot change their regulations—that is in the hands of the provincial legislature, and at any session of the provincial legislature of New Brunswick the dates of the close season may be changed. For instance, at the last session of the New Brunswick legislature, the game season for black duck was extended by an amendment to the Act from 1st to 15th September. I want to find out whether by the passing of this Act the provincial legislation in regard to this matter goes absolutely by the board, and the whole protection of the game birds is to be afforded under this legislation. You cannot have dual control.

Sir GEORGE FOSTER: You can have the two pieces of legislation if they agree with each other.

Mr. COPP: But the dates may be changed very quickly.

Mr. ROCHE: The New Brunswick government have already assented to the principles of this treaty, and when regulations are to be formulated, they will be formulated in consultation with the members of the provincial executive. The same difficulty arises in connection with the state governments of the United States. All the state governments exercise jurisdiction in regard to the various provincial laws, and the only way in which this matter can be satisfactorily dealt with is by making a treaty with the United States authorities as, under the British North America Act, we are entitled to do.

Mr. COPP: I do not think my hon. friend understands the point I am making. Under this legislation the Governor in Council makes regulations for the protection of migratory birds. My hon. friend must not forget that the provincial government cannot make regulations as can be done by the Governor in Council under this legislation, but the legislature can change the regulations. If you make regulations along certain lines, making the close season between certain dates, that might agree with the present legislation of the different provincial legislatures, but when a provincial legislature meets again, it may make amendments that will be absolutely different from these regulations, and, as you are having dual control—dual officers, one under the Governor in Council under this legislation and the other under the provincial statute—there would be a clash at once.

Mr. ROCHE: Does the hon. gentleman think that the provincial legislature would, in violation of the agreement entered into in behalf of the province by their government, change their stand on this question? For they have already consented to the game laws under this treaty being taken over and exercised by the Dominion Government?

Mr. COPP: How have they consented?

Mr. ROCHE: Through the proper executive representing the province.

Mr. COPP: I understand the Deputy Minister of Lands and Mines of New Brunswick has written a letter, but he is absolutely without any authority whatever; he is not responsible to the people or the legislature. He is just a local man selected for and appointed to that position.

Mr. ROCHE: What does the hon. gentleman suggest?

Mr. COPP: I am not suggesting anything. I am not speaking against this legislation; I am only asking for information to find out what position the provinces are going to be in after this legislation is passed. This may be very proper legislation, but I know something about the game laws of New Brunswick, and I know that if this legislation is placed on the statute book, and the Governor in Council makes regulations, perhaps this year they will be in accord with the Game Act of the province,

but next year that Act may be changed, and as you would have dual control, you would not get along harmoniously.

Mr. MARCIL: Will the Dominion legislation override that of the provinces if such a condition should arise?

Mr. ROCHE: The provinces all consented to this legislation being carried out by the Dominion under the provisions of this treaty.

Section agreed to.

On section 5—Appointment and powers of game officers:

Mr. MARCIL: Will one set of game officers be appointed by the provinces and another set by the Dominion?

Mr. ROCHE: I might say this Bill has merely been handed over to the Interior Department for administration. I had personally nothing to do with the making of the treaty. That was all done by the officers of the Department of Agriculture, and I have to depend upon them for my information. I am informed that it is proposed to administer the regulations under this Act with the assistance of the provincial governments so far as may be possible, and to utilize their administrative machinery. With this end in view certain of the provincial governments—Manitoba, Saskatchewan and Alberta—have already brought their regulations into line with the provisions of the treaty. Others have signified their intention of doing so when the Dominion legislation has been enacted. It is not intended to duplicate the existing game protection staffs employed by the provincial Governments, but to use them as far as we can by appointing the provincial game officers to be game officers under this Act.

4 p.m.

Sir WILFRID LAURIER: If what my hon. friend has outlined is carried out, I think it will cerainly help in the proper administration of the Act. In the province of Quebec we have officers for the protection of game, but, so far as my information goes, no officers for the protection of bird life. I think if the Act is administered with the concurrence of these game officers, it will be effective.

Mr. MARCIL: In the province of Quebec there has often been a conflict of jurisdiction as between the Dominion and provincial authorities over the fisheries. All the courts in the realm have pronounced on the question, and there is now a case on the way to the Privy Council. It would be unfortunate if the same thing should occur in connection with this Act. I agree with the leader of the Opposition (Sir Wilfrid Laurier) that if concurrent action can be arranged for between the provinces and the Dominion it would be highly desirable.

Mr. SINCLAIR: I presume the minister intends that all the provincial regulations will be repealed that conflict with these regulations. In Nova Scotia we have regulations, for instance, as to the date beyond which partridges and birds of that kind shall not be shot.

Mr. ROCHE: Partridges are not migratory and therefore do not come under this Act.

Mr. SINCLAIR: I have been told by certain people who understand all about game in the Maritime Provinces, or who think they do, that birds that nest on the coast should be protected from destruction, while the birds that simply alight there for rest and food on their way north to Labrador and other points should be allowed to be taken. Of course, if you kill the nesting birds you destroy their progeny.

Mr. ROCHE: All migratory birds such as my hon. friend speaks of are protected under this legislation.

Mr. MARCIL: Will the regulations be distributed by the Dominion Government just as the regulations are distributed by the provincial governments? In my constituency they are printed in both languages and reach all the huntsmen.

Mr. ROCHE: Arrangements will be made in that respect. The Dominion Government will circulate the regulations.

Mr. SINCLAIR: Subsection 2 of section 5 says:

> Every game officer who is authorized by the minister to exercise the powers of a Justice of the Peace or of a police constable shall, for all the purposes of this Act and the regulations, be ex officio a Justice of the Peace or a police constable, as the case may be, within the district within which he is authorized to act.

I think it is vicious legislation to allow the game officers, who are the prosecutors, to try the cases and pronounce judgment. That would be tantamount to a man bringing an action and trying it himself. That system has been followed in regard to the fisheries in the past, and has worked out very badly indeed. I think it would be best to try the cases before an independent Justice of the Peace, of whom there is no

scarcity in the eastern provinces. If the game officers are to try the cases themselves, it would be just as if a policeman in Ottawa arrested a man, took him to the police station, tried the case himself, and found the man guilty.

Mr. ROCHE: It is not the intention to utilize these officers as justices of the peace in places where a justice of the peace is available, but my hon. friend knows that in outlying parts of the country a justice of the peace cannot be found, and it is in these exceptional cases, in order to avoid great expense and loss of time, that the game officer will be ex officio a justice of the peace. This is already done in connection with our Game Act in the Northwest Territories.

Mr. SINCLAIR: The game officer would not try the case if a justice of the peace were available?

Mr. ROCHE: No.

Mr. SINCLAIR: How many persons does the minister propose to appoint under this Act, and what is the estimated cost of its administration?

Mr. ROCHE: It is impossible for me to say at this stage, because the machinery has not yet been provided. The Act will be administered by the Parks Branch of the Interior Department, which will also administer the Northwest Game Act which is now on the Order Paper.

Mr. MARCIL: Are those men paid by the season, or are they paid according to the work they do?

Mr. ROCHE: Some of them are paid an annual salary.

Section agreed to.

The CHAIRMAN: Shall I report the Bill?

Mr. COPP: I would like to refer the minister to Article II of the schedule. At the last session of the New Brunswick legislature the end of the close season was fixed for 15th September. Under this article it is made 1st September. If this legislation is passed and you appoint your officers, and the people begin shooting, say black duck, on 1st September, the local authorities will step in and say: "It is against our law, because the close season runs until 15th September."

Mr. ROCHE: The hon. member misinterprets the article. The open season shall be any time between 1st September and 10th March, not exceeding three and a half months.

Mr. COPP: But the article puts it the other way. It says that it shall between 10th March and 1st September.

Mr. ROCHE: That is the close season.

Mr. COPP: After September 1 it must be the open season.

Mr. ROCHE: When do you say the open season begins?

Mr. COPP: Fifteenth September, under the new Brunswick law. This article stipulates that the close season is from 10th March to 1st September.

Mr. ROCHE: The close season on migratory game birds shall be between 10th March and 1st September, according to this article. Then the season for hunting shall be further restricted to such period, not exceeding three and one-half months, as the high contracting parties may severally deem appropriate and define by law or regulation. The season for hunting could begin on 15th September.

Mr. COPP: Can it not begin on 1st September under the terms of this article?

Mr. ROCHE: There does seem to be a contradiction. The officer points out to me that it cannot begin before 1st September.

Mr. COPP: That is perfectly true, but under the provincial law it does not begin until the 15th. I am sure this conflict as to date will cause trouble.

Sir GEORGE FOSTER: Would there really be any trouble? If the two parties are working in unison, as they have been so far, they could certainly deal with this matter without any difficulty. As I understand it, under this law the shooting season may commence on 1st September. In New Brunswick it does not commence until the 15th. It seems to me it is the easiest thing in the world for the Dominion Government to make provision for that, and so arrange that the shooting shall not commence until the 15th September. As it is, we say it shall not commence before the 1st, but that does not mean it shall not be made still later.

Mr. COPP: I do not think my hon. friend has the wording of the clause before him. It sets forth very clearly that the close season on migratory birds shall be between 10th March and 1st September.

Mr. ROCHE: That is the minimum.

Mr. COPP: According to this article surely the hunting season in the province of New Brunswick for migratory birds may commence on 1st September.

Mr. ROCHE: Not necessarily.

Mr. COPP: Then, I cannot understand the English language. Under the provincial law it only opens on the 15th. It was the first until the last session of the New Brunswick Parliament. Now you have your officer under this Act making 1st September the beginning of the open season and the provincial officer, under provincial legislation, making it the 15th. There is bound to be misunderstanding and trouble.

Mr. ROCHE: The minimum of the close season is from 10th March to 1st September, but the close season may extend beyond that. The open season may be any three and a half months between 1st September and 10th March. The local officer can name any date; he can start on 15th September or 1st September, and he can choose any three and a half months between 1st September and 10th March.

Mr. COPP: The minister is putting it the wrong way. It is from 10th March to 1st September, not from 1st September to 10th March.

Bill reported, read the third time and passed.

REMOVAL OF INDIANS ON SYDNEY RESERVE.

The House went into Committee on the following proposed resolution:

That the following, being the findings of the Judge of the Exchequer Court made on the 15th day of March, A.D., 1916, under the provisions of section 49a of the Indian Act as enacted by the Statutes of 1911, chapter fourteen, be approved:—

"1. That it is expedient, having regard to the interest of the public and of the Indians located on the small Sydney Reserve in the City of Sydney, in the Province of Nova Scotia, that the said Indians should be removed from such Reserve;

"2. That the compensation fixed by the said Judge should be paid respectively to the individual Indians of the band for the special loss or damages sustained by them in respect of their buildings or improvements upon the Reserve, or an adjustment be made for their claims in respect thereof, and a suitable new Reserve be obtained for them before they be removed from or disturbed in the possession of the present Reserve;

"3. That the Indians should, on their removal be treated with great consideration and kindness and that such removal should be made quietly, without undue haste, trouble or inconvenience to the Indians after the selection of a new Reserve and the payment of compensation for their buildings or improvements."—Mr. Roche.

(Mr Dugald Stewart in the Chair.)

Mr. A. K. MACLEAN: Is there any explanation of this resolution? Who supports it; where does the suggestion come from?

Hon. W. J. ROCHE (Minister of the Interior): I explained this in brief when the Estimates of the department of Indian Affairs were up. There have been representations made for years past by various parties to the Indian department with regard to this matter. There is a small reserve situated right in the heart of the city of Sydney.

Mr. MARCIL: What is the area?

Mr. ROCHE: In the neighbourhood of two acres. There are about 125 Indians and the reserve is very congested. The condition has been complained of and efforts have been made on numerous occasions to have the Indians give a willing surrender of the reserve. Owing, however, to the fact that it is very convenient for them, as most of them, not being of a nomadic character, are working the coke and steel ovens, they would not surrender it. We are now proceeding under the provisions of an amendment to the Indian Act introduced by my hon. friend from Edmonton (Mr. Oliver) when Superintendent General of Indian Affairs, that where, in a town of more than 8,000 population, the Indians will not willingly surrender, and the existence of the reserve there becomes a public nuisance or when, for the public welfare or for public purposes, it is deemed necessary to secure the Indian property, the matter may be referred to a judge of the Exchequer court. Under the provisions of that Act Judge Audette visited Sydney, took evidence, and made his report in accordance with the Indian Act. That report was laid on the Table some weeks ago. Judge Audette reports that unmistakably the Indians should be removed from this reserve. The members who are acquainted with the condition of affairs there are quite in agreement. I heard the hon. member for North Cape Breton (Mr. McKenzie) express himself in that way as well as other members. The judge recognized that a new reserve should be secured for the Indians, and he visited and inspected three several sites and recommended any one of the three.

Mr. MARCIL: In the same province?

Mr. ROCHE: Right adjacent to the same city, the object being to remove the Indians from the heart of the city. Under the provisions of the Indian Act we would remove these Indians to one of these sites, sell the property by auction and devote the proceeds to the benefit of the Indians. We will be compelled to remove the Indians' houses and to locate them on the new reserve. It is not my intention, however, to go any further with this question this year, because I do not intend to introduce any appropriation to cause an expenditure, as I think the matter might well be left over until next session or until after the war. I placed the report of the judge upon the table and Parliament is supposed to approve or disapprove of the judge's finding. I am not going to ask Parliament to go any further this session.

Mr. MARCIL: Can this land be used for any public purpose?

Mr. ROCHE: It will be sold by public auction. It is in the neighbourhood of two acres; an estimate has been placed upon it and it will be offered at an upset price. Being in the heart of the city, it is a fairly valuable piece of property.

Mr. SINCLAIR: How many Indians are there on this reserve?

Mr. ROCHE: One hundred and twenty-two.

Mr. SINCLAIR: I see that the resolution provides that payment shall be made respectively to the individual Indians of the band?

Mr. ROCHE: Yes.

Mr. SINCLAIR: Does that mean that the children get a share as well as the grown-ups?

Mr. ROCHE: These proceeds are for improvements. There are houses and different families reside in these houses. The children are not taken into consideration, but only the owners.

Mr. McKENZIE: When this matter was discussed on a previous occasion, I asked the minister a few questions about the disposal of this land, and I suggested that it should be given to the city. The two acres is in the heart of the steel industry, in a very pretty place, right on the shore, and particularly suitable for a park. I suggested to the minister that it would be a proper thing to let the city have it. The hon. minister will not get very much for this land at public auction. It is the only particle of waterfront, from one limit of the city to the other, that is not taken up. It is fronting right on the harbour, with level ground, and is particularly well adapted for bathing, boat houses and that sort of thing; and it would be a great benefit to the poorer classes, who cannot go very far for that kind of enjoyment, if this land were made a public park. I brought the matter to the notice of the city of Sydney, and I assume the minister heard from them. I think they were moving in the direction of suggesting that the land should be given to the city for park purposes. I do not know whether the minister heard from them or not.

Mr. ROCHE: I do not recollect.

Mr. McKENZIE: I had letters from the city council, saying they had passed resolutions in that direction, and were going to send them to the minister. I am sorry if their communications have not reached him. In giving this little bit of ground to the city, the Government will be only following the example of the Imperial Government, who, with the consent of this Government, gave the city a park, 30 or possibly 50 acres, which was old military ground, in the northern section of the city. They gave it over, practically forever, to the city, without any fee or reward of any kind, and this being a little bit of Government property, I think it would be a very graceful thing—and I am sure the people of Sydney would be very grateful and would regard it as generous and proper on the part of the Government—to give them this little piece of ground. Of course, it might well be said that it is open to the city to buy it, but the generosity and public-spiritedness of the minister would disappear, if they simply bought it at public auction. I have received letters from very prominent leading men in Sydney, who were thankful that this matter was brought up, adopting my suggestion that this be called Roche Park, commemorating the name of our esteemed minister for all time to come. As to what shall become of the Indians, I am sure they will be properly looked after. I was not in the House when the minister was speaking, and I should like to know if he has picked out any particular site for them in the vicinity of Sydney, or is that held in abeyanace?

Mr. ROCHE: I pointed out, before the hon. gentleman came in, that it was not my

intention to have any site selected immediately. The matter might well stand till the end of the war, as it would mean considerable expenditure to buy a new reserve. But the judge, in reporting upon various sites, has selected three alternate sites any of which he recommends, but it is not the intention to do anything immediately, because we are not asking any appropriation in our estimates this session for that purpose. If this were Government property I could understand the request of the hon. gentleman from Cape Breton (Mr. McKenzie), but inasmuch as the Government merely holds it in trust for the Indians the Government could not confer it on the city. We would have to compensate the Indians, not only for their improvement and for moving them on a reserve, but also for the value of the property. The idea of having it recommended by the judge was that it should be sold by auction. I think the upset price recommended by the judge is $5,000, and I do not think the city would object to pay $5,000 to have a nice little park there.

Mr. GRAHAM: It might be called McKenzie Park?

Mr. ROCHE: Yes. However, inasmuch as this is not a matter for immediate action, it can be taken up later on. I do not remember any resolution coming from the city council of Sydney. It is just possible there may have been, but the deputy minister does not remember any, and I do not remember any reaching me. I ask Parliament to sanction the resolution this session, and further action will be taken later on.

Mr. McKENZIE: The Indians will not be removed this year?

Mr. ROCHE: No.

Mr. McKENZIE: From a personal standpoint, I have no more interest in this matter than the hon. minister (Mr. Roche) himself. It is not in my riding, but I would really like to see that little bit of ground given to the city for a park. I would suggest to the minister that, before putting it up at auction, he should negotiate privately with the city, because if $5,000 is regarded as a sufficient price, possibly private negotiations can be conducted between the officials and mayor of the city and the department without putting it up at auction at all.

Resolution reported.

GAME IN NORTHWEST TERRITORIES.

On motion of Hon. W. J. ROCHE, Bill 100, respecting game in the Northwest Territories of Canada was read the second time, and the House went into committee thereon.

Mr. Dugald Stewart in the Chair.

On section 1—Short title:

Mr. MARCIL: What is the general purpose of this Bill?

Mr. ROCHE: The game in the Northwest Territories is being decimated by hunters rather indiscriminately. It has come to our ears that certain Americans were going into the north country, organizing parties, and engaging the local Indians there and others, to their own commercial advantage, and we felt that we should take some action to preserve the wild animal life in that country, so that it may not be depleted as it has been in other parts, particularly Alaska. For that reason it was deemed expedient to introduce a new Game Act for the Northwest Territories, and to appoint officials for its enforcement.

Section agreed to.

On section 4—Regulations.

Mr. OLIVER: This section empowers the Governor in Council to make regulations prohibiting, controlling or restricting the hunting, destroying, injuring, trapping, taking, capturing or molesting of game. If this Government in its wisdom considers that there should be a prohibtion of the killing of game, it should present its proposals to Parliament; Parliament should pass upon them, and they should become an Act of Parliament. They should not be subject to change without notice, as they are when they are made effective by regulation. It is only right that the person who, coming, perhaps, from some other country for the purpose, desires to hunt for sport or for scientific or other purposes in this Northwest country, should know by statute what his privileges are. If the law is left so that it may be changed from time to time, as it can be under this provision, a man of wealth, we will say, who desires to hunt in the Northwest may make his arrangements, provide for his expenditure, take every step necessary towards the putting on of a hunting party—and at the last moment find that the law is changed and that his preparations have been in vain. On the other hand, the people of that North country are not closely in touch with affairs here in Ottawa, and they are entitled to know, by means that there can be no ques-

tion about, what their rights are in regard to the killing of game. Upon the killing of game a large proportion of the people depend for their livelihood; all the people there depend upon it for the general business of the community. Because the Northwest Territories are far away; because the population is small and scattered, is no reason why hardship and injury would not be suffered there under certain conditions as they would be suffered in any other part of the country; and there is no reason why the people there should be placed at a disadvantage as compared with the people of any other part of the country. Under this law some wise man may drop into Ottawa some fine day and, having secured an interview with the Minister of the Interior, may suggest to him that a certain change should be made in the law. Under this section, if I read it correctly, the minister may then make a recommendation to Council, and Council may agree that the law shall be changed—perhaps in such a way as to affect very materially the interests of the people in that country. There is no way of giving them notice of that change; the first notice they have is the action of a police officer in arresting and fining for the infraction of the law a man who had no knowledge of the law—the law itself, perhaps, not being properly applicable to the country. The less law there is and the fewer applications of law there are in a country where it is difficult to enforce the law, the better for the credit of the Government and the better for the welfare of the people. If it is necessary to provide further restrictions than those that exist there, let them be provided by Act of Parliament, so that all parts of the country will know what the law is and what it is going to be, at least until Parliament in its wisdom sees fit to change it. The proposals contained in section 4 are not necessary; they are liable —I might almost say, certain—to create great hardship both to the people who are living in that country and to the interests that are interwoven with the welfare of those people.

Mr. ROCHE: This is no new departure. Practically all the provinces have taken similar powers to make regulations under order of the Lieutenant Governor in Council. Conditions are changing from time to time; the point raised by the member for Edmonton (Mr. Oliver) has been very carefully considered. The officers of the department entered into a consultation with the members of the Northwest Mounted Police and with what is known as the Wild Life Commission, the membership of which includes Dr. Hewitt, Mr. White, of the Conservation Commission, and Mr. Anderson, of the Geological Survey, who has been on the Stefansson expedition. These men have recommended that this be done by regulation under Order in Council rather than by statute. As the hon. member says, the district concerned is a remote part of the country. These gentlemen, however, do not look at the matter as my hon. friend does; they feel that greater advantage results from adopting the principle of regulation by Order in Council. I shall read what has been done in some other provinces in order to show that similar powers to those which we are asking for here have been taken by the various provincial governments:

This section gives the Governor General in Council power to make regulations calculated to effectually conserve the wild life of the North. With regard to a country so remote it would be unsatisfactory to attempt to make hard and fast statutory provisions covering the various matters dealt with. Investigations have to be carried on to determine just what regulations may be necessary to conserve wild life and at the same time to permit of reasonable commercial exploitation. Conditions are rapidly changing and it is desirable that there should be power to change the law to meet changing conditions. For instance there is now a threatened invasion of expert hunters from Alaska, with the latest modern equipment. Such an invasion might in a short time exterminate the game in large areas. This is a new condition. From the South there has commenced an invasion of small pedlar traders whom it is necessary to control, because some of them may carry on business in a way seriously detrimental to the natives and the game. Moreover, there has also commenced an invasion of white trappers who have been using poison and who have carried on business on a basis of the greatest possible profit regardless of the future of the game. These are given as instances of the changing conditions.

The necessity of power to make and vary regulations is specially desirable in a remote country like the North, in regard to which only a limited amount of information is available. While in the other parts of Canada there is not the same necessity for control by regulation the practice is to delegate a good deal of power in the form of regulations.

The Fisheries Act (R.S. Chap. 45) gives the Governor in Council extensive powers. Section 54 gives authority to make regulations:

(a) For the better management and regulation of the sea coast and inland fisheries.

(b) To prevent or remedy the obstruction or pollution of streams.

(c) To regulate and prevent fishing.

(d) To prohibit the destruction of fish.

(e) To forbid fishing except under authority of leases or licenses.

The Ontario Act gives the Lieutenant Governor in Council power to make regulations relating to:

Migratory birds, non-migratory birds; varying close season in certain outlying districts;

forbidding the possession of guns and rifles; licensing guides, game preserves; sale of game for breeding purposes; exempting Indians and others from the provisions of the Act; sale of game; possession and transportation of game in the close season; issue of hunting and trapping licenses.

Alberta Game Act.—Section 6 (a) delegates to the Lieutenant Governor in Council power to make regulations regarding game reared on game farms; regarding close season for beaver, and the destruction of beaver dams and muskrat houses, and may authorize the taking or killing of any fur-bearing animal and the disposition of same, when such taking or killing or disposition is deemed to be in the public interest; and regarding the issue of licenses and permits.

Saskatchewan Game Act.—Section 9 authorises the Lieutenant Governor in Council to authorize the killing of game birds which may be destroying crops; and section 10 gives authority to suspend the Game Act in the northern portion of the province in so far as killing for food is concerned.

The minister by section 12 is given power to authorise municipalities to destroy muskrats that become a nuisance by undermining roads and bridges; and to deal with the nuisance arising from beavers causing the flooding of lands. The minister is also given power to make regulations regarding licenses.

And the same with the British Columbia Game Act, which covers much the same ground. Therefore that is a point that has been very carefully considered by the gentlemen to whom I have referred, and it was considered that, on the whole, in order to meet the conditions, it would be far preferable to have this power conferred on the Governor in Council, and to have regulations made under an Order in Council.

Mr. OLIVER: The difference between the precedent my hon. friend has read from provincial legislation and this legislation is that there is provincial legislation regarding game, and then provision is made for following up that legislation in certain specified instances. That is quite a different matter from simply handing over to the Governor in Council the right to do whatever they please in regard to game. While I do not wish to throw any discredit upon either the abilities or the motives of the officers of the Government whose names have been mentioned by the minister, their business is the protection of the animals, my business here is the protection of the people, and the recommendations made by these gentlemen in regard to the animals might be all right if there were no people concerned in the matter. My contention is that the minister, in considering the welfare of the animals, should consider the rights and interests of the people, and that cannot be done, as he apparently purposes doing, by placing in the hands of a few estimable theorists, who have no practical knowledge of the facts or of the conditions in the country affected, almost the absolute right of life and death over the people of that country. That is a most objectionable provision; it is not necessary from any point of view, and, it can result only in injury and hardship to a people who have no protection, who have no representation in this House and who are scattered far and wide. As they have no means of bringing their grievances to the attention of the authorities, I make no apology for urging the minister to revise his views in regard to this matter. Let him consult those experts in regard to what they actually propose doing that will affect the people of that country; let him bring those proposals to the House, and let members of this House, who have some knowledge of the conditions and who are interested in those people place their arguments before the House. My hon. friend says that there is a danger of an incursion of trappers from the Yukon, and there is a danger of pedlar traders from the south. I do not know that those trappers from the Yukon have not just as good a right as anybody else to trap in any part of the country, if they keep within the law, and all I ask is that they be given a knowledge of what the law is so that, being miners or labourers or prospectors or whatever they may be in the Yukon Territory they will not make their preparations for going across the Mackenzie river and, when they have got across, find they are in the hands of the police, the first move they make. I am not so much concerned with what legislation the minister wishes to bring into force, but I want him to put his legislation in the statutes, so that everybody will know what it is and will be able to govern himself accordingly.

As to the pedlar traders from the south who are pushing up into this north country, if a man is in business only on a small scale and can carry on business only as a pedlar, if my hon. friend thinks that man or his business is undesirable, let him say so in the statute, so that the man will not make his investment, whatever it may be, and spend his time for months with the result that he runs into the arms of the police and becomes punishable for an offence of which he had no knowledge and which he certainly would not have committed if he had knowledge of it. All I ask is that the minister shall deal with the people of the north country fairly and above board, so that they shall have notice in due time of

what the law is and may protect themselves by observing that law. The year in that country, as everywhere else, is divided into two parts, but those two parts are not, for business purposes, subdivided again. A man makes his arrangements in the fall for the winter, and he makes his arrangements in the winter for the summer, so that this is not a matter of putting a man out of business for a week or a month, it is a matter of putting him out of business for half a year and possibly for a whole year.

Mr. ALFRED THOMPSON: I have listened to this discussion with a great deal of interest. We are far removed from the hinterland of Canada, and perhaps fail to realize how important an industry the fur-catching industry is.

Comparatively speaking, there are not a very large number of people in this country living by the fur-catching industry. But in that great belt of territory north of our provinces, from Labrador to the 141st meridian west, scattered all along the rivers and lakes are people who make their living by catching fur. That has always been so since the white man came to the north country with the Hudson Bay company. it is so to-day, and will continue to be so for decades to come. The fur industry, then, is of more or less national importance.

Mr. OLIVER: It is the first industry that made Canada.

Mr. ALFRED THOMPSON: It is the first industry that opened up the interior of Canada. I am impressed with the observations made by the hon. member for Edmonton (Mr. Oliver), the more so because I have had some experience in dealing with a frontier country where the laws were subject to change over night by the cabinet of the day. For years the regulations governing the great gold-mining industry of the Yukon was subject to change from day to day, and sometimes they were changed overnight. As the hon. member for Edmonton has pointed out, some man with a particular interest to serve would come to Ottawa and have an interview with the Minister of the Interior, and the minister in perfectly good faith might perhaps be convinced of the necessity for a change in the regulations. The result was that those engaged in mining in the Yukon never knew from month to month where they stood with regard to the basic factor of their industry, namely, the question of title and ownership. That went on for some time, until representations were made to Parliament by myself, and as a result the regulations were examined into and reported upon, and finally codified into the Yukon Placer Mining Act. That Act has been a great boon to the territory which I represent. It seems to me, therefore, that the minister will be well advised to take into consideration the proposal of my hon. friend from Edmonton, that the regulations should be cast into the form of an Act, for it must be remembered that men very frequently go into that vast northern country with their all.

Mr. OLIVER: They always do.

Mr. A. THOMPSON: They go a long distance into the interior and depend for their living upon that industry. The fur industry is of much greater proportions than perhaps many hon. members of this committee imagine. I repeat that the minister will be well advised to take the suggestion of my hon. friend into consideration.

Mr. ROCHE: Personally, I have no particularly strong views on this subject. The advice I sought was the advice that any minister naturally would seek, that of his expert officials who have had this matter under consideration. When such an important board as the one I have referred to has been consulted, as well as the Northwest Mounted Police, and their views set forth in the memorandum submitted to me, I quite naturally, having no views to the contrary, decided to acquiesce in their recommendations. The hon. member for Edmonton states that these officials no doubt have the interests of the animal life at heart, whereas he has the interests of the people. The Government have at heart the interests both of animal life and of the people, and we wish to adopt whatever policy will conserve the animal life for the benefit of the people.

One of the essential things in connection with this Act is to protect the game of the Northwest Territories for the inhabitants of that country. It is their main source of food supply, and if any person is allowed to go in there and indiscriminately slaughter whatever he thinks fit, the Indians and the inhabitants of that enormous territory will be deprived of their food supply and will become pensioners on the Government, which would entail large appropriations by this Parliament for supplying them with food. I did not say there was an invasion of this territory by people from the Yukon, but I did mention Alaska, and we do not want a repetition of what occurred in Alaska. There they had millions of caribou, but these animals were exterminated by exploiters, and to-day the people up there

are now going into the Northwest Territories. They have had to introduce reindeer into Alaska to take the place of the caribou. We are anxious to conserve the animal life, not only for the sake of the animals themselves, but to conserve the food supply of the natives. The memorandum that was prepared for me states that the Act was divided into two parts, the first giving the Governor in Council power to pass regulations concerning the close seasons, hunting, trapping, trafficking and general control of game matters. The second part deals with officers, their powers and duties, prosecutions and penalties. The control by the Governor General in Council provided for in the first part is essential, because it is impossible for any one remote from the North to put into statutory form provisions to cover the various conditions in the North. There is not sufficient information at present available. Moreover, conditions in the North are changing constantly, and it is desirable that changes in the law may be made to meet the changing conditions without each year having to amend the Act. It is the intention to adopt the provisions of our Game Act with regard to the close season and other matters, and in the meantime send an official through that country and gather all possible information before finally drawing up the regulations. If there is any very strong objection I am willing to allow the section to stand for further consideration, but the reason I sanctioned the section in its present form is that it was very carefully considered in regard to this one essential.

5 p.m.

Mr. OLIVER: I wish the minister to understand that I am supporting any policy for the protection of the game in the North country, in the interests of the people of the North but that is not the point I am making. The point I am making is that whatever protection the minister intends to give should be placed in the statutes so that everybody would know what the law was. If I may venture to criticise, I think the very words the minister read to us a few moments ago show that the gentlemen who have discussed the matter have not appreciated the conditions, inasmuch as they give as a reason why there should be power to make changes in the law the fact that the district is inaccessible and the population sparse. That is the very reason why the law should not be changed, except from year to year by Parliament, so that everybody would have due notice of what the law was. That is the only point I am urging at the present time, and I would respectfully suggest the advisability of allowing the clause to stand and, if it is possible, let the minister bring in in place of this clause whatever proposals his advisers have for changes in the law, and those proposals may be embodied in the statute.

Mr. ROCHE: Of course, as I explained, it was not the intention to have all these regulations prepared in time to be approved this session. Would it not meet my hon. friend's views if we were to provide that whatever regulations are made by the Government in Council shall be submitted to Parliament for approval at the next session?

Mr. OLIVER: It is not that I have any curiosity to satisfy, or that it makes any difference to Parliament, but it is to get the information into such shape that the man in the North will have reasonable opportunity on knowing what the law is, so that he may avoid breaking it and getting into trouble. It must be understood that in all that country the Dominion authorities have a means of enforcing the law. They have the police officers. The duty of those police officers is to see that the law is enforced. It is not their business to discuss whether the law is good, bad or indifferent. Conditions are different from those in Ontario, where, in vast areas of the country it does not matter what the law is because there is no one to see to its enforcement. It is necessary that we should be very particular, if we want to give our people a fair chance, to afford them an opportunity of knowing what the law is, and it is necessary that there should not be frequent changes in it of which the people have not reasonable opportunity to be notified. I would ask the minister to allow the section to stand. We may discuss the general provisions recommended by his advisers for the protection of game, and embody those general provisions in the law, with the authority, if you wish, to make such additions as may be necessary from time to time by Order in Council, but let the public of the North Country know in general what you intend to do.

Section stands.

On section 7— game officers to be justices of the peace:

Mr. OLIVER: Are there provisions in the Bill in regard to the appointment of game

officers, describing their duties and so on, or is it merely a matter of regulation?

Mr. ROCHE: It is a matter of regulation.

Mr. OLIVER: I hardly think it is a wise provision to have game officers ex officio justices of the peace. Wherever there is an established point of trade there are regularly appointed justices of the peace. In the old days in the Northwest Territories, when the Northwest Mounted Police were charged with all duties, there was grave objection to the mounted policeman being policeman and judge, and I think the same objection exists with regard to this proposal. I have no objection to giving him whatever legal powers may be necessary to enforce the law, or giving him such authority as will constitute him the force behind the law, but I do not think he should be made the judge.

Mr. ROCHE: This provision is not a new departure at all. It is similar to the old Act, and is intended to apply where there are no justices of the peace, and to confer on the Royal North-West Mounted Police the powers of justices of the peace. If we do not do that I am afraid there would be a good deal of inconvenience in enforcing the Act. Of course, this provision is not intended to cover game wardens. It is proposed to have two classes of officers, game officers who shall do supervising work, and game wardens who shall do only local work. Section 18 of the old Act gives to all game wardens the powers of justices of the peace. The Ontario Act, and the acts of other provinces have similar provisions.

Mr. OLIVER: I take it that under this Act it is proposed to give greater attention to the protection of game in the Northwest Territories than has been possible in the past. The old Act has been more or less a dead letter, and I assume the intention is to enforce this Act with more energy. In the North Country conditions are entirely different from those on the border line of civilization. In the Far North the only person who would be of any value in carrying out the duties of game protector or game warden would be the man who under ordinary circumstances would not be a proper person to act as a justice of the peace. I am not saying anything at all against the man, except that in all human probability he would not have that knowledge of the law or that mental outlook which would warrant him being given that responsibility. More than likely he would be a man who had been dependent upon trapping or hunting for his livelihood, and I would urge upon the minister that it is not desirable he should be given the powers of a judge. He would have to be given the power of arrest, but to give him the power of decision as well, I think, would be apt to create a very unfortunate set of conditions in many cases.

Mr. ROCHE: We would define and limit the duties of the justice of the peace.

Mr. OLIVER: Would the minister agree to allow that clause to stand and consider the suggestions I have made with a view of accepting them if possible?

Mr. ROCHE: Very well.

Section stands.

On section 9—Possession of game.

Mr. PUGSLEY: There is a great deal of force in the contention, of my hon. friend from Edmonton (Mr. Oliver), that the man who institutes the proceedings, and thereby becomes the prosecutor, should not also be the judge. If an ordinary policeman arrests a man he becomes zealous to have him convicted. I have found that in my experience in administering the criminal law. Policemen and detectives, while naturally they may be just as fair men as can be found, when they make arrests, are anxious that their judgment should be vindicated by a conviction. If you allow the man who institutes the proceedings and arrests the individual to act as justice of the peace and to sentence the accused, you thereby make him prosecutor, judge and executioner. That is very objectionable according to all the standards of the fair administration of justice. At the same time, I realize the desirability of giving game officers the powers of a justice of the peace. Might it not be possible that the game officer should not act as a justice of the peace in any case where he has instituted the proceedings? By section 15 it is provided that:

> Any person found committing an offence against this Act may be arrested on view by any game officer, game warden or peace officer.

Where an arrest is made by a game officer he ought not to act as justice of the peace.

Mr. ROCHE: That is all right but the hon. gentleman will also recognize that in some instances men have to be taken one hundred miles to be tried by a justice of the peace other than the particular officer who makes the arrest. It is not however intend-

ed to confer these powers on a game warden but on other game officers. Similar powers have been granted to our officers in the parks and still they are instructed not to try any case if it is at all possible to secure a justice of the peace. But for the enforcement of a law of this nature it is essential that this power shall be conferred on these officers, not only from the point of view of convenience but also having regard to expenditure. It would be too bad to take a person arrested a hundred or two hundred miles in order to reach an ordinary justice of the peace. Therefore, we think it advisable to confer upon some of these officers, not the wardens, however, the powers of a justice of the peace.

Mr. OLIVER: I have not heard what the distinction is between a warden and a game officer. I notice that subsection 2 of section 8 provides for the trial of the person arrested before a game officer. Would the minister be good enough to take into consideration that along with subsection 7.

Mr. ROCHE: Yes.

Section stands.

On section 10—Seizure:

Mr. OLIVER: This provides for the seizure of the plant of a trapper or hunter. Is the plant so seized forfeited, or what becomes of it?

Mr. ROCHE: This section gives the game officers and wardens authority to seize any thing from any man who commits a violation of the Act. It is similar to section 92 of the Fisheries Act, except that it provides that the articles seized shall be handed over to an officer having the authority of a justice of the peace while section 92 of the Fisheries Act goes farther and says such thing is confiscated to His Majesty. The question of confiscation of any article seized is not dealt with in this section. There is provision in the penalty clause by which any question regarding confiscation is left to the discretion of the trial justice.

Mr. OLIVER: That makes it all the more necessary that the trial should take place before a justice of the peace and that the trial should not be at the hands of the man who makes the seizure. In regard to the difficulty of administering the Act, in that north country there are certain points of trade and general missionary effort. Although the country is vast, it is only at these points that there can by any possibility be any enforcement of the law. At these points there is always, or there may easily be, a justice of the peace. An offence against the Game Act may be committed a hundred miles from that point, but at some time the man who committed that offence must come to that point. He cannot stay out in the wilds all the time, he must come out there and then he comes within reach of the administration of the law and may suffer his punishment accordingly, if the game warden or officer has evidence against him. There is not that difficulty about the enforcement of the law that has possibly been in the minds of those who have drawn these provisions. I would again urge that when you undertake, as you do here, to confiscate a boat or other property that a man may have, which means his living, or the living of his family—means to him everything that millions would mean to many people in this outside country—the power should not be placed in the hands of a man except one whom the Government has every reason to believe is a responsible officer and one upon whose sound judgment they can absolutely depend. It is a very serious matter to confiscate horses, dogs, wagons, sleighs, boats, skiffs, canoes, punts and vessels. In that country, where people have to live and support their families on the results of the chase or of the fishery, it is a terrible power to put in the hands of any one. Besides urging that it should not be put in the hands of any one except a person of thoroughly well established responsibility, I really think there should be some restriction in regard to the value of the plant or appurtenances which could be confiscated.

Suppose a team of horses or a boat were confiscated; there is no limitation on the kind of boat. It might be a motor or power boat of some kind. I think the power of confiscation should not be exercised at all. The individual who has committed the offence might be subject to a fine, and the plant in his possession might be seized subject to payment of that fine, as security for the fine, but if, in addition to any fine you may impose upon him, you destroy his means of livelihood, you are taking extreme action, and it is not necessary.

Mr. ROCHE: You can find it in the other Act.

Mr. OLIVER: I am aware that it is in other Acts, and it is because of the instances of terrible hardship that have come to my notice, as a result of the enforcement of the other Acts, that I am taking the opportunity to urge upon the minister that he should reconsider this matter with the

gentlemen whom he has consulted in regard to it, and see if they would not take another view of the matter. The man who offends against the law is liable to a fine, and his plant may be seized, subject to the payment of that fine, but I do not think that his actual living and that of his family should be destroyed because he has made himself amenable to the law. That is pursuing a man to a degree that the conditions do not demand; it is not necessary.

Mr. ROCHE: Does the hon. gentleman want this section to stand?

Mr. OLIVER: I would urge strongly that it should stand, with the view of considering the suggestion I have made.

Section stands.

On section 11—Penalty for offences by officers.

Mr. OLIVER: The minimum penalty here seems very high. I will certainly admit that the officer who commits a breach of his duty should be subject to serious penalty. He is in a different position altogether from a private citizen. I would not raise any objection to it, but I desire to call attention to the fact that the minimum penalty is $100.

Mr. ROCHE: Unless the penalty were made very severe, there might be a temptation to infractions of the law.

Sir GEORGE FOSTER: These men are officers of the Government.

Mr. OLIVER: I am willing, in the charity of my heart, not to punish even officers of this Government too severely.

Section agreed to.

On section 13—Refusing information or giving false information.

Mr. OLIVER: Is this penalty not very severe? Every citizen is subject to inquisitorial proceedings under this section. That might be all right in the case of an infraction of a very serious law, such as the law against murder or robbery, but it seems to me in the case of the enforcement of the Game Act, it is certainly a very extreme penalty.

Mr. ROCHE: I think that the words "furnish information" might be stricken out, but we should retain the provision in regard to "wilfully furnishing false information."

Mr. OLIVER: I quite agree to that.

[Mr. Oliver.]

Mr. ROCHE: I move that we strike out the words "wilfully refusing to furnish, or."

Amendment agreed to.

Section as amended agreed to.

On section 16—Justice may convict on view.

Mr. OLIVER: This again brings in the game officer, giving him the power of a justice. I would like the minister (Mr. Roche) to reconsider that.

Mr. ROCHE: Yes.

Section stands.

On section 17—Separate offences.

Mr. OLIVER: What is the idea of constituting the possession of a separate part of any animal a separate offence?

Mr. ROCHE: It might be considered profitable for a man to kill a large number of animals, if the killing of each animal did not constitute a separate offence. He might figure on making several thousand dollars, if the penalty were the same as if one animal had been killed.

Mr. OLIVER: I am referring to the words "or separate part thereof." If a deer were killed and cut into quarters each man having a quarter would be guilty of an offence.

Mr. ROCHE: A person might have in his possession a portion of an animal, without having the whole animal. The possession of a separate part would constitute an offence.

Mr. PUGSLEY: If one man had a leg he would be guilty.

Sir GEORGE FOSTER: He might have eaten a quarter of the animal.

Mr. OLIVER: Supposing a deer were brought into the camp and divided up amongst the friends of the man who killed it, every one of them would be subject to the full penalty, yet none of them would be in any sense guilty. That very frequently happens.

Mr. ROCHE: This provision applies only where an infraction of the law has been committed and a separate part of an animal has been found in a man's possession. I do not think it would apply to a case where a man who has committed no offence innocently becomes possessed of a portion of an animal.

Mr. OLIVER: A lack of knowledge of a breach of the law would not excuse a man,

under the wording of the Act. I appreciate the difficulty of meeting the case, but I am anxious not to make the law so drastic that there will be a combination against its enforcement. That is what is liable to take place when a law is made too comprehensive or too severe. Will the minister consider that?

Mr. ROCHE: The executive have gone over this section several times and have drafted it as carefully as possible. However, I will allow it to stand.

Mr. OLIVER: The difficulty is that the gentlemen who have been advising the minister are, perhaps, not familiar with the actual conditions on the ground.

Section stands.

On section 19—Penalties.

Mr. PUGSLEY: Is it necessary or desirable to make the minimum penalty as great as it is? Indeed, is it necessary to fix any minimum penalty at all? Section 12 provides:

> Any person who assaults, obstructs or interferes with any game officer, game warden, constable or other peace officer in the discharge of any duty under the provisions of this Act or of any regulation, shall be guilty of a violation of this Act.

Section 19 applies to all cases for which no other penalty is provided. Under subsection (a), if in the excitement of the moment, a man committed a very slight offence in the way of resisting an officer, a penalty of not less than $100 would be inflicted. I should think that the minimum penalty might very well be left to the discretion of the justice of the peace in such cases. I am sure that in many cases the game officer or justice of the peace would feel that a small penalty of from $5 to $20 would amply meet the case.

Mr. ROCHE: Subsection (a) refers to offences respecting wild mammals in sanctuaries or in regard to which there is no open season. It is felt that a more severe penalty should be enacted in such instances. Paragraph (d) is as follows:

> A fine not exceeding one hundred dollars or less than ten dollars or to imprisonment for any term not exceeding two months or to both fine and imprisonment for any other offence against this Act or any regulation.

It is not desirable to leave too much latitude to justices of the peace in inflicting these penalties. If they have the statute to guide them, they are less liable to err than if the matter is left to their own discretion.

Mr. PUGSLEY: In cases which are clearly not wilful violations of the statute, a ten dollar or twenty dollar penalty might amply cover the offence. In such cases the magistrate has no discretion, though he is given discretion as between the $100 and $500, the minimum and maximum fines. I rather think that the minimum amount should be left out altogether.

Mr. ROCHE: Some of these animals are near the point of extermination, and unless a severe penalty is provided, still further destruction will take place. I think that as a deterrent it is better to provide a minimum fine of $100 than to leave the matter to the discretion of the game officer or justice of the peace.

Mr. PUGSLEY: I think, with the member for Edmonton, that if you make the penalty too severe you really prevent the carrying out of the law, because you tend to bring about a combination of people in the locality to prevent the enforcement of the law. Many a man might be absolutely ruined by the inflicting of so large a penalty; whereas if the matter were left to the game warden or to the magistrate, very much better results would be accomplished.

Mr. ROCHE: In several of the provinces the minimum penalties are in excess of the amount provided for under this Act. In Alberta there is a maximum penalty of $500 and a minimum of $200 for killing certain animals. In British Columbia there is a minimum penalty of $250 and a maximum penalty of $500 for killing big game, big game being defined in the Act as including mountain sheep, mountain goat, elk, deer, bear, etc. In Saskatchewan, there is a maximum penalty of $300 for certain offences with regard to beaver. There is no minimum.

Mr. PUGSLEY: That is wise.

Mr. ROCHE: The Manitoba Game Act provides penalties of from $100 to $500. In Nova Scotia the penalties are from not less than $50 to $200. In nearly all the provinces the minimum penalties are higher than the minimum penalty stated in this Act.

Mr. OLIVER: The minimum penalties in the provinces are applicable to cases where men go out from civilization, generally with malice aforethought, to kill. In the Northwest Territories, that is entirely the exceptional condition. We are dealing, in the Northwest Territories, with a population, such as it is, that is dependent on the hunt for its actual living, whereas all the game laws of the provinces

were made, not in regard to people who are dependent on the game for their food and support, but to control the actions of people who hunt for sport, for amusement or for the market. Therefore, the justification for a heavy minimum fine in the provinces is on a different footing altogether from the justification for a heavy minimum fine in the Northwest Territories. Money is very scarce in the Northwest Territories, and $100 is just as far beyond the possibility of being raised by many of those who might be arrested, as $1,000 might be beyond the possibility of a hunter in the provinces my hon. friend has mentioned. I urge, in fairness and in the interest of the successful enforcement of the law, that if there is to be a minimum fine, it be reduced very substantially from the figure suggested.

Mr. ROCHE: So far as the natives in the Territories are concerned, they are exempted from many of the provisions of this Act in order to afford them an opportunity to secure a sufficient food supply, unless they violate the law in some sanctuary. This legislation is designed to hit those who are coming in for exploiting purposes, and organized bands of hunters to go into the Northwest Territories. One of the reasons for bringing in this legislation is that we have information of Americans going in through the North Passage and coming down and establishing trading posts in various parts of the country. I do not think the penalty is too severe for the class to which I refer, and that is the class to which this legislation will principally apply.

Mr. OLIVER: If applied to that class of people, then the conditions are just the same as in the various provinces, and the minimum penalty is all right. There would be no difficulty, however, in securing the application of a maximum penalty to those outside hunters who are hunting for sport or for the market, and a smaller minimum penalty then would not cause the local people to enter into combination for the purpose of setting the law at defiance which is what in human nature, they will be inclined to do if they are up against so severe a penalty as this. This means ruin to many of those people who have very little to come and go on.

Mr. ROCHE: The minimum penalty to which the hon. gentleman refers, more particularly concerns those valuable animals like the musk-ox which are pretty nearly extinct and whose destruction is a very serious matter, and it also refers to sanctuaries; but if my hon. friend looks at the other clauses he will see that in clause (b) the fine is "not exceeding $200 or less than $25"; in clause (c) the fine is "not exceeding $200 or less than $50"; and in clause (d) the fine is "not exceeding $100 or less than $10".

Mr. OLIVER: If the minister should see fit to state in a revised section 4 just what animals he is going to protect permanently, then this subsection might very well be quite in order. I would not at all object to a minimum penalty of $100 for the killing of a musk-ox or a buffalo. That penalty is likely as small as it should be; but not knowing from this measure what animals are going to be under protection, I naturally felt anxious about the imposition of such a heavy minimum penalty. Clause (b) imposes a minimum penalty of $25 or imprisonment of two months for any person who offends against a regulation regarding birds. That minimum is surely extremely high. The necessities of life at times demand that a wild fowl be taken and used, and there should be a very wide discretion left to a justice of the peace in regard to the penalty to be inflicted for an offence against a regulation relating to wild birds.

Mr. ROCHE: The preceding section refers to birds nearly extinct and in sanctuaries, that is, the more valuable birds, and the fine will be imposed only in such cases.

Mr. OLIVER: It would be better if we had the particulars as to what birds were going to be permanently protected and what sanctuaries were likely to be created. Is it a policy of the Government to create any sanctuaries in the Northwest Territory?

Mr. ROCHE: That has not been definitely decided, although it has been under consideration.

Mr. OLIVER: Would there be sanctuary merely for a particular kind of game or for all game?

Mr. ROCHE: When a sanctuary is created, it includes all game within that area.

Mr. PUGSLEY: This clause is not limited to birds in sanctuaries; it refers to birds in regard to which there is no open season. Take for instance prairie chicken. Suppose there was a regulation passed making a close season for two or three years for prairie chicken. A person shooting a prairie chicken during that period, although he may require it for his sustenance as he may be

on the point of starvation, is brought before a magistrate and must be fined an amount not less than $25. That is a very extreme fine, and my experience in regard to fishery regulations is that extreme penalties prevent the laws from being carried out, they prevent punishment; whereas if you have reasonable penalties and reasonable administration of the laws, very much better results would be secured.

Mr. ROCHE: Does the hon. gentleman also want this section to stand?

Mr. PUGSLEY: My hon. friend from Edmonton is particularly urging that it stand.

Mr. OLIVER: I would ask the minister to take into consideration the remarks of my hon. friend from St. John (Mr. Pugsley) in which I strongly concur, and I would also draw his attention to subsection (e) which provides for the confiscation of property. I take the strongest possible exception to that provision which imposes a terrible and unnecessary hardship. If a man pays his fine, he should not have his property confiscated.

Mr. PUGSLEY: I also want to add my protest against that. If a man is arrested and fined it should not be obligatory to confiscate his property. In aggravated cases that might be justified, but here it is made obligatory on the game warden actually to confiscate the property of every man who is found guilty of an offence. Take the case of a man who shoots a prairie chicken, which he might actually need for food; he will be fined not less than $25, and the gun which he had used on that occasion would be confiscated. I think the punishment is entirely too severe.

Mr. ROCHE: All these criticisms tend rather to the protection of the persons, as the hon. member says, rather than to the protection of the game. Now we are trying to have our legislation do both; we desire to protect our game for the future welfare of our people, and unless we have penalties that will act as a deterrent I am afraid there will be many infractions of the law. I think that if exploiters go into that country and break the law—the natives themselves are exempt—they should be subject to a very severe penalty. In many cases the animals these exploiters kill are the most valuable ones, or of species which are rapidly nearing the point of extinction. I think the case cited by the hon. member about the prairie chicken would come under another provision of the Act, where not such a severe penalty is imposed. However, I am willing to allow the section to stand for further consideration, if hon. gentlemen consider the penalties too severe.

Mr. PUGSLEY: I infer from the attitude of my hon. friend from Edmonton that he is sincerely desirous of seeing the game protected; so am I. But I do not think you will have the same satisfactory enforcement of the law where you have these extreme penalties. The game warden will perhaps be living in the same community with the man who commits an offence, and might reason: "The moment I convict him I have to deprive him of his means of livelihood; rather than do that I will let him go scot free." That is the way in which our fishery laws are administered, or non-administered. In many cases the penalties are so severe that there is a feeling of sympathy among the officers, and rather than ruin the man guilty of an offence they will close their eyes to an infraction of the law. There is no benefit in having a law on the statute book that is not enforced, although many people think that once a law is on the statute book it is all right even if it is not enforced. I do not believe that; I think it is better to have a law that can be enforced in a reasonable way.

Section stands.

On section 22—commencement of Act:

Mr. PUGSLEY: What is the object in bringing the Act into force by proclamation instead of in the ordinary way?

Mr. ROCHE: By one of these clauses certain regulations are to be enacted, and we do not wish to have the Act come into force until these regulations are formulated.

Mr. PUGSLEY: The regulations will come into force at the same time?

Mr. ROCHE: Yes.

Progress reported.

On motion of Sir George Foster, the House adjourned at 6 p.m.

Monday, July 23, 1917.

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

PRIVATE BILLS.

THIRD READING.

Bill No. 84, to incorporate the Canadian division of the Aerial League of the British Empire.—Sir Herbert Ames.

CONSIDERED IN COMMITTEE—THIRD READING.

Bill No. 111, to incorporate the North American Accident Insurance Company.—Mr. Pardee.

SECOND READINGS.

Bill No. 113, for the relief of William Henry Bishop.—Mr. McCraney.

Bill No. 114, respecting the Montreal Central Terminal Company.—Mr. Girard.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

NATIONAL SERVICE BOARD.

Mr. GRAHAM:

1. What amount of money has been expended by the National Service Board to date?
2. What amount has been paid to the directors as salary and expenses, respectively?
3. Are the directors of said Board still drawing their salaries?

Sir ROBERT BORDEN:

1. Including expenditure on card registration and Publicity campaigns, to July 1, $134,081.35.

2. To July 1: Directors' salaries, $19,131.71. Expenses: Travelling, $3,254.68; office staff, $6,687; premises, $1,514.90; temporary assistance, $777.60. Total expenses, $12,234.18. Total salaries and expenses, $31,365.89.

3. The following Directors of National Service draw no salaries: K. W. McKay, Colonel Brock, J. H. Sherrard, Colonel Mignault, G. S. Campbell, L. P. D. Tilley, R. F. Green, Mark Irish.

The following directors have been drawing salaries at the rate of $250 per month: Captain Bowen, Colonel Chauveau, J. A. Macdonald, E. R. Chapman, A. L. Haining, Dr. Rutherford.

For the future no salary will be paid to any member of the board except upon the recommendation of the Director General.

I might be permitted to supplement the answer by saying that the staff of the Nation Service Board, at the head offices in Ottawa, have been, and still are, very actively engaged in the work of the Board and in any work that seems directly connected with the purpose for which the board was constituted. For example, a great deal of routine work of the office of Fuel Controller has, under an arrangement between the Director General of National Service and the Fuel Controller, been carried out by the staff of the National Service Board, and in that way additional expense to the country has been prevented. I understand also that the members of the staff at the offices in Ottawa are co-operating with the Food Controller for any purposes in which he needs their assistance.

[Sir Herbert Ames.]

BUSINESS PROFITS WAR TAX.

Mr. LANCTOT:

1. Who is in charge of collection of taxes from Companies in Canada?
2. On what basis does he decide amount to be collected?
3. Before he decides, does he refer the matter to the Minister of Finance?
4. If so, on what basis does the minister decide?
5. Is the watered stock of a company taken into account?
6. Do some firms in Ottawa get rebates on their taxes?
7. If so, to what amount, and what are the names of the firms?

Sir THOMAS WHITE:

1. The Minister of Finance.

2. In accordance with the provisions of the Business Profits War Tax Act, 1916.

3. Assessments are made through the Commissioner of Taxation and other officers of the Department of Finance throughout the Dominion, subject to the general authority of the Minister of Finance.

4. Answered by No. 2.

5. Sec. 7, subsec. 5, chap. 11, 6-7 George V, provides that:

> For the purposes of this Act the amount paid up on the capital stock of a company shall be the amount paid up in cash. Where stock was issued before the first day of January, one thousand nine hundred and fifteen, for any consideration other than cash, the fair value of such stock on such date shall be deemed to be the amount paid up on such stock; and where stock has been issued since the said first day of January for any consideration other than cash, the fair value of the stock at the date of its issue shall be deemed to be the amount paid up on such stock. In estimating the value of stock issued for any consideration other than cash, regard shall be had to the value of the assets, real and personal, movable and immovable, and to the liabilities of the company at the date as of which such value is to be determined. In no case shall the value of the stock be fixed at an amount exceeding the par value of such stock

6. No.

7. Answered by No. 6.

MR. BREADNER.

Mr. LANCTOT:

1. Is one, a Mr. Breadner, employed in the Finance Department?
2. If so, what is his salary?
3. What are his duties?
4. Does he decide by himself the basis of taxes to be paid by Incorporated Companies?
5. If not, does the Minister of Finance make the decision in every case?

Sir THOMAS WHITE:

1. Yes.

2. Five thousand dollars per annum.
3. Commissioner of taxation.
4. Assessments are made through the Commissioner of Taxation and other officers of the Department of Finance throughout the Dominion, subject to the general authority of the Minister of Finance.
5. Answered by No. 4.

COMMISSIONER OF THE YUKON.

Mr. KYTE:

1. On what date was George Black appointed Commissioner of the Yukon?
2. What is the rate of salary and the total amount received by him since date of his appointment?
3. What amount has he received for allowances or expenses in addition to his salary?

Mr. ROCHE:

1. February 1, 1912.
2. Salary from 1st February, 1912, to 14th October, 1916, $6,000 per year, and from 15th October, 1916, $3,000 per year; total salary received to 30th June, 1917, $30,362.90.
3. Living allowance, $28,225.81; travelling expenses, $3,644.15.

OGILVIE FLOUR MILLS COMPANY.

Mr. KYTE:

1. What were the net earnings of the Ogilvie Flour Mills Company, Limited, and the profits distributed, for the accounting period ended August 31, 1916?
2. What was the amount of business profits tax levied upon the Company for the accounting period ended August 31, 1916?

Sir THOMAS WHITE:

1. Net earnings have not yet been determined by the department.
2. The assessment has not been made.

PILOT COMMISSIONERS, LOUISBURG, N.S.

Mr. KYTE:

1. Who are the members of the Board of Pilot Commissioners at Louisburg, N.S.?
2. When were they appointed and what salary or remuneration does each receive?

Mr. HAZEN:

1 and 2. Thomas Townsend, appointed 10th September, 1898; James T. Kelly, appointed 8th October, 1915; Archibald Mc. Vicar, appointed 8th June, 1917, D. A. Morrison, M.D., appointed 8th June, 1917; E. G. Whitman, appointed 8th October, 1915. No salary or remuneration is paid to the pilotage commissioners.

DAYLIGHT SAVING BILL.

Sir GEORGE FOSTER moved the second reading of Bill No. 82, to provide for the time in Canada being in advance of the solar mean time during the summer months.

He said: It may be advisable that I should make a short statement with reference to this Bill. Daylight saving is a somewhat new thing in most countries of the world, and absolutely new, on a national scale, in Canada. The arguments in favour of daylight saving during the summer months are based upon a good many considerations. The primary consideration is that of economy. The substitution of an hour of early daylight, which may be used instead of an hour of artificial light, naturally lends itself towards economy, particularly in the matter of lighting, and in the use of coal for the manufacture of gas, and of electric light. Outside of these reasons of an economic kind, there are many collateral considerations, which, though not financial, are perhaps more important. The history of daylight saving legislation does not go very far back. I think in 1908 the first Daylight Saving Bill was introduced in the British Parliament, and was referred to a select committee of the House of Commons, which reported in favour of the Bill. It was, however, not enacted. In 1909, another Bill was introduced in the British House of Commons a little wider in scope, and it was also referred to a select committee, which committee reported thereon. Afterwards Bills were introduced in other sessions, but no legislation followed until 1916, when a resolution introduced by Mr. Henry Norton in favour of legislation along the line of daylight saving in the summer months was carried by a vote of 170 to 2, and in April, 1916, a Bill was passed, which came into operation on the 21st May, and remained in operation until 30th September. It was tested, therefore, in actual operation during 1916. In the same year legislation for the same purpose was introduced in Germany, Austria, France, Sweden, Denmark, Norway, Holland, Portugal, Italy, and perhaps some other smaller countries. In at least ten of the more important European countries daylight saving legislation was adopted in 1916, and was carried into operation. A committee of the House of Commons in Great Britain was appointed to make an examination into the results of the operation of the Daylight Saving Bill, and also to extend their examination and observation, as far as they could, to the other countries in which the system had been in operation. This committee, after due investigation, has reported, and I shall call the attention of the House to the report. The members of the House who desire to look into the report more fully will find it in the library.

The first thing to note is the thorough way in which the inquiry was carried out. The committee, in the first place, issued what are now called, by a modern term, questionnaires, and these were sent to the principal bodies, associations and interests in Great Britain, and to Government institutions, munition factories, industrial concerns, commercial bodies, chambers of commerce, boards of trade, labour unions and organizations, women's unions, co-operative societies, in fact they were sent to every particular interest that could be reached in the United Kingdom. Seventy-five per cent of the questionnaires sent out were answered, which is a very large percentage, and shows the interest taken in the matter in Great Britain. The committee gives the comments by the different interests, and the replies from the different interests, and arrive at general conclusions. I shall read a few of the special notes made with reference to special industries, or special interests, and then give the House, in short, the general conclusions that were reached by the committee. As regards public health, in section 19 of the report they say:

> We have devoted particular attention to the question of the effects of summer time on the health of children and we have been glad to find that, in spite of certain statements which have been made to the contrary, the bulk of the evidence (mostly derived from educational authorities) favours the conclusion that in the case of children summer time has proved a success.

With regard to public morals and order, the committee remarks:

> The tendency throughout the country to spend the extra hour of daylight in the evenings out of doors is said of itself to have made for an improvement in the general moral tone. In particular, a marked decrease was noted in some districts in juvenile offences, which is attributed by the police to the fact that during the summer time period boys were expected to be home in daylight.

In reference to the workers' interests generally, it is noted:

> So far as the trade unions were concerned, we were not able to obtain quite as much detailed information as we could have wished. However, out of the fourteen trade unions to whom we addressed our circular, we had a definite expression of opinion from nine, the general verdict being favourable in each case, though one or two of the secretaries remarked that they had not been able to make detailed or extensive inquiry among their members.

In section 25 they say:

> The general view of employers as expressed in the replies to the questionnaires was that their employees had taken full advantage of the extra hour's daylight; and while the majority were not in a position, with so short a period for observation, to state positively whether or not an improvement in health had resulted, a number had noticed increased vitality in their workers, and in some cases an improvement in the standard of the work. Only one or two employers recorded the appearance of any ill effects in the shape of tiredness and irregularity of time-keeping.

In the opinion of Mr. J. E. Hutton, manager of the labour department of Vickers Limited, the Summer Time Act was one of the greatest boons conferred upon the industrial classes of the greater towns and cities by recent legislation. The committee say:

> We have had evidence from all sources of the value of the extra daylight to the very large number of workers who cultivate gardens and allotments.

In section 31 they say:

> Taking the whole of our evidence, we are satisfied that the great bulk of the working classes are favourable to Summer Time, and we are convinced they stand to profit by it as much as, and in many cases more than, any other section of the community. Such real inconveniences as have been experienced will, we believe, be remedied with a little more experience of Summer Time conditions.

The committee had the following to say with regard to children's sleep:

> Only a very few authorities appear to consider that the evil was so pronounced as to outweigh the other advantages which children derived from the Act. The opinion of a very large majority, and the enthusiastic opinion of a great number, is that the children benfited by the operation of Summer Time, both by reason of the extra time which they were able to spend in the open air, and also because of the cool hour gained in the morning in place of a trying hour in school in the heat of the afternoon. Many authorities reported that children had been brighter and fresher in the mornings in consequence. This view was confirmed by the medical opinion which we received, and it was unanimously supported by the witnesses who gave evidence before us.

With regard to trade, industry and commerce, outside of agriculture, the committee notes, in section 37:

> The replies received to the very comprehensive inquiries which we have described in paragraph 9 above show beyond all question that the opinion of employers in every trade and industry and business throughout the country is overwhelmingly in favour of Summer Time. We summarize the evidence on points of detail, such as effect on the health of workers, saving in artificial light, etc., under the appropriate headings elsewhere in our report.

After showing that there were some diversities of opinion, based upon difficulty in coming to accurate conclusions, in section 42 the committee, dealing with the question of economics in artificial light and fuel, state:

Nevertheless, though it has proved so difficult to arrive at any accurate estimate of the economies effected in light and fuel it is perfectly clear that the substitution of an hour's daylight in the evening during many weeks of the year for an hour's artificial light must have resulted in a considerable net saving; and this is certainly borne out by the information furnished to us. The estimates of the reduction in the consumption of electric light vary very widely, from 1.25 per cent in one case to 55 per cent in another. The returns from the power companies give a mean reduction of 20 per cent for lighting purposes. Thirty-eight private companies furnished figures which give an estimate of reduction varying from 10 to 41 per cent, the mean for the thirty-eight being 23 per cent. Sixty-four municipal undertakings give a mean reduction of 18.3 per cent in units used for lighting.

With regard to gas, Mr. Hanbury Thomas, of the Sheffield United Gas Company states:

The total quantity of fuel used by all gas undertakings in the United Kingdom for 1915 was, in round figures, 18,000,000 tons. Reckoning one and one-quarter per cent of these figures, the saving in coal effected by gas undertakings in the United Kingdom as a result of four and a half months of Summer Time may be put at about 260,000 tons.

That was with reference to the saving in coal for the making of gas. The saving to users of gas was estimated at £475,000. The statement is made that 11,500 tons of illuminating oils were saved by the application of the Daylight Saving Bill.

When you come to agriculture, you have greater diversity of opinion. In section 53 the committee state:

As might have been expected, the opinions of the farmers and those interested in agriculture have been more conflicting than those of any other interest, in many cases totally diverse opinions as to the effect of Summer Time having come from the same district.

We find that the general opinion is that difficulties were easily overcome by organization and that the very definite advantage of having an extra evening hour for carrying crops outweighs any inconvenience. Many reports also mentioned the advantage at harvest time of the help of workers employed in other occupations whose longer evenings made it possible for them to give assistance on the farms. This, of course, occurred chiefly in districts near villages or towns.

Section 55 says:

In some cases trouble was experienced with milkers who were, it is said, unwilling to commence work in the very early mornings, and it is also stated in a few instances that at the outset the quality and quantity of the milk was affected by the earlier milking. These difficulties are only mentioned in a few of the replies, and the majority even of these few add that they were only temporary.

The committee say in section 56:

In the gathering and transit of fruits and vegetables the operation of the Act is generally reported to have been very beneficial, as in almost all cases these are better gathered with the dew on and transported during the cool of the day.

Section 59 says:

In spite of such difficulties as have been recorded, a very large majority of farmers and war agricultural committees are in favour of a renewal of the Act, and the majority even of those who are of opinion that it was not advantageous to agriculture consider that it should be renewed, as they recognize its great benefits to the community at large.

In respect to the later closing of shops, the evidence is stated to have been almost overwhelmingly in favour of the Daylight Saving Act.

These take in the main points in the special observations of the committee with reference to the results of their examination. I will now read the three concluding paragraphs entitled "conclusions" of their report which are general:

Taking the evidence we have received as a whole, we can unhesitatingly say that the vast preponderance of opinion throughout Great Britain is enthusiastically in favour of Summer Time and of its renewal—not only as a war measure, but as a permanent institution.

As we have already pointed out, some difficulties have undoubtedly been experienced, but not to anything like the extent predicted by the critics of the scheme, and we have not heard of any that could not be overcome with goodwill and organization. Indeed the experience of Summer Time in 1916 has converted many of its former opponents into hearty supporters. Moreover, as we have pointed out elsewhere, many of those who still hold the view that Summer Time may be prejudicial to their own interests admit that the general public advantages arising from it more than outweigh any inconveniences that may be caused in particular cases. In a few years we believe that what opposition still remains to Summer Time will have completely disappeared, and that the whole nation will regard it as a wholly beneficent measure.

We recommend, therefore, that Summer Time should be re-introduced in 1917 and in subsequent years.

As a result of that report the Summer Time Bill was again introduced and was passed with practical unanimity, and it is for the second year in operation in the United Kingdom. Similar investigations were undertaken to get at the results of the operation of the measure in France in 1916, and the report has been so far satisfactory that in France again the Daylight Saving Bill has become law for the present year and is in operation. Daylight saving measures are also in operation for the second year in the northern fringe of neutral countries that I have mentioned, and in Italy, and a similar measure has been introduced and passed for the first time in Australia.

It will be noted that after the introduction and trial of a daylight saving measure, almost all of these countries have, after investigation, been so far influenced by the operation during the preceding year that they have put it into operation for the second year, and the report of the British committee recommended that the Daylight Saving Bill not only be passed for the year 1917, but that it be passed for successive years. The matter has been taken up in the United States, and an extended hearing commencing, I think, in March, was given by a Senate committee. Before that committee, opinions were brought from every part of the United States. The hearing has been concluded, and as a result the United States Senate has passed a Daylight Saving Bill by a large majority and has sent it to the House of Representatives, where it is believed that the Bill will pass with an equally strong majority. Inasmuch, however, as a large part of the summer season has been taken up, in the United States, in holding the hearings and passing the Bill through the Senate and as the Bill, with other pressing legislation, has to pass through the House of Representatives, it is provided that the measure shall go into operation not this year but at the designated period in 1918.

In Canada we have had various experiments made with daylight saving, but in restricted areas, and, of course, it is quite easily seen that when such a measure is put into force in a city or a small district, while surrounding cities and the generality of the country are not under the operation of a similar Act, it does not have its full force and effect. Even so, there are strong testimonies in favour of the good effect of daylight saving in various cities and towns in which it was in operation last year. The general impression, however, so far as far as I have gathered, is that it is shorn of its main and proper advantages unless it becomes an extended measure—unless, in fact, it becomes a national measure. Some opinions are expressed that it would be better if, when a daylight saving measure goes into operation, it should go into operation contemporaneously with the Act in the United States, so that, along the border line where we have our traffic arrangements, there should be no clash of time keeping as between the two countries. As part of the summer is now past, and holding in view the suggestion that I mentioned last, I think it is reasonable to say that if this Bill is passed, a provision should be inserted in it bringing it into effect next year when, in all probability, it will have the added support of similar legislation in the United States. As regards the demand for a daylight saving measure in Canada, there is a wide call for it from every part of the Dominion. There are also objections against it.

Sir WILFRID LAURIER: What are they?

Sir GEORGE FOSTER: The call for legislation is generally from the manufacturing industries, the boards of trade and business associations of the towns and cities. The objections to the legislation that have so far come to hand are from sections of the farming community who foresee trouble in certain lines of their work in the earlier time to be set, and inconveniences that would arise therefrom. It is fair to say that those are in restricted lines of agriculture. What I have read from the British committee's report would show that the same objections were held there; when the legislation was first introduced, but that upon the whole the agricultural interests, in Britain, being aware that the general advantages were entirely in favour of the legislation, are by a large majority in favour of the re-enactment of the daylight saving law. The House will note that I have not put forward any particular plea either for or against such legislation in this country. What I was anxious to do was to place before the House a brief summary of what had been done and why it had been done so that members, if they had not been able to follow the outcome of similar legislation in other countries, might have the advantage of knowing what the result had been.

Personally, I am very strongly in favour of such legislation, largely on the ground of economy, but still more largely on the ground of public health and morals and the maintenance of social order, which seem to spring from the substitution of an hour of daylight for an hour of artificial light. Stress is laid in the British report upon the impetus given to production by the cultivation of small garden plots. These plots, though small in themselves, when cultivated all over the country, contribute tremendously to the food production of the nation. In that respect the British report is entirely favourable to daylight saving.

With this statement, I leave the matter before the House. I shall be glad of a discussion, if that is deemed wise, and we can then go into committee on the Bill,

and leave it there until the House has had an opportunity of digesting the information and coming to a conclusion.

Sir WILFRID LAURIER: As this Bill seems to be very technical and more information will be required, I would suggest that the discussion had better take place in committee rather than upon the second reading.

Motion agreed to, Bill read the second time, and the House went into committee thereon, Mr. Blain in the Chair.

On section 2—time advanced one hour:

Mr. MARCIL: What is the prescribed period in the United States?

Sir GEORGE FOSTER: It runs from somewhere in April to the latter part of September or about the 1st of October.

Sir WILFRID LAURIER: The object of the Bill, in a nutshell, is that we shall, by law, call what is seven o'clock, eight o'clock, and what is eight o'clock, nine o'clock. I agree that the object is a very praiseworthy one, but whether it is necessary to achieve the object by legislation is quite another matter. It is true that most of the civilized countries of Europe furnish us with precedents at the present time. Legislation of this sort is an attempt to make us believe that a certain hour is really a different hour. The labourer's day generally commences at seven o'clock, at which hour all the factory whistles are heard summoning the labourers to their day's work. The school boy's day begins at nine, and the business man goes to his office about ten o'clock. Now, this Bill proposes that the labourer shall begin his day's work at six o'clock instead of seven, the school boy at eight o'clock instead of nine, and the business man at nine o'clock instead of ten. It is quite possible for these three classes to being their day's work one hour earlier without any legislation on the subject at all, and I think it would be well if they agreed to do so voluntarily. If the captains of industry would start their men working at six instead of seven o'clock in the summer time, and the schools would open at eight and the business offices at nine, the same object would be achieved. But it has been thought that confusion would arise without the authority of the law upon the subject. I agree with my hon. friend that the report he has read justifies his conclusions. Without deceiving ourselves in this way, I think it would be to our advantage if we all rose an hour earlier in the summer time. But when we have the force of law behind us we shall have to be industrious whether we will or no, and when five o'clock in the morning comes, though we know it is only five o'clock, the Bill says it is six o'clock and we shall have to get up. So far, so good; I have no objection.

There is one point, however, that does not seem to have been considered. In Europe the area of the different countries is very limited. In England, for instance, a few hours' ride brings you to the end of the Kingdom. In France, you can leave Paris at any time of the day and reach the frontier before the following morning. But it is different on this continent. It takes over four days to get from Halifax to Vancouver, and the same length of time to get from New York to the Pacific Ocean. Now the railways have a standard time of their own, which varies according to latitude. Has my hon. friend considered how railway time will be affected by this Bill? If this Bill is passed and comes into operation next year, when it is ten o'clock by solar time it will be eleven o'clock under this Bill. In the city of Ottawa to-day, I think we are using railway time and not solar time.

Sir GEORGE FOSTER: Standard time.

Sir WILFRID LAURIER: That is railway time. My hon. friend would perhaps explain whether there would be any conflict with railway time. For my part I see no objection to the Bill; it ought to work well. But I think it would be better for the health of every one of us, and to our advantage in the other respects to which my hon. friend has referred, if of our own free will we rose an hour earlier in the summer time.

Sir GEORGE FOSTER: As to the area of the different countries, the United States is within a few square miles as large as Canada, and no difficulty has been encountered there. A very thorough inquiry was first of all made, at which the railway companies were represented. That is a fact which in itself serves for any amount of other evidence that I could give. Then with reference to the railways, I will read the opinion of Sir George Bury, vice-president of the Canadian Pacific Railway, which I think would be taken as good testimony so far as the railway part of it is concerned.

There may be various views on the advisability of daylight saving, but there is one point on which there is no diversity of opinion, and that is that if daylight saving is to be successful it must be a measure passed by the Government at Ottawa, which would require that all

clocks in the Dominion be set ahead one hour at a stated time in the early spring, and set back an hour at a stated time in the fall.

The daylight saving scheme has been tried in many localities, and the main reason for its failure was entirely due to it not having been universally adopted all over Canada.

As I see it, if the people of Canada as a whole wish daylight saving, it should be adopted; and so far as the railways are concerned, I believe they would gladly support it. If it were made universal in Canada, it could not, in any way, embarrass train operation.

Mr. CARVELL: I can quite understand that so far as the railways are concerned it plays no part whatever, because for some years past we have been compelled to adopt railway time in Canada. We know railway time is not solar time, but simply a conventional time. The earth is divided into sections, starting at Greenwich, every fifteen degrees east or west represents an hour in time. When they get back fifteen degrees, they drop an hour. Thirty degrees means two hours. Forty-five degrees means three hours, and sixty degrees four hours. That brings you to what we call Atlantic Standard time. I think the first degree would be somewhere around Cape Breton island, therefore, under present conditions, the people of Cape Breton island are practically solar time. Wherever you come to the centre of one of those sections, you have practically solar time. As you go east from the centre their time is slower than solar time, and as you go west it is faster than solar time. To my mind that is the whole difficulty in Canada. Although it does not make any difference to the railways, it makes a great deal of difference to the people. I happen to live on the very western edge of the Atlantic Standard time, and our time is half an hour faster than solar time. When you cross the boundary line into the state of Maine you are under the eastern standard time, which, I think has its centre very near Montreal, and which brings Montreal practically under solar time. As you go east they are slower until you get to the eastern border of the state of Maine or the western border of New Brunswick, where they are half an hour slower than eastern standard time. Going west, when you reach North Bay or Sudbury you come to the western edge of the eastern standard time, and there they are half an hour faster. I understand the railway company takes Fort William as the dividing point between the two times, but that is only conventional, because they are taking much more than the fifteen degrees into the eastern standard time, and I think you will find the next section has much less than fifteen degrees. I just mention this to impress upon the minister the fact that in a country extending as far east and west as Canada does you have great inequalities now. It would perhaps be feasible to advance the clock an hour if you are at the centre of one of these sections, but, when you get west of the centre, where the time is faster than it ought to be, and you advance it another hour, you are getting people out of bed in the night in order that they may be up at six or seven o'clock in the morning. They tried this daylight saving in St. John last year, and it was a great failure. The difficulty was that their time is about twenty-five minutes fast.

5 p.m.

Sir GEORGE FOSTER: Twenty-four minutes.

Mr. CARVELL: I think I made a pretty good estimate of it. St. John standard time is 24 or 25 minutes faster than St. John solar time. Then they added an hour on to that, and there was great confusion, because the Canadian Pacific Railway carries its eastern standard time down to St. John, which is nearly 100 miles east of the eastern limit of the eastern standard section. The result is they had three times in St. John, the Canadian Pacific Railway time, Atlantic Standard time (which is legal time in New Brunswick) and this daylight saving time. I know that country pretty well, yet I had a great deal of difficulty in getting out of St. John one Sunday.

Sir WILFRID LAURIER: They do not travel on Sunday down there.

Mr. CARVELL: Yes, they do occasionally. I could hardly tell what time the train left, so I simply went to the station and waited for it. If you compel the railway companies to adopt this daylight saving time, you will probably bring about a great deal of confusion. In this world there are a great many faddists as regards everything. Perhaps they are useful in some ways, but it has always appeared to me that this was one of the greatest fads ever put before the public. If you are going to adopt this Daylight Saving Bill, it can only be in effect during the summer months, when we have a great deal more sunlight than we know what to do with. If you were at the Tropic of Cancer, within a few degrees of the Equator, I can see it might make some difference, because the farther north you go the greater the variations in the length of the days and of the nights, until you get to the Arctic Circle, and from there to the North Pole, theoretic-

ally you have a point where there are six months days and six months nights. In Canada on the 21st of June we have daylight from four o'clock in the morning until half-past eight in the evening, and as you go backward, or go forward, from the 20th of March until the 21st of September, when you have the equinoxes, you have more or less daylight. People in this country usually start to work at seven o'clock in the morning, and under this scheme you practically put them to work at six o'clock, solar time. But you have daylight for two hours before that. There is no saving of oil, light, coal, or power. On the other hand, they cease work at six o'clock and there are two hours of daylight after that.

Mr. NESBITT: Three.

Mr. CARVELL: There would be under this scheme if they ceased work at five o'clock solar time. That would give three and a half hours after the day's work was done. There is, I repeat, no saving of power, light, coal or oil in manufacturing establishments. It would not mean anything in the stores, because in the summer time the stores all over the country close in the evening. In our province we have a compulsory law on the subject. If two or three storekeepers petition the Government, they issue an order compelling all storekeepers to close at six o'clock. Therefore, there is no saving as far as the stores are concerned. It simply comes down to the question of a little bit of saving in the homes of the people. We all know that people will not go to bed in the summer time until it gets dark. You can make all the laws that all the faddists in the United States or Canada ask you to make, but they will not have any effect. The Anglo-Saxon says: It is my business when I go to bed, and I am not going to bed until after dark. The country will burn just as much oil and coal as it did formerly. While in many cases this system may be an advantage, while east of the centre line of these different sections or standards it would be an advantage, it would be such a great disadvantage to those people living west of the centre line that I am afraid the disadvantage would far outweigh the advantage. I believe that wherever it has been tried in Canada it has not been a success. However, if the minister is anxious to have it go through I am not going to vote against it, but it is only pursuing one of those pleasant discussions which are matters of entertainment but have no practical value.

Mr. SCHAFFNER: This notice has been on the Order Paper so long that I was in hopes that it would stay there until the session closed. I agree entirely with the remarks of the last speaker. If you have more daylight than you know what to do with in the East, we certainly have in the West. You say that you have daylight at four o'clock in the East and that it is dark at eight. In the West you have daylight at half-past two and you can see to read at ten o'clock.

Mr. CARVELL: You are that much farther north.

Mr. SCHAFFNER: Yes, and west.

Mr. CARVELL: Being west has nothing to do with it; it is a matter of north and south.

Mr. SCHAFFNER: The report read by my hon. friend the Minister of Trade and Commerce applies to England and possibly the continent of Europe. The conditions are not parallel as between Great Britain and Canada. You may say that the United States would perhaps present a parallel case. Did I understand the minister to say that a daylight saving law had been adopted there?

Sir GEORGE FOSTER: It has passed the Senate.

Mr. SCHAFFNER: We tried this out locally in Winnipeg and Brandon last year. Brandon stood it for one month, but as it was more difficult to abolish it at Winnipeg it lasted during the summer. When the council was called upon this spring to express itself with regard to daylight saving, it unanimously decided to go back to the old, tried and reliable time which has stood us in good stead for a great many centuries and is good enough for us now. People will not go to bed, even although the clock shows 11 o'clock. They will say: It is not eleven o'clock, it is only ten o'clock and are going to stay up another hour. In my opinion the farmers of western Canada are almost a unit against the adoption of this Bill and in favour of the system that we have at present. Coming from the West, where we have a tremendous amount of daylight, it occurs to me—and I say this without the slightest desire to be offensive—that, with a temperature of 81 degrees of this House and the session nearing the first of August, we might be occupying our time better with some other measures than talking about saving daylight.

Mr. NESBITT: The hon. the Minister of Trade and Commerce (Sir George Foster) says that he has requests from various boards of trades and cities throughout the country in favour of this Daylight Saving Bill. I did not catch what he said about agriculture, but I do not know of any agriculturists who want the time set forward an hour. What good would it be to them? They get up at daylight and they work until dark. They put in fourteen or fifteen hours a day. What is going to be saved by fixing the time earlier? They would have to get up and milk the cows, as my hon. friend (Mr. A. K. Maclean) says, at three o'clock in the morning. The cows will object if they are disturbed an hour earlier. Then, what about the roosters—are they going to start to crow an hour earlier?

Sir GEORGE FOSTER: In reference to the roosters, they get in enough work now.

Mr. NESBITT: That is what I say too. They waken us up, heaven knows, early enough now without starting them an hour earlier. I cannot understand, in so far as the agricultural community is concerned, where there will be any benefit. They have to get up at five; milking starts at half past five, and they work until seven in the evening. There would not be any benefit at all in getting them up at four instead of five. Then, in the evening they will not go to bed, as my hon. friend from Carleton, N.B. (Mr. Carvell) has said, until after dark. They do not go to bed in daylight even on the farm. Therefore I do not see any benefit that can accrue on the farm. As to the manufacturer, he starts at seven o'clock and closes at six. It is daylight long before he starts, and he is not required to use artificial light except on a dark day, unless his shop is badly lighted. I do not suppose that moving the clock forward an hour will affect the darkness of a shop of that kind. If he works in a dark shop he will have to put on artificial lights but if he has a light shop he will not need any light. The hours of work will be the same. As far as fuel is concerned, if he works eight or ten hours, he will use just the same amount of fuel whether he works in daylight or darkness. Therefore I do not see any possibility of saving in fuel. I can easily understand boards of trade asking for this because they largely consist of lawyers, doctors and merchants who like to close up early and go for a game of golf. But that will not help the country one bit. There is lots of time after closing at six o'clock for golf, tennis or bowling. I do not see any benefit in this thing, and I do not know where my hon. friend gets his petitions from. I cannot imagine what business or class it will benefit, except the gentlemen whom I have mentioned. My hon. friend from Halifax (Mr. Maclean), I have no doubt, would like a law passed so that he would not have to get up at all, but I do not believe it will help the rest of us any.

Mr. BEST: If the farmers are forced to get up an hour earlier, I do not think the cows would give nearly so much. The farmers are wakened up when they should be sleeping. I think changing the time twice a year would be a great inconvenience. Hon. members fail to realize what it means for the farmers to get up at half past four or five. The farmers cannot get to work, from haying till harvest is over, till almost eight o'clock. They cannot work while the dew is on the ground. If the time is put back, it is going to injure the farmers. The men working on the farms will see that the men in villages stop work at five o'clock in the afternoon, and they will want to do the same. Some of the people in the county I represent want the time changed, but only a small percentage. I am sure that not one farmer in my county desires to see the change, and I think it would be a great mistake.

Mr. TURRIFF: There is one argument which has not, so far, been advanced in this discussion. I heard a good deal of complaint in the West about the daylight saving scheme. It came chiefly from two classes of people, the farmers throughout the country and the women in the cities. In the case of the farmer, the chief objection was that farmers living ten, twelve or fifteen miles from a town, after they got through their day's work, would run into town in their automobiles, but would find that the stores were closed an hour earlier than previously. The daylight saving did not affect the farmers themselves, because they got up just as early as before the time was changed, but it would shut them off from the opportunity of doing business in the stores in the villages and small towns. I heard a great many complaints in Winnipeg from the women. Their complaint was that the children got up an hour earlier, and they simply could not get them to bed any earlier at night, because, as everybody knows, in Winnipeg, for several months in the summer, it is daylight until

ten o'clock at night. There was very, very great complaint about the change. There may be some advantages in it that we have not heard of, but take it all round, I do not think there is any great demand in Canada for daylight saving.

Mr. GLASS: I do not think public opinion generally is behind this movement, and I will waste only a few moments in discussing it. Last year, in the city of London they tried an experiment in this matter, the movement being agitated, I think, by the Board of Trade, or by petition from a number of merchants. The plan was found to work very unsatisfactorily. It dislocated business and disorganized things generally, and it was only allowed to remain in operation for about a month, when opposition to it developed so strongly that the city council saw it was a mistake and cancelled the by-law. I find a great deal of opposition to it amongst the farming community in my district. Farmers generally were inconvenienced, and when, this year, they saw that a movement was inaugurated to promote this scheme I received from different farmers communications expressing decided objection to the proposed Bill. I think business men and farmers generally will be more satisfied if the time remains as it is.

Mr. MARCIL: As far as I can see, it would be felt more especially in the large cities, particularly in Montreal, where the tramway service is not what it should be. It would be different if we had an underground road to carry the vast hordes of people, who go to work early in the morning and have to cover eight, ten, twelve or fourteen miles before they reach their work. A large number of working people have to leave their homes an hour, or an hour and a half, before the time they are supposed to commence work. It would mean that these people would have to get up very early. We have had a great deal of inconvenience in Bonaventure. We have the Eastern Standard time, Altantic Standard, and the local mean time, so that it brought about a confusion which has not ended yet. As to a measure of this kind, it will not affect the districts which are remote from the towns, because the farmer residing a long distance from the city does not need to go to the market with his truck in the morning, and does not care at what hours the stores open or close. As the season is very short, he will get up as early as he can, and do all the work he can possibly do, because he only has three or four months in the year in which he can do any work at all. As far as those who are in the cities are concerned, I think the proposition could not be enforced successfully—for instance, in a place like Montreal—until the method and customs of the people are changed. In Montreal, especially in the summer evenings, there are attractions galore for the young people, moving picture shows and parks of various kinds, and it is very difficult to get them to go to bed early. If these people keep up their present hours, and are compelled to go to work an hour earlier in the morning, I think there will be such an outcry that the Bill will not work at all.

Sir WILFRID LAURIER: The right hon. gentleman (Sir George Foster) read some reports with regard to the experience in the working of this law in England, and, amongst other things, said that the application of this law had resulted in a great saving in expense for fuel and light. I cannot understand that. Can the hon. gentleman explain it? What difference would it make in the cost of fuel to anybody. There is no saving of fuel as far as I can see, or of light either, because in either case, the working hours in summer are all in daylight. It may be different in England, but as far as this country is concerned, I cannot see the force of his observation.

Sir GEORGE FOSTER: The conditions are different in England from the conditions here, because their evenings are not so long. The facts as brought out by the examination are stated, and I have no doubt of those facts. Here, where we have such long hours of daylight, similar saving will not take place in the items of electric light and gas, although I think there would be fairly good economy, even in respect of those two items, particularly as regards home consumption.

I have no disposition to force the Bill upon the House, if the House does not care to endorse it. I felt it my duty, in answer to very widespread requests—and as this legislation would be in consonance with that enacted in other great countries of the world—to introduce the Bill. I have presented it, and I have frankly made a statement of the case before the House. I propose now to leave it in committee, and we can use our judgment with reference to the future progress of the measure.

Mr. CARVELL: Before the hon. gentleman takes any further action, I would point out one difference between Canada and the United States, as far as daylight saving is

concerned. In Canada, as pointed out by hon. gentlemen from the West, we have more daylight than we know what to do with in the summer time, but my hon. friend is sufficient of an astronomer to know that the further north you go the longer the days in summer time and the shorter in winter. If my hon. friend would go down to the southern portion of the United States, say Texas, I do not imagine it would be daylight before five o'clock in the morning, and it would be dark at seven in the evening on the 21st of June. Conditions are different here from what they are in the United States, because we are farther north. The southern part of New Brunswick is in latitude 45 or 46. In our part of the country in June it gets dark at about half past eight. In Winnipeg and in the country north of that city, where the latitude is about 50 degress, it does not get dark until ten o'clock. I can understand that in Massachusetts, Pennsylvania and the southern part of New York state, the people might well take advantage of an extra hour in the morning, because they have not as much daylight to spare as we have. In Canada, nothing is gained by changing the time. You only disarrange the affairs of the people, and you do not make the saving that would be made by the adoption of such a measure in the central portion of the United States.

Mr. KNOWLES: I think that the people of the part of the country from which I come would be in favour of this Bill. For some years we have had what is called "fast time" in Regina—it is by the working out of these things that we determine whether or not they are beneficial. In spite of the fact that in Regina the change of time involves all the inconveniences of having time which is different from the railway time and from the time in the neighbouring towns, year after year they have resorted to fast time during the summer. That is our practical experience.

Mr. CARVELL: Is the Regina time faster or slower than the standard time?

Mr. KNOWLES: The Regina time would be pretty nearly the same as the solar time. Regina is less than one hundred miles from the point where the Canadian Pacific trainmen change the time of their watches. I cannot answer my hon. friend's question in any more detail. There is, however, that specific illustration in the case of Regina. Then there is this point: at all those places where the people have the option of taking whichever time they want, the people invariably go by the fast time. It is evident, therefore, that in its practical working out there is some convenience in the adoption of the faster time. It is a fact that we waste a great deal of daylight in the morning and that the average citizen is out of bed a great deal of the time after sunset. If you can do anything to equalize things by devoting the hours of darkness more exclusively to sleep, you are that much ahead in the enjoyment of life, and in the saving of light, and any other way you want to look at it. Personally I am very much in favour of this Bill.

Mr. McCRANEY: A few years ago in the city of Saskatoon we had a by-law providing for the changing of time. On account of the railways having standard time, there was a great deal of confusion, and that gave rise to some objection to the daylight saving plan. During the summer, before the term of the by-law had run out, the by-law was cancelled, for the reason given by the member for Assiniboia (Mr. Turriff): the difficulty parents had in getting their children off the streets and getting them to bed. I do not think that they would ask for it again.

Mr. THOBURN: There seems to be a consensus of opinion against this Bill. But, as with most Bills, there are two sides to the question involved. Most of the argument that I have heard this afternoon has been in favour of the agricultural committees; I want to say a word on behalf of the employees of the manufacturers. I think that if a vote were taken among the men employed in the manufacturing concerns of Canada, they would express themselves as largely in favour of this Bill. From my own practical experience, I am satisfied that the change would be a great benefit. Hon. gentleman may be surprised when I tell them that under present conditions the factories sometimes change their working hours in order to suit the hours of light and in order to prevent lighting up both morning and evening. In the spring they change the time one way, say half an hour; and in the fall they change it the other way. But another reason why the majority of men and women employed in the manufacturing industries are in favour of this legislation is that they all look forward to the evening as a time of pleasure. As it is now, by the time these people get home from their work, get cleaned up and do what they have to do about the house, they have not much time for pleasure. A man who has a garden, for

instance, always looks forward to the evening as the time when he will do necessary work in the garden. I am satisfied that most of these men would rather go to work earlier in the morning and have that extra hour in the evening.

An hon. MEMBER: Why not hoe the garden in the morning?

Mr. THOBURN: It is all very well to say that, but most of these men find it all they can do to get up in the morning, get their breakfast and get to work in time. If daylight saving were adopted, they would have the advantage of that extra hour in the morning, and they would get to work just as conveniently as they do now. I believe that they would prefer going to work an hour earlier in the morning for the sake of getting the extra hour in the evening.

Progress reported.

BUSINESS OF THE HOUSE.

On the motion of Sir George Foster for Committee of Supply:

Mr. CARVELL: I understand that the Military Service Bill comes up to-morrow. Of course, it will take the whole day, and possibly the next day. I may say to the Minister of Trade and Commerce (Sir George Foster), who is leading the House—the Minister of Railways (Mr. Cochrane) is not here—that I should like to have the Railway Bill brought up just as early in the week as possible. I should like to be here when that Bill is brought up.

Sir GEORGE FOSTER: It is quite possible that the Railway Bill will be taken up to-night. I shall speak to the Minister of Railways about it.

Mr. CARVELL: I should be glad if it were.

Motion agreed to.

SUPPLY.

The House in Committee of Supply.

Mr. Dugald Stewart in the Chair.

Trade and Commerce—Salaries, rent, wages and contingencies under the Canada Grain Act, $850,000.

Sir GEORGE FOSTER: This is an increase of $125,000 over last year. This vote covers all the expenditures for salaries of officers, permanent and temporary; the contingencies of the various offices in both eastern and western divisions; the salaries and contingencies of the Board of Grain Commissioners; and the working expenses of the different Government elevators, interior and terminal, from Vancouver eastward. The crop of 1913 was very much larger than was anticipated; in fact, it was the largest crop in the history of the country, so that a supplementary vote had to be taken last year to meet the expenses of the year. As between the two years, therefore, the great crop of 1915, which commenced coming out late in the autumn and continued coming out during the year 1916, caused the extra work and consequently the extra expenditure. Generally, after the usual rush of grain at the close of navigation, there is a lull, and so much work does not have to be carried on, but the crop of 1915 came out with very little lull; it was coming out during the whole season, and as soon as the season of navigation opened again in the spring of 1916, the rush was very great.

Sir WILFRID LAURIER: After the close of navigation it came out by railway?

Sir GEORGE FOSTER: Yes.

Sir WILFRID LAURIER: To Montreal?

Sir GEORGE FOSTER: It came up to the western terminals, and a good deal of it came down to Montreal. Some figures might be enlightening. At Winnipeg and other western points, for the crop year ending 31st August, 1916, 354,039 cars containing over 474,000,000 bushels of grain were inspected. The preceding year the figures were 122,831 cars containing 153,000,000 bushels. That is, in 1915, there were about three times as many cars and about three times as many bushels of grain as in the preceding year—cars from year to year taking a greater number of bushels of grain. In the crop year of 1916, for ten months to June 30, 1917, there were inspected 212,000 cars containing 279,000,000 bushels of grain, or an excess over the crop year of 1914 of about 89,000 cars and more than 126,000,000 bushels of grain. That accounts for the increased work of the staff.

Mr. TURRIFF: Does the minister purpose, during this session, bringing in a Bill to amend the Canada Grain Act?

Sir GEORGE FOSTER: I have already been questioned three or four times by my hon. friend and have made answer that I thought it would be necessary. Some of the things that I had at that time in mind I regard now, after investigation, as not of sufficient importance to make it necessary to bring them in, but there are one or two points which I think will have to be dealt with by legislation, and at the present time

I expect to bring in a very short Bill in amendment of the Act.

Mr. CARVELL: If the minister thinks I am treading on ground on which I ought not to tread I will find no fault with him if he does not answer my question. I noticed in the papers a few days ago that an arrangement had practically been made between the grain commissioners and the farmers of Canada to take care of the 1917 crop on a basis of $2.40 per bushel for No. 1 Northern at Fort William. That is a pretty good price. I am not, however, quarrelling with the price the farmer gets, but if the minister could take the House and the country into his confidence he ought to do so. We know in eastern Canada we are paying more for flour than we ought to pay. The wheat was practically all purchased, but by manipulation of the market some two or three months ago the price of wheat was sent up to $3 per bushel, and the millers commenced to sell flour on a basis of three dollar wheat. The wheat did not cost them $3; probably it did not cost them $2; it is doubtful if the wheat which is being sold to-day as flour on the basis of $3 cost the millers more than $1.50 to $1.75 per bushel. If the miller is compelled to pay $2.40 for his wheat he cannot sell his flour at much less than $12 or $13 a barrel, but there ought to be some relation between the price of wheat and the price of flour. I do not believe that the minister realizes how high the price of flour is in eastern Canada to-day. It is becoming almost an impossibility for people to buy flour. The Food Controller is taking some steps; he is asking us to curtail in the consumption of white bread and all that sort of thing, but what is bothering the labouring people in eastern Canada to-day is to get bread at almost any price. They would be only too happy to have brown bread, or coarse-grained bread, if they could get it at a reasonable price. I do not want the minister to understand me as finding fault, although I do think that $2.40 wheat is a pretty stiff price, and if the farmers of eastern Canada can get that price for very long they will soon get rich. Now that the Food Controller is going to get after the millers, the poor consumers of this country ought to know what they will have to pay for flour.

Mr. TURRIFF: I understand that $2.40 is the maximum price. If an arrangement is made to take over the whole crop at a certain price for No. 1 Northern at Fort William, the price of flour should also be fixed; the millers should not be allowed to charge what they like. It takes about 50,000,000 bushels of wheat to furnish the people of Canada with a year's supply of flour. It is well known what it costs to grind a barrel of flour, and what the handling and shipping charges are, and I repeat that the miller should be allowed to charge not more than a certain price. Otherwise the consumer will have to pay for flour at a much higher rate than the farmer is paid for his wheat, and we shall have a repetition of what happened last year when the middlemen got away with millions of dollars that should have been saved to the consumers. Personally, I think it would be a good thing all round if such an arrangement was made. There is only one customer anyway; Britain is buying for herself and her Allies. I was up in the West recently, and the farmers with whom I discussed this question were all willing to accept a reasonable price. I never heard one suggest so high a figure as that mentioned by my hon. friend.

Mr. WRIGHT: What does my hon. friend consider a fair and reasonable price?

Mr. TURRIFF: I represent only farmers; I do not represent consumers in the ordinary sense of the word. In my judgment a reasonable price would be $2 for No. 1 Northern at Fort William, which would give $1.80 to $1.87 a bushel to the ordinary farmer in the Middle West. I think that price would be satisfactory to the farmer, providing he knew the consumers of Ontario and the lower provinces were getting their flour on that basis, instead of having to pay on the basis of $2.50 a bushel. I do not want to be understood as giving this price on behalf of the farmers; I was not deputed by any farmer to state a price, but I think the figure I mentioned would be fair as between the farmers I represent and the consumers that other hon. gentlemen represent.

Mr. GLASS: Is the hon. gentleman desirous of fixing a price for next year's crop or for this year's crop only?

Mr. TURRIFF: I was speaking of this year's crop.

Mr. GLASS: My hon. friend would not go beyond this year's crop?

Mr. TURRIFF: No, I had not that in mind.

Mr. WRIGHT: Now that the bars are all down and wheat can flow freely into the

United States from western Canada, how can the price be regulated at Fort William? If the Americans happen to offer a little more than $2 a bushel, the farmer would certainly not send his wheat to Fort William to be sold at $2.

Mr. TURRIFF: I understand—and the Minister of Trade and Commerce can correct me if I am wrong—that the Governments of Great Britain, the United States and Canada are negotiating an arrangement for the handling of the crop of both the United States and Canada. If the Canadian Government or the Wheat Commission made arrangements for buying the whole crop, a fair and reasonable price would be fixed, and everybody would have to live up to the agreement. I think you would find that the great majority of farmers would be satisfied with an arrangement of that kind, though no doubt there will always be some who would not be satisfied with $2 if there was a chance of selling somewhere else for $2.50. I have never heard a farmer express himself as not being satisfied with an arrangement of that kind.

Sir GEORGE FOSTER: I understood my hon. friend (Mr. Carvell) to ask this question with reference to the 1916-17 crops?

Mr. CARVELL: I was referring to the growing crop that will be on the market in two or three months. I quite understand that the 1916 crop is in the hands of the people who bought it, and it might be said we were confiscating their property if we made arrangements regarding the 1916 crop.

Sir GEORGE FOSTER: The discussion covered both crops, I think. I wanted to make sure what my hon. friend's question was. The matter divides itself along certain broad and general lines. First of all there is one buyer, that buyer being the Allies, represented by whatever commission or committee they may set up. There will be a common buyer for the allied demands, and consequently they will not be competing against each other.

The seller is divided into two. There is the seller in the United States, and the seller in Canada, and an arrangement will no doubt be made as to the price that shall be paid, having regard to both the buyer, who must have the grain, and the seller who furnishes the supply. The reason matters have drifted along so far as they have without fixation of price or without such controlling and supervising regulations and methods as will be adopted, is that there is no United States authority yet established with power to act. In Canada we have the advantage of a War Measures Act by which Parliament gives the Government powers which are very broad and which cover a matter of this kind absolutely. Such a law does not exist in the United States, consequently the two Houses must legislate for these powers; and for the last six weeks or more they have been coming to conclusions as to just what legislation they should pass, what powers they will give, and what regulations and restrictions they will authorize to be made. Until the United States commission, or whatever it may be called, has its powers defined and is in a position to act, there must necessarily be delay and imperfect co-operation between Canada and the United States on this question. We all agree that, constituted as we are, it is advisable that the two countries should act together in reference to the prices of wheat. Our wheat goes into the United States without let or hindrance, and the market price is there accessible to the seller in Canada. It is expected that this week, or next week at the latest, the legislation will have been perfected, and then the United States authority will be constituted and its powers defined. In Canada, we have placed the matter in the hands of a Board of Supervisors, the constitution of which has been declared. The Order in Council has been laid before Parliament, and the powers of the Board are therein defined. That commission has visited Washington, and has had full communication and conference with the authorities there; and, so far as the crop of 1917-18 is concerned, it is the desire of our commission and of the United States authorities to act together. Just as soon as the legislation is through at Washington, just so soon can the two bodies take accordant action. I do not think any prices will be set for the crop of 1917-18 until the preliminaries I have mentioned have been discussed.

Mr. CARVELL: Will the minister pardon me for a moment? I have just picked up the afternoon paper, and I find that the gamblers are betting that wheat at Winnipeg will be worth $2.31¼ in October. They are betting that July wheat will be worth $2.58; I believe that is in the Chicago market—they are betting that September wheat will be worth $2.31. I quite realize the almost insurmountable difficulty in applying the law in Canada and not in the United States, but just as long as the matter is allowed to drift, just so long will the gamblers

continue their betting, and when a man bets a few million dollars that wheat will be worth so much, he will move heaven and earth to see that nothing beats him on his bet. He will go to the Government, or will go anywhere, and say: I have so much tied up in options on September—or October—or December—wheat, and if you regulate the price at lower than $2.31 I am ruined. I would like to see something done that, if these men go on gambling on the price of wheat and are ruined, they shall have no one but themselves to blame. I think notice should be given to these people by the Government that if they will gamble they do so at their own risk. The time has come when there should be very drastic action taken in Canada, not only in regard to the price of wheat but in regard to the prices of many other commodities. It is absolutely unreasonable that the consuming public should
5 p.m. be compelled to pay the prices they have been paying in many instances. Even if the United States will not pass the legislation, we have the power to prohibit the exportation of wheat from Canada, and we have the power to fix the price. Therefore, so far as Canada is concerned, we can at least protect our own people. Of course, the prohibition of the exportation of wheat is a last resort, and I hope it will not be necessary for us to go that far. At the same time, I feel we should point out to those gamblers that the food of the people must not be put up to unreasonable prices in order that they may satisfy their greed for money which they have not earned.

Sir GEORGE FOSTER: Of course, we cannot prevent people from betting on what the price of wheat will be in September or October. As I was saying, the matter divides itself into two sections. There is the 1916-17 crop which remains on hand, which I do not think is subject to the limitations that the crop of 1917-18 would be subject to on the ground of accordance between the two countries under the regulations or control which they shall have. There is not a large quantity of the 1916-17 wheat in store in Canada, although there is a considerable quantity of it; a very large proportion of that, I believe—a larger portion than I had thought— is owned actually by farmers, and is held for a price. The advantage of whatever price it is sold at, if it be an advantage, will accrue to the farmers who are holding the wheat in different storage elevators.

Mr. CARVELL: There cannot be very much sympathy with a farmer who refuses to sell his wheat for $3 a bushel.

Sir GEORGE FOSTER: I suppose the farmer might not have exactly the same view of it. It is important at the present time that the surplus of wheat in Canada should find its market and transfer from Canada at the very earliest possible moment. This is rendered necessary for two reasons—in the first place because arrangements have been made for the carriage of wheat up to the quantity of our surplus, and we do not want to retard these transportation arrangements in any way.

It is not impossible—I do not say that it will be done—that the board of Grain Supervisors will fix the price for the 1916-17 crop, which is now in store, independently entirely of what action may be taken in the United States in reference to their 1916-17 crop. The food controller, who has been appointed, takes up the problem where the Board of Grain Supervisors leaves it. They have to do with wheat and grain only. The moment they act upon wheat and grain, the food controller knows what the price of the basic article is and then can conduct his work on a fixed and certain basis, provided the arrangement for price fixation is for the total crop. There will then be no debate and matters will be simple in so far as the basic price of the prime article of food is concerned. I do not think I can say anything more in reference to this matter. The delay is regrettable. The Winnipeg Grain Exchange is not allowing any dealings in futures, and consequently speculation is shut off from the exchange.

Mr. OLIVER: What is the meaning of the announcement of the figure of $2.40 spoken of by my hon. friend from Carleton?

Sir GEORGE FOSTER: I have heard nothing officially at all about the fixing of the price of the present crop in store. I just saw it in the paper but I have no official knowledge of it. I do not know whether it is true or not true.

Mr. OLIVER: The newspapers contained the very definite announcement that the Board of Grain Supervisors had established a figure of $2.40 a bushel for No. 1 Northern at Fort William. I rather understood from my reading of the item that this was the maximum price beyond which the grain of the coming year's crop should not be sold after August 1. Was it merely the

maximum price or was it a price at which it was expected grain would be taken off the farmers' hands?

Mr. CARVELL: May I ask my hon. friend a question? Does he think there will be any practical difference between fixing a maximum price and setting the price at $2.40? Would it not be $2.40 any way?

Mr. OLIVER: I am not sure of it; I am not a grain speculator.

Sir GEORGE FOSTER: Suppose you were a grain holder and the maximum price was $2.40, would you hold?

Mr. OLIVER: I am not a grain holder, I am a consumer but that was my understanding of the item as I read it. It was not held up to the farmer that he was going to get $2.40 a bushel but it was held up that he was not going to get any more than that.

Mr. MORRISON: That was the idea I took from it.

Mr. OLIVER: The minister might answer that question.

Sir GEORGE FOSTER: I could not answer that until I had official information. It may be that the reported action is an act of the board and it may be that it is not. It may be a rumour. It may refer only to the crop of 1916-17. It might refer to the crop of 1917-18 but until I receive the official information I am not able to give it to the House.

Mr. OLIVER: My hon. friend from Macdonald (Mr. Morrison) was about to say something.

Mr. MORRISON: I understood from reading the report in the paper that it referred to the wheat of last year's crop and that it was a maximum price of $2.40.

Mr. OLIVER: My hon. friend will remember that the item referred to marketing after August 1. My understanding was that it referred to the wheat crop of the present year.

Mr. MORRISON: If I recollect aright it only had reference to the wheat on hand, the wheat in store, of the present year's crop.

Mr. OLIVER: I think that when this item is being passed such an important action as is reported to have been taken by the grain supervisors so early as to permit an announcement to be made in the papers on Saturday should have been in the minister's hands for the information of the House. This action is going to set the policy of the Government in regard to this matter and it is of the highest importance to the whole of the western country. I think the minister should have been able to have stated exactly what the purport of that action was and what the result was going to be.

Sir GEORGE FOSTER: I am very sorry that my hon. friend, tenacious as he is, and rightly so, cannot draw from me information that I have not got. Nothing would give me greater pleasure than to give it to my hon. friend if I had it. I am quite certain I will receive intimation in reference to the action of the board just as soon as it officially acts. Whether this is an official act or not, or a foreshadowing, or a rumour, I cannot tell, but as soon as I have the information I will give it to the House and the House has a right to have it.

Mr. OLIVER: My hon. friend from Carleton said that if a maximum of $2.40 is fixed there will be no minimum, that that will be the price and that there will be nothing below that. Is that the correct view?

Sir GEORGE FOSTER: I am not going to give my hon. friend a view as to what will take place in the practical operations of the market if you set simply a maximum price and nothing else. I do not know whether every man who holds grain would hold it with the idea that, that being the maximum price, conditions would be such that that he would probably get that price if he held on to it rather than sell it at less. From that point of view it would seem that simply to fix a maximum price would be to fix the actual selling price. But there are differences of opinion in regard to fixing a maximum and minimum price. From almost as many grain men as you may talk with you will get just as many different opinions as to what will be the effect of fixing a maximum price alone or fixing a maximum and minimum price.

Mr. OLIVER: I am sorry we are not able to get more definite information from the Government in regard to this matter that is now entering upon an entirely new and most critical stage. The House should be more thoroughly informed in regard to what may or may not have been the action of this Board of Grain Supervisors and as to how far their action is going to affect the profits of the farm particularly in the western country. Surely this is the place to give the public information in regard to it. If we have suffered in the past it is because we have not known what was going to occur. In the nature of things, we could

not know what was going to occur, but now, if, under the authority of Parliament, we are going to make things happen as we wish, surely Parliament and the country should know it.

Sir GEORGE FOSTER: I do not want my hon. friend to have in the back of his head the least glimmering of an idea that I have this information and am not giving it to the House, because that would not be a correct idea in any respect. I do not know that he even thinks that. My arrangement made with the chairman of the board was that he should regularly and promptly report the principal actions that took place. As I have not had a report from him, I am rather inclined to think that no official action has been yet taken, and that what appeared in the newspapers was probably something of a guess.

Mr. MORRISON: In Saturday evening's Journal I find the following:

Grain Supervisors Fix Wheat Price.

Board Decides on $2.40 per Bushel—Applies to Balance of Present Crop.

Toronto July 21.—The Board of Grain Supervisors for Canada, in session in Toronto yesterday, have ruled that, dating from August 1, 1917, the maximum price of wheat, basis 1 Northern in store Fort William, shall not exceed $2.40 per bushel. This holds until further notice and applies to the balance of the present crop.

Mr. WRIGHT: Is it in the power of the supervisor to fix a price for the other grades of grain? This quotation seems to be for No. 1 Northern. As a rule the price for 2, 3, 4, 5 and 6, and the other grades are regulated by the law of supply and demand. There being a fixed price for No. 1 Northern, would the intention be to allow all the other grades to be regulated by the demand made for them, or would the Grain Supervisors set the price for each different grade of grain? I am not at all clear upon the point, and I think it would be of value to us if we had some information in regard to it.

Sir GEORGE FOSTER: The Board of Grain Supervisors has complete power to fix the price of grain, and that means not only No. 1 Northern or No. 2, but all grades. No one knows better than my hon. friend that you must have some basis upon which to make a contract, and my own impression is that all grades are valuable and necessary, to the last grade of the grain, and that the prices of the several grades, if fixed by the Board of Grain Supervisors, will be fixed in accordance with the relation of the grades to one another in point of milling values.

Mr. OLIVER: We are dealing with a very serious matter, and I am sure that almost all of us are disappointed at the lack of information in the statement that has been given to the House by the minister. Is it a fact that, in a matter so tremendously important, certainly to the prairie West and through the West to all Canada, the House having given the power absolutely to the Government under the War Measures Act, the Government has handed that power to the Board of Grain Supervisors, without let or hindrance, without check or authorization as to what they are or are not to do? I can hardly imagine that to be the case. Would this not be the time and the occasion for the minister to inform the country exactly how far this Board of Grain Supervisors has been empowered, and in what way it is expected that they will exercise that stupendous authority that has been placed in their hands?

Sir GEORGE FOSTER: The Order in Council fixing the powers of the Board of Grain Supervisors has been placed on the table of the House, and is available for members of the committee.

Mr. OLIVER: Certain powers are defined in the order in council, but very frequently those of us who are not familiar with legal construction may be the better of an explanation as to just exactly what the order in council means, and we would like particularly to have a statement from the minister as to the line in which the Government propose to direct the efforts and activities of this grain commission and what the object to be achieved is.

Sir GEORGE FOSTER: After all, it seems to me that when, in any important question of this kind, you constitute and empower a body to deal with it the less interference with that body by Government the better; otherwise we should be exposed to the criticism that, whilst appearing to have this thing done by a more or less independent body clothed with power, the Government was simply using this body as an instrument to do what the Government thought best to be done. That is one side of the question, and my hon. friend will see it is an important side, and that therefore it is necessary to be careful in the selection of the men to whom you trust these great powers. The other side of the question is whether, in any case, the approval of the Government is necessary before the decis-

ions of the Board become effective. I do not carry in my mind just what the powers of the Board are as defined in the order in council, but I am quite sure the intention was, after having selected this body of men, to put the power in their hands to the utmost possible extent, so that they, having the matter in hand and being versed in all the ins and outs of this very complex business, might not be interfered with by the Government, or by politics or parties. At the same time, in reference to regulations of certain kinds, the Government has power of approval.

Mr. OLIVER: In regard to certain negotiations that were in progress, I think last fall, in reference to the crop that is now on the market, I understand my hon. friend was negotiating with certain representatives of western grain interests in regard to fixing a price at that time. My understanding was that there was a price offered and a price demanded, and that if the arrangement had been closed at that time those who to some extent represented the farming interests would have accepted a basic price of $1.70 for No. 1 Northern, as against $1.30 offered on behalf of the Government through the Minister of Trade and Commerce. What is the fact in regard to that matter?

Sir GEORGE FOSTER: I think the facts can be very simply stated. The Canadian Government have been anxious, since the beginning of the war, that Canada should have all possible opportunity of supplying the demands of Great Britain and the Allies for such things as Canada produces. We have always been in touch with the British Government and its different departments in regard to all kinds of supplies that are required and that can be produced in Canada. We are kept up to the mark in that respect by the people in Canada who have these things to sell and who are anxious to dispose of them. In carrying out that line of communication, which had never been interrupted from the time the war began, the question was mooted as to the crop of 1916-17. The British Government were asked whether they had any proposals to make with reference to the securing of that crop. Different communications took place. I was in London for a little while; I met the Export Wheat Buying Commission there, and talked the matter over with them. The result was that they made an offer for the whole crop surplus for 1916-17, the offer running at about $1.20 or $1.22 a bushel at Fort William. Ultimately they raised the offer to about $1.30 or $1.32. I simply did what I thought was my duty; I passed that offer on to persons who appeared to be representative farmers who could take hold of and decide upon any such offer—the Council of Agriculture of the West. I asked these gentlemen to come down and see me. They came, and I told them frankly and fully what had taken place. They discussed the question with me, went back, and then decided that the terms were not high enough. Consequently, the thing fell through.

Mr. OLIVER: Did they make an offer?

Sir GEORGE FOSTER: If my memory serves me correctly, the price ranged between $1.50, minimum price, and $1.75, maximum price. There again the question of minimum and maximum came up. There is a good deal in favour of the contention that if a maximum price is mentioned and the necessity for the grain is pressing, the grain brings the maximum price.

Mr. OLIVER: I believe that one of the gentlemen who was concerned in these negotiations was Mr. Maharg, president of the Council of Agriculture?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: Has the minister seen Mr. Maharg's statement in regard to these negotiations? If so, does he agree with that statement?

Sir GEORGE FOSTER: I have seen the interview which was given by Mr. Maharg, but I do not carry it in my memory. In so far, however, as Mr. Maharg's statement is not on all fours with the statement that I have made here, it must come from some misapprehension—not wilful misapprehension—on his part. I think that the attempt was made to represent me as pressing the western farmers to take the $1.30 a bushel. Whatever my private opinion was, it was not part of my duty to press upon them a price which they did not wish to take. I may say frankly that as things looked at that time, it might have been that I thought they should very carefully consider a price at or around those figures. Matters, of course, have greatly changed since that time.

Mr. OLIVER: The farmers who wished to sell last fall did get about $1.75. It will be observed that there is a very wide margin between the $1.75 which the farmers asked last fall for a part of the crop now in the elevators, and the maximum figure of $2.40 that has been fixed by the Board of Grain Supervisors for the remainder of that same crop. I am bringing these facts out

for the purpose of showing that it was not the exorbitant demands of the farmers that made the price $2.40, if that is the price, because certain representative farmers—who, however, did not officially represent the farming community—did, as a matter of fact, believing that that they were acting on behalf of the farmers, offer the crop at $1.75.

Sir GEORGE FOSTER: My hon. friend must bear in mind that conditions change. If there had been no submarine menace, and if many things that happened had not happened, perhaps $1.30 or $1.40 would have been a princely price. As it is, it turned out the other way.

Mr. OLIVER: I do not wish to be understood as finding fault with what has been done. But the idea has prevailed in some quarters that the western farmer is taking undue advantage of the situation and is responsible for the high cost of the greatest necessary of life. I merely wish to justify him to this extent: that he did offer to sell out last fall at $1.75, which as a matter of fact, was the maximum price that the large majority of the farmers got.

Mr. WRIGHT: I do not know what authority Mr. Maharg would have in the West to speak for the farmers of the West. Neither Mr. Maharg nor any other man or association has any right or power whatever to speak for the farmers of the West. Each farmer is master of his own grain and can sell it at any price that he can get for it at any time. If the farmer was holding the grain, he was holding it expecting to get a better price, without any regard to any bargain made by Mr. Maharg or anyone else. I do not think too much stress should be laid on the fact that some association in the West mentioned a certain figure that might be accepted by the farmers of the West for their product. Such offer was made without authority, and would not be binding upon the farmers. Probably if it had been accepted, no action would have followed.

Mr. McKENZIE: I do not represent the grain growers or the grain speculators; I represent a very large body of the people who have to eat bread. We are passing a large amount of money into the hands of the Department of Trade and Commerce for the purpose of dealing with matters affecting grain in the West. As far as I am concerned, that money is voted for some useful purpose.

I am somewhat disappointed at the quantity of information we have been able to obtain from the minister this afternoon on the question of grain handling and grain prices in the West. Some years ago, long before the war and since this ministry came into office, I took the responsibility, and more or less risk, to mention to the present Minister of Trade and Commerce that his department ought to be in possession of some information in respect to the price of grain from the time it was cut in the field until it got to the elevator and possibly to the mill. On that occasion, the minister answered me with a great deal of witticism and facetiousness and the know-it-all policy that he usually brings forward in matters of this kind, so that any one who doubts him or who looks for information is simply wasting time and beating against a rock from which he gets no result. That seems to be the policy of the minister about these matters. For many months since the war began, we were told by the minister that it was out of the question for the Government to do anything towards regulating those matters, but we kept at them until at last they seemed to change their minds and to think that something could be done, because they started appointing a commissioner, and then they appointed a commissioner to examine the report of the commissioner, and another commissioner to examine the Board of Commissioners. The thing seems to go on like an endless chain without any termination. It would be unkind, I suppose, to say that the Government is taking this method of putting the thing off and giving it over into the hands of the profiteers, the combines, and the trusts, at the expense of the poor people. I am not saying that is the purpose, but that is the result. If the question were put up to the minister to say: what did those who are getting this $150,000 cash do during the last year to help the miner or the lumberman in Cape Breton by cheapening the cost of flour, I think the minister would have to say that they did nothing at all, and that the Government did not ask them to do anything. I have in my hand a report made by Mr. O'Connor, an official of the Government, on the high cost of living. What he says in paragraph 2 of his conclusion is along the line that I have just suggested, namely, that the Government could have done something much earlier than they did. In paragraph 2, Mr. O'Connor says:

> Individual instances of profiteering occurred during the year 1916. These I have already identified. If they had occurred during the present year, since the provision of the Order in Council under which I am acting in the

making of these investigations, I would consider it my duty to recommend that the facts be laid before the proper Attorney General for his consideration as to their criminality.

That is what an officer of the Government says about profiteering in this country, and this profiteering was going on as much, I presume, in connection with wheat and other things, and the reason the criminals are going to escape is by the accident of the date of an order in council. If the minister had the public interest at heart, he would not agree that a mere date in an order in council would permit them to escape, when the Government have the power to change that date back and forth just as they like and to make it go back to the date of the War Measures Act. Would the minister take this to be a good answer from anybody else to say that the order in council bore a certain date and that therefore criminality and profiteering could escape? This report has the approval and sanction of the Government because by them it is printed and by them it is laid upon the table of the House and distributed amongst hon. members. I further want to bring to the notice of the Government along this line—and it is quite in accordance with the officialdom in the West and elsewhere for which we are voting money—that although they profess to be getting money from those big concerns for the carrying on of the war, it is merely farcical to be taking it from them in the way it is done, because the big interests simply pile it on the commodities they are producing. If a proper accountant were to investigate the business done by the great profiteers from whom this money is taken, he would find that not only do they put back on the price every dollar that is taken from them by way of a War Profits Tax, but interest on the money, and everything else they can think of is piled on, and that is finally taken out of the pockets of the poor man. That is what has happened in the case of every article that has been taxed. The Ogilvie mills, and some other mills which might be named—I am not naming the Ogilvie mills as being greater sinners than the rest—when they sent the prices on flour up to $16 and $17 a barrel, did so for the purpose of getting back the moneys this Government is taking from them as a War Profits Tax. I simply mention this particular case as an illustration so that the minister may understand what I am speaking about. The Department of Trade and Commerce should have a distinct knowledge of every step about this grain from the time the seed is put into the ground until the grain is handed over to the miller for grinding, or until the flour is put into the bags or barrels for sale. If we had that knowledge, as we surely may and can have it, we would not be obliged to take the most unfair course of asking hon. members here who represent western farming constituencies what they would call a proper price for wheat. That is not a proper question to put to such a member. It is just as unfair a question as to ask me what would be a fair price for coal at the pit mouth, or on board the steamer, because I might be giving away some secrets in connection with the business of the people whom I represent here. So far as the production of coal is concerned, there is no difficulty for any man who follows the matter to know to a half cent what coal should be produced for. He knows the amount of the royalty; he knows the cost to cut it, to hoist it, to put it on the car and to deliver it on board the steamer. Therefore a proper accountant or statistician who follows the matter will know to a half cent whether a coal owner is charging too much or not. The same thing ought to be true about wheat, and if the country wants to know whether a fair price is being charged for wheat, it is not the proper thing for a member on the Government side of the House, in order to make a political point, to ask a member who represents a farming constituency what is a fair price to charge. The department ought to know what it costs to produce wheat and what the charge for flour ought to be to give the millers a fair profit upon their investment and expenditure. We are past that stage in this war when we can speak about prices being regulated by supply and demand.

Whatever may happen after the war, the present conditions demand that the Government arrange for the people getting flour at a reasonable price, and preventing prices from reaching a level which Mr. O'Connor said in his report might be lawful but was certainly not respectable. That is the ground I take. The people I represent in this House are non-producers of foodstuffs, but they are just as useful in the community, and just as useful in the production of the necessities of war as are the people of any other section of Canada. They should not be made the victims of speculators in this way, and be forced to pay $16 or $17 a barrel for flour. In this great Canada of ours there are millions and millions of bushels of grain every year that

we cannot use. There must be some remedy, and we have nobody to look to for a remedy but the Government and the department. I sincerely trust that some action will soon be taken, without waiting for a new report and then getting some one else to report on the reporter, keeping the question up interminably, with no relief for the people.

Mr. GLASS: My hon. friend seems to have lost sight of the difficulty that would ensue in a country like this if prices were to be fixed. We live alongside a country with 3,000 miles of frontier, the border, geographically speaking, being an invisible line. Conditions change very rapidly, and I have no doubt that one of the reasons why the board of supervisors were appointed was because of the entry of the United States into this war, and of the two countries having much in common. I have not heard any hon. gentleman express the opinion that it is the duty of this Government to fix a price at which the farmer shall be compelled to sell his grain; I do not think it is the duty of the Government to do that. I think it was fortunate that no action was taken last fall, when it was proposed to fix a price for the farmers' wheat. As events have turned out, they have been to the farmers' advantage. I do not think the people of this country object to the farmer getting the best possible price for his commodities, but what they do object to is the profit that goes to the middleman between the farmer and the consumer. The Minister of Trade and Commerce has pointed out that the board of supervisors have the power to fix a maximum price for grain. I do not see what good could come of fixing a maximum price unless some organization backed up by Government buys the grain from the farmer at that maximum price. On the other hand, I certainly think it would be an advantage to the farmer to have a minimum price fixed, spread over a period of two or three years. But a maximum price is of no advantage unless arrangements are made for buying the grain from the farmer at that price. If such an arrangement were not made, the law of supply and demand would determine the price the farmer would receive. I think the greatest encouragement possible would be given our farmers if we adopted the policy of the British Government of fixing a minimum price spread over a period of two or three years. The farmer who responds to the appeal for greater production necessarily goes to a large expenditure in breaking up more land, acquiring more machinery, and engaging extra help, and it would be a great encouragement to him to know that he would receive a minimum price, ensuring adequate profit, for his product.

Sir GEORGE FOSTER: My hon. friend from Cape Breton has intervened with an extraneous subject, remotely connected with what we are discussing, and I shall have to leave him on Hansard in order to get my answer in to the previous questioner before six o'clock. The order in council reads:

> The Board shall make such inquiries and investigations as from time to time it deems necessary to ascertain what supplies of grain are now available or will be available. The Board shall ascertain the location and ownership of such grain and what transportation and elevator facilities are available in connection therewith, as well as all conditions connected with the marketing and market price of the same.

The board are given the powers of a commissioner under the Inquiries Act for the purpose of any inquiries they may make. Section 4 says:

> The Board shall have power from time to time to fix the price at which grain stored in any elevator may be purchased and the conditions as to price, destination or otherwise under which grain may be removed from such elevator, and may also prescribe what grain shall be sold to millers or milling firms in Canada or elsewhere, and what grain shall be sent to the United Kingdom and the Allied powers.
>
> It will be the duty of the Board to issue such orders and take such action as it deems necessary to facilitate at all times the transportation and delivery of grain in excess of domestic requirements to the United Kingdom and the Allied powers.
>
> (a) Any price so fixed shall be subject to the approval of the Chairman of the Board.

Mr. OLIVER: Once the board is appointed they are vested with a certain power. Are they expected to exercise that power from the date of their investiture, or do they allow it to lie dormant until an occasion arises that calls for its exercise?

Sir GEORGE FOSTER: They exercise it whenever they deem necessary.

Mr. OLIVER: There may be no exercise of that power?

Sir GEORGE FOSTER: Quite so.

Mr. OLIVER: And they may exercise it on occasion?

Sir GEORGE FOSTER: Yes, my hon. friend will see that they do not go farther than the storage places. The grain trade goes on as it may, between the time it leaves

the producer and the time it is stored in the elevator.

Mr. BURNHAM: Is it the intention of the Government to establish a relativity of prices, or do they intend to grapple with those cases where industrial disease, blight or something of that description, has made it necessary that some remedy be adopted? Or do they propose to take some scientific plan and establish as I say the relativity of prices and maintain them in order that there may not be this continual unrest and the pulling of one against the other to such an extent that it distorts the whole body of industry?

Sir GEORGE FOSTER: Does my hon. friend expect me to answer that question offhand, and without hesitation? I think I shall have to ask the privilege of seeing the question in print before I can make an answer that would do justice to myself or to my hon. friend. My hon. friend quite understands it is a most serious undertaking to arrange prices throughout the length and breadth of a country like this, in such a way that everything will flow absolutely smoothly.

Mr. OLIVER: In view of the importance of the subject, I think it would be well if the minister would read the whole of the order in council.

Sir GEORGE FOSTER. I have given the gist of the order. In so far as the fixing of prices is concerned the board has the decision as to what is necessary and when it is necessary.

Mr. OLIVER: I am sure it would be very valuable information, and much benefit would be derived from the reading of the order in council. Questions might then arise which do not now suggest themselves. For instance, I think the question I asked has brought out a fact which is not covered absolutely in the order in council.

Sir GEORGE FOSTER: The main provisions of the order in council are:

5. The Board shall have power to receive offers for the purchase of grain from millers and from the Wheat Export Company, Limited, or from any other person or body representing or acting for the Government of the United Kingdom or for any of the Allied nations or for any combination of the same, and from time to time to fix the prices at which such grain shall be sold.

6. The Board shall have power to take possession of and sell and deliver to millers or to overseas purchasers at the prices so fixed grain stored in any elevator, and to account and pay over to the orders thereof the proceeds of such sales after deducting all expenses connected with the taking possession, sale and delivery.

7. The Board shall, as far as possible, and having regard to position and the cost of transportation fix a uniform price throughout Canada for grain of the same kind, quality and grade.

8. Notwithstanding anything in the Grain Act or in the Railway Act, the Board of Railway Commissioners for Canada shall have power to order any railway company to provide cars and other transportation facilities for handling grain and to transport as directed, grain taken possession of or owned by the Board.

9 Every person shall truthfully and promptly answer any inquiry made by the Board or by any person duly authorized on its behalf about any matter within its powers or duties, whether such inquiry is made verbally, in writing, by telegraph, or in any other way.

10. In this order "Elevator" means and includes any terminal, country, private, public and hospital elevator, and any elevator licensed by the Board of Grain Commissioners for Canada.

11. The Board, with the approval of the Governor in Council, may make any regulations it deems necessary for the purpose of fully and effectively carrying out the objects and provisions of these regulations, and in particular, but without limiting the generality of the foregoing, may make regulations:—

(a) For appointing representatives in different places in Canada for the purpose, from time to time, of making known in such localities the prices of grain fixed and other regulations or directions made by the Board, and for reporting to the Board any violations of any order issued by the Board or any regulation made hereunder, and generally for assisting the Board in the effective discharge of its duties.

(b) To authorize the engaging of clerks, employees, and assistants and the paying of their salaries.

(c) Creating offences and providing penalties in respect of violations of any order made by the Board or of any regulation made hereunder.

Mr. OLIVER: I am afraid we will have to ask the minister for information as to the policy of the Government in regard to this matter. It might be as well to let it stand until after recess.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock, Mr. Blain in the Chair.

Mr. OLIVER: The Minister of Trade and Commerce was reading and explaining the order in council under which the board of grain supervisors was appointed. I would be glad if he would be good enough to conclude the reading.

Sir GEORGE FOSTER: I completed it just at six o'clock.

Mr. OLIVER: The order in council has conferred upon the board of grain supervisors very remarkable powers. I fancy it would be safe to say that all the power that

was delegated to the Government by Parliament in the War Measures Act has again been delegated by the Government to the board of grain supervisors in the matter of handling and dealing with the grain crop.

Sir GEORGE FOSTER: As far as defined there.

Mr. OLIVER: Does it only apply to wheat; does it apply to other grain?

Sir GEORGE FOSTER: To grain.

Mr. OLIVER: All grain?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: And to eastern Canada as well as western Canada, or only to western Canada?

Sir GEORGE FOSTER: It applies to all Canada.

Mr. OLIVER: It is a matter of very grave interest to every one as to the times and occasions and circumstances under which the board will exercise these very great powers. My hon. friend informed the House that the granting of the powers did not necessarily mean the exercise of the powers, that they would be exercised as occasion demanded.

Sir GEORGE FOSTER: There is a purpose to be accomplished. If they accomplish that purpose without fixing the price they need not exercise the power.

Mr. OLIVER: It is of very great interest to the public to have knowledge as to the circumstances and character of the occasions under which this board will exercise those extraordinary powers. That must be, I presume, a matter of explaining the arrangements or instructions as between the Government and the board. Just on that point I am sure the House and the country will be glad to hear from the minister.

Sir GEORGE FOSTER: There are no instructions given by the Government, or by any member of the Government, to the board. There are the powers and they exercise the powers in the way in which we have discussed this afternoon. If the board wish to consult with me as the minister under whom they act to a certain extent—that is, they report to me—they have the right of consultation, but I do not consider, and it is not within the four corners of the order in council, that they are to be directed by the Government. Certainly no direction has taken place up to this present time.

Mr. OLIVER: The authority vested in this board is an authority to commandeer the grain crop of Canada. The minister, surely, was not a party to placing that enormous, that stupendous, power in the hands of otherwise private individuals without having an appreciation of, or an understanding as to, the circumstances under which such a stupendous power would be exercised. Surely the minister can enlighten us on that point?

Sir GEORGE FOSTER: Again, I am unable after dinner, as I was before dinner, to give my hon. friend the information which I do not possess, and which, if I gave it to him, I would have to manufacture. I can only answer as to the facts as they are and these are the facts: This power is not a power over everything under heaven and on earth. It has to do with a certain line of action to bring about a certain result. The purpose is that the Allies shall get the surplus grain that they want from Canada, this board is for the purpose of carrying out that idea, and it was given these powers in order that that might be done, going no farther than the storage place, as was explained before the dinner hour. When the grain is stored then they have a choice of the various powers which I outlined. But the whole purpose of it is that for reasonable and fair prices paid the surplus grain may be put in the hands of the Allies for their purposes, conserving what is necessary for the use of our millers and for Canadian consumption.

Mr. OLIVER: Are we to understand that this action on their part does not require confirmation by the Government, no matter what the action may be?

Sir GEORGE FOSTER: Of course, the Government always have the power, when originating and passing an order in council, to cancel it.

Mr. OLIVER: I have pressed the minister very strongly in regard to this matter, and I have done so because of its importance. Although, under this power, the grain supervisors have not control of everything in the heavens above or on the earth beneath, they have control of such an important part of what is on the face of the earth that there is no man in Canada but must feel a very deep interest in the exercise of the tremendous authority vested in them. I do not wish to be understood as finding fault at this stage of the proceedings with the object in view as stated by the minister; that is to ensure that the

grain of Canada shall reach the Allies at reasonable prices. Under the present circumstances of success that is a very proper purpose and is the object of governmental action. But I cannot agree that it is an entirely satisfactory position in which the people of Canada find themselves under the order in council and subject to the policy as laid down by the minister. I gather from what he said that the board of grain supervisors may commander any amount of grain they please, at any time they please and at any price they please, and that the only remedy the Government has is to cancel their powers, and that the only remedy Parliament would have would be to upset the Government if circumstances would permit of such a thing being done.

I hope to be excused if I say that I do not agree that that is a satisfactory arrangement. This Parliament is, or ought to be, responsible to the people of Canada. The Government should be responsible to this Parliament for every act which is done under the authority of the Government which affects the people of Canada. That the board should be constituted, as far as possible, on lines removed from direction or control by the Government of the country.that is to say, by Parliament—is not, it seems to me, an arrangement that I could approve of as being satisfactory. I would not be prepared to argue that a reasonably wise choice has not been made in the selection of the board of grain supervisors. I have the pleasure of an acquaintance with some members of the board, and others I do not know. But that is not the point. Putting myself in the position of the ordinary farmer, these gentlemen are handling my property, and, while I am willing to make every sacrifice in the interest and for the well being of the Allied cause in this war, I claim the right to have something to say in regard to the management of my own affairs. I am not speaking personally, but I am speaking as though I were a member of the farming community. As a farmer, I have a very deep interest in seeing that I secure that price for my product that I am fairly entitled to, under conditions as they exist, and, as a citizen, I am entitled to be assured that when the hand of authority is laid upon my property and my rights, it shall be in the best interests of the Allied cause. I am entitled, as a citizen of Canada, to have that assuranace, and, being a citizen of Canada, I am, in fact, a member of the Government of Canada, or would have been, if the elections had been held at the proper time.

Sir GEORGE FOSTER: Or if we had a union Government?

Mr. OLIVER: No, a union Government would not have that result. But the citizens of Canada have the right to have the control and direction of their business, through their executive, the Government, and my view is that any board of commissioners, or body of men vested with authority, which under many circumstances is right and proper, should have full responsibility to the Government of the day for their action, and that their action should be subject to confirmation by the Government, so that the Government would be held responsible by Parliament and by the people for whatever action was taken. It seems to me that is the only satisfactory way of transacting this very important business. The fact that there are peculiar conditions which have to be met by special means, makes it all the more necessary, in my humble judgment, that the chain of responsibility should be thoroughly established link by link, from the commission right back to the country.

Mr. GLASS: Would not the Government which has appointed the supervisors have the power of cancelling the appointment, and, by that means, have direct control of the supervisors who have been appointed? If their actions are not satisfactory to the Government, they are immediately under the control of the Government, and the Government would have power to cancel the appointment. In the meantime, these men attend to the details and study market conditions at a time when the members of Parliament are charged with other responsibilities, but I cannot see how you can take the control of this board out of the hands of the Government, because these men simply have the power delegated to them by the Government. Does the hon. gentleman not think the Government has power to cancel their appointment if it becomes necessary?

Mr. OLIVER: I do not recall the terms and conditions of the appointment in the order in council. Is this board of commissioners appointed in the same manner as the railway board is appointed?

Sir GEORGE FOSTER: Just appointed for this purpose.

Mr. OLIVER: During what time?

Sir GEORGE FOSTER: A term that is stated there, whilst action is necessary—until their recall.

Mr. GLASS: Would the minister say whether the Government has or has not the power to cancel or recall them at any time?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: The Government has the power to cancel their appointment at any time?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: In that case, are we to understand that the principle of direct responsibility for the actions, and the results of the actions of the grain supervisors, is accepted?

Sir GEORGE FOSTER: Absolutely. My hon. friend has argued in a queer circle. He makes himself, in the first place, one of the farmers of the country, for the sake of argument. Suppose there are a thousand farmers in our country who are effected, the Crown has the property of that thousand farmers. The farmers are interested in knowing that they get a reasonable price and that their interests are protected. By what method could you put that thousand farmers into any room, and keep them there, where they could see everything that was done and ascertain whether or not their interests were protected? The farmers select representatives, and the representatives come to this House, and the representatives have their powers. They put Governments in, and put Governments out. The Governments have certain executive things to do. They undertake an executive action. It is impossible to have 224 members of this House in any room, in any place, at any time, and at all times where the Government is carrying out that executive action? It would be just as impossible for the farmers to be in attendance. There is only one way, under representative democratic government: that is that the farmers should hold their representatives responsible, and the representatives hold the Government responsible, and the Government cannot break its chain of responsibility by appointing a body of men and saying to them with reference to this particular work: go ahead and do it. Of course, the Government is responsible. As to the common sense of the thing, does my hon. friend think that 14, 16 or 18 members of this Government, or of any Government that you might have at Ottawa, is the proper party, around the council table, to decide and carry out such action as that contemplated here? The most abstruse questions come before council for investigation. Difficult questions have to be studied continuously, and must be studied by men who understand the questions, who will stay with the job, and who understand how to carry out the job. Therefore, when this question was taken up by the Government, it was clearly impossible that they could sit round the Council table and decide these matters, and keep themselves, day by day and hour by hour, possessed of the information which would enable them to act wisely and properly. They did the best they could. They selected a body of men who they thought, possessed the knowledge, the honesty, and the probity, and they appointed them to do that work. My hon. friend would find greater cause for criticism if he came into the House and elicited from me the information that these men could fix no price and take no action whatever unless they first secured the approval of the Government. But my hon. friend has on hundreds of occasions in the House said that he has not the least bit of faith in this Government or any member of it. He thinks they would jew the country, jew the Liberal party, do anything at all under God's heaven in order to get ahead of the poor, beleaguered Opposition.

Mr. OLIVER: My hon. friend is very clear in his statements.

Sir GEORGE FOSTER: What a splendid chance it would be for my hon. friend if we had tied up that commission, saying to them: Before you pull a string you must come to Ottawa and consult us as to whether you shall pull it or not; there is a chap out there by the name of Frank Oliver; you wind him up by taking his grain, some way or other. That is what my hon. friend, because of his view of the calibre and quality of this Government, would think that we would be disposed to do. We did not want to do that. We want my hon. friend's grain to get just as good a chance as anybody else's. Therefore, we get the men, tell them to do the work—and we keep our hands off them. If they act in such a way that it is a scandal and a harm to the country, we can cut the strings and their powers instantly cease. That ought to satisfy my hon. friend; indeed, I believe that it does satisfy him, but he will not admit that it does.

Mr. OLIVER: I am satisfied that the position taken by the minister in the earlier stages of this discussion has been definitely

abandoned by him. We are now given to understand that the Government is responsible for the acts of the board of grain supervisors.

Sir GEORGE FOSTER: I never said anything else, did I?

Mr. OLIVER: I understood otherwise from my hon. friend's earlier remarks.

Sir GEORGE FOSTER: I expressed myself badly if the hon. member got that idea from my remarks.

Mr. OLIVER: Then it was because of my misunderstanding my hon. friend that I have taken up so much of the time of the committee in securing from him the very clear statement that he has just made. I suggest the importance of having the position definitely stated. This board can commandeer all the grain in Canada at any price they like.

Sir GEORGE FOSTER: No.

Mr. OLIVER: Then what can they do?

Sir GEORGE FOSTER: They can do just what they have power to do under this order in council. They can go as far as the place of storage, but they cannot go into a farmer's yard, grain bin, or anything of the kind. Unless the farmer who raises the grain gets it into the elevator the board are not, under these powers, in possession of any string on it. That is quite different from being able to commandeer all the grain in Canada.

Mr. OLIVER: I misstated the case when I said all the grain. But all the grain in storage in Canada they can sell at any price they please, and the owner must accept that price. I recall that a couple of years ago, at the direct instance of the Government, some 15,000,000 bushels of grain were commandeered in the terminal elevators at Fort William. I recall the difficulties that arose out of that commandeering, and I wanted to have absolutely fixed the responsibility for whatever may take place when similar action is taken, if it ever is taken, by the board of grain supervisors. Let us not make any mistake; we are giving our assent here to power that is of the most extraordinary and far-reaching character. While we agree that under certain circumstances and conditions it may be proper to exercise that power, there may be very wide differences of opinion as to its merit at the time it is exercised. I wanted, therefore, at this time and in this place to have fixed absolutely the responsibility which my hon. friend has officially and in express terms assumed.

Mr. GLASS: The Food Administration Bill of the United States which was passed on Saturday last, fixed a minimum price of $2 a bushel on wheat during the period of the war. In England, if I remember rightly, a minimum price was guaranteed for a period of three years. The price was not a fixed amount for the whole of that period; for 1916 the price was fixed at a certain amount, for 1917 the price was somewhat lower—twenty cents, I think—and for 1918 the price was still lower. The reductions were graded from year to year; nevertheless, a minimum price was fixed upon which the farmer might count. As they have fixed a minimum price of $2 a bushel in the United States, all the wheat that we sell there must command that minimum price during the period of the war. The circumstances, therefore, would seem to justify our fixing a minimum price here. No matter what happens, we cannot anticipate, with free interchange of wheat between this country and the United States, that the price in Canada will recede below the price fixed as a minimum by the United States during the period of the war.

Mr. MORRISON: Is the grade mentioned in connection with that minimum price?

Mr. GLASS: The despatch says that the Food Administration Bill of the United States passed on Saturday last—

Sir GEORGE FOSTER: Passed what?

Mr. GLASS: Passed the Senate, by a vote of 81 to 6. The despatch continues:

> The bipartisan leaders had worked broader features of control into the Bill, extending its operation specifically to coal, fixing a minimum price of wheat to the farmer of $2 a bushel, and empowering the President in time of emergency to buy fuel, wheat, flour, meal, beans, potatoes and coal from producers and sell to consumers.

Mr. NESBITT: The Bill passed the Senate, but not the House of Representatives.

Mr. GLASS: Passed the Senate, yes.

Sir GEORGE FOSTER: It may go through and become law, but no one can even bet on the result until the Bill goes through. So far that is just what the Senate thinks about it.

Mr. OLIVER: There is a good deal of merit in what my hon. friend (Mr. Glass) contends: that if there is to be an effort to increase production, the way to increase

it is by guaranteeing a minimum price. It is increase of production that we are all anxious to secure. It is increase of production upon which the success of the Allies largely depends, and that increase can take place in Canada more rapidly and more satisfactorily than in any other part of the world. Has that subject attracted the attention of the Government, the Board of Grain Supervisors, or the minister?

Sir GEORGE FOSTER: Certainly that idea has been present with the United States Government. Certainly it has been present with our own Government, and no body of men like the grain supervisors could possibly avoid having their attention drawn to that phase of the subject.

When one begins to speak about fixing the price of food in order to get plenty of food and more food for the world to live upon, one has to take this into consideration as a primary factor: What reasonable price is it which, while being just and fair to the consumer, will so act upon the producer as to make him feel that he is getting a reasonable return for what he raises, so that he will be impelled to keep on raising and, if possible, to facilitate and increase his production? If you place the fixed value of the product below what meets that reasonable desire, then, of course, you are face to face with an indisposition on the part of the producer to put capital, money, labour and trouble into the raising of the article, and you will perhaps turn him into some other line of production altogether. Certainly such a course would tend to discourage the effort to produce on the usual basis, and particularly the effort to produce on a larger basis. That must be taken into account. On the other hand, you have the great body of consumers. In this case, you have as the body of consumers the Allied countries and their forces. They are interested in getting, for as reasonable a price as possible, the product they want. You have also in the United States of America many millions of consumers who are deeply interested in what the price of food is to be, and you have proportionately the same in Canada, so that those two interests meet together, and the idea is to arrive at what will be a fair and reasonable mean so as to do right by both of these great parties. That is the problem that the United States on its part, and this Board of Grain Supervisors for Canada have to keep in mind in a very thorough way and, if possible, to arrive at right conclusions in regard to it.

[Mr. Oliver.]

Mr. OLIVER: In regard to the idea of a guaranteed minimum price, it is well known that in the Prairie West land can be brought under cultivation probably as quickly and at as little expense as land in any other country in the world, and it is as productive when brought under cultivation. At the same time, as costs have increased, the expense of bringing land under cultivation has increased accordingly, and with the scarcity of labour and the increase of costs, although the returns for bringing land under cultivation are great, there has not been that increase in cultivation that is entirely desirable from every point of view. The owner of uncultivated land no doubt desires to bring it under cultivation, but at the present moment his costs of bringing it under cultivation are abnormal; they are very much higher than they were two or three years ago. If present high prices were going to continue he would be warranted in undergoing that expense in bringing his land under cultivation, but if he brings his land under cultivation on a basis of $2 or $2.50 wheat, and next year the price of wheat falls to sixty cents, we know how he will come out financially. That is, beyond any question, a very serious deterrent to the increase of cultivation in the prairie West. I am not laying down a policy for the Government, but I am taking the liberty of following the suggestion of my hon. friend from East Middlesex (Mr. Glass) of putting before the minister the conditions that would seem to indicate the desirability of suggesting a policy being inaugurated, if possible, so that we might have that increase in production, because, although we have the big reward, there is such an uncertainty attached to it that many of our people are unwilling to make the extra large investment that has to be made at the present time.

Sir GEORGE FOSTER: That is a contingency which attaches to all businesses in all countries in all ages of the world. If every man who produced could be guaranteed that he would get a certain price which would give him a good profit, that would be a fine thing for the producers. I doubt very much if that is possible in this world, at least at the present time. What would apply to the farmer in the way of grain raising would apply to the man who raises stock and to the men who manufacture this kind of food and transport it and keep it in store for the consumer. The application runs through the whole gamut of industry, and I am sure my hon. friend

will see how difficult it would be to bring about such a condition.

Mr. OLIVER: In England there has been a fixing of minimum prices for a succession of years for the purpose of securing a food supply for the people of that country. There is no difference whatever between the guarantee by one of the Allied Governments or by all of the Allied Governments of a minimum price on grain raised in Canada, and the guarantee of a minimum price on grain raised in England. There is, however, the difference that such a guarantee might produce greater results in Canada than it possibly could in England. I am not suggesting the laying of a financial burden upon the Government of Canada, but this Government being in control of our affairs and acting as intermediary between the producers of Canada and the consumers of Great Britain, might not such a proposal be very well brought to the attention of the Allied Governments as a means of securing increased production in this country where production can be more largely increased than in any other country that is convenient to their purposes, in the hope that we might, while doing them good, do ourselves, or, while doing ourselves good, do them good? What is found to be good policy in England might be found to be good policy in Canada.

Sir GEORGE FOSTER: There is a great difference between England and Canada in that respect. England is an importing country. She has to import the vast majority of her food, and she has had to do that for many years. Her grain cultivation has constantly been decreasing, and what Great Britain as an importing country is after in fixing a range of minimum prices for a series of years, is to bring back again the old cultivation of the soil in order that a country of 45,000,000 people may not be for five-eighths of its food dependent upon other and outside countries.

Mr. SINCLAIR: Has it ever occurred to the minister that the Government might raise wheat themselves on a large scale in western Canada?

Sir GEORGE FOSTER: We would have a fine time raising wheat.

Mr. SINCLAIR: That question might be considered. We are said to have a hundred million acres of prairie land uncultivated at the present time. This land belongs largely to such companies as the Canadian Pacific, the Canadian Northern, the Hudson Bay, and to speculators throughout the world. This land could be commandeered by the Government and brought under cultivation. This is the only country in the world where that could be done. Canada is the only place under the control of the Allied governments where there is such a large area of uncultivated fertile land. Now if it is true that there is a possibility of a shortage of bread in the armies of the Allied powers, is that a question too large for the Government of this country to deal with? Would it not be possible for the Government to cammandeer a few million acres of that land and secure the necessary machinery and labour? It is not impossible to secure labour, I suppose. I understand that large numbers of Chinese have been taken from Northern China to work in the fields and trenches in France during this war. If we cannot get labour here at home, could not some such arrangement be made for getting labour of that kind from abroad? I think the suggestion is worthy of the minister's consideration. If we have years of war ahead of us, and there is danger of a shortage in wheat, we have now an opportunity to do a big thing in putting our armies in the field and those of our Allies beyond the fear of want. That is not too big a thing for the Government of this country to undertake.

Mr. WRIGHT: I just wish to say a word in reply to my hon. friend from Edmonton. He said that in England they had fixed a minimum price for wheat and had done so and so. We hear too much altogether about what is being done in England and the United States. If the hon. gentleman would only read to-day's papers he would see that no such arrangement has been made in England. In fact, the question is probably being discussed in the British House to-night while we are sitting here. I think it would be well if hon. gentlemen would post themselves before making such definite statements to the House. A question of this kind has two or three sides, and needs a lot of discussion. To-day's papers show the difficulties they are meeting with in England. I do not say that this will not be done in England; it will come to a head some day, but before we are directed to England and the United States for models which we should follow in our legislation here, it would be well to ascertain what they are really doing in England and the United States, or else let us go on our own hook and do the best we can without reference to other countries.

I do not know that it is a very wise thing for this Parliament to lay down a

cast iron rule as to the price the farmer shall receive for his product. I do not know that our agricultural population all over this country are going to tamely submit to men in this House or outside fixing a cast-iron price for their product. We all know that for many years the farmers in both the East and the West had to accept very low prices indeed. I have known many cases where people in the East complained that farmers in the West were becoming millionaries when they were selling wheat from 55 to 60 cents a bushel, when, as a matter of fact, it was costing the farmer almost every cent of that to produce his wheat. So if our farmers can get a little more just now, I do not think they will take very kindly to dictation as to the price they shall receive for their product. At the same time I have no doubt that if an arrangement could be made guaranteeing them a fair price for a number of years, they might consent to reduce their prices very materially at the present time. But if two or three or four years from now they have to look forward to a price of 50 or 60 cents a bushel, you cannot blame them for trying to get a higher price at the present time. I think if an arrangement can be made delegating to certain people power to fix the price at which the millers and buyers from the older country can buy wheat, we should also fix the price at which the millers shall sell flour to the people. If we can secure wheat for the millers cheaper than they can buy it otherwise, it is up to them to supply flour to the people of Canada without exacting large profits. The great millers of this country have been making fairly decent returns during all the years that our farmers to my knowledge, have been producing their stuff at a very small margin. The millers have been making a good margin, and I think they ought to be content with a reasonable return on their investment. Six or seven per cent ought to be sufficient for any great company in times like these, and I think something might be done in that direction. In a country like this, occupying such a large area and with transportation and many other considerations to be taken into account, we cannot expect to have the margin reduced as fine as it is in the old country where the miller and the consumer are within a block of each other. A miller at Winnipeg, or Keewatin, or Montreal, for instance, has to send his flour one thousand or fifteen hundred miles to the consumer, whereas in England the mill is within a few rods of the consumer. In England, there is also a large number of consumers within a small area, whereas in Canada the consumers are scattered over a vast area. We cannot, therefore, expect to have the margin drawn as fine in Canada as in England, but I believe there is a feeling abroad all over this country that the margin could be reduced very materially without putting the millers out of business, and I should like to see some steps taken to bring the margin down as low as possible.

Sir GEORGE FOSTER: That is exactly what is going on. The Board of Grain Supervisors went to Toronto on Friday night, and on Saturday had a conference with the food controller. The powers of the grain supervisors simply extend as far as grain and no further, but it is of great importance that they and the food controller should understand and work in complete unison with each other, and that is what it is intended to do. The work of regulating the food prices and making everybody supremely happy in the process is in the hands of Mr. Hanna at the present time.

Mr. OLIVER: Under what department of the Government does the food controller operate?

Sir GEORGE FOSTER: Under the Prime Minister, I think.

Mr. L. A. LAPOINTE: I think I heard my hon. friend from Muskoka (Mr. Wright) say "something might be done." That is exactly what I think. Hon. gentlemen sit here listening to arguments and talking about wheat and grain, which is a subject that mostly concerns the grain growers of the West. We let them do whatever they like. I agree with my hon. friend that something ought to be done. We often hear it said that the farmer is making nothing, but I can assure the House that if the farmers are making nothing then the middlemen must be making a great deal, because it is a sure thing that the consumers of Montreal are paying plenty. There is no doubt about that. When the food controller tells us that we should not eat so much white bread and all the rest of it, it seems to me that it is high time something was done. The price of bread and flour is going up, and yet nothing is done except to talk politics. I want something practi-

cal done, and I think the hon. Minister of Trade and Commerce, who is a man of ideas and spunk, ought to do something for the cities, and especially for the city of Montreal and the city of Toronto.

Sir GEORGE FOSTER: Let me ask my hon. friend what more he needs? Has not the city of Montreal a mayor?

Mr. L. A. LAPOINTE: Yes, and Toronto has a mayor too. But it is not an argument to say "leave it to the mayor." In any event, I will take my right hon. friend the Minister of Trade and Commerce at his word. If he wants to leave it to the mayor of Montreal, we will have flour and bread very cheap.

Mr. GLASS: I am sure every one will agree with the hon. member for Muskoka (Mr. Wright) in his remarks concerning the duty of the Government and the desirability of control of the millers, so that they shall only obtain a reasonable profit for their work, and not be allowed to bleed the consumer as it appears they have done in the past. I do not, however, agree with him when he refers to the conditions as they exist in the United States and in England, and when he says we should not look to them, but we must act and consider these things for ourselves. I grant he is right to a limited extent, but, at a time like this, with a border three thousand miles long between Canada and the United States, and with free transportation between those two countries and free wheat passing in and out, what may be done by the United States in regard to the regulation of wheat prices interests us very materially indeed, and we have to be guided largely by their action. My hon. friend from Edmonton (Mr. Oliver) criticised the department for not having taken action in the matter of food control earlier, but he knows and everybody in this House knows it would be a physical impossibility to do anything at the present time, were it not for the fact that the United States is allied with us and that we are both working towards the same objects. Conditions have changed, and now the Government is able to appoint a food controller, because the food controller of the United States and the food controller of Canada can be in constant touch with each other, and whatever action is taken in the United States can be taken here. I think my hon. friend from Edmonton has very logically reasoned the conclusion to which he has come in reference to the fixing of minimum prices, when he said it involves no responsibility upon this Government. Of course it does not. We are an exporting country, and so is the United States, and it would be consummate folly for this Government to fix a minimum price for wheat were it not that they had some authority from the Allied Governments, or the British Government to make such an arrangement. England is calling to this country and to the Uuited States, and the call is for greater production of wheat. To say we are going to have a fixed or guaranteed price for one year is no encouragement to greater production. It may be an encouragement to a man who has already tilled his farm, to put in a little larger acreage than usual, but it is not of interest to the man who is about to work new land. My hon. friend from Muskoka says the members of this House ought to read the papers and know what the British Government did. I do not know what they are doing now, but over a year ago they fixed the price and graded it for a period of three years. Of course, in view of the changed conditions this may have to be amended. If the Allied Governments need our surplus wheat they will get it, and if they need the surplus wheat of the United States they will get it, and if it be possible for them to fix a minimum price let them put a graded price for two or three years or for the term of the war.

9 p.m.

Mr. WRIGHT: If the hon. gentleman (Mr. Glass) will read the newspapers of to-day, he will find I have stated the matter exactly as it is.

Mr. DOUGLAS: Chapter 7 of the report of the grain commissioners for 1916, shows the annual weigh-out at terminal elevators. On page 27 I notice that the surplus of overweights for wheat alone in the year 1916 aggregated 612,843 bushels, which means that the elevator companies weighed in that amount more than they purchased. I notice that the Dominion Government elevators show a shortage, with two exceptions. The Dominion Government elevator at Port Arthur showed an overage of 95,168 bushels, and the interior elevator at Calgary showed an overage of 1,849 bushels. Those two elevators were short 11,087 bushels and 2,293 bushels respectively on oats. On barley, they were short 6,844 bushels and 1,091 bushels respectively. On flax, they were short 1,987 bushels, and 7,537 bushels respectively. If the Dominion Government elevator system shows an overage in wheat or any other grain, I would expect that the grain would be sold and the consolidated revenue fund of Canada would receive the

benefit. These private elevators, which are working under Government supervision and regulation, show a surplus of over 612,000 bushels of grain, which at a price of $2 a bushel shows an actual steal of a million and a quarter dollars from the people of Canada. Is it not possible for the Government to so amend the Canada Grain Act that a condition of this kind could not possibly arise, and by which if any surplus is shown by those terminal elevator companies the money shall be turned over to the consolidated revenue fund of Canada for the benefit of the people of the country?

Sir GEORGE FOSTER: My hon. friend uses a strong term as against the elevators. Let us look into the matter a little; 612,000 bushels of wheat massed by itself is a very considerable surplus, and the figures he has quoted in regard to the other grain are also large, standing by themselves, but, when you compare those figures with the total quantity of grain that came into and went out of the elevators, the percentage is really a very small one.

But what did we do in connection with these elevators? We have a system of allowances and of dockages. The elevator takes in its grain and is allowed on the different kinds of grain, and on the different grades of grain of the same kind, its proper dockages. That is to clean the grain according to the direction, or to the satisfaction, of the supervisor or inspector, and is to clean to grade where the dockage is allowed for cleaning to grade. These elevators, therefore, have a source of surplus. They get, for instance, one and a half per cent on wheat carrying a dockage of five per cent or more. That is pretty dirty wheat and requires a great deal of cleaning. They get an old time allowance which has been running ever since the grain business was a business in the West. It has no legal status, and never had, but it is a custom grown up, sanctioned and agreed to as between the farmers and the elevator companies. The companies get 30 pounds per car of wheat, 28 pounds per car of flax, 50 pounds per car of oats and 50 pounds per car of barley. Up to within two years ago the allowance they received from that old custom was just twice those amounts. Two years ago, or thereabouts. the board of grain commissioners cut that allowance in two and so diminished to that extent the contribution by the old custom. Then, the elevators may or may not take in certain grades of grain; for instance, no grade grain —that is tough or damp, or wheat that is not in a condition for warehousing. They are not required to receive that grain. They take it in under contract with the shipper himself and the amount which they take as dockage upon that, or shrinkage, is one per cent of the gross amount. That is, there is a dockage set by the inspector to clean to required grade when it is under five per cent. I read a little while ago the allowances for cleaning up to five per cent and over, these being the amounts of dockage on all clean-to-clean grain or cars where the grain has to be cleaned, re-cleaned and re-cleaned again if necessary until it comes up to the required condition and to the satisfaction of the inspector. Then the elevator takes its dockage and its screenings therefrom and these are the legitimate bases for the overages or surpluses which they have.

It may be a question as to whether or not the allowances and dockages have been in the past too great or are too great at the present time. That matter has been very carefully considered by the Board of Grain Commissioners. Up to the time that we built our own terminal we had nothing to go upon. There was no comparison as between, for instance, a Government run terminal and a corporate or privately run elevator. The inspection which could possibly be given could not afford ground for a reasonable judgment without our being guided by the running, under Government supervision, of a terminal and our knowing the whole of the management and inside work of that operation and how it turned out. That way you get your basis for comparison as between that and other elevators, and also as to what is a reasonable return in the way of dockage. Ever since these elevators have been running these overages have, with these dockages and allowances, lessened from time to time. These elevators have been receiving and claiming these surpluses. When the board of grain commissioners took over the work of operating they had an opportunity, amongst other things, of testing out the system for a series of years and coming to conclusions from the real working of the Government elevators as to their overages and their reasonableness. Some two years ago the question came up in an acute form and we were looking into the matter in the department. I laid the question before the Minister of Justice and asked him for his opinion as to whether we had the right to take these overages. After a careful examination of the question the opinion of the Justice Department was that whoever else had a right

to them the Government had no right, that they were the property either of the elevators or they belonged to the producers of the grain out of whose product these overages were won. There were no possible means of restoring these to the producers of the grain themselves. Therefore, there is only one of two things to do. You can reduce the dockages from year to year so as to bring the overages down to a minimum, or reasonable allowance; or you can, by legislation, affirm that the Government is to take all of these overages, or such portion of them as you may think it reasonable to take, taking all the expenses into account. That matter is now, and has been for some time, occupying the attention of the Board of Grain Commissioners and of the department and myself. Before the House rises I propose to bring legislation before Parliament which will in a legal way define to whom these overages shall go. That is a review, though somewhat inadequate, of the question as it comes before the department.

Mr. MARTIN: I heard that a few moments ago the right hon. gentleman used my name in connection with the question of the cost of living in Montreal. Would the right hon. gentleman be kind enough to give me his power to act?

Sir GEORGE FOSTER: I consider that I would have taken an awful step if I had made the proposal to hand over all my powers to the mayor of the city of Montreal. I never could be so fatuous as to undertake that. I certainly did not mean to. If my hon. friend has rushed in here with the idea he was going to have my powers transferred to him I am sorry to disappoint him.

Mr. MARTIN: I thought we were serious people here, but if you are going to make a farce of it, all right.

Sir GEORGE FOSTER: If there is any farce to be enacted, my hon. friend will have an important part in it.

Mr. DOUGLAS: In connection with the question of the loading of grain at the elevator, there is another table at page 233 of this report of the grain commissioners which shows the number of cars, and the quantity and kind of grain inspected in 1916 for the western grain inspection division, and I find in that compilation, in the recapitulation by provinces, that Manitoba had, in screenings alone, 153,000 bushels; Saskatchewan had 150,000 bushels, and Alberta 34,000, making 337,000 bushels of screenings. If I understood the minister aright, he was claiming that part of the 612,000 bushels weighed into the terminal elevators included screenings.

Sir GEORGE FOSTER: Part of the surplus of the elevators would include screenings.

Mr. DOUGLAS: I do not understand this compilation sufficiently well to know, but it would look to me as though the 337,000 bushels of grain might possibly be over and above the 612,000 bushels weighed in at the elevators.

Sir GEORGE FOSTER: I am not so certain about that. I will have to look into it a little before making a statement in reference to it. There may be something in what my hon. friend says as to that, but as to whether the screenings, which are taken out of their dockages, go to make up part of the overages, I do not know.

Mr. TURRIFF: There is no question at all that the 600,000 bushels overage is over and above the screenings, because when a car is inspected, and the inspector marks on it "4 per cent dockage" it means the net weight of that car is four per cent less than the gross weight, and they are supposed to clean that four per cent out, to bring the weight up to the grade that it is given by the inspector, so that the screenings do not come in, in connection with this amount of overage. All the different scales of dockage that the minister gave us a few minutes ago are supposed to be necessary to make an average car of grain weigh out what is paid for it, and it generally takes something about that to keep the accounts fairly evenly balanced. But when these elevators have 600,000 bushels over and above all that, to my mind there is something very wrong, and remember this is not wheat that is being brought in load by load. This is all carload stuff, all terminal elevator stuff, and it is all carload weights, and there must be something very careless in the manner of weighing in and weighing out, when we find such a tremendous overage as we have here. It appears that these private elevators have far greater overages than the Government elevators. I understand the weighers are all appointed by the Government and all Government officials, and have to account to the board of grain commissioners for the work they do. It seems rather strange to me that the private elevators should have so much overage, and the Government elevators should have such a shortage. When

the Government elevators have a shortage, the people of Canada have to pay for it. Where the private elevators have an overage, it does not go to make up what the people of Canada lose, but the people of Canada lose that also. The farmers who grow the wheat lose it, and they have to help pay the shortage that is found in the Government run elevators, so that it seems to me that there must be a considerable amount of carelessness in connection with the weighing of this wheat. I am well aware that in the busy season, when there are two or three thousand cars a day to attend to, mistakes may naturally occur, but there should not be mistakes to such an extent, and it is a question that is well worth looking into. In this connection, I wish to bring up another matter in connection with shortages. Mr. Campbell, of Winnipeg, formerly an officer of the department under the grain commission, looked after all sorts of claims which individual farmers were not able to look after themselves; for some two or three years he has not been an official of the Government, but he has an office in the grain exchange in Winnipeg, and does this work for the farmers, and charges them a commission on what he collects. He has complained to me very, very many times, and has written to me about changes that should be made in the law for the protection of the farmer. In a great many cases a carload of wheat is shipped from an elevator, or a farmer loads it himself from his wagon, and he will put in, say, a thousand bushels of wheat, When that wheat goes down to Fort William, in dozens of cases—I will not say hundreds—it turns out all the way from 100 to 500 bushels short of the wheat that is put in there. The railway companies absolutely refuse to pay for the shortage. In some cases they have paid, but it has been more as a matter of leniency or perhaps charity. However, they refuse to acknowledge that they are responsible for any more wheat than is weighed out of that car at Port Arthur or Fort William, and in many cases that car looked all right when it was loaded, but owing to its being an old car, or something the matter with it, the grain has leaked out. I have walked along the railway track many a time and have seen where a regular stream of wheat had been coming out of the car as it went along, and the result is that the farmer is several hundred dollars out in the value of his car of wheat, and in many, many cases that farmer has to suffer the loss. On the one hand we have the farmer suffering a loss from one hundred to five hundred bushels on a car of wheat, and going to considerable trouble and expense, employing an agent work for months to try and collect the shortage, and, on the other hand, we have these elevators showing an overplus of 600,000 bushels of wheat in the last year, valued at a million and a quarter dollars. It seems to me there is something radically wrong in the system if the farmer has to lose the wheat, and the elevator companies are allowed to take that overage, because it is taken when they have no right to take it, by reason of the mistakes of the weighmen. When you find the private elevators having big overages, and the Government elevators having considerable shortages, and these companies putting a million dollars in their pockets last year through overages, the system must be wrong. If they get 600,000 bushels by way of overages, they get away with over a million dollars—and they fight to the last ditch against paying the farmer for the shortage. A number of cases have come before Mr. Campbell where there was absolutely no question as to the amount of wheat that was put in the car. When you load a 60,000 pound standard car so many inches deep with wheat, you can tell within 25 bushels how much wheat is in that car. When three or four men who helped load the car are prepared to take their oath that so many bushels of wheat were put in the car, surely there ought to be some quick way by which the farmer can get justice when it turns out that the car is from two to six hundred bushels short. I know one case where two farmers from the same town each shipped a carload of wheat. One man got four or five hundred bushels short; the other man got several hundred bushels over. Apparently the weight had been transferred from one car to the other. The man who got the overage, thereby gaining many extra dollars, was quite satisfied; but the other man, who was short a considerable sum, was unable to get his money.

I wish to submit to the Minister of Trade and Commerce one or two suggestions made by Mr. Campbell, in order that he may take them into consideration and see if he can incorporate them in his proposed amendments to the Manitoba Grain Act. I am glad to hear that my right hon. friend is going to bring forward those amendments this session. Mr. Campbell suggests that one means of overcoming this difficulty is to have the scale of inches put in all cars by the railway company. That simply means that a painted strip be put on the inside of each

car, with the inches marked all the way up. He further suggests that all shippers show on bill of lading the number of inches of grain in the car. Of course, if in Saskatchewan you put 60 inches of wheat in a car, there will be four or five inches less in the car when it arrives at Fort William. A full carload of wheat, say five feet, will settle down about five inches while travelling that distance. But it is only fair—and it would be no hardship to the railway company—that if a farmer put 48 inches of wheat into a car and levels it off so that you can tell exactly what amount there is in the car, that amount should be shown in the bill of lading, so that if, when the car arrives at Fort William, it is 100 or 500 bushels short, the farmer has the bill of lading to show that he put so many inches of a certain grade of wheat into the car.

Mr. Campbell further suggests that an arbitration board be appointed to settle shortage disputes. The chairman of that board might be one of the members of the grain commission. At all events, there should be some one to settle these disputes when they arise, thus saving the farmer a great deal of expense.

Mr. Campbell further suggests that ticket form C be amended to prevent elevators taking an agreement or making a contract with a farmer whereby he agrees to accept outrun of car instead of amount of wheat stored. Although very few elevators would do anything of the kind, this is what has happened in some cases: a man puts three carloads of wheat in an elevator. He gets a storage ticket from the elevator for, say, 3,000 bushels of wheat. The elevator company takes from the farmer a contract—the farmer very often does not know it—whereby the farmer agrees beforehand to take whatever outrun the three cars of wheat, that they say they put 3,000 bushels into, may turn out at Fort William. When the farmer, finding a shortage of two or three hundred bushels in his wheat, comes to make a claim he is faced with this contract, whereby he agreed to take the outrun from the cars. There is absolutely nothing to show that they put into those cars the full amount of wheat that was in store. That is something that should be dealt with at the first opportunity.

Mr. Campbell further suggests that subsection 4, clause 26, should be put back in the Act. When I was talking to Mr. Campbell I was familiar with that particular subsection, but I forget now just what it is. This subsection, however, was taken out, and Mr. Campbell thinks that it should be put in again.

These are the suggestions that Mr. Campbell made to me. He is a practical man; I have known him for the last thirty-five years. He has been a grain buyer and dealer for many years; he has done good work during the last five or ten years in looking after the claims of the farmers. He knows how to go about it; he knows all the railway and grain authorities, inspectors, members of the commission. In dozens of cases he has collected all the way from $50 to $500 or $600 from the railway companies for the farmers. In a large number of cases, however, they have absolutely refused to pay, and the farmers have had to go short. It is between the railroad company and the elevator company that the shortage takes place. In some cases the grain leaks out of the car; that is the fault of the railway, not of the farmer. In other cases the shortage is due to mistakes in the elevators, either on the part of the grain weighers, or by connivance in the elevators. These suggestions of Mr. Campbell's, if adopted, would go a long way towards preventing these shortages, and, if the shortages did actually occur, they would enable the matter to be settled quickly and with a minimum of expense, thus saving to the farmer heavy losses that have been occurring for many years.

When one considers the amount of these overages by which the elevator companies last year made more than a million dollars, and when one thinks of the way in which they will fight a farmer when he is being done out of a hundred or four hundred or five hundred bushels of grain, it is really atrocious that they should have all that overage to themselves and be so niggardly in paying up losses that occur either in their elevators or upon the railway that carries the wheat from the farmer's elevator or from his platform down to the head of the lakes.

Sir GEORGE FOSTER: I will certainly look into the matter and have my officers consider the suggestions made. When my hon. friend was speaking about the shortages and overages, he seemed to imply that the Government elevators also had shortages—

Mr. TURRIFF: Not all.

Sir GEORGE FOSTER: —and that the other elevators had overages. He will see that the terminal elevator at Fort William had fairly large overages as well. The work of some of the internal elevators during their first season was probably not as good nor as accurate as it would be after they got

well started at work. We are hoping to show a different record for the terminal elevators this year from what they showed the year before.

Mr. TURRIFF: Perhaps I was wrong in even suggesting that there might be any intentional crooked work, and I do not wish to make that suggestion, because in the quantity of grain handled, the elevator companies, by being excessively careful to make themselves right, might easily gather up that quantity, as it is only a little over a bushel or a bushel and a half per car, but that is much more than is necessary. The idea that my right hon. friend expressed a little while ago, that one way was to cut down the quantity of dockage the elevators were allowed to take, might perhaps bring about a remedy. I am not so much worried about the overages as over the shortages from which the farmers have to suffer, and for which they do not receive payment.

Sir GEORGE FOSTER: My hon. friend has to keep this in view—in 1915-16, there were received at Fort William and Port Arthur 286,000,000 bushels of wheat alone. This all commenced away back on the farms of the farmers. It has to go through many vicissitudes, changes, handlings, which cannot be made mathematically accurate. In the first place, there is the interior elevator at the station. The quantity of grain is weighed into that elevator. The first element that comes in is the weighing machine of the elevator into which the farmer loads his grain. It is impossible to make constant and repeated inspections of all these interior elevator weighing equipments. Large weights are necessary, and it would take an army of men to have those examined every now and then during the prevalence of the season. You may to-day send your men there, and they may test that weighing machine and put it into the best of order, and five days later something may have gone wrong and the weighing may not be as accurate as it should be. There is the first contingency in the thousands and thousands of country elevators where the farmer's grain is weighed. Then when the farmer's grain takes its next excursion, it goes into a car and is carried for thousands of miles down to the terminal elevator. Cars are different one from another; some are new and some are old. There will be leakages and dispersals in that way. But when you come to examine the number of cars that make the journeys and the small number of instances in which these deficiencies occur and, therefore, these grievances arise, the latter number is only a small percentage of the whole. The railway company is liable for the quantity of grain that it receives being delivered at the terminal elevator. The elevator takes charge of the grain from the car and cannot be debited with more than the car turns out into it, but you come there against another fallible piece of machinery, namely, the weighing apparatus. The terminal elevators are under the close supervision of the weighmaster, and the weighmaster at the head of the lakes is a most capable man. If my hon. friend knows him, he will bear me out in that appreciation of Mr. White, who has had charge of the elevators at the head of the lakes for the last three years. The weighing there has been very much improved, and it is as carefully watched and supervised as it is possible for human care to supervise it. Mistakes will always be made there will be errors and, in some instances, there may be intentional errors. That is part of a system which you can probably never entirely eliminate, but which by good supervision and constant care you may reduce to a minimum. Therefore, when we speak about those cases that did occur, we must, in the first place, take them in connection with the very large number of cars and the great quantity of grain which is in passage, and we must also take into account the human element and the mechanical element which come in, either of which is apt to go astray and awry at different times. Taking all these into consideration, I think I am perfectly right in saying that during the last five or six years there has been a very great improvement in the management of the grain handling apparatus under the supervision of the Grain Board. Whilst there are those individual and sparse cases of trouble and difficulty, in the main, the grain producers and handlers in the West appreciate the system and give it as their opinion that, taken altogether, it is constantly improving, and is, taking human and mechanical fallibility into account, pretty nearly as perfect as it can be made. By increased care and supervision improvement is continually being made, and I hope we shall do something with this matter of overages and shortages that will be satisfactory. The last few years have been a testing and weighing out time. We have now a record which I think we can bank upon as being fairly correct, and it is a basis on which legislation may be had and adjustments be made.

Mr. DOUGLAS: I appreciate the fact that on a percentage basis the elevator companies are, perhaps, not very careless in having an overage of 612,000 bushels of grain for the year 1916, but that is not the point I wish to bring before the minister. My point is this: The terminal elevator is an institution that is put there for a certain specified purpose, namely, to handle the grain of the dealer at the point of embarkation.

The point I wish the minister to adjust is this: That any surpluses there might be over, should not become the property of the terminal elevator company, because it is not legally their money. They charge what is supposed to be a reasonable fee for handling the grain, and there is no more reason why they should be permitted to retain what does not legally belong to them than why the banks should retain unclaimed balances; the two things are in exactly the same position. Surely it is possible to amend the Grain Act in such a way that the private elevator companies will not be allowed to take grain that does not belong to them.

Sir GEORGE FOSTER: I quite agree with my hon. friend, but just how far we can go I cannot say at the moment.

Mr. BUCHANAN: The minister has been willing to give us plenty of information tonight on matters that have come before the committee, and I should like him to make a statement on the appointment of the new chairman of the grain commission. The farmers of western Canada feel the loss of Dr. Magill very keenly. They looked on him as a real friend on a very important commission dealing with their affairs and I think many of them felt that the Government would have been warranted in offering him considerable inducements to remain at the head of that commission. I question whether there is any man who understands the grain trade better than Dr. Magill. When he was first appointed he was even then an authority, and I am sorry that in appointing his successor the Government did not look around for another authority. I cannot understand why a Montreal lawyer was chosen as chairman of the grain commission, and I would ask the minister to inform the House of the knowledge this gentleman has of the grain trade—which I am afraid is very little. If the minister had asked me—of course, I know he would not—I think I could have named a very good man in case Dr. Magill could not have been prevailed upon to remain as chairman, and the man I have in mind happens to be a political friend of the minister. I have come in touch with the chairman of the Georgian Bay commission within the last year or two, and I must confess that he has a very wide knowledge of the requirements of the farmers of western Canada. Mr. Sanford Evans has visited the West and given addresses there, and he has in my judgment proved himself to be an authority on western needs in connection with the grain trade. Mr. Boyd may be a very estimable and a very able gentleman, but the people of the West cannot understand why a lawyer from Montreal, who I am satisfied has no acquaintance with the grain business, should have been appointed to succeed Dr. Magill. Dr. Magill, as I have said, was an authority, and an authority should have been chosen to succeed him, and from all I can gather the gentleman who has been appointed is not an authority by any means. I am sure the minister will give us some reason for the appointment of Mr. Boyd as chairman of that commission.

Sir GEORGE FOSTER: I shall be very glad to give an explanation, but I cannot guarantee that it will satisfy my hon. friend. There was a time in Dr. Magill's life when he did not understand anything about the grain business. He was a professor in a university, a student above all else, and a man of great mental power and ability. He learned the grain business from that standpoint, a business which was absolutely different from all his training and work up to that time. I merely mention that to show that it is not necessary for a man to have been brought up on a farm or in a grain exchange or to have been otherwise closely connected with the work of handling and raising grain in order to make himself thoroughly acquainted with the business of helping to conduct the mechanism of the grading, inspection, and handling of grain. I cordially agree with everything my hon. friend has said with reference to Dr. Magill, and I am strongly of the belief that when the people of the West are as well acquainted with Mr. Boyd as they became with Dr. Magill, they will come to look upon him as their friend, and a fair and able administrator of the office of chairman. I used a great deal of care when looking around for some one to take the place of Dr. Magill. I would have kept him if it had been possible to do so, but it was not possible; he had to go and I could not retain him. So I did the best I could to get some one to take his place. Finally Mr. Boyd was selected. Mr. Boyd, I was

informed by gentlemen who are well qualified to judge—and my inquiry was very thorough—is a gentleman of excellent ability, of the very highest character, and thoroughly reliable in every respect. He is, besides, of an energetic, industrious, and studious disposition. He does not take the office simply for the sake of getting the salary attached to the position. After a good deal of correspondence with me he accepted the position with a desire and a liking on his part to make a thorough study of the whole subject, with the object of making himself an approved authority on it. With that ability, that training, and industry and desire of his, I am quite certain he will prove a success as chairman of the commission. He is associated with practical men who understand the grain business, both from the elevator and the farmer's point of view, and consequently the commission is broad in that it can call upon men of different kinds of experience and ability.

There is one thing to the advantage of Mr. Boyd, and that is, he has had a legal training and is in good standing as a lawyer. To my mind, a legal knowledge and legal training plays a very important part in the successful carrying out of the duties of chairman of the grain commission. These are the reasons why I chose Mr. Boyd. He has undertaken the work, and I bespeak for him a fair trial. I shall be very much disappointed indeed if he does not turn out to be a very successful member and chairman of the commission.

Mr. BUCHANAN: I think I was right in stating that Dr. Magill was an authority before he became chairman of the grain commission. While he was connected with Dalhousie University, the Saskatchewan Government appointed him chairman of a commission to inquire into the elevator question, and he there acquired a considerable knowledge of the grain business. He had the knowledge and the qualifications to become chairman of the grain commission. He was also thoroughly acquainted with the grain trade of the West. The gentleman who has been appointed to succeed him may be all the minister says he is, but he has not the knowledge of the grain business. I hope he acquires it as rapidly as the minister thinks he will, and I hope he may be a success.

Mr. L. A. LAPOINTE: I agree entirely with what has been said by the Minister of Trade and Commerce with regard to Mr. Leslie Boyd. Admitting that a political friend of the Government had to be named, I think the Government could not have chosen a better man for the position. As the minister says, Mr. Boyd is a good lawyer and a practical man in every respect, and he was a good alderman of the city of Montreal for many years, which is something.

Sir GEORGE FOSTER: It certainly is something.

Mr. L. A. LAPOINTE: He resigned his seat to take up this new position, and I think the Government has made a first-class appointment. I believe my hon. friend from Lethbridge (Mr. Buchanan) knows Mr. Boyd.

Mr. BUCHANAN: I met him with my hon. friend (Mr. L. A. Lapointe)

Mr. L. A. LAPOINTE: The only thing that seems to worry my hon. friend from Lethbridge is the fact that Mr. Boyd may not have very much knowledge of the grain business. That may be so, but I am sure he will acquire that knowledge as quickly as he acquired other knowledge which was useful to him. I feel he will be a practical man, and a splendid man for the position.

Mr. OLIVER: I would like to ask the minister in regard to the permission given to the railway companies last winter to refuse the carriage of grain from points in Alberta to Fort William. During a part of last winter the railway companies operating in Alberta refused to carry grain to Fort William. Although they would take it to the internal elevators. I would like to know under what conditions that refusal was made?

Sir GEORGE FOSTER: Under conditions of great congestion and insufficient haulage which obtained there for a considerable time. A great quantity of the grain was insufficiently stored and there was great necessity of getting it moved as quickly as possible. It was entirely a matter of railway transport, and I consulted with the chairman of the railway board, Sir Henry Drayton, and he took the question up with the railway companies, and instituted this system of more rapid transit of the grain from the places where it was originally stored, and where in very many cases it was insecurely stored. A certain railway division was told to use its cars to bring the grain to a transition point, and then go back and get more, using the cars as quickly as possible, in order to take away the great quantities of wheat which were lying there and about the removal of which the people were rightly clamour-

10 p.m.

ing. Then another railway took the grain at an internal elevator, say Saskatoon, and moved it the other distance down. If the cars which were loaded at the distant points west of Saskatoon had to go all the way to Fort William and back, there was a usage and a delay of cars. If they could use their somewhat insufficient force to go short distances and do rapid haulage, they got the advantage of storage in a safe place, with as good conditions in the matter of cost as could possibly be given. The two sets of cars working together constituted a more expeditious way than could be got by any other means of handling the grain and of relieving the congestion in country places. This system was worked out by the chairman of the Railway Board, and the railway companies. Everything possible was done with the idea of moving the grain as quickly as it could be moved from the congested and threatened districts. I say threatened, because of the insecure storage much of the grain being stored in open fields.

Mr. OLIVER: By what authority did the railway companies refuse to take the grain?

Sir GEORGE FOSTER: If the railway companies refused to take grain, I suppose they refused to take it on the ground that all railway companies refuse at certain times of congestion to add to the congestion by piling more grain into cars which cannot find an ultimate resting place to be unloaded, and the cars get back again. When you have congestion towards the front, and that congestion becomes so great that if you pile more freight in, it simply adds to the difficulty, then as a matter of sensible haulage the railway company says: We cannot take any more until this forward portion is relieved. Last year there was this congestion of freight from New York, Baltimore, Boston, and Portland. The freight was piled up along thousands of miles, and every storage facility was filled to the very roof. Finally, it became necessary that these embargoes should be put on. The embargo is a part of the system of railway transport, and although it may be unsatisfactory for the person who has a car of grain and wants it taken out at a certain time, in the end it works out for better transportation in general.

Mr. OLIVER: I shall have to take issue with my right hon. friend on this point. I would like to know, if he can tell me—and if he cannot the Minister of Railways is beside him and may be able to give the information—whether the railway companies refused on their own initiative to haul the grain, or if they did it under authority from any department of the Government, or any commission acting for the Government?

Sir GEORGE FOSTER: So far as I know the embargo was on, and I received notice of it. As soon as I was notified, I immediately took the question up to see what could be done in order to relieve conditions. I got in touch with the man who is best able, taking a general view of the matter and having general authority, to bring order out of confusion and to regulate so that the best haulage might be had. He went into the question very thoroughly with the railway companies, and they did the best they could.

Mr. OLIVER: The minister has not mentioned the name of this gentleman.

Sir GEORGE FOSTER: Sir Henry Drayton.

Mr. OLIVER: Was the course followed by the railway companies taken with the authority of the railway commission?

Sir GEORGE FOSTER: I am informed the embargoes are always put on by the railway companies themselves.

Mr. OLIVER: If they did it with the authority of the railway commission, the people who were affected will have to hold the Government directly responsible for the consequences they have suffered.

Sir GEORGE FOSTER: I do not know whether that reasoning is correct.

Mr. OLIVER: That is the reasoning I have to make. I wish to put the case to the Government as forcibly as it is possible to put it. There is supposed to be a public right which is expressed in what is known as the Common Carriers law. That is a law, which, as far as I know, was never set at defiance publicly and without cause until last year. All that my right hon. friend has said about the stress of circumstances compelling the railway companies to do thus and so on account of certain conditions existing does not apply, because these conditions did not exist last year. They existed the year before, but not last year. Last year it was not a question of a heavy crop but of a short crop.

Sir GEORGE FOSTER: It is more than the crop; it has to do with the conditions of general freightage.

Mr. OLIVER: Last year there was a very short crop and there was not the same burden of tonnage as there was in previous

years. There was not at any time last winter a shortage of storage at Fort William and if the railways did not haul grain forward to Fort William and to Minneapolis it was because they refused to do it and not because they could not do it. The result was very serious loss and damage to the farmers, particularly of Alberta. These railway companies offered to haul the farmers' grain to the interior storage elevator at Calgary, which would be a back haul, or to Saskatoon or Moosejaw. For what purpose were these storage elevators built? They were supposed to be built for the advantage of the farmers. They were supposed to meet a condition of grain blockade as a result of shortage of storage at the head of the lakes or of undesirable weather conditions. Neither of these conditions prevailed last year. Whether the action taken by the railway companies was simply to make matters easy for themselves, or whether it was taken at the instance of the Government in order to turn their elevators into earning propositions, I do not know, but I do know that the farmer producer of Alberta lost very considerably because of the failure of the railways to take the grain forward to Fort William or Minneapolis when it was desired that it should go forward. The statement that the railway companies were short of cars is a statement that I for one cannot give credence to. The railways were able to handle the crop production of the year before though immensely larger than the crop of last year. Everybody recognizes that if they had difficulties last year they were able to handle that immense crop of the year before during the period of transportation. Therefore, as there was no destruction of rolling stock in the meantime, as they still had it, there was no reason to believe they were not able to haul that grain forward as the needs of the country demand that they shall carry it forward; that is when the farmer desires to ship it. Any other construction placed upon the duty of the railways to the public is a wrong construction.

It is fitting in this connection, that I should draw to the attention of the hon. Minister of Railways and Canals (Mr. Cochrane) the action taken by the railway companies in the vicinity of Edmonton in regard to the haulage of coal, where at the beginning of winter, and at the time the Southern Alberta coal strike was on, the railways, because of some disagreement between themselves, or for some other reason that no man can find out, absolutely tied up the coal industry between Edmonton and the consumers of coal on the prairies at a most critical time of the year. I am not one of those who look upon the railway companies with any desire to see them do other than prosper but I do want to see it impressed upon them that they enjoy the privileges which they do enjoy as the servants and not the masters of the public. I look to this Government, in the discharge of their responsibilities and duties to see that the railway companies do their duty to the public as they did not do it last year in the province of Alberta.

Mr. BUCHANAN: Not long ago a deputation of Vancouver business men visited Calgary and made the statement that after seeing some members of the Government in Ottawa it would not be long before grain was moving westward to the Pacific. They said they had the assurance of one of the members of the Government that they were going to force the grain to the West and through by the Pacific route. The only member of the Government who could make a statement of that kind that would be official would be the Minister of Trade and Commerce, who is in charge of the operations of the grain trade and I would like to know if he could give us any information about forcing grain through by the Pacific route.

Sir GEORGE FOSTER: The Minister of Trade and Commerce never gave an assurance of that kind and never had any thought of that kind. It is not within his power to force grain. Grain has to go according to the natural channels. Under the circumstances which have existed for two years at least, and which especially have existed during the past year, any attempt to force grain through by way of Vancouver and the Panama canal is absolutely impossible. My hon. friend will see that in a moment if he begins to think over the conditions as they exist. It is desirable that as soon as possible a shipment of grain shall be made by Vancouver and through the Panama canal for various reasons. Such a shipment, as soon as it can be made under anything like normal conditions, will solve two questions which are a little in doubt. One of them, not very much in doubt, is as to whether grain in bulk will bear the passage through the canal without being injured or going wrong. The other is as to the commercial and economic possibilities of shipping grain through that route. But under these abnormal conditions you can settle that sec-

ond question. I am in communication now with the British authorities with the view of having one of the British vessels which are being constructed on the Pacific coast, when she is finished and sails for Great Britain, take a cargo of bulk grain for the purpose of settling a doubt that has been expressed, although I do not think there is very much in it, namely, that bulk grain cannot be carried through the Panama canal. I believe there is no doubt it can be carried, and I hope before the season is over that a shipment of bulk grain will in that way go through from the West and through the Panama canal.

Trade and Commerce—Supervision lake and ocean freight rates, $6,000.

Mr. OLIVER: There was a charge this summer that lake freight rates were very high. Does this vote mean that there is any supervision or that any supervision can be exercised?

Sir GEORGE FOSTER: This is a vote that was put in the year before last when I contemplated the appointment, if I could get the proper man, of a supervisor of lake and ocean freights. But the conditions have been so abnormal on the ocean and, to a certain extent, upon the lake, that I have not made the appointment, and we will have to get back to something like normal times before any good can come from the appointment of such an officer. So that this is a vote for the appointment of such an officer when the time becomes suitable.

Mr. OLIVER: Is this merely a vote for an officer who will secure information, or is it a vote for an officer who will exercise some authority?

Sir GEORGE FOSTER: Primarily, it is for an officer who will secure information. The Department of Trade and Commerce has a system of subsidized services running to different parts of the world. There is always a question of freight rates coming up. We had no expert in the department, and I had not myself the expert knowledge which is necessary to guide decisions which the department and the minister must give oftentimes with reference to freight rates. I wanted an officer of that kind who would be the information bureau of the department with reference to freight rates, and then, with that information, the department could probably do more than it has been doing, even in the past, in the regulation or control of freight rates.

Mr. OLIVER: What measure of control or regulation has the Government in regard to lake rates?

Sir GEORGE FOSTER: It has none. We have no subsidized services on the lakes, and we only have power to control or regulate the freight rates charged by subsidized services. There has been, as my hon. friend knows, negotiations with the British Government for some years back with reference to getting a concerted action between the United Kingdom and Canada, and, if possible, the United States, with reference to some general supervision of ocean rates. But nothing has transpired, although a good deal of attention has been given to it, and the war, of course, has stopped all those matters for the time being.

Mr. OLIVER: Is Canada still paying subsidies to the mail steamship lines?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: The Government has not any control of rates?

Sir GEORGE FOSTER: All the contracts with subsidized lines are signed, of course, by the minister, and the schedule of rates chargeable is within the control of the minister.

Mr. OLIVER: For freights?

Sir GEORGE FOSTER: Yes.

Mr. OLIVER: From what I have heard, the minister must be very liberal in the allowance for freights, because the general impression is that freights are very high.

Sir GEORGE FOSTER: The freights are very high, and fifteen hundred thousand ministers could not have done much during war time to make any different rates.

Mr. OLIVER: I would suggest that, when rates are so high, and business demands that they be high, might not the subsidy we pay them be fairly withdrawn, on the same principle that the bonus that we pay to the lead smelting companies, when prices are beyond a certain figure, is reduced? The steamship companies are making more money than before the war, and surely we might save the money we are paying for subsidies.

Sir GEORGE FOSTER: We might if we took away the subsidies, and we would then have no longer any control over the lines, which are mail lines. These mail lines must conform, in their dates of sailing, and

as to the ports of sailing, and the like of that, to their contract with us. We must have control of those things for the sake of the mails, and we keep that control and exercise it, because we subsidize them. They have to sign contracts and abide by those contracts. We might also impose certain rates of freight on them, but if the rates that we fixed were less than the rates that could be got from ports to the south of us, we would run the risk of losing our lines entirely.

Mr. OLIVER: I do not wish to speak about ocean rates, but in regard to the lake boats, there was a time this season when the boats were charging seven cents a bushel from Fort William to Midland. That is a very high rate. It was not a case of supply and demand, but a case of hold up. The lakes are common property between Canada and the United States, and if it is not possible for this Government to control the grain rate on lake boats on our side of the lakes, perhaps the Government would consider the matter of entering into a reciprocity treaty with the United States, so as to secure a control of rates on the lake lines. This is a matter surely within our reach, and while I am perfectly willing that the companies should make reasonable profits, everybody will admit that a seven cent rate is not within the bounds of reason, and is not a case of payment for services rendered, but a case of hold up, and should not be permitted.

Sir GEORGE FOSTER: There might be, in normal times, some chance of a dual control by co-operation in that way, in regard to the traffic on the lakes, although it is a complex question, taking into account the ore and coal and grain, which constitutes the chief part of the freight, but at the present time I do not think any thing would come from an attempt to regulate the rates between the two countries. My hon. friend does not take that seven cent rate that he spoke about as an index of the general rate. I think the rates were about two or two and a quarter cents the last time I inquired.

Progress reported.

RAILWAY ACT AMENDMENT.

The House in Committee on Bill No. 13, to consolidate and amend the Railway Act.—Hon. Frank Cochrane.

Mr. Blain in the Chair.

Mr. COCHRANE: On the 18th July I accepted an amendment prepared by my hon. friend from Rouville and proposed by the hon. gentleman from Rimouski, which reads as follows:

All railway employees on local passenger trains running in the province of Quebec, having to deal with the travelling public, shall be conversant with the English and French languages from and after January 1, 1919.

There has been strong objection to this amendment on the ground that it would cut men out of their seniority. For instance, a man running on a freight train to Prescott or Brockville would be prevented from being promoted, say, to a passenger train running to Montreal, because he was not able to speak French. I feel that the amendment suggested by the member for Muskoka (Mr. Wright) will meet the situation far better. I move that section 302 be amended by adding thereto the following as subsection 3:

After the 1st day of January, 1919, the Board may from time to time make such orders and regulations as it may deem advisable to provide that all or any railway employee on local passenger trains running in the province of Quebec shall be conversant with the English and French languages.

I am sure that none of us want to injure the railway men, or deprive them of their right of promotion. Neither my hon. friend nor myself thought of this when the amendment was made. I hope that the committee will accept the proposed change.

Mr. LEMIEUX: I thought that the amendment had been drafted in such a way as to meet all possible objections. It was at the suggestion of the Minister of Railways and Canals that the amendment was drafted in that form. However, I am sure that nobody would like to cause any injustice to the conductors. My hon. friend realizes that there are some grievances—I mentioned some the other day. I hope that the board of railway commissioners will not allow this amendment to remain on the statute book as a dead letter. Under the circumstances, I agree to accept my hon. friend's further amendment, because I know that he is well disposed towards the conductors and towards the public. The very fact of inserting the amendment now moved by my hon. friend and the publicity the matter has had since it was brought before the committee may produce the desired effect of inducing the conductors on all local trains in the province of Quebec to learn both languages.

Amendment agreed to.

Section as amended agreed to.

On section 215—expropriation proceedings:

Mr. J. E. ARMSTRONG: At their last meeting the committee were good enough to say that clauses 215 and 232 should pass if they were amended so as to include the provision with regard to arbitration made in the clause of the old Act. The law clerk has carefully gone over these clauses and the member for Carleton (Mr. Carvell) has spent an hour and a half of his valuable time in assisting in that work. They are satisfied that the clauses as amended are correct and that they will meet with the approval of the committee.

Clauses 215 and 232 have been amended by restoring the old arbitration proceedings before three arbitrators or a sole arbitrator, keeping the law in that respect the same as it is at the present time, and making the necessary verbal changes in the section as directed by the Committee of the Whole at its last sitting. These changes have been checked over by the member for Carleton. Section 196 and 197 of the old Act replace section 219 and 220 of the Bill. Section 206 of the old Act becomes section 229, but subsection 3 of section 229 remains. Subsection 3 of section 223, forbidding arbitrators to take any fees, is struck out. The other clauses have been amended verbally to make them agree with the other changes. I therefore move that the clauses as amended do pass.

Motion agreed to.

Sections 215 and 232, as amended, agreed to.

On section 380—statistics and returns:

Sir GEORGE FOSTER: A central department of statistics, which is attached to my department, is working along the line of centralizing and co-ordinating the economic statistics of the Government and of co-operating and co-ordinating with all the different provincial governments so as to prevent overlapping and to carry out an accurate, thorough and reliable system of general Dominion statistics.

In this Bill, section 384 and those that follow it and are conjoined with it provide for the complete gathering of statistical information for the administrative work of the board of railway commissioners. Those statistics are necessary for the work of the board, and they must gather them as they please and according to their own methods. Sections 379, 380 and 381 provide for a statistical return to the minister himself, covering exactly the same ground, not for administrative, but for economic purposes. In that way, they cover the ground which is covered by the central department of statistics and they make a duplication of effort and of expense. But more than that, being not under one management as regards methods, schedules and information to be gathered, they do not serve the purposes of comparison, and the idea is that these statistics should be gathered by the central department of statistics, so as to prevent duplication and confusion. This also has the other effect that you do not bother the companies with a duplication or a triplication of demands upon them for practically the same information. My suggestion is that all the statistics are provided for in section 384 and the co-related sections.

Mr. CARVELL: Section 384 in my copy provides that the returns cannot be used in a court of law except in case of default or perjury or something of that kind.

Sir GEORGE FOSTER: Section 384 in my copy provides for the gathering of statistics.

Mr. CARVELL: Section 385 in my copy is the same as the one the minister is speaking about. There must have been a renumbering of the sections. We agree upon the section anyway.

On the motion of Sir George Foster, sections 379, 380, 381 and 382 were stricken from the Bill.

Mr. CARVELL: That will require a renumbering of sections to the end of the Bill.

Sir GEORGE FOSTER: The clerk of the House will look after that.

Mr. CARVELL: Has the minister gone over this copy to see that the provisions of what is section 384 in my copy and which I suppose will be 383 in the minister's copy are provided by the present section 384. Section 384 in my copy or section 383 in the minister's copy says:

> All returns made in pursuance of any of the provisions of this Act last preceding shall be privileged communications, and shall not be evidence in any court whatsoever, except in any prosecution for,—
>
> (a) default in making such returns in accordance with the requirements of this Act;
>
> (b) perjury in making any oath required by this Act in connection with such returns;
>
> (c) forgery of any such return; or,
>
> (d) signing any such return knowing the same to be false.

That is an important provision. It is quite right that many of these statistics should be treated as confidential, but if the company makes a false return, or fails to make a proper return, there ought to be some right to sue it for the purpose of securing a conviction. I turn to subsection (5) of the section which the minister purposes retaining, and it seems to carry out the same idea, but I would like to know whether it goes far enough. The subsection says:

> The Board may authorize any part of such information to be made public when, and in so far as there may appear to the Board to be good and sufficient reason for so doing.

I suppose that would give the board the power to go into any court of law.

Sir GEORGE FOSTER: Yes. There is a proviso after that:

> Provided that if the information so proposed to be made public by the Board, is of such character that such company would, in the opinion of the Board, be likely to object to the publication thereof, the Board shall not authorise such information to be published without notice to such company.

Mr. CARVELL: There are no powers taken away. I only want to make plain that there is nothing to prevent the board using this information for the purpose of punishing negligence or the making of false returns.

Bill reported.

On the motion of Hon. Mr. Cochrane for the third reading of the Bill.

Mr. J. E. ARMSTRONG: Might I respectfully urge that the House consent to the third reading to-night, as I understand the Senate have very little before them to-morrow and would be able to devote the whole day to this Bill, if passed.

Mr. BUREAU: I understand that some hon. gentlemen who are not now present have some amendments to offer, and I would therefore suggest that the Bill be not given its third reading until the next sitting of the House.

On motion of Sir George Foster, the House adjourned at 10.45 p.m.

Tuesday, July 24, 1917.

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

FORBIDDEN CIRCULATION IN CANADA.

THE CENSORSHIP.

On the Orders of the Day:

Sir ROBERT BORDEN: I might say to the hon. member for Edmonton (Mr. Oliver) that I expect we shall be able shortly to make a statement in connection with the exclusion from Canada of the book called "The Fiddlers," which he brought to our attention. One of the chief objections to the book is that it contains certain statements which are entirely unwarranted with regard to the conduct of the men of the Canadian Expeditionary Force. I think it proper that whenever any action is taken in the matter some statement should be made expressing the view of the Government as to the absolute unreliability of the book, so far as these statements are concerned. To-morrow, or, at the outside, Thursday, we shall be able to make a full statement to the House.

In connection with the same matter, my hon. friend from Russell (Mr. Murphy) asked me about the deputy chief censor, and, speaking on the spur of the moment, I am afraid I rather confused the press censor and the deputy chief censor. I should like to make the matter perfectly clear. The action in this case was taken on the report of the chief press censor for Canada, that is Lieutenant-Colonel E. J. Chambers, who is an officer under the Secretary of State. He is not connected with the British press censorship in any way, but is an independent officer acting in this country and discharging in this country the same functions as the chief press censor discharges in the United Kingdom. I confused him for the moment with the deputy chief censor, Lieutenant-Colonel C. F. Hamilton, who is administering in Canada the cable and wireless censorship. He is an officer of the Department of Militia and Defence, and works in co-operation with the chief censor in London, who is the head of the cable and wireless censorship for the whole Empire. I should also add that there is an additional officer who has duties in connection with censorship in this country, that is Dr. Coulter, the Deputy Postmaster General, who is the chief mail censor for Canada. There has been more or less confusion in the nomenclature regarding these various officers, both in this country and in the United Kingdom. I think it is desirable to make this statement to the House, and I hope it is perfectly intelligible.

MILITARY SERVICE ACT—1917.

THIRD READING OF THE BILL.

Right Hon. Sir ROBERT BORDEN (Prime Minister) moved the third reading of Bill No. 75, respecting Military Service.

Mr. J. G. TURRIFF (Assiniboia): Mr. Speaker, as I happened to be absent during most of the discussion on the second reading of the Bill, I desire now to say a few words, as I think it is due to my constituents to explain why I am supporting the Bill, especially as, in doing that, I am voting contrary to my leader and to the majority of the members who sit around him. Let me say here that while I am taking this course I claim that I am staying absolutely by the policy of the Liberal party that was enunciated at the time the war broke out; which was that Canada should put every man, every resource, and every dollar at the back of the Empire to win this war. That was the policy of this House until notice was given of this Bill. But as recruiting has largely fallen off, it seems to me that the provision in this Bill is the only sensible way, the only proper way, in which we can secure the necessary men to carry on the war, as I understood it was the policy of both sides of the House to carry it on.

I voted against submitting the matter to a referendum for two reasons. One was that if it carried it did not lead us anywhere, so far as I could see. The second reason was that a referendum on the straight question of conscription or no conscription was beaten before it started. We have one province that is practically solid against it, rich and poor, learned and simple, Liberal and Conservative alike. We have also a very large foreign vote throughout the country, and I do not think that any one could expect that the Germans and Austrians would vote to be conscripted to fight against their own countries. Then, joined to these two large votes, you would have practically every slacker from the Atlantic to the Pacific, who would take that position, and in my judgment conscription would be beaten on a referendum. In my judgment also, and I say it in all kindness, the great majority of the members who in this House voted for conscription voted for it on the understanding that it could not possibly carry on a vote in the country. Well, while I would endorse the statement that if the majority would vote for it it ought to be the law of the land, I think a time may come when the majority should not say what the law of the land will be. That may not sound logical, but remember that we are at war, and the first consideration is to win the war, and if, by any vote that may be taken on a referendum, conscription would be turned down, what possible chance have we to win the war? Does any man think that after this coming election is over, with all the hard things that will be said, all the bitter things that will be said by our friends from Ontario, from the West, and from Quebec, from all over the Dominion, that there will be much recruiting in Quebec by the voluntary system, or in Ontario, or in the West? This election will end voluntary recruiting. My friends here, many of them, say that we will be able to get the men. Well, if that is the case, why not go a little bit further and unite everybody and say that if we do not get the men by the voluntary system to enable Canada to maintain the position which she has taken all along, then we will apply the law and get them in that way. That seems to me to be a reasonable position. But many do not view it in that light. They have as good a right to their opinion as I have to mine, but my opinion is that we are out to win this war.

Now, how are we going to win the war if our four divisions at the front keep dropping off?—and can any one imagine from reading the papers to-day that we are near the end of the war? Look at what is going on. I read in the papers yesterday that, since the first of January of this year, three million, five hundred and seven thousand and some odd tons of shipping had been sunk by German submarines—over three and a half millions of tons. And to-day Germany is holding back her enemies on every front, and what will be the result if we do not maintain our position in the lines? Mr. Speaker, I received a letter only the day before yesterday from an officer in high command at the front. I know him fairly well. He is a thoroughly reliable man, and a friend of the members on this side of the House. In that letter he says:

> I hope the coalition is a success and conscription becomes law. We are getting short of men, and if any serious fighting takes place in the near future our supply of reserves here will be about depleted. If the 5th Division is sent to France as an independent fighting unit before we get more reinforcements, it will leave us in a very bad state for reinforcements. I hope they leave the 5th Division until conscription gets in good working shape.

That is the opinion of a man who went to the front with the first contingent. He is to-day in England, looking after the preparation of the men who are to go to the front. If I felt that there was any possible chance of a no conscription Government being able to get the men, and being able to send them to the front and that Canada under that system would be enabled to main-

tain the position that she has held right in the front line since the beginning of the war, it would be the greatest pleasure to me. It is not a pleasure for me, nor for any man who has been as strong a party man as I have been, not to be able to agree with those who are sitting around me. It is forty-eight years this summer since I took my first active part for the Liberal party, and to-day, Mr. Speaker, I claim that I am as good a Liberal as I ever was, and hope to remain so; but I am going to support whichever party will do their utmost to win the war and see that Canada does her part in winning this war. There are times when the majority should not rule. Let me point out to hon. members in this House that in the year 1897 my friends on this side of the House took a referendum on the question of the liquor traffic, and the majority of the people voted for the supression of the liquor traffic, but my friends on this side did not carry that out, and I absolutely think they were right, but if it was right at that time, why should it be wrong to-day for the red blooded men of this country to say that the men who do not fight should not dictate to the rest of the men of Canada? The thing is to win this war; we can settle our party differences afterwards. In my judgment there should have been conscription at the first, but I am not going to blame hon. members opposite, because if we had been in power we should not have adopted it. Why? Because no one dreamt that the war would last as long as it has, and there were more men offering than could be handled at that time. But now, when the volunteer enlistment has stopped, how else are we going to get the men? I think the hon member from Humbolt (Mr. Neely) stated on the second reading that every government had an inherent right to take men for the defence of the country. Why should the men not be taken for the defence of the country? It is no use saying, "We will defend the country when we are attacked on Canadian shores." The place to defend Canadian shores to-day is on the fields of France and Flanders. What good could a Canadian army do fighting on Canadian soil, if the British and French armies were overcome and Germany could land an army in Canada? It would be too late; and I think many of my hon friends will regret in the future the line of action that is taken to-day. Glorious pages of history are being written by Canadian sons at the front. But when half the men of France of military age are killed in defending France and defending Canada as well; when thousands and tens of thousands of women and girls in France and Flanders are being practically driven into slavery—into white slavery at that—and subjected to such indignities that their friends only wish they were in their graves, I solemnly believe that the people who stand by quietly and do not want Canada to send more men to the front to keep our army intact will reproach themselves in the years to come for the action that is being taken to-day.

I believe that until the end of the war it would be much better if we had a national Government. I do not think the present occupants of the treasury benches are in a good position to administer the conscription law; I do not think a party government composed of those now on this side of the House would be in the best position to do so. I think it would be a mighty good thing for Canada if the two parties could bury their differences for the time and unite in forming a national Government until the war is over. Then no one would take off his coat with greater pleasure to fight the battles of Liberalism than I would. I have not much sympathy with hon. members across the floor of the House, never had, and never expect to have. It would be no great pleasure for me to work with them. But I say that in view of the conditions of to-day, when the fate of the Empire and of the country is trembling in the balance, this is no time for us to be fighting out our party issues. We should drop them in the meantime, form a national Government, continue the war and win it, and settle our differences as best we may afterwards.

I do not think the conscription Bill of my hon. friend the Prime Minister (Sir Robert Borden) goes far enough. I want to see conscription of men, but, in addition to that, I want to see, along with it, the conscription of resources and the conscription of wealth, and I use the term "conscription of wealth" in the same sense as my hon. friend from South Renfrew (Mr. Graham) used it the other day, and in the sense in which the Minister of Finance (Sir Thomas White) has used it. I do not think the Government should go to the bank and lay hands on $10,000, which some man had placed there. I hold that if the man with an income of $50,000 to $100,000 who is not —as many such men are not—paying as much taxes as the average man here, were tapped for ten or twenty per cent of his cash income until the war was over it would not be a bad idea. Take the man

who has a cash income of $100,000 a year; could he not live very well upon $75,000 or $80,000?

If my hon. friends opposite attempt to enforce a measure for the conscription of men without conscripting wealth by the imposition of an income tax that will fall equitably upon all, their conscription measure will not be a success. They should not attempt to conscript wealth only; one is just as necessary as the other. I am supporting the third reading of this Bill on the understanding that, as the Minister of Trade and Commerce (Sir George Foster) told us the other day, during this session legislation will be introduced to provide for the levying of an income tax under which each person will pay in accordance with his ability.

I thought it due to my constituents to make it clear that I am for the winning of this war and that I propose to support any party that will win this war. It has never been the practice of the Anglo-Saxon race or of the French race to lie down in the middle of the fight; and I, for one, do not propose to do so. During the last three years I have done what I could to induce men to go to the front and fight, and I am not going to go back on the men who have gone. I will try to be loyal to the men who have gone to the front some of whom have laid down their lives; I am anxious that the sacrifices that have been made shall not have been in vain. It is the duty of every man in Canada to see that Canada maintains her position in the struggle for the freedom of our own country, the freedom of Great Britain, the freedom of the British Empire, of the Allies and of the world.

Mr. F. F. PARDEE (West Lambton): Mr. Speaker, I do not know that I have anything new to say to the House with regard to this Bill. There seems, however, to be some misunderstanding as to my position in certain matters. I desire to detain the House for a few minutes to refer to the report of the meeting of the Liberal members of the House of Commons and the Liberal Candidates in Ontario for the House of Commons, which was held in Toronto on Friday last. The report states that certain conclusions were arrived at, as set out in the issue of the Globe of 21st July. The report further goes on to say that the Ontario federal Liberal members and the candidates in the field, after earnest consideration, came to certain conclusions unanimously. Let me say to the country that I do not agree with those conclusions. I stand exactly where I stood when I spoke on the second reading of this Bill. I am a conscriptionist Liberal, with all that that implies, believing that the adoption of conscription is the only way for Canada properly to prosecute her part in this war. I stand to-day where I have stood for months past. Notwithstanding the fact that I expressed regret in this House the other evening that it was seemingly impossible to have a national Government, I believe that the affairs of this country to-day demand a national Government, if it can be formed on a proper basis for the proper administration of those affairs. I am speaking for no other person or persons who attended that meeting; I speak for myself alone, and I propose to follow my line of conduct as vigorously in the future as I have in the past. I expressed these very sentiments at that meeting.

Mr. HUGH GUTHRIE (South Wellington): Mr. Speaker, may I be permitted to add a word to what has just been said by the member for West Lambton (Mr. Pardee). I do this because I have received over a score of letters from the constituency which I represent, protesting not against the article in question, but against the statement that certain conclusions were unanimously supported at that meeting. I take this opportunity of answering these various letters from my place in the House. I merely say that the report in question is not in accordance with my views. With regard to the Military Service Bill, I expressed my views fully in this House in the month of June last, and I have seen no reason in the interval which has since elapsed to change those views. Indeed, my views are more confirmed now than they were then. I sincerely hope that when this Bill comes to a vote upon the third reading, a majority even greater in its favour than on the second reading may be rolled up, in order that the country may see where the largest element in the House of Commons stands in regard to this measure.

Right Hon. Sir WILFRID LAURIER: Mr. Speaker, in view of the speeches to which the House has just listened, especially the speech of the member for Assiniboia (Mr Turriff), with whom I have been associated for so many years, I crave no indulgence, though I may rise to fruitless effort, for placing once more before the House the dangers which in my judgment must follow if the Bill now before us is enacted and put into operation.

On the second reading of this Bill, as the House recollects, I moved that the principle

of it should be referred to the people. The Minister of Trade and Commerce (Sir George Foster) who spoke immediately afterward on behalf of the Government, characterized this amendment as a miserable, dilatory motion. That it was a dilatory motion I do not dispute; I asked that the House should pause before imposing such a measure upon the people. Whether or not it was a miserable expedient, time alone can tell—nay, time has already told. It required but a few weeks to get the answer. That answer is already written, not upon the walls of this hall, in flaming and mysterious letters, to be explained only by a seer, but in very plain language in the records of this House, in the division upon the second reading, and even in the spectacle which is offered every day in the division of opinion that exists among both parties upon this question. The reason which I urged against this Bill was that, presented as it was, after the numerous statements which had been made by the Prime Minister and the Government that compulsion would not be resorted to; that to the very last we would win the war on the voluntary principle, if this Bill were forced upon the people by a moribund Parliament, division, irritation, friction, and disunion would follow.

Already we have the verification of my statement, even before this Bill has left this House. The statement which I made was combatted by many hon. members on both sides of the House, and by none more vigorously than by the Solicitor General (Mr. Meighen), who spoke after the Minister of Trade and Commerce. The Solicitor General took the ground that no such disunion would follow from the intentions of the Government, which were to be found within the four corners of the Bill, and which were to get more soldiers to fill the ranks of our army. As to the intentions of the Government, I do not purpose entering into any discussion here and now. If there be those who have affirmed—and there are some—that the intention of the Government was more to win the elections rather than to win the war, on such a statement I do not offer any reflection at all, and I do not purpose entering into any discussion at the present time in regard to it. If there be those who contend that this measure was forced upon the Government by the jingoes and the ultra-Imperialists, who, not only in this country, but in all British countries, have tried to force upon those countries the continental military system of Europe, I have no intention of entering into any discussion in regard to that. To those who, like the Solicitor General, affirm that the intentions of the Government are to be found within the four corners of the Bill, I have only this observation to offer: That I accept the statement as it was made, but the attitude and the conduct of the Government showed a singular lack of foresight and forethought. I charge against the Government, in introducing this measure as they did, without any more preparation than they made, and upon their declaration, maintained since the first day of the war that there would be no compulsion, and that they would continue the voluntary system; that to precipitate this Bill as it has been precipitated upon the people certainly showed that no calculation had been made as to what would be its effect, and although its intentions were not sinister, the results were sinister, and in this House and in this country, more violent speeches have been made than were ever before heard. The Solicitor General spoke very confidently as to the result of this Bill—more confidently, perhaps, than he felt. He stated that he had no doubt that the Bill, when it was studied by the people, would produce no bad effects. Perhaps I had better read his language. He said:

> I am as confident as I have ever been of anything in my life that if the members of this House, reading and studying this Bill, and hearing this debate, will go to their constituents and tell them the meaning, purpose and spirit of this Bill there will be no possibility whatever of discord or resistance.

This was very easily said. Whence comes this assurance of my hon. friend? Would he speak to-day with the same assurance? I have no doubt that he did what he said should be done, namely, that he studied the Bill; that he explained it to his followers; that he showed them there was nothing in it to which they could take exception. How do I know that he did that? He would have been recreant to his office, to his duty and to his self respect, if he had not attempted to explain this Bill to his followers and to show that there was nothing in it to which exception could be taken. But he failed, as anybody must fail who had to give the same explanation. I followed the speech of the Solicitor General with more than usual attention. It was, as customary with him, a closely-knit argument. Still, I thought the tone of his speech was not free from anxiety and doubt. There was a passage in particular which struck me very forcibly. I do not know

what effect it had on the other members of the House who listened to it. He said:

> We are told this action will result in disunion. I see no reason why it should produce disunion. It should not produce it. It is framed to avoid disunion. Let no man deceive himself. We do not avoid disunion by dropping back to where we were, any more than we avoid disunion by going ahead with this measure. I see no more peril in the one course than in the other.

This is a singular confession of impotence. Mark the words. There is peril behind and in front whether this measure is proceeded with or not. That confirms what I said a moment ago, namely, that the Government was singularly deficient in foresight and forethought when it introduced such a measure without calculating the effects as they were calculated by the Solicitor General.

But the Bill is before us at the present time, and we have to deal with it. The apple of discord has been thrown into this assembly and already the assembly is divided on it. It is nothing new in Parliamentary history for a Government when it introduces a new measure, to find itself deserted by its followers or its friends. That has happened in this country; it has happened in all countries where there are parliaments. It is, however, something which is very unusual when a measure is introduced which creates division, not only in the one party, but in the two parties at the same time. Why should I be blind to what has happened? I have already heard three of my friends take exception to the course which I have taken as the leader of the party. I find myself on the present occasion estranged from friends who were just as near and dear to me as any of my own brothers. I need not tell the House—every one will believe me—that such an estrangement, even if it be only temporary and upon this question alone, is a wrench at one's very heart strings; but every one of my hon. friends knows that I have not tried to impose my views upon any of my followers. I respect their consciences; I would not attempt to bring any one of them around to my way of thinking. I have my conscience and they have theirs; but this situation shows that we are face to face with a cleavage which, unless it is checked, may rend and tear this Canada of ours down to the very roots. Such is the situation and no one can be blind to it. If there are in this House men who affect to be impervious to the situation, to be careless about it, I am not one of them. If I may give a personal allusion, this is a matter which has caused me a great deal of anxiety within the past two weeks. But what is the use of lamenting over a situation? We must face the situation like men. What is the attitude of the Government with regard to the situation? How are they purposing to settle it? We have had the answer from the Minister of Trade and Commerce (Sir George Foster), when he rose after me to answer my speech on that occasion. The answer is simply these words of my right hon. friend:

> What we propose is to do, in the light of the experience and knowledge that we have, our plain duty, and let the people pass their verdict as they choose later, or by history. At least, we will stand as not having been afraid.

That is the only position which is to be taken by the Government. They will carry this measure by coercion, let the consequences be what they may. This attitude of coercion and this disregard of the consequences which may follow, coming from friends of mine on the other side, grounded in Toryism, do not surprise me, but I am more surprised when friends of mine, Liberals brought up in the old days of the Liberal school in which I myself have been brought up, take no more concern upon this question than is taken on the other side. May I call attention to the attitude of my good friend the hon. member for South Wellington (Mr. Guthrie) who, speaking upon this very subject said:

> He (Sir Wilfrid Laurier) has referred to another question, which I will discuss very, very briefly; that is that this Parliament is in the nature of a moribund parliament, or, as he described it, a rump parliament, his contention being that, on that ground, this House should not deal with it.
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> I do not take that view of the matter. My view is that this Parliament is in every respect legally constituted.

There is no doubt at all that this Parliament is legally constituted, and so long as it is not dissolved, either by the effluxion of time or by the decree of the Governor General, it can pass this law and many other laws equally nefarious and equally dangerous to the Canadian people. But that is not the point I wish to bring before the House.

It is not a question of legality or illegality, but a question of policy. Is it wise, is it prudent, is it good statesmanship to force on the Canadian people at the present time such a measure as is now before the House? Upon this point I have simply to say to my hon. friend, who was brought up in the same school as I was, that again and again, not only in England but in every

other country under British institutions, and particularly in Canada, Parliament has been dissolved for the purpose of consulting the people on a measure which it had the power to pass. The last instance I recall is the reciprocity question, on which we went to the country six years ago. We could have passed that law, for we had a majority behind us, but we preferred to submit it to the people, and for my part I am prouder to be standing here defeated by the will of the people than I should be if I had denied to the people the right to have their way upon this question.

All through my long parliamentary career my object has been to try and convince. But where I could not convince I would not coerce. The attitude of the Government upon this question is simply that we must have more soldiers at the front. A letter has been read from General Currie, commanding our forces in France, asking for more soldiers. There is nothing new in that. I do not know of the general who, now or at any other time in history, did not ask for more soldiers. I say to my hon. friend from Assiniboia, I say from the bottom of my heart, that I stand on the same platform to-day that I have stood on from the very first day of this war; my conviction is still the same. I wish that we could send more soldiers to General Currie. I wish that our population and our resources would allow of our sending not only half a million but a million men. But the question is how many men can we take from the life of the nation at the present time without imperilling the public services which are essential to this country, and essential to carrying on our share of the war. This is a subject which, in my humble opinion, has not been sufficiently considered by the Government. They went into this war without any previous calculation whatever, without taking any census of our resources in men and in other respects. They asked for 100,000 men, 200,000 men, 300,000 men, 400,000 men, and, at last, for 500,000 men. When they reached the 500,000 figure they were told by several people that they could not get the men. One of the most important captains of industry in this country, Lord Shaughnessy, expressed his opinion in no uncertain terms, that the men could not be got without injury to the public services. But the Government paid no heed to that. They paid no heed to the other consideration, that it is not only men the Allies require at the present time, but food. They paid no heed to the question whether the men could not be better employed in producing food in Canada than in fighting at the front.

It is manifest that the campaign of 1917 will not materialize as we had hoped. We had expected that the offensive of this year would be effective. We had supposed that an offensive would take place on all fronts, especially on the western front, where we expected the Allies would pierce the German line, and roll it back to the Rhine. I have no doubt these plans were laid, and if they could have been carried out the effect would have been as I have stated. Unfortunately, events in Russia materially interfered with the plans, and enabled Germany to transfer thousands of men from the Russian front to the western front, with the result that the Allied offensive was checked. But there is some comfort to be found in the situation. There is one good omen, it seems to me. The strategy of the German staff in this war has been to strike wherever they thought there was a weak spot in the Allied line. They would throw an overwhelming force upon that point, with the object of breaking down resistance, and pushing into the Allied territory as far as possible, and then they would entrench. Such has been their strategy since the beginning of the war. At the very opening of the war Germany attacked Belgium, in the face of the treaty which she had herself signed, because she knew that by attacking France through Belgium she could break through the French frontier at its weakest point. The same thing happened in Roumania. Instead of protecting their own frontier, the Roumanians invaded Transylvania and the Germans at once penetrated Roumania, and have remained in possession of it ever since. As I said, there is some comfort to be found in the war situation. When the Russian revolution took place everybody expected that the Germans would begin their much-talked-of offensive to Petrograd. The fact that it has not taken place is simply an evidence that the Germans did not have the men. Their resources in men are beginning to fail. It is an evidence that the policy of attrition, which was inaugurated by the Allies in 1914, after the battle of the Marne, is commencing to tell. And if the German forces are being depleted it is due almost altogether to the British navy, which day in and day out, at all times and at all seasons, has brought pressure to bear upon the German Empire by its blockade in the North sea. The Germans have countered by sub-

marine warfare, and have brought about a very serious position, perhaps the most serious of the war, but there is this comfort in it: it seems to me that already the effort of Germany in this respect has failed. They expected to achieve their object by submarine warfare within four or five months, but we all know that that object has not been achieved. But there is, however, a heavy toll to pay, and the duty has been imposed upon the Canadian people to produce more than we have ever done, because we have not only to send food to feed the people of England, but also to make up for the food that week by week is being sent to the bottom of the sea. But all these considerations seem to have been of no consequence to the Government. The Government seem to have paid no attention to them. Their energy has been employed in the last few weeks upon this new policy of compulsion. The genesis of this new policy still remains obscure.

It never was sufficiently explained, it never was explained at all, how, from one day to the other, the Government changed their attitude from voluntary to compulsory service. But, upon this point, at all events, if we do not know what the genesis was, unfortunately, we know what have been the results and the results have been to impress many classes in the community with a sense of deception; that is with a realization that they have been deceived by the Government.

I contrast the action of the Government with the action of President Wilson. When President Wilson had made up his mind that war with Germany was inevitable, what did he do? He did not launch his policy upon the people but he consulted almost every class of the community. He consulted his opponents of the Republican party, he consulted the great Democratic party, he consulted the churches, he had their assistance, he consulted the American citizens of German origin, and the consequence was that the day that he put his policy before the people every American citizen was behind him. Has that been the policy of the present Government? How did they manage this matter? They have consulted no one outside of their own Cabinet. One of the first bodies that they should have consulted was the labour party. They did not consult the labour party—far from it. The labour party came to the Government and we have it on the statement of one of the most prominent members of that organization that it has been deceived by the Government. On the 15th June Mr. J. C. Watters, President of the Dominion Trades and Labour Congress, made this statement:

> Up till the time the Prime Minister left for London we had repeated assurances that conscription was not contemplated by the Government. On the 27th of December last while discussing with him the registration scheme of the National Service Board, he stated, in connection with the adoption of conscription in the hearing of Vice-Presidents Simpson and Rigg, Secretary Draper and myself that he would consider it his duty to consult organized labour before undertaking to act on a matter of such grave importance.
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> The first intimation I had was in the daily press and no official of our Congress was consulted.
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> We were not consulted, but the Congress executive sought an interview with the Prime Minister after his pronouncement on May 18 last to learn his reasons for his changed attitude. There was not the shadow of a reason revealed at the interview to warrant a change from voluntary to compulsory service. On the contrary, the statements made by the Prime Minister, taken in conjunction with the information I gleaned while in Washington the week previous, all went to demonstrate that the need of the hour was not men at the front so much as food for the people in our Motherland, France and Italy, the means of transportation of the same by overcoming the submarine menace, and the manufacturing of all war supplies and building of ships.

Here is a direct statement that the labour people were deceived as a result of the announcement of their policy by the Government.

But, that is not all. When the Government introduced the system of national service, for which they issued their cards, it was thought that these cards might be considered as being perhaps the first move towards conscription. In this connection they sought the assistance of the church. I do not know whether they consulted other high dignitaries of the church but I do know that they consulted a high dignitary of the church in Montreal. I do not know what passed between him and the ministers who interviewed him, my hon. friend the Minister of Justice (Mr. Doherty) and my hon. friend the Postmaster General (Mr. Blondin), but the impression was conveyed to this high dignitary that there would be no conscription. The Minister of Justice stated the other day that he had made no promise. Of course, I accept his statement. He made no promise but, whether he made any promise or not to the high dignitary when seeking to obtain his assistance, the impression that he left on the mind of this high dignitary was that there would be no conscription. I grant that my hon. friend may have made no promise but that was

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the impression left on the mind of the gentleman whose assistance it was important for him to secure. But, my hon. friend said, in addition, that even if he had made a promise. and even if at that time conscription were not intended under the changed conditions of things it now had to be resorted to. I ask my hon. friend in what way has the condition changed at all? The condition was the same last fall as it is to-day. Last fall we had men at the front just as we have to-day. My hon. friend knows that when we send men to war it is to face death and that there must be a depletion in the ranks. My hon. friend knew that as well last fall as he knows it to-day, but it never came to his mind to have the ranks replenished in any other way than by the voluntary system. So, here is a high dignitary of the church who has been deceived in this matter.

But, is it not a fact that when last year we, in this House, granted an extension of Parliament for one year, we had in our ears the solemn statement made by my right hon. friend the Prime Minister, that under no circumstances would there be any deviation from the voluntary system? But, we are told, and it is the whole basis of this Bill, that voluntary enlistment has failed.

Sir ROBERT BORDEN: I must take exception to my right hon. friend's quotation. I do not think that I put it in the way he suggests.

Sir WILFRID LAURIER: My hon. friend stated, if he stated anything, that conscription was not contemplated.

Sir ROBERT BORDEN: Yes, exactly.

Sir WILFRID LAURIER: I asked him at the time what was the meaning of this 500,000 promise, I wanted to have a plain answer, and my hon. friend answered that conscription was not contemplated. We had his statement in our ears, when we granted this extension, that conscription was not contemplated, and yet within twelve months it was executed.

Sir ROBERT BORDEN: I must take exception again. My right hon. friend's chronology is very defective.

Sir WILFRID LAURIER: In what respect?

Sir ROBERT BORDEN: The statement was made in January, 1916, if I remember correctly. My right hon. friend states that conscription was announced within twelve months.

[Sir Wilfrid Laurier.]

Sir WILFRID LAURIER: Well, that would be only four months longer. The fact remains that the Prime Minister asked this Parliament to grant an extension which was a twelve months' extension, and during these twelve months he brought in a Bill which he said would not be introduced. The statement made to-day in justification of this measure is that recruiting has failed. Recruiting has not failed, but recruiting has decreased, I admit. If recruiting has decreased the fault and blame lie at the door of the gentlemen who occupy the treasury benches. I make that statement and I make it advisedly. We have had in this House, during this present session, recriminations and recriminations and differences between the ex-Minister of Militia and Defence (Sir Sam Hughes) and my right hon. friend the Prime Minister (Sir Robert Borden), and the Minister of Finance (Sir Thomas White) as to what has taken place in regard to recruiting. The ex-Minister of Militia complained that he had been interfered with in his recruiting. He stated in one speech, and he repeated it here, that if recruiting had decreased, it was because his work had been interfered with by the Prime Minister and the Minister of Finance. There is no doubt about that. That is a statement that everybody has heard. Explanations or excuses have been from time to time offered. It may be true that the minister was never actually stopped in his recruiting, but he was told how not to recruit. He was told: Do not go to this part of the country, do not go to that part of the country, do not go amongst manufacturers, do not do this, do not do that, and the result was that, being interfered with the work stopped, and, of course, recruiting failed.

You will remember, Sir, the famous chapter in one of Charles Dickens works as to the effect of the circumlocution office. It is an exact description of what is taking place with this Government. Charles Dickens somewhere says, speaking of what he called the circumlocution office:

> The circumlocution office was (as everybody knows without being told) the most important department under Government. No public business of any kind could possibly be done at any time without the acquiescence of this circumlocution office. Its finger was in the largest public pie and in the smallest public tart. Whatever was required to be done, the circumlocution office was beforehand with all the public departments, in the art of perceiving how not to do it.

That is the case with my hon. friend the ex-Minister of Militia (Sir Sam Hughes); he was told how not to do it; he was balked

at every step, and here we have the consequence. When the Government places as the basis of this Bill the fact that there has been no recruiting for some time past, they do not impugn anybody but themselves, and they show up their own delinquencies. But, Sir, after all here is the Bill, as I said a moment ago, and we have it before us. The strongest indictment which was made against this Bill, in my humble judgment, was made by the hon. member for South Wellington (Mr. Guthrie) in a speech which he delivered a few weeks ago. He said that this Bill, if it became law, could not be carried out unless it were by the joint effort of a union government. What does this mean? If it means anything it means that the sentiment against this Bill is so strong, is so rooted in all parts of the community, that the Bill is such a departure from the traditions of the past, that it requires the efforts of the two political parties to put it into operation. If that be true, and if this measure was unavoidable, it should have come in, not as the measure of a party government, but as the measure of a coalition government.

I may be told that I was asked, and my friend from South Wellington may have had it in his mind that I was asked, to be a party to a coalition government. Sir, I was asked to form part of a coalition government when the policy had been framed, when the Bill had been prepared as a party measure, by a party government; and when it had been framed, deliberated on in council, determined upon, and launched before the public. When the Government could not retrace their steps, my poor assistance, such as it might have been, was sought. If, Sir, the Government had been in earnest, they would have consulted me before they determined on their measure. But they did not consult me, they did not ask my opinion upon conscription; they did not ask me what would be my opinion upon its possibilities, its results, and its dangers; they did not ask me to discuss with them the situation, against which they were determined to close their eyes; but when they had concocted a measure, then they were kind enough to ask me to carry on what they had devised in their wisdom. As in the play of children, they asked me: close your eyes and open your mouth and swallow. I refused.

Sir, some of my friends have reminded me, some of my Liberal friends have reminded me, that George Brown once entered into a coalition Government. He did, and under such circumstances nobody would blame him. In those days, party government in Canada had come to a deadlock. The powerful agitation of George Brown, asking for representation by population, had depleted the majority of the Conservative party until there was a deadlock between the two parties. Then mutual friends asked that George Brown should enter into a coalition. He asked the basis of it, and when representation by population was granted, which had been refused up to that time by John A. Macdonald, when the principle of union of the provinces had also been granted, which also had been refused by Macdonald, he then entered into a coalition. But, Sir, I was not approached in the same way. I have my views upon conscription. They have not changed. It is not a pleasure for me to find myself at variance with so many of the friends I have around me; but I thought and still believe that a measure of conscription, under the circumstances, was an apple of discord, and I could not accept it. That is all I have to say upon that point.

But I may be asked: what is your policy; it is not sufficient for the Opposition to say "nay" to any proposition, what is your policy? Sir, I laid my policy before Parliament upon the second reading of the Bill. I asked that a referendum should be had and the judgment of the people taken upon this question. I have not the merit of this policy; it did not originate with me; it was not my own device. Sir, it was asked by the whole organized body of labour in the Dominion of Canada. We are familiar with the strong resolutions which have been placed upon the table of this House, passed by the central labour organizations. Every member of this House, I would venture to say, at all events, the large majority of the members of this House, I am sure, have received from labour organizations within their ridings, petitions, resolutions and communications to that effect. I have received them by the bushel. They are there, before the House, and, Sir, under such circumstances I say I have no merit in having proposed that policy. That policy would have given us peace, harmony, and concord, which to-day are in much danger. Objections were made to it, and what were the objections? The objections were that this policy of a referendum should not be granted because, forsooth, the soldiers could not vote. Well, Sir, we passed a law two years ago to give the franchise to the soldiers, and by the same measure we established machinery to

give facilities to the soldiers to express their views. Are we to be told that this law is a mere scrap of paper, that it is a mere dead letter, that it cannot be put into execution? Why, Sir, are we to be told that those who two years ago were so insistent upon passing this law intended it only as clap trap? If, Sir, when this measure was proposed, we on this side of the House had opposed it, and if we had defeated it, the welkin would have rung and would be still ringing with denunciation against those who had deprived the soldiers of the sacred right to vote. We did not oppose it; the law is there, and when we are told that the law cannot be put into force upon a referendum or an election, when we have given the right of voting to the soldiers, hon. members are simply playing with the common sense of the country when they advance such an argument.

Mr. A. C. MACDONELL: Is the right hon. member aware that the Act to which he is referring provides only that soldiers shall have votes in elections and not on a referendum?

Sir WILFRID LAURIER: Yes, I am aware of that. I am aware also that the Parliament which gave them power to vote in elections could give them power to vote on a referendum. The difficulty is not serious.

Mr. A. C. MACDONELL: Parliament has not done so; the Act is confined to elections.

Sir WILFRID LAURIER: If there is to be a referendum, the law would have to be passed by this Parliament, and this Parliament could as easily give a vote to the soldiers on a referendum as on an election, and I would be the first to vote for it, and, I suppose, so would my hon. friend. The objection that a soldier could not vote on a referendum has no weight. It would imply that this Parliament refused him the right to vote, and nobody would suppose that. Moreover, as I said a moment ago, in Australia there have been both an election and a referendum upon this very question of conscription, and the soldiers voted upon both issues. That I do not know personally, but I am told it, and I have reason to believe it is true. More than that; in British Columbia there has been an election and there has been a referendum on the question of prohibition, and the soldiers voted on the referendum and in the election also. Are we to be told that what can be done in British Columbia, Australia and New Zealand cannot be done in Canada? To state such a proposition is simply to refute it. Furthermore, to-day I heard my hon. friend from Assiniboia (Mr. Turriff) tell us that he was against referendum because he was sure it would not carry. In other words, he said that a referendum would be defeated. Well, Sir, I ask, is that a reason why a referendum should not be taken? Again I ask: Where are we living now? Is it Canada, or is it Prussia?

Some hon. MEMBERS: Hear, hear.

Sir WILFRID LAURIER: We want no more hypocrisy. If that is the position, no more can it be said that we are fighting to maintain the government of the people, for the people, and by the people. Sir, we have a vast country composed of different nationalities, brought here by the force of circumstances. We have opened our doors to all the working people of Europe to come here and help us build up this country, to develop it and bring it up to the standard we hope it will attain some day, and are we to be told that in this year 1917 we are going to deny a vote to the men whom we have made British subjects under the law? That is not British policy. It is the policy of Paul Kruger, the very policy which started the war in South Africa. When Kruger, after inviting British subjects to come and live in that country, denied them the privileges he promised them, and after giving them the privileges of citizenship, took away their right by an Act of Parliament, the war ensued. For my part, I do not believe in such doctrine as that. My hon. friend from Assiniboia (Mr. Turriff) said a few minutes ago that, if there was to be a referendum, the whole of the French province would vote against it; the foreign voter would be against it, and the slacker would be against it. I do not want, in this country, to hear of any such division. I stand upon the broad line of Canadian citizenship.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBER: Oh, oh.

Sir WILFRID LAURIER: I know very well that the same feeling does not appeal to all Canadians. I know that the majority of French Canadians have a certain way of looking at these things. I know that English Canadians look at them in another way, but when you tell me that all French Canadians are on one side, and all English Canadians are on the other side, I do not

believe one statement or the other. It has been said that all the French Canadians are on one side and all the English Canadians are on the other side, and if that be so the English Canadians are more numerous, and they would carry the vote. It is not by such appeals as this that we can hope to settle this vexed question. It is simply by appealing to the better instincts of the people, and for my part I hope that the day will never come—and I am sure it will never come—that I shall appeal either to the prejudices of one man or to the prejudices of another.

Referring to the position which I have taken upon the floor of this House on this question, if I cannot defend it in Ontario as well as in Quebec, I want to lose my name as a French Canadian citizen, as an English Canadian citizen, and as a Canadian. I am prepared to defend my policy. I may be right or I may be wrong, but at all events I am sincere in my belief, and when a man speaks the voice of his conscience, there is no part of Canada where he should fear to state his views. I have been told that there is no constructive feature in the policy of a referendum. On the contrary, I say it is the most constructive policy which has yet been presented in this debate. I do not know how the vote will go. I have taken my pledge, and I repeat it again to-day with more fervour than before, that if the vote had gone for conscription the verdict would be accepted in every part of Canada, even in the province of Quebec, where it has been said it would not be accepted. When the people had spoken by way of a referendum, I believe that those who voted against it would, had it been carried, come forward to do their duty and uphold the law. If it were defeated, a duty would be imposed on all, and there would be a new basis, and a new appeal to the whole people of Canada to lend their best endeavours in the defence of a noble cause. But my hon. friend said that the minority must govern sometimes. I do not admit that proposition at all. If you admitted the policy that the minority could govern, you could say goodbye to representative institutions. My hon. friend was very badly advised when he referred to the referendum on prohibition in 1898. Let the hon. gentleman look at Hansard. I have not looked at it for twenty years, but he will find that the Government stated that they would not be satisfied with a bare majority, even if prohibition were endorsed, unless there was behind it such a body of public opinion as would insure its success. But when we found that prohibition had been carried by a vote of only 10,000 out of more than half a million, we thought we were not justified in putting it in force. I have been asked as to what my policy is. I may say that it is the same as it has been from the first. I am in this war to the finish.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Oh.

Sir WILFRID LAURIER: I am in this war under the voluntary system to the last. I am in this war as Australia is in it to-day. Australia voted against conscription but still she is in the war. I am sorry that on an occasion of this kind I cannot see eye to eye with my hon friends on the other side. I do not want to speak severely of anybody. I do not want to introduce any bitterness that it is possible to avoid. I respect the convictions of all men, and I hope my own convictions will be respected.

In the position that I occupy on this side of the House, I am part and parcel of the machinery of the Government, and up to the 18th May no man occupying a position similar to that which I occupied, in any country, whether in England, France, New Zealand, or South Africa, gave to the Government a more consistent support than I gave them. But when the conscription measure was proposed I had to oppose it, and why? Because, presented as it had been presented, before the country, it had been made an instrument of coercion.

It is a denial of those principles of democracy which we hold dear and sacred. I oppose this Bill because it has in it the seeds of discord and disunion; because it is an obstacle and a bar to that union of heart and soul without which it is impossible to hope that this Confederation will attain the aims and ends that were had in view when Confederation was effected. Sir, all my life I have fought coercion; all my life I have promoted union; and the inspiration which led me to that course shall be my guide at all times, so long as there is a breath left in my body.

Hon. ARTHUR MEIGHEN (Solicitor General): Mr. Speaker, nothing was farther from my mind when I entered the House this afternoon than to speak upon the third reading of this Bill. I am constrained to do so, however, because of the most remarkable performance of the leader of the Opposition (Sir Wilfrid Laurier). I am afraid that his many thousands of erstwhile friends in Canada who have been so profundly disappointed at the course of his

public life in recent years, and more particularly in recent weeks, will not gain very much encouragement or increased admiration of the right hon. gentleman from his deliverance to-day.

The right hon. gentleman tells us that his policy on this measure is still the referendum. But we are all able to remember that it is only a very few years since the right hon. gentleman told us that a referendum was no policy at all for any party or for any man. He tells us that his policy is always to have the majority rule; that nothing else is consistent with democracy and constitutional authority. But the very illustration that he gave of majority rule by way of referendum was an illustration of minority rule as a result of referendum. It was not the judgment of a majority which was given effect to in 1897, following the only referendum that has ever been held in Canada; it was the judgment of a minority that was given effect to then and thereafter for 14 years by the right hon. gentleman who leads the Opposition.

The right hon. gentleman tells us that it is all right to have a referendum now, because we can get the whole vote. He says that we can get the entire vote of the people because there is a Soldiers' Votes Bill still on the statute-book. I remember when the Soldiers' Votes Bill passed this House. I remember hon. gentlemen opposite—I remember the leader of the Opposition himself—telling the House that we might pass all the Soldiers' Votes Bills we liked; but that would not enable us to get the soldiers' votes. He said they had more to do than vote. A Soldiers' Votes Bill, put in operation at the time the Bill actually was passed would go further to get soldiers votes than it would go under the conditions of the war to-day. It was right and just that Parliament should extend to her soldiers and defenders the legal right to vote. What member of this Parliament would seriously contemplate deciding a big constitutional issue, involving the fate and faith of this country now and for generations to come, and deny to the soldier the legal right to cast his ballot? There were some hon. gentlemen opposite who two and a half years ago took that position; I do not know that any hon. gentleman would take it now. But what I want to impress on the leader of the Opposition is this: that while passing a Soldiers' Votes Bill extends a legal right to the soldier to cast his ballot, it does not physically make him capable of casting his ballot. We are asked by the leader of the Opposition now to revert to referendum, at a time when, of all times in our history and on a subject in respect to which of all subjects in our history, the circumstances least admit of a correct and just application of the referendum principle. That is chiefly why I object to it. We are asked to take a reading of the patriotism of this country at a time when it is impossible to read that patriotism with any approximation to fairness. What are the conditions to-day? Three hundred and thirty thousand of the keenest-blooded citizens of this countr are overseas. That 330,000 are the forward element of this population; the backward element are all among those at home. The most forward element of the population are overseas; and of that 330,000, what percentage will be permitted or physically capable, under the almost indescribable conditions that exist there, of casting their ballots, no matter how many Soldiers' Votes Bills have been passed?

The right hon. gentleman points to the example of British Columbia. Yes, British Columbia had a Soldiers' Votes Bill. They employed every facility that ingenuity could contrive to get the vote of the soldier in France. How did they succeed? They got votes from twenty per cent of the soldiers from British Columbia who were in France at that time; the other eighty per cent were disfranchised by the very fact that they were soldiers. Even in respect to that twenty per cent, such were the doubts that the balloting created that to-day commissions and legal proceedings are on the way to determine whether all or any of the votes were legally cast. Under these conditions the right hon. gentleman demands that we now resort to a referendum—that we shrink back and shudder—that we ourselves refuse to act. The proposal of the right hon. gentleman might disfranchise eighty per cent of the 330,000 men who are overseas—the aggressive portion of our people—of about 250,000 of the best sons of Canada. Is it any wonder that a great proportion of the red-blooded sons of this country say that the reason the right hon. leader of the Opposition now wants to take a referendum is because that forward portion of our population is overseas, and because, in the turmoil and the stress that prevails in France, the proportion of our population that is there cannot vote at all? It is no wonder that they are coming to that conclusion. Why should we marvel, then, that the right hon. gentleman finds himself bereft of the vast body of his friends in at least eight provinces of the Dominion?

Not only would 280,000 men, or thereabouts, be disfranchised if the proposal of my right hon. friend were accepted, but—what is worse, what is a more cruel outrage still—the moral influence of 330,000 men would be denied. What if those 330,000 men were here? What if they mixed among their fellows in Canada and could exert the tremendous influence that red-blooded men of that kind can exert among their people? Why should we to-day attempt to determine what is the average opinion of the Canadian people when the vast and virile influence of 330,000 men is stripped from this country and cannot make itself felt? I know men of that 330,000—men from my own constituency; I can name them—of strong, vigorous personalities and surpassing intellects; I would rather be without fifty ordinary voters than without one of those men. Shall we strip citizens of that type of their votes, strip them of their influence, and then read the measure of the patriotism and aggressive war policy of this country? I denominate such a proposal as an outrage, and I indict the authors of that outrage as the leader of the Opposition and those who vote with him.

The right hon. gentleman makes a special appeal that must be taken to have some considerable significance, because, so far as I know, there has been nothing in the proceedings of this Parliament to give rise to his fears or predictions. He makes an appeal against the disfranchisement of several hundred thousand of alien enemy origin living in this country to-day. Is there any significance to be attached to that appeal made by the leader of the Opposition at this time? Is it that he feels that those of alien enemy birth are particularly those upon whom he can best rely in the position he takes towards the war policies of Canada? If he has brought that belief into the minds of hon. members of this House, he has only himself to blame. It is not unnatural for him to suppose that if there are those in this country who might resist an aggressive war policy against the very nations from which they sprung, and therefore be found in support of the leader of the Opposition, it would be those very men. Is that the reason for his solicitude for the franchises of those of alien enemy origin in Canada. No one would regret more than I do that there should be interference with the votes of those men, but it ill becomes a politician to be so solicitous about the franchise of persons of alien enemy origin who are so little concerned about the franchise of the red-blooded men who are to-day fighting in his defence and mine. I am more concerned for the franchise of the soldiers than I am for the franchise of those of alien enemy birth or than I am for the franchise of any other class whatsoever. I am more anxious for the franchise of the soldier in a war election or a war vote than I am for the franchise of even the British population in this country. It is better to get the word of the soldier as to what should be done in this war than that of any other man. The policy of the leader of the Opposition—and to the honour of hon. gentlemen opposite be it said that he now suffers the most serious defection of his long political career—is to see to it that we get the votes of those who, of all people, might naturally be inclined to sympathize with the enemy, whether or not we get the vote of those who are defending the shores, the homes and the destiny of this our native land.

But my right hon. friend says that this policy is brought on too suddenly. He cannot stand the suddenness with which it was sprung upon him and upon this country. I remember hon. gentlemen opposite—and they are all now included in those who are supporting the leader of the Opposition—for months in this House taunting the Government of the day because we would not announce some policy of conscription. Who does not recall appeals by the score for compulsion from the Liberal press of our country? Who does not remember the hon. member for Pictou (Mr. Macdonald), day after day, from his seat in this House, wanting to know why the Government had not the courage to take a lead in this matter of conscription and to come out and state its position on the subject. We still have in our minds hon. gentlemen who sit now behind and support my right hon. friend in his attitude towards this war, telling us long ago that we had not moved fast enough on conscription, and that the time to have moved was a year ago.

What should a Government do? Should a Government, responsible for its own actions, responsible for leadership in great crises in a country's history, go out amongst the people and say: We do not know where we are on this subject, but we would like to know what you think about it? Should we go out amongst the people and say: We are drumming up the cause of conscription and trying to get all the friends for it we

can, but for the life of us, we cannot tell what we think about conscription ourselves? We should immediately be asked: what is your policy? Where do you stand on conscription? And, unless we could answer definitely, we should be rightly sent back to our places and told to do our duty. The only initial step any government can take in any matter of public policy is to announce its position and appeal to the people to follow. Then we get the reading of the people's will, and the Government does not evade but discharges its obligations.

We are told by the leader of the Opposition: You have brought in your policy of conscription and then you have asked for coalition. He says: I do not like the priority; I do not like the order of precedence; you should have asked me for coalition first and then brought conscription in next. I have heard other hon. gentlemen say that we should have consulted the leader of the Opposition about coalition first and announced conscription next. But the leader of the Opposition himself says that no matter when we consulted him about coalition, he never would have come into coalition upon a policy of conscription. Where is the difference between going to the leader of the Opposition and saying: We invite you into coalition on a policy of conscription which we intend to announce, and going to the leader of the Opposition and saying: We are for conscription; we invite you to come in and cooperate with us on that policy? Had we on the other hand gone to him and said: we do not know where we stand, but we would like you to come in and help us in this matter of getting soldiers; his immediate reply, and that of his followers would have been: have you not the courage to take your own position, to pronounce your policy?—pronounce your policy first; that is the duty of a Government; then we will say where we stand.

We took the full responsibility. On no other basis than that of compulsory service, could coalition have been of any service to this country. That alone was the basis, and on that ground we took up our position. Then it was the duty of the leader of the Opposition to elect his course. He elected his course, and the tragic election he made is the reason of whatever disunion may exist to-day.

He tells us further—and I am surprised that the leader of the Opposition should use the sentences he does when referring to this subject—I cannot agree with you now that you introduce conscription, because you promised us you would not. And he went so far as to say that the leader of the Government, in January, 1916, stated that under no circumstances would the Government resort to compulsory service in Canada. The Prime Minister said no such thing. The leader of the Government, on every occasion when the subject has been discussed, whether in Parliament or before labour organizations, or before delegations of any sort, has been scrupulously careful never to say that under circumstances that might be conceived, conscription would not be introduced. In January, 1916, he said that there was no compulsory service Bill in contemplation by this Government. That was the absolute truth in letter and in spirit. Why? Because then—the necessity for compulsory service had never arisen in the smallest form on the horizon of this country; because at that time we were recruiting men at the rate of 1,000 a day; because there was no necessity to supplement the army of this country in France by the adoption of a compulsory law; because the State would not be imperilled by the continuance of the voluntary system, for that system was then successful. That is a long way from saying that under different or other circumstances there would not be a resort to compulsory service.

The leader of the Opposition tells us that we did not consult the various classes of people in this country. There is not a class of the people in this country that had not made representations to this Government and consulted with this Government on this subject of compulsory service. Those representations had been made and those consultations had between various sections of our people and the Government of the day since a time less than a year after the war began. And if there is one class of the people of this country who are in the weakest position possible to plead surprise on this subject, it is organized labour itself. The great body of organized labour indeed does not complain at all. Two or three office holders cannot speak for the labouring men of Canada. Several months before the policy of compulsory service was announced in Parliament representatives of organized labour came to this Government, and I believe came in the person among others of the very gentleman referred to by the leader of the Opposition this afternoon, and were told that we did not contemplate compulsory service in Canada. They were not satisfied with that, and asked the leader of the Government whether or not he would give an absolute continuing pledge

that he would not put into effect conscription in this country. What did the leader of the Government do? In the plainest possible language he told that labour organization, and told Mr. Watters, that he would not on any account make any such promise or commit this Government to any such a pledge; that, in a word he would have to be governed by events as they transpired, and that whenever it appeared that the safety of this nation depended upon compulsory service he would not hesitate to resort to compulsory service. In the face of that plain intimation—and it is in writing—that the policy of Canada in the war as to the voluntary system or conscription must be dictated by circumstances, just as the policy of every other nation in war must be dictated by circumstances. Where is the organization that can plead surprise? For under the circumstances that have developed, it appears by the plainest figures ever presented to the mind of man, that unless conscription is resorted to we cannot sustain the defence of this country. No organization can plead surprise or bad faith; the words "bad faith" have no proper place at all in this connection, and I think the leader of the Opposition should never have used such words. No organization can plead surprise. But the gravest charge that could be brought against any administration would have been brought against this Government if in the face of the falling figures of our defenders in France; if in the face of figures that show seven casualties for one recruit in two months; if in the face of the appeal from the General in the field that there was the greatest possible need, the direst necessity for men; if in the face of figures which established that unless an impetus was given that under voluntarism had not been given to recruiting in Canada for ten months at least, our forces could not be maintained in the field; I say the gravest and most damning charge would have been brought against this Government if in the face of those facts we had been guilty of the crime of refusing to resort to any measures for strengthening the arm of this country and sustaining our defence.

We are told that this measure is coercion. It is coercion in the same sense that every law of the land is coercion, and in no other sense at all. Unless there is coercion, that is to say, power, behind a law, there might as well be no law. This is coercion in the same sense that the leader of the Opposition used coercion upon this country when he tied it up to the Grand Trunk Pacific Railway project; it is coercion in that sense and in no other. And by the way, he tells us that because there was a difference of opinion, or alleged difference of opinion, between two members of the Government as to the method of proceeding in recruiting, we are answerable for anything that may now be complained of in the way of voluntary recruiting. Let me answer him. How wide would be his smile if a member on this side of the House were to rise in his place and say that the unfortunate position we find ourselves in to-day with reference to the Grand Trunk Pacific and the Transcontinental is entirely due to a difference of opinion that existed between the right hon. gentleman and his Minister of Railways in 1903 as to the character the Transcontinental should take! But infinitely more reasonable would be such an attitude than his attitude to-day.

This is no measure of coercion, because the only principle embodied in this Bill has been a principle imbedded in our law since Canada was a country; because his own Government placed conscription on the statute books of Canada in a wider, bolder and more drastic form than is embodied in this Bill; because from the day this nation took its birth in 1867 down to this hour the principle of conscription has been part of our military legislation, and has been applicable to this country at any time upon the word of the Government in a more drastic, extreme and more comprehensive form, by far, than is to be found in this Bill. Where is the coercion in a restricted, a modified, a moderate application of a principle that has been our law for fifty years? If we are to have no coercion—and he alone calls it coercion—if we are to have no force behind our law, better pass no law at all.

The right hon. gentleman started out by raising the shadow of civil dissension if this law should pass. He says that because of the serious cleavage of opinion on this subject, therefore we must retrace our steps. He points to this side of the House and says that there is a cleavage of opinion here; he points to his own side of the House and says that there is a cleavage there. He draws to my attention the fact that I and those associated with me have not been able to convince every hon. member on this side of the House that this Bill is a right and a just Bill. That is very true. What I stated, though, in my speech was not what the right hon. gentleman said I stated. What I stated was that

if every hon. member in this Parliament were to go to his constituents and make clear the meaning of this law, its extent and purpose, then whatever difference of opinion there might be as to the expediency of the Bill, the whole of this country, in every section and in every province, would willingly support it when it became law and there would be no disunion. That is what I stated, and I call it to the attention of hon. gentlemen opposite. I lay that thought especially before the leader of the Opposition, because to no man should this responsibility come home with the force it should come home to him. If hon. gentlemen will lay this Bill—not a distortion of this Bill—clause by clause before their constituents, give the reason for it, the meaning of it, its purpose and its limits; then, though there might be difference of opinion as to the expediency of the measure, there would not be the slightest resistance to its operation, but all would loyally support the law of the land. I do not believe there is a gentleman on this side of the House coming from any province in this country —and now I take his own argument—who would for a moment rise in his place in this House, or rise in any other place in this country, and advocate resistance to this measure once it becomes the law of Canada. It is true there is some difference on the part of a very few of our supporters from Quebec as to its expediency; such as that is inevitable on every principle ever presented to Parliament. But because there is difference of opinion as to its expediency, does that mean there is disunion and that we must retrace our steps and retract our measure? I put another question to him who talks of schism and dissension: If we on this side of the House have not succeeded in demonstrating the justice of this measure to every hon. member who sits with us, what is to be said of the leader of the Opposition who has to an infinitely greater degree failed to convince those on his side of the House of the injustice of the measure now presented? His side is divided almost into two.

But why talk of disunion? From the first hour this Government took office until this afternoon, has there ever been a great measure passed by Parliament that was carried by so overwhelming a majority as was the second reading of this Bill? If ever there was evidence of a substantial majority of the thinking people of Canada in favour of a measure that evidence exists upon the measure that is now before the House. Why is it the leader of the Opposition is not able to retain behind him supporters who through five, ten, and fifteen years have been the most valued of his followers and the bitterest of our opponents? It is because opinion in this country of the substantial thinking people of every race is behind this Bill with such force that these hon. gentlemen cannot believe they are doing their duty to their country if they yield themselves any longer to the solicitation of the leader of the Opposition.

Why is it that this afternoon there rises in his place the hon. member for Assiniboïa (Mr. Turriff) than whom there never has been a more valiant—shall I say a more extreme, a more relentless party critic within the four walls of this House—why does he rise in his place this afternoon and say that on this issue, which goes to the very root of the defence of our country, which goes to the very question of our existence as a nation: "I hold myself no longer accountable to the leader of the Opposition, but I speak for the vast majority of the people of my country and I stand behind our soldiers in France." Does such a stand as that show disunion? No, it is because there is such an overwhelming majority of the thinking people of this country behind this measure that hon. gentlemen on both sides of this House agreeing with their views are bound to respect their wishes. If hon. gentlemen take this attitude it is because so vast a majority is behind the Government of the day that they would be failing in their duty to their country if they, thinking with that vast majority, did not support the Government on this measure. Why is it that the hon. member for South Wellington (Mr. Guthrie) rises this afternoon and proclaims throughout this country that there is no meaning in the proclamation issued on Friday night out of a certain Liberal caucus in the city of Toronto that they were going at one and the same time to get behind Sir Wilfrid Laurier and win this war? It is because the hon. member for South Wellington knows that although he may talk, and hon. gentlemen may talk till Doomsday about winning the war, you have to get down to a definite, concrete plan, before you can win war or anything else, and because you cannot win this war behind the policy of the right hon. gentleman. Has the right hon. gentlemen ever lost a more faithful—may I say—a more affectionate supporter than the hon. member for West Lambton? (Mr. Pardee). The hon. member for West Lambton left the leader of the Opposition because there is

such an overwhelming preponderance of sound public opinion in support of this measure that he has not it in his heart to vote against the Bill. It is because the overwhelming mass of his own party, concurrently with his own conviction, is behind the Bill; it is not because there is a difference of opinion but because there is a substantial unanimity throughout this country in support of the measure.

I deplore that cleavage should even be predicted, but I do not believe that there will exist in this country disunion to the extent of resisting the law of the land passed by a majority of the representatives of the people. I see no reason still for such a thing existing; I do not believe it will exist; but I repeat now what I have said before, that I would prefer—infinitely prefer—to have disunion between the forward and the backward portions of this country where we can settle it within our own borders than to have disunion between this nation on the one hand and this nation's defenders on the other. That is a type of disunion, a kind of disintegration, a tearing up by the roots of Confederation to use the words of the leader of the Opposition—that I do not want to see. There is a backward and a forward portion of the population of every country that ever existed in this world. You cannot point to any nation, even though it be an autocracy, much less can you point to any nation whose institutions are built on the bedrock of democracy, where there does not exist a distinctly forward and aggressive portion of the people in all national aims, and where there does not exist a portion that lags behind, a class which has to be brought forward and who are rather an impediment than an assistance in any national movement. Does the leader of the Opposition believe that the only way in which we can get on harmoniously is to move just as fast as the slowest? Is that his contention? Is that his position? Undoubtedly that is what he is doing; he is moving with the slowest. In Canada, in the midst of a war that demands the utmost speed that any war ever demanded of a nation, if we can only produce union by walking at the speed of and abreast with the backward portion of the Canadian people, then I do not want union in Canada; I am ready rather to face disorder or dissension. Is our arm in this conflict in which our liberties, our very lives are involved to be measured by the strength of the arm of those who do not want to be in the conflict at all?

5 p.m.

If there is one man between the shores of this country who is responsible for the shadow of disunion I say it is the leader of the Opposition. It is only two months ago since an offer was made to the right hon. gentleman, which, if it had been accepted, would have cemented together all, or almost all, in this House and throughout Canada who stand behind this war. That offer he declined—an offer, than which a more generous was never laid at the feet of a political opponent by a statesman in power—and he declined on one ground only: that we should insist on walking in this conflict with those who hold back instead of walking with those who would go forward. Let the leader of the Opposition beware, let him not deceive himself; the coalition that he refused in the Commons and in the Government of Canada has infinitely more effect to-day than he has any idea of. There is a coalition among the people of the country that will astonish the leader of the Opposition when the word of the people is heard. This coalition has gone on among the people, although it has failed amongst the members of this House by virtue of the conduct of the leader of the Opposition—attributable to him, and almost to him alone.—The people that he feign would divide are united now, and they will stay united until this war is won. They will decide that the Government which vigorously carries forward the war is the Government which represents them no matter whether it be Liberal or Conservative, or both. It is the fault of the leader of the Opposition, and on his head the charge will rest so long as time endures that in this, the vastest, most perilous struggle in which this or any other nation ever engaged, there was not such a union of those who want to win the war as would produce for the sons of Canada the greatest assistance in their struggle to the death in Flanders. That is a responsibility that I would not want to have becloud my memory after my days on earth are done. It is a responsibility that the leader of the Opposition lightly and airily assumes.

There was a time when the influence of no man in this country, whether in the province of Quebec or elsewhere, was so great as that of the right hon. gentleman. I beg of him this afternoon to go where his influence still is great and speak of this measure as this measure is. Let him not speak of it as hon. gentlemen of his own race have spoken of it in recent weeks at Sunday meetings in their province, but let him tell the people of his own province that within

the four corners of this measure there is no word of unfairness and no element of injustice to the French Canadian people. Let him say that although he himself has spoken on this measure in this Parliament on three or four diffrent occasions, he had never alleged for an instant that there was a shadow or fragment of injustice in this Bill against the race which he represents and from which he springs. Let him repeat these things to the people of the province of Quebec, to the sane, thinking people of that province, and represent to them their duty to march on with the rest of Canada. Let him, their leader, see that they are sanely led, and I feel satisfied that they will be ready to perform their duty. But I repeat once more that of all the prices we must never pay for harmony in Canada, the price we must most of all decline, is national dishonour. No nation can survive a cost like that.

We either have national aims, a national will and a sense of national honour, or we have not. Have we national aims, have we any national will, have we a trace of national honour, if we send 100,000 men into the battlefields of France, into the furnace of war, before the cannon of Germany, and leave them there to be decimated and destroyed, abandoned by the people of this country?

Let the right hon. leader of the Opposition say now whether the time has not come for him to take his place beside those who sustain the national will and the national honour of Canada. Let him not be found any longer among those who hold back in this country, whether they be of alien enemy origin or not. Let him be found with those who press on. And if he is found there, then there will not be many hon. members from the province of Quebec or many public men of that province who will, with very much influence, appeal to their compatriots to resist this Bill. Then there will not be found the disunion which he predicts this afternoon; nor will there be encountered a disunion infinitely worse than that which he describes—a disunion between the nation at home and its defenders overseas.

The House divided on the motion of Sir Robert Borden for the third reading of the Military Service Act, 1917.

The Bill was read a third time and passed on the following division:

YEAS.

Messrs:

Ames (Sir Herbert),	McCoig,
Armstrong (Lambton),	McCraney,
Armstrong (York, O.),	McCurdy,
Arthurs,	McLean (Queens, P.E.I.),
Ball,	McMillan,
Bennett (Calgary),	Marshall,
Bennett (Simcoe),	Meighen,
Best,	Merner,
Blain,	Middlebro,
Borden (Sir Robert),	Morphy,
Bowman,	Morris,
Boys,	Morrison,
Brabazon,	Munson,
Bradbury,	Nesbitt,
Buchanan,	Neely,
Burnham,	Nicholson,
Burrell,	Nickle,
Carrick,	Northrup,
Carvell,	Pardee,
Champagne,	Paul,
Charlton,	Rainville,
Clark (Bruce),	Reid,
Clark (Red Deer),	Roche,
Clarke (Wellington),	Rogers,
Clements,	Ross,
Cochrane,	Schaffner,
Cromwell,	Scott,
Crothers,	Sevigny,
Cruise,	Sexsmith,
Currie,	Shepherd,
Doherty,	Smith,
Donaldson,	Stanfield,
Douglas,	Steele,
Edwards,	Stevens,
Elliot,	Stewart (Hamilton),
Fisher,	Stewart (Lunenburg),
Foster (Sir George),	Sutherland,
Fripp,	Taylor,
Glass,	Thoburn,
Graham,	Thompson (Yukon),
Green,	Thomson (Qu'Appelle),
Guthrie,	Tremaine,
Hanna,	Turriff,
Henderson,	Walker,
Hughes (Sir Sam),	Wallace,
Knowles,	Webster,
Lalor,	Weichel,
Lewis,	White (Sir Thomas),
Macdonell,	White (Victoria, Alta.),
Maclean (Halifax),	Wright.—102.
Maclean (York, O.),	
MacNutt,	

NAYS.

Messrs:

Achim,	Lapointe (Montreal, St. James),
Barrette,	Laurier (Sir Wilfrid),
Bellemare,	Lemieux,
Boivin,	Macdonald,
Bourassa,	McCrea,
Boyer,	McKenzie,
Brouillard,	Marcil (Bonaventure),
Bureau,	Marcile (Bagot),
Cardin,	Martin,
Chisholm,	Michaud,
Delisle,	Molloy,
Demers,	Murphy,
Devlin,	Oliver,
Ethier,	Pacaud,
Fortier,	Papineau,
Gauthier (St. Hyacinthe),	Patenaude,
Gauvreau,	Power,
Girard,	Proulx,

Kyte,	Seguin,
Lachance,	Tobin,
Lanctot,	Turgeon,
Lapointe (Kamouraska),	Verville.—44.

PAIRS:

Boyce,	Lafortune,
Jameson,	Hughes, P.E.I.
Chabot,	Beland,
Hazen,	Pugsley,
Davidson,	Carroll,
Nickle,	Kay,
Barnard,	Paquet,
Kemp (Sir Edward),	Robb,
Wilson (Wentworth),	Wilson (Laval),
Robidoux,	Copp,
McLean (Queens Sunbury),	Mondou.

Mr. COPP: I am paired with the hon. member for Kent (Mr. Robidoux). Had I voted I would have voted against the motion for the third reading of the Bill.

Mr. CHABOT: I am paired with the hon. member for Beauce (Mr. Beland), who is a prisoner of war in Germany at the present time. Had I voted, I would have vote for the third reading of the Bill.

Mr. DAVIDSON: I am paired with the hon. member from Cape Breton South (Mr. Carroll). Had I voted, I would have voted for the third reading of the Bill.

Mr. PAQUET: I am paired with the hon. member for Victoria (Mr. Barnard). Had I voted, I would have voted against the motion for the third reading of the Bill.

Mr. JAMESON: I am paired with the hon. member from Kings (Mr. J. J. Hughes). Had I voted I would have voted for the third reading of the Bill.

Mr. NICKLE: I would like to state that when I voted on the third reading of the Military Service Bill, I was not aware that the hon. member for Missisquoi (Mr. Kay), with whom I was paired, was not in the House. I should, therefore, appear as paired with him.

SUPPLY.

House in Committee of Supply, Mr. Rainville in the Chair.

Miscellaneous—Canada Gazette, $21,000.

Mr. GRAHAM: Could the hon. minister inform us if a profit is made on the publication of the Canada Gazette, and if so, how much?

Sir GEORGE FOSTER: I have not been in the habit of looking on the Gazette as a money-making concern, but I think there is a slight profit. I do not know how much, but I will get the information for my hon. friend.

Mr. GRAHAM: The public have to pay a pretty good price for advertising in that publication. It being an official notification, so far as notice to the public of anything about to take place is concerned, it might as well be buried in the river, unless it be a case where the party interested has a solicitor watching the Gazette very closely. In such case he can discover when the notice appears. The Government gives its patronage, war advertising and otherwise, to its own friends, but I would rather see it in a Tory paper alone, even if it had a very few subscribers, when the notice is supposed to reach the public, than to have it buried in the Canada Gazette. In a great many Bills passed by the House we provide that notices shall be inserted in the Canada Gazette, and that is supposed to be notice to the public. I submit it is not notice to the public except, in the sense which I have indicated. During this session, in dealing with the important measures, I think the House has insisted on a paragraph being inserted that, in addition to notice in the Canada Gazette, similar notice shall be inserted in some of the newspapers. The Government ought to make it a practice in all their measures where the public is supposed to receive notice, to provide that such notice be printed and published in newspapers, because the ordinary notice in the Gazette alone is not sufficient, and there should be a supplementary notice in some publication where the people interested in the matter would be able to find it right at their homes, or at any rate, be able to get the information looked for as soon as possible. It is possible, under many of our statutes, that a man might take some action which would deprive an individual of rights that he or she may have possessed, of which action he or she never would have had the slightest notice from the publication in the Canada Gazette. Did the minister ever consider that the practice should be changed and that notice to the public should not be considered sufficient, if simply published in the Canada Gazette?

Sir GEORGE FOSTER: That question has often been considered, but the fundamental idea is that the Canada Gazette is the official publication and is not a paper for general advertising. It is designated as the one official place in which the notices of statutes and orders in council shall appear, and consequently publication in the Gazette constitutes legal notice. In nine cases out of ten, perhaps ninety-nine cases out of a hundred, the legislation of which notice is given in the Gazette, in regard to important charters, rights of incorporation, etc., is in

the interest of certain corporations or parties, and the notices are watched by the solicitor, so that notice in that way is effective. The only other alternative is to advertise generally in the newspapers, because notice in two or three newspapers would not be sufficient. If we started to advertise in the newspapers, we would immediately get into a general system of advertising, and it has always been considered that it was best to avoid that, on account of the greater expense, and if the argument as to expense is good at any time, it is certainly good at the present time.

Mr. CARVELL: I quite appreciate the statement by the minister that the Gazette is official, and I can tell the hon. gentleman from South Renfrew that it is very necessary in many legal matters that we have some official document to be used in court as evidence.

The production of the Canada Gazette in court is, in many cases, prima facie proof of publication. I know that to talk about the expenditure of $21,000 to a Government that is spending money by the hundred of millions may be considered as somewhat picayune. But I do not understand how they dispose of that $21,000. I suppose they have an editor who has nothing to do. I do not see what in the world he would have to do except read proof. The matter is all furnished to him; it is all official. He does not have to write editorials; he does not have to look after advertising or financing. Many people who run weekly newspapers in which the same amount of paper is used as in the Canada Gazette would be glad to publish the Gazette and pay all expenses for $10,000. I do not see how they get rid of $21,000, unless it is because the expenditure is made in Ottawa. Of course. that accounts for almost anything in the way of expenditure of public money.

Sir GEORGE FOSTER: If there is anything in the department which is run on strictly economical grounds, it is the Gazette.

Mr. CARVELL: I should be glad if my hon. friend would give me two minutes' explanation of this expenditure.

Sir GEORGE FOSTER: Does my hon. friend regularly read the Gazette?

Mr. CARVELL: No.

Sir GEORGE FOSTER: He is a lawyer; he gets copies now and then.

Mr. CARVELL: I file it away; it becomes useful sometimes.

[Sir George Foster.]

Sir GEORGE FOSTER: Sometimes it is very thick. A tremendous amount of printing is involved.

Mr. CARVELL: I know that there is some printing in it, but it is not like the ordinary newspaper, where the type is set up every day. The advertisements and notices in the Canada Gazette stand for three and four weeks at the time. If there is any real explanation of this expenditure, we should like to have it.

Sir GEORGE FOSTER: I think my hon. friend (Mr. Murphy) can tell you all about it.

Mr. MURPHY: I can tell my hon. friend something about it, but it is rather difficult to understand, in view of the practice at the Printing Bureau in connection with the Gazette, why this amount is required. It is true that the Gazette has grown very large in volume. But the Printing Bureau treats every other department just as a newspaper would treat a customer; it makes them pay for the advertising inserted. All advertising that is done in connection with the incorporation of companies is charged up against the Department of the Secretary of State. I have no doubt that all the orders in council and things of that kind which have been printed in the Canada Gazette in connection with the war have been charged up against the Militia Department, the Privy Council office, or some other department. In view of the fact that the Printing Bureau receives pay for the advertisements published in the Canada Gazette, it is difficult to understand why $21,000 is required.

Sir GEORGE FOSTER: Every cent that goes in as revenue in respect of the Canada Gazette goes into the consolidated revenue fund.

Mr. CARVELL: I know that very well. What I am complaining about is that it takes $21,000 to run that little paper. I do not know what the receipts of the Canada Gazette are; if they got in $22,000, then there was a profit of $1,000. Even so, I do not see why the profit should not be twice as much. A man at a typesetting machine would print the Canada Gazette in a week—and he would have so little to do that he would not know what to do with himself. He would be worse than the ordinary civil servant in Ottawa. He would work until about eleven o'clock in the morning; he would leave at three in the afternoon and play golf the rest of the day. That would account for about $35.

Then you have pressmen, that would be $20 or $25 more; then you have paper and ink. The actual cost of setting up the paper would only be about $5,000; but in this case the country is paying $21,000. That is what I am complaining about.

Printing Bureau—Plant, repairs and renewals, $7,000.

Mr. CARVELL: What do they do with the old machinery that they put out? A good deal of it must be thrown away. Would it not be well to notify the newspaper people in the country that they can get very valuable machinery in this way at a low price?

Sir GEORGE FOSTER: Machinery does wear out; there is no doubt about that. In some cases it is scrapped because of its being entirely worn out. In other cases, I do not know what they do with it; but they dispose of it in some way. I will hand my hon. friend's name to the Printing Bureau and ask them to notify him when they have any old scrap printing machinery to dispose of, and to inform him as to the price.

Distribution of Parliamentary documents, $45,000.

Mr. CARVELL: I do not wish to find fault, but there has been a great deal of discussion about the distribution of Parliamentary documents. Many suggestions have been made with a view to bettering the conditions. A change has been made within the last year which, I think, is an improvement. We are notified that a certain report is ready for distribution and that the members can get copies if they apply for them. But even with this saving, we are adding $5,000 to the cost. I should like to have an explanation.

Sir GEORGE FOSTER: I shall have to ask the Clerk of the House to give me some information on that point. Let the item stand for the present.

Miscellaneous printing, $100,000.

Mr. CARVELL: Does that include the printing that is distributed amongst friends in different parts of the country, or is it business done in Ottawa, or what is it made up of?

Mr. NESBITT: I would suggest that this item stand until we get the details of the expenditure of last year.

Expenses under the Canada Temperance Act, $5,000.

Mr. CARVELL: Some time ago I raised a question about some elections under the Canada Temperance Act in New Brunswick, on account of the passing of the prohibitory law. There are, I think, seven or eight counties in which the Canada Temperance Act is in force, and many people, myself included, would like to see that Act repealed in order that the prohibitory law may come into force. We felt that it was a mistake to have an election upon the matter, for this reason—my right hon. friend will remember that under the Canada Temperance Act, no matter how the local option vote may go, there can be no further decision or appeal for three years. It is a provision of the New Brunswick prohibitory law that, as soon as peace is declared, a plebiscite of the people shall be taken as to whether the prohibitory law shall continue in force or not. I hope the prohibitory law will be maintained, but if it be not my right hon. friend will see that if we voted out the Canada Temperance Act in those counties in which it is in force, it will be three years before we can get it into force again.

Sir GEORGE FOSTER: That matter was brought up, and it has been before the Minister of Justice, and I have discussed it with him and some other members of the Cabinet. I think there is a method by which that problem can be solved.

Mr. CARVELL: I very much hope so.

Sir GEORGE FOSTER: We are trying to arrange a method if it is possible to arrange one. My hon. friend will have noticed that one of the counties is moving for an election for the repeal of the Canada Temperance Act.

Mr. CARVELL: Four or five counties are doing so.

Sir GEORGE FOSTER: Of course, that can be done, but there is trouble and expense occasioned.

Mr. CARVELL: I believe that in practically all of those constituencies an election would result in a repeal of the Act. What I am concerned about is that in case the Act should be repealed, and then by a plebiscite taken, we shall say, a year hence, prohibition should be repealed, we shall be in a position of temperance constituencies subject to license. If this could be brought into force by an order in council for a limited time under the War Measures Act, then if the Prohibition Bill should be defeated upon the referendum, we could dissolve this order in council and come back to the Canada Temperance Act, which, in my judgment, is very far ahead of license.

Mr. GRAHAM: Is it the intention of the Government to bring in a Bill at this session dealing with the interprovincial traffic in spirituous liquors where the provinces have passed prohibitory laws within their own borders?

Sir GEORGE FOSTER: That matter is under the consideration of the Department of Justice at the present time.

Progress reported.

At six o'clock, the House took recess.

After Recess.

The House resumed at eight o'clock.

RAILWAY ACT AMENDMENT.

THIRD READING.

On motion of Hon. Frank Cochrane (Minister of Railways), Bill No. 13, to consolidate and amend the Railway Act was read the third time and passed.

SUPPLY.

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

Miscellaneous—To provide for the expenses of the Acting High Commissioner, London, England, $12,000.

Sir THOMAS WHITE: There is an increase of $2,000 in this item, due to the increased cost of living and the increased expenses generally.

Mr. GRAHAM: Would it be out of place to ask if any change has been suggested as to the High Commissioner's office.

Sir THOMAS WHITE: Not to my knowledge.

Mr. GRAHAM: The Government have not discussed the advisability or otherwise of having a new High Commissioner?

Sir THOMAS WHITE: The matter of the High Commissionership is not under consideration.

Miscellaneous—Grant in aid of the Canadian General Council of the Boy Scouts Association, $5,000.

Sir THOMAS WHITE: In answer to a question put by my right hon. friend when this item was under consideration some time ago, I might say that the Canadian General Council of the Boy Scouts' Association is composed of prominent gentlemen representative of all the provinces of Canada. This council exists for the purpose of promoting generally the object of the Boy Scout movement in Canada. The honorary head is His Excellency the Duke of Devonshire; the Dominion commissioner, Lt.-Col. Sir Percy Sherwood, and the honorary secretary, Mr. Gerald H. Brown. Headquarters at Ottawa.

The records of the association as at June 30, 1916, show that there were 1,032 Boy Scout officers and 17,542 Boy Scouts in Canada.

The Dominion Government grant of $5,000 is distributed in toto to the provincial committees, to be expended by them in promoting the general work of the Boy Scout movement. The grant is divided according to the membership in each province, the division in 1916 being as follows: Alberta, $661.13, British Columbia $289.93; Ontario, $2,016.26, Saskatchewan, $428.02, Manitoba, $564.23, Quebec, $539.47, New Brunswick, $260.58, Nova Scotia, $212.13, Prince Edward Island $28.25; total, $5,000.

Miscellaneous—Canadian Associated Press—Towards expenses of a National News Service, $50,000.

Sir WILFRID LAURIER: That requires some explanation.

Sir THOMAS WHITE: This is an important item. The Canadian Press Limited is a co-operative news agency of which all publishers of daily newspapers in Canada are members and stockholders. It does not operate to make profit. The expenses of operation are assessed against the individual newspapers according to an established basis. The officers of the organization comprise representative journalists in different parts of Canada. The grant is to be applied towards the expense of maintaining a day and night leased wire news service over the three great natural gaps, namely, between Ottawa and Winnipeg, Calgary and Vancouver, and Montreal and St. John. The bridging of these gaps will make it possible for the association to operate a national news service from coast to coast. The estimated cost of maintaining a twenty-four hour national leased wire for one year over the three natural gaps, as submitted to the Government by representatives of Canadian Press Limited, is as follows:

Ottawa to Winnipeg	$32,000
Winnipeg to Victoria	18,000
Ottawa to Maritime Provinces	20,000
	$70,000

The Canadian Press Limited was established in 1910. It was designed to be the national news gathering and distributing association of the Dominion. I think that briefly explains the nature of the work car-

ried on by the press association. The object of the grant is to promote the dissemination of news through the agency of the Canadian Press Limited in different parts of Canada. It will not be necessary that they should in future rely upon news from American sources. There are some newspaper men in the House who could give a very much more lucid explanation than I can of the operation of the association. From the national standpoint this grant is regarded as being very necessary and desirable by the newspapers of Canada in order that Canadian news may circulate freely between the East and the West.

Sir WILFRID LAURIER: Are all newspapers entitled to the benefits of this service, or only members of the association?

Sir THOMAS WHITE: I am informed that the Canadian Press is a co-operative news agency of which all publishers of daily newspapers are members and stockholders. The officers of the association are the following:

E. F. Slack, Gazette, Montreal, president; E. H. Macklin, Free Press, Winnipeg, first vice-president; W. J. Blackburn, Free Press, London, Ont., second vice-president; J. S. Lewis, Star, Montreal, secretary-treasurer. Directors, J. F. MacKay, Globe, Toronto; J. E. Atkinson, Star, Toronto; J. H. Woods, Herald, Calgary; E. W. McCready, Telegraph, St. John; J. Ross Robertson, Evening Telegram, Toronto; W. F. Kerr, Leader, Regina; G. Fred Pearson, Chronicle and Echo, Halifax; John Nelson, News-Advertiser, Vancouver, B.C.; W. L. Roblin, Telegram, Winnipeg; W. M. Southam, Citizen, Ottawa; Lorenzo Prince, La Presse, Montreal.

Miscellaneous—Expenses under the Naturalization Acts, $11,000.

Mr. GRAHAM: The Naturalization Acts have changed very materially during the past two years. There is a rumour constantly floating around the corridors, and it has been voiced in the speeches of one or two hon. gentlemen in this House, that the Government contemplated bringing in a Bill to disfranchise certain naturalized citizens of Canada. I think the Government, before asking for this vote to provide for the expenses of carrying out the Naturalization Acts, should take the House into their confidence and tell them what is their intention in this respect. The hon. Minister of Justice (Mr. Doherty), I believe, would be the man who would know.

Mr. DOHERTY: As I am appealed to as the man who ought to know, I may say that I am not aware that the Government has reached any decision to take the course which has been mentioned.

Mr. GRAHAM: Has it been considered?

Mr. DOHERTY: I am not in a position to say what may be occupying everybody's mind, but I confess that I have not myself given consideration to the idea.

Mr. GRAHAM: What expenses are incurred in the carrying out of the Naturalization Acts? Does not the individual himself pay some portion of the expense?

Mr. DOHERTY: The administration of the Naturalization Act is under the Department of the Secretary of State, but I know that the party has to apply to the judge of a court to obtain a certificate. Provision is made for a certain payment—I think it is $2 or something of that kind—to the clerk of the court who does the work. I think there are some other incidental expenses in connection with the administration of the Act.

Mr. CARVELL: That is news to me. I have had some experience along this line of business, but in our country the man who applies for naturalization pays his own expenses, and it is news to me if the clerk gets $2, or any amount, from the Government.

Mr. DOHERTY: I think that under the Act there is provision for payment of some remuneration to the clerk of the court. The item might stand while I consult the Act.

Item stands.

Miscellaneous printing, $100,000.

Sir GEORGE FOSTER: The amount expended last year was $99,965, so that the vote this year is practically the same. It is for printing the departmental reports.

Mr. CARVELL: Are they printed at the Bureau?

Sir GEORGE FOSTER: Yes, and most of them are now distributed from the Bureau.

Distribution of Parliamentary documents, $5,000.

Mr. TURRIFF: Why, at a time like this, should this vote be $3,000 more than last year?

Sir GEORGE FOSTER: I am informed that more matter has been sent out. The whole subject will be discussed when the reports of the two special committees are before the House. The committees order the printing of the documents.

Miscellaneous, supply of Canadian publications to library of High Commissioner's office, $1,000.

Mr. GRAHAM: Would "The Fiddlers" be among that contribution to the library?

Sir GEORGE FOSTER: I am not sure, and it did not seem worth while sending a cable to get the information.

Mr. GRAHAM: Cables are sometimes sent on just as silly errands.

Miscellaneous—Public Archives, $60,000.

Mr. GRAHAM: I suppose every effort is made by this branch of the service to keep up to the necessities of the present period in regard to collecting everything that might be of future use, interest and information with regard to the war. I imagine there would be a good deal of work, even now, in connection with this branch of the service along these lines, and that what might be obtained that would be of use in the future can hardly be calculated.

Sir GEORGE FOSTER: I think that matter is being very thoroughly and sufficiently handled. Some months ago I took the matter up, in the absence of the Prime Minister (Sir Robert Borden), with Dr. Doughty, the Dominion Archivist, and a plan was elaborated which covered the gathering of necessary information with reference to the war, and all its subsidiary activities and services, both in Canada and on the other side. Dr. Doughty, about a month ago, left for the other side. He has two assistants with him, one of whom, I think, was appointed from the forces there, and the other went with him. They are carrying out the plan in connection with the Records Office in London, and with the other offices which are engaged in services along that line. The idea is to have the whole thing mapped out as one plan, and all the offices operating upon that plan, under the general supervision of Dr. Doughty. The plan was very elaborate and very thorough, and he assured me that it would really do what had probably never been done before. Whilst the thing was going on, and before the war was ended, and consequently before the records had got out of hand, they were all being tabulated and scheduled and kept in proper place, so that they should be available for the future historian.

To provide for the expenses of the Conservation Commission, $80,000.

Sir GEORGE FOSTER: That is the same as the vote for last year.

Mr. MACDONALD: Would the minister be good enough to give us a short statement, showing the results of the expenditure, and what advantage we obtain from it?

[Sir George Foster.]

Sir GEORGE FOSTER: As my hon. friend knows, the Conservation Commission was constituted with an independent management, and its honorary officers are distributed throughout Canada. Sir Clifford Sifton has been chairman of the commission since its inception. The staff which is doing the work is in Ottawa. I do not know the size of the staff. Mr. White is the controlling personage in it, and they are carrying on explanatory and examination work generally in reference to the resources of the country. One operation which they have been carrying out is the tabulation, in so far as possible, of the timber resources of Canada. They have, up to the present time, I think, thoroughly finished plotting out a number of provinces and are carrying that work through. They placed an annual report upon the Table, which I have no doubt hon. members have carefully and diligently perused, and they issue monograms from time to time on matters concerned with their general work. I have not the direct supervision of it myself, but have just a general idea of the work.

Mr. OLIVER: I desire to draw the attention of the Government to a certain condition existing in Northern Alberta, and, I believe, in Northern Saskatchewan and Manitoba, that, it seems to me, might very well call for examination and consideration by this conservation commission. There is, particularly in Northern Alberta, in the part that is not occupied by settlement—but into which settlement is pressing a magnificent growth of white poplar. The poplar grows very large, clean and straight in that country, and millions of acres are occupied by that growth. In that country the white poplar grows on good soil, which is very suitable for farming. Settlers pressing into that country naturally desire to get the land under cultivation at the earliest possible moment, and in dry years fires accidentally start, and do marvellous work in clearing the land; in other words, destroying this magnificent growth of white poplar. If it were possible to turn that wood to account, say, in the making of paper, it would be a tremendous gain, and a conservation of the resources and wealth of this country of enormous value. The poplar will be destroyed by process of settlement, unless something is done to turn it to account while it is still in its natural condition and suitable for such development.

I have made some enquiries in regard to the possibilities of using it for paper, and it has not been convenient or possible for me to obtain definite and direct information on the subject. I, therefore, make the suggestion that the commission take up this matter, and consider how far the white poplar can be used for the purposes of making paper, and under what conditions it can be properly worked up. The area of country affected is very great, and, with the pressure of settlement, the poplar will disappear without having been of use to any one. As a matter of fact, at the present time it has no value. It is a detriment and impediment to the settlement of the country, and the settler does not use any means to protect it; in fact, it may be suggested that sometimes, in the dry years, he drops a pipe of tobacco by accident and great damage results.

Mr. LEMIEUX: Some time ago I called the attention of my right hon. friend (Sir George Foster) to a question which I think should receive the immediate attention of the conservation commission. I do not rise to advocate at the present moment the closing of all distilleries in the country, but the point to which I wish to call attention is in connection with the distilleries. It has been discovered in Germany and Sweden —but the invention is of Swedish origin— that alcohol was distilled with the residue of a liquor which comes out of every sulphite manufacture. Tests were made some years ago in Sweden and in Norway by an inventor, and this large quantity of liquor, which was allowed to waste by being run into the sea—where it had the effect of destroying fish—was found to be the means of producing alcohol through another process. In Sweden and in Germany this liquor of sulphite is used for alcoholic purposes. Four years ago the invention was taken hold of by an American sulphite paper manufacturer, who has established a distillery which produces alcohol of the purest kind from that liquor. There are in this country large sulphite mills. If that liquor, which now goes to waste, were utilized for the purpose of manufacturing alcohol, large quantities of grain would be saved for use as food and a supply of alcohol could be secured for use in the munition plants. The case is abundantly clear; within twenty-four hours the establishment can be visited and full information obtained. I do not now remember the name of the city where this plant is established, but one of the officers of the Imperial Munitions Board visited the place this last winter and reported on the whole question.

Sir GEORGE FOSTER: The matter was brought to my attention by several persons, my hon. friend (Mr. Lemieux) amongst them. I had a conversation with a gentleman who knew a great deal about it, and I asked him to give me a complete report on the subject. As soon as I get that report I shall be very glad to look into into the matter.

Mr. GRAHAM: Is it true that large quantities of goods upon which the duty has not been paid or which have not been called for are every year destroyed by the Customs Department at various large centres throughout Canada? I heard of one case where valuable liquors were destroyed; these might well have been sent to the hospitals. Other articles might have been disposed of by sale and the proceeds given to the Treasury. At this time we are all being asked to economize in our own homes, and I think that this practice of destroying goods should not continue when there is need for the articles which are so disposed of.

Mr. REID: Some time ago it was brought to my attention that goods that had not been claimed, or upon which the duty had not been paid, were being destroyed. I took the matter up with the Commissioner of Customs. The provision in the Customs Act which deals with that matter does not give us power to dispose of such goods, if they are not sold, other than by destroying them. When they are sold by auction, they do not bring anything like their value. It did seem too bad that goods that could be used for some practical purpose should be destroyed, and I took it upon myself to distribute some of these goods as the hon. member has suggested. Some liquor which had been seized, and which would otherwise have been destroyed, I handed over to the hospitals at the nominal price of one dollar. I gave instructions to the commissioner that goods of any value that had collected at these places, and that might be used in hospitals or charitable institutions, should be sent to Ottawa. When they get to Ottawa they are handed out to some charitable institution at the nominal price of one dollar, and a record is kept to show that they have been so distributed.

Mr. GRAHAM: I know that there is such a provision in the Act as my hon. friend has suggested.

Mr. REID: I think that we are handling the matter in a satisfactory way.

Expenses of the Pecuniary Claims Convention with the United States, $5,000.

Mr. LEMIEUX: Is this commission doing anything at present?

Mr. DOHERTY: Since the war began the operations of the commission have been suspended. This item was passed, as Hansard shows, when my estimates were passed. But by some error it has not figured in the Votes and Proceedings and therefore does not appear on the official record as having been passed. I am bringing it forward now so as to clear up the irregularity. This vote of $5,000 is merely to make provision in the event of the war coming to an end before the close of the current fiscal year.

Mr. LEMIEUX: The Pecuniary Claims Convention have given out findings in some cases. How many cases remain to be decided?

Mr. DOHERTY: Not having come prepared to deal with this matter, thinking it was passed, I cannot speak with any definiteness on that subject, but in a general way I think quite a number of cases remain to be disposed of.

Grant to assist the Canadian Association for the Prevention of Tuberculosis, $10,000.

Mr. LEMIEUX: Have the Government any one to represent them on the board of that association which is a very worthy one? I read the report which is sent annually to hon. members.

Sir GEORGE FOSTER: This is just a grant towards its expenditures which are very large.

Grant to the Canadian Handicrafts Guild, $2,000.

Sir GEORGE FOSTER: This society looks after and encourages, by teaching in some localities, and by giving prizes, manual work of a fine character.

Mr. KNOWLES: I would like to suggest that in the Parliament buildings which are being erected, some memorial or tablet be placed to commemorate the death of our late colleague, Mr. Law, who lost his life there under very distressing circumstances. No tablet and no stone of any kind marks his resting place, and it would be a nice idea and a thoughtful act on our part if somewhere in the corridors of the new Parliament buildings it were to be memorialized that

the remains of the late Mr. Law rest in that building.

Sir GEORGE FOSTER: The suggestion of my hon. friend appeals to me personally, and I will see that the matter is brought to the attention of the committee that has general charge of the erection of the building. It is a sad thing to commemorate, but as the hon. member has said, there is no place other than in the Parliament buildings, where Mr. Law's remains do rest.

9 p.m.

Civil Government—Office of the Conservation Commission—salaries, $37,650.

Mr. GRAHAM: I think a motion was introduced in the House this session by the hon. member for South Perth (Mr. Steele) urging the advisability of establishing a department of public health.

Sir GEORGE FOSTER: That has no connection with the commission.

Mr. GRAHAM: The conservation commission has a health department, and one of their officials has been overseas for some time inquiring into health matters. What is the commission doing in this regard, and has the Government given any consideration to my hon. friend's resolution that a department of public health be established?

Sir GEORGE FOSTER: I do not know that any special consideration has been given to his resolution. At all events, no decision was arrived at. As regards the health department of the conservation commission, their work, I think, must be very limited, but I will get the information for my hon. friend.

Mr. GRAHAM: I think they have done considerable inquiry work.

Arts and Agriculture—Towards the encouragement of cold storage warehouses for the better preservation and handling of perishable food products, $50,000.

Mr. GRAHAM: Is this for the encouragement of cold storage proprietors?

Mr. BURRELL: There are about ten or a dozen subsidies still due, and this amount is to cover these outstanding payments. We have been granting practically no subsidies since the war began.

Mr. MACDONALD: Under what authority was Mr. O'Connor appointed to make an investigation into the cost of bacon and so forth, and what has been done in regard to a further inquiry? Why was not the matter referred to a committee of the House of Commons?

Mr. BURRELL: My department has practically nothing to do with that. I understand that Mr. O'Connor was appointed by the Minister of Labour to make an inquiry into the cost of living, including cold storage. Perhaps the Prime Minister will answer my hon. friend's other question.

Sir ROBERT BORDEN: The Minister of Labour could give more information than I can, because it comes more directly under his department. An order in council was passed appointing Mr. O'Connor a commissioner for the purpose of obtaining certain information. The inquiring consisted in obtaining certain returns, upon which he based his conclusions.

Mr. MACDONALD: I saw in the papers that another order in council had been passed appointing certain gentlemen—I assume under the Inquiries Act—for the purpose of inquiring into the truth of the report made by Mr. O'Connor. I think the right hon. gentleman should make a statement with regard to the matter. It seems to me that the reasonable and proper thing to do, after receiving a report by a properly authorized official of this Government, would be to refer the matter to a committee of the House of Commons.

Sir ROBERT BORDEN: These gentlemen were appointed under the Inquiries Act and under the order in council to which allusion has been made. The question was largely one of accounts, profits and so forth. The inquiry, in my judgment, was eminently one for gentlemen of the experience possessed by those who were appointed. It does not seem to me that a committee of the House of Commons, with all deference to their qualifications, would be the best tribunal for an inquiry which has to take into consideration complicated accounts, and deal with matters of a more or less complex nature in relation to very large business affairs. For that reason we thought it better to make other provision for an inquiry of such a nature.

Mr. MACDONALD: I assume the Prime Minister does not intend the constitution of this new tribunal to be any reflection upon Mr. O'Connor or his inquiry?

Sir ROBERT BORDEN: Mr. O'Connor himself, in his report, recommended a further inquiry.

Mr. NESBITT: Who constitute the commission?

Sir ROBERT BORDEN: Mr. Geo. F. Henderson, K.C., residing in the city of Ottawa, who has had a good deal of experience as a drainage referee in Ontario; Mr. A. B. Brodie, of the firm of Price, Waterhouse & Company, Montreal, and Mr. Geoffrey Clarkson, member of the firm of Clarkson, Gordon and Dilworth. I am informed that both of these gentlemen are very expert chartered accountants, and that they are as good men for the purpose as could be found anywhere in Canada.

Mr. CARVELL: The newspaper, the morning or this evening, announced that a gentleman from Chicago had been sent here by Mr. Hoover, the food controller of the United States, to act upon this commission and that his name was Connor, or O'Connor. Is there any truth in that?

Sir ROBERT BORDEN: The board consists of the three gentlemen I have named. The food controller, Mr. Hanna, has stated that Mr. Hoover, the food controller in the United States, has offered to place at the disposal of this board, in an advisory capacity, if it is desired, a gentleman experienced in questions of this character who is attached to the staff of the food controller i nthe United States.

Mr. CARVELL: Are these gentlemen working without remuneration, as stated in the newspaper?

Sir ROBERT BORDEN: These gentlemen are.

Mr. NESBITT: Are these two accountants working without remuneration?

Sir ROBERT BORDEN: Yes.

Mr. NESBITT: They are very capable men so far as I know, but I do not know what in the world Mr. Henderson knows about investigating accounts.

Mr. MACDONALD: I see that in the United States legislation has passed Congress by which industries which produce articles that enter into the common life of every one, and which are also essential to the successful prosecution of the war, must be licensed by the Government. In view of the serious problems that arose during the past winter in regard to the consumption of food and other articles that enter into the life of the home, it would seem that the best method of dealing with the conditions that have arisen, and which have been disclosed by the report of Mr. O'Connor, would be to take hold of these enterprises, license them, and thereby control them in such a way that the difficulties complained of by Mr. O'Connor could not arise. I gather

from reading the report that Mr. O'Connor obtained from the William Davies Company information as to the cost of the basic product which entered into the production of bacon, and that he also obtained the price at which the finished article was sold, but that they did not give him either the cost of storage or of delivery or any of the intermediate information. It is a most serious matter when an official of the Government, engaged in carrying out the duties which have been assigned to him under an order in council, makes the statements which Mr. O'Connor does and which the Government think of sufficient importance to inquire further into and develop. If the condition described by Mr. O'Connor exists in this particular industry, it does not seem to be an undue inference to draw that it may exist in other industries. More particularly in the winter months in Canada the cost of living will again become a problem of the most serious character. I would like to inquire of the Government whether they have considered the advisability of dealing with this whole matter along the line of licensing the men who are engaged in these various industries as has been done in the United States.

Sir ROBERT BORDEN: I will take into consideration the suggestions made by my hon. friend.

Mr. CARVELL: I have a suggestion to make to my right hon. friend which I hope he will at least consider, if he does not accept it offhand. There is no doubt that the result of the investigation of the production and sale of food products made by Mr. O'Connor has created a great deal of discussion in Canada. It is going to create more discussion. It is one of those things which will not down unless it is settled properly. Mr. O'Connor has made a report upon what my hon. friend says was insufficient evidence, and if that be true, I for one will feel that it is a great injustice that any firm should suffer on account of it. On the other hand the William Davies company have submitted a statement. And, by the way, it is costing an enormous amount of money to get it placed before the people of Canada because it has appeared in pretty nearly every daily newspaper in the country and they have to pay for that, because you can depend upon it the newspapers are not doing it for love. In this statement they entirely refute conclusions as well as facts set forth by Mr. O'Connor. I think it is very much in the interest of the country, of the public, of the consumer, of the William Davies company, of Mr. O'Connor and everybody else, that the real facts should be arrived at. There is a phase of this matter to which I might call the attention of the Prime Minister. In their lengthy statement the William Davies company particularly have referred to the fact that somewhere between two and three cents a pound, or nearly three cents a pound, should have been added to the cost of the product for inland and ocean navigation, commission to agents, selling expenses and all that sort of thing. But there is a large amount of that same quantity of goods which was sold in Canada and which did not cost any two or three cents a pound to deliver in Canada. The remainder, as my hon. friend (Mr. Nesbitt) suggests, was sold to the Imperial Government. I point this out to show that in any investigation of this matter the absolute facts should be arrived at. I do not want, in my public position as a member of this House, to make a statement about any person that might be considered unfair; but from my extended relationship with the chairman of this commission, in another investigation about a year ago, I should feel that possibly that gentleman might be there as much to prevent the truth from coming out as to elicit the truth. Therefore my suggestion is, very largely on account of the chairman that the Government has appointed, that counsel should be appointed to represent the people. Somebody can be found in Canada who will represent the people. I think he ought to be appointed by some tribunal other than the Government. If that is done and if the facts are brought out and an honest report is made, I believe the people will be satisfied and that justice will be done. But I am very much afraid, from the experience I went through during a somewhat troubled investigation a little over a year ago, that if there is not some counsel to watch things, you will get everything else but truth and honesty in the report.

Mr. LEMIEUX: I understand that Mr. O'Connor was appointed a year or so ago to carry on several investigations in connection with different matters. I am told that he is a gentleman of ability, well known to the right hon. Prime Minister and that he was his own appointee in the Justice Department. Mr. O'Connor was called upon to make an investigation into the cold storage business after the public had been roused by the soaring prices of commodities which were sold by these con-

cerns. It is stated that he associates himself with experts, that he goes from one concern to another and finally publishes a lengthy report. In my judgment he seems to reach final conclusion in that report. He speaks of the patriots who live on the earnings of the people, and treats them in a very high-handed way. Mr. O'Connor must be pretty sure of his findings and conclusions to assail, as he does in his report, the gentlemen who control the cold storage establishments in Canada. Mr. O'Connor has made that report. It is before the country, it is printed and distributed; and immediately we see in the press the counterpart of that report in the publication of the defence of the other party.

Mr. C. A. WILSON: A paid advertisement too.

Mr. LEMIEUX: Of course. And the Government appoint a commission to revise the work of their own commission. In all candour, I say to the right hon. gentleman that I do not understand those proceedings, nor will the people of the country understand them. The people have confidence in Mr. O'Connor's integrity and in the work he has performed for the Government. So I submit, that the suggestion of my hon. friend from Carleton (Mr. Carvell) should be heeded by the country. The people, the consumers, ought to be specifically represented before that commission, or they will not have any confidence in the report which will be made on the report of Mr. O'Connor. The people ought to be represented by the best legal talent, because this is a very serious question. There have been more rumblings in the public since the publication of the O'Connor report than I have heard on all questions that have arisen since the beginning of the war. It seems to me that under those circumstances it is the duty of the Government, in connection with the work of the commission investigating the Government's own commission, to see that every safeguard is provided for the people of the country, the consumers, who are paying such huge profits to cold storage companies, and who are not in a mood to be laughed at. It will not do if this commission is appointed only to whitewash the gentlemen who in this report of Mr. O'Connor have been branded before the public.

Mr. NESBITT: I have nothing to say against Mr. Henderson or any other lawyer, but this is purely an auditing commission; it is an audit of the statement of these men who differ with Mr. O'Connor. You could not get any more capable men to audit it than Price, Waterhouse & Co., or the Clarkson people. What they want of any one to guide them is more than the business people of the country can understand. No business man would choose a lawyer to be at the head of a commission that is an auditing commission. No one can tell Price, Waterhouse & Co., or Clarkson & Co. their business in auditing, and why Mr. Henderson or any other lawyer should be appointed on a commission to guide such men as that, is more than I can comprehend. It only spoils the result of the commission, whatever that may be.

Sir ROBERT BORDEN: I do not think my hon. friend need be under an apprehension that it will spoil the result of the commission. Mr. Henderson is a practising lawer in the city of Ottawa. Notwithstanding what the hon. member for Carleton (Mr. Carvell) says with regard to him, I understand and thoroughly believe that he has a reputation of the highest character as a member of the Bar, and that his work for many years past as drainage referee in Ontario has been most satisfactory in every way. He has conducted the proceedings before him in such a way as to indicate that he has judicial temperament and he has undertaken——

Mr. CARVELL: Does the right hon. gentleman say, a judicial mind?

Sir ROBERT BORDEN: I said judicial temperament. I suppose that men who afterwards ascend the Bench and are distinguished by their judicial temperament are not so apt to show it when engaged as counsel on one side or the other in a case. That is hardly to be expected. My hon. friend would undoubtedly show a very fine judicial temperament if he were on the Bench, but still, when engaged on a case at the Bar, that quality would not be so manifest as it might be afterwards when he had ascended the Bench.

Mr. CARVELL: I would remind my right hon. friend that there are limits to the lapses to which a counsel may descend.

Sir ROBERT BORDEN: I do not know anything of the incidents to which my hon. friend alludes. We consulted the food controller and it was thought desirable that there should be a chairman of the commission, either a judge or some one having judicial experience. It was learned upon inquiry of Mr. Henderson that he would undertake the work and do so in a purely

honorary capacity. I have no doubt he will discharge his duties with fairness, impartiality, and thoroughness. So far as the accountants are concerned, they are men, as I understand, of the highest standing in their profession, and men whose report with regard to some matters that are not dealt with fully in the report of Mr. O'Connor, must be accepted with every assurance that it is fair and correct.

Mr. NESBITT: I have nothing to say against Mr. Henderson; I have only to say that he is not an auditor, he is not a bookkeeper, and he would be no use in the world in guiding these two men, who are perfectly capable of auditing any accounts.

Mr. KYTE: This Government have established several new records since they came into office, but I think that in the matter of investigating investigators they have established a record which probably will retain for them the laurels for many years. In the past, when the public interest required that an investigation be held, a public functionary was charged with the duty, and he would not be so charged unless he had the ability to discharge the functions of his position. When he made his report that was the end of it so far as the general public was concerned. This is not the first time that a royal commission has been appointed for the purpose of making inquiries in the public interest, but this Government, finding that the report was not satisfactory to themselves or their friends, have gone further and appointed another inquirer to investigate the conduct of the investigator. This is the second time within the last few months that the Government has taken that course. When Mr. O'Connor was appointed to inquire into the conditions with regard to the proprietors of cold storage warehouses and their relation to the cost of food products, I think the people generally were satisfied that he would make a thorough investigation and a perfectly honest report. He has made his report. Friends of the Government are hurt; they complain, and the Government good-naturedly appoints a court of appeal for their friends who feel aggrieved. This court of appeal is going to sit on the findings of a Commission appointed by the Government and paid out of the public treasury.

That the public have some interest in cold storage plants would be obvious from the fact that large subsidies have been paid from time to time by this Government to assist in erecting these cold storage warehouses. The Government are co-partners with the proprietors in respect of these institutions, and if ever there was a subject that properly and fairly called for public inquiry it is the conduct of the proprietors of these cold storage warehouses.

Mr. O'Connor made his report. I have no doubt the public had every confidence in the correctness of the conclusions at which he arrived, but the friends of the Government, who feel aggrieved, have secured the consent of this Government to the appointment of another commission. So that by the time this inquiry is concluded the friends of the Government will have such a report as will suit them, and such as they seek to have, all of which is to be at the expense of the public. With reference to Mr. Henderson, whose name was mentioned here as the chairman of this commission, he is the gentleman who a year ago, appeared for Colonel J. Wesley Allison before the Royal Commission to inquire into certain allegations arising out of the expenditure of public moneys by the Militia Department. No person had any objection to Colonel J. Wesley Allison securing the services of Mr. Henderson. He discharged his duties faithfully to his client, I have no doubt. But he was selected by Colonel Allison because he was a friend of the Government. Mr. Henderson is very close to the Government, and as Colonel Allison was very close to the Government at that time, or, at all events, pretty close to certain members of the Government, it seemed desirable that he should be entrusted with Colonel Allison's defence before that commission. I think I heard the right hon. Premier state that Mr. Henderson's position was purely an honorary one, and I assume, from that, that he is not to be paid for his services by the Government. Is that correct?

Sir ROBERT BORDEN: It is correct.

Mr. KYTE: Mr. Henderson had a good client a year ago; if I mistake not he had two good clients, because, while he was retained by Colonel Allison, I rather suspect that his services were paid for by the Government. There was a large array of counsel who took part in the proceedings, and it would be rather odd if Mr. Henderson were not paid by the Government, if he rendered a bill for his services to the Department of Justice. I say, then, that if Mr. Henderson, undertakes to discharge these duties which have been assigned to him without compensation it is perhaps because he was so well remunerated for the services he performed

for Colonel Allison and the ring which surrounded Colonel Allison a year ago, that he can afford to discharge these duties free. It seems to me rather extraordinary that Mr. Henderson should have been selected. Mr. Henderson appeared for Colonel Allison before the Royal Commission. The charges and allegations made against Colonel Allison, which the Royal Commission was appointed to investigate, arose out of certain transactions of the Munitions Board in respect to the letting of contracts. The Munitions Board, as constituted at that time, gave a certain contract for the manufacture of fuses to a company through Colonel Allison, from which contract he and his friend Lignanti succeeded in putting a large sum of money into their pockets. It so happens that the head of the Imperial Munitions Board is Sir Joseph Flavelle, president of the William Davies Company. I wonder if the people cannot draw their own conclusions as to why Mr. Henderson has been selected, without pay or remuneration, to guide the deliberations of this commission in the course of the appeal from Mr. O'Connor's report. It was pointed out by my hon. friend from North Oxford (Mr. Nesbitt) that a lawyer or a professional man had no proper place in this commission. It is a matter entirely for accountants, and it will strike the general public as being strange that Mr. Henderson is the man of all others in Canada who should have been selected as chairman of that commission for the purpose of guiding its deliberations. The chain of events and the chain of logic are perfectly plain and obvious, and it will be obvious to the general public. If the right hon. Prime Minister (Sir Robert Borden) desired to get a report in which the public would have absolute confidence, inasmuch as he does not appear to have confidence in the report of Mr. O'Connor, he would have done well to go outside of the selection which he has made when he took Mr. Henderson for chairman of that commission.

I will summarize the facts again. Mr. Henderson was counsel for Colonel Allison a year ago when Allison's conduct in connection with contracts obtained from the Munitions Board was under investigation by the Royal Commission, Sir Joseph Flavelle, the head of the Imperial Munitions Board, is the head of the William Davies Company, the company that is most sorely hit by Mr. O'Connor's report; and we have Mr. Henderson again sitting in that commission, as the right hon. Premier said, in a sort of advisory capacity, so that he may steer the investigation, to the end that the William Davies company be hurt as little as possible as the result of the inquiry.

Sir ROBERT BORDEN: In the first place, my hon. friend's assertion that Mr. Henderson's services were paid for by the Government is absolutely destitute of the slightest foundation—

Mr. KYTE: I did not state absolutely that they were paid for by the Government.

Sir ROBERT BORDEN: The hon. gentleman endeavoured to insinuate and create the impression that they were paid for by the Government. I want to tell the hon. gentleman and the committee that there is absolutely not one shadow of foundation for any such statement. The hon. gentleman should not have made the statement, unless he had some warrant for it. He knew perfectly well he had not any warrant for it.

Mr. KYTE: I beg pardon—

Sir ROBERT BORDEN: Let me finish. In the second place, if my hon. friend had read the order in council before speaking, he would have known that, under the order in council in question, it is provided that when returns are made, and a report upon these returns is submitted to the Government, the Government may, if it deems proper, appoint an examiner to inquire into the matter further, so that the action which has been taken by the Government is precisely in line with the order in council under which Mr. O'Connor made his investigation. It is perfectly true that the gentlemen who have been so appointed have also been given all the powers that could be conferred upon them under the Inquiries Act, in order that, if any power were wanting under the order in council alluded to, they would have that additional power under the Inquiries Act. With reference to the point my hon. friend endeavoured to make with regard to Sir Joseph Flavelle, the chairman of the Munitions Board, I would like to inform the committee that he was not consulted as to the personnel of the commission, nor as to any one of them. All the members of the commission were recommended to us by the food controller. He thought it desirable that there should be a lawyer on the board with these two accountants. He thought that would tend to make the inquiry more thorough, for the reason that a board appointed in this way has the power to examine witnesses under oath and therefore must determine what is evidence and what is not

evidence, so that the presence of a lawyer with these two accountants was thought to be a desirable thing. As far as the controversy of last year is concerned, to which my hon. friend last called attention, the contracts in question were not given by Sir Joseph Flavelle, of the Imperial Munitions Board; they were given to the persons whom the hon. gentleman mentioned, long before Sir Joseph Flavelle had anything whatever to do with the giving of contracts for munitions.

Mr. KYTE: What does the hon. gentleman think of the suggestion made by the hon. gentleman from Carleton, that some person be permitted to appear before this commission on behalf of the public?

Sir ROBERT BORDEN: I have already said to my hon. friend that we will take that suggestion into consideration.

Mr. W. F. MACLEAN: I may perhaps be a little out of order in referring to this question. But inasmuch as the question of cold storage is before the committee, and inasmuch as Mr. O'Connor's findings have been under consideration, I want to state what the public opinion of my province is with regard to this question generally. It is this: A food controller has been appointed and an extensive department organized for the purpose of food control, especially in connection with cold storage companies and organizations of that kind. Certain revelations have been made regarding the products handled by some of these cold storage companies. Our organization along the line of food control is somewhat similar to that which they have in Great Britain and in the United States. The people think that we ought to have more action from the food controller and less action on the part of commissions. The result of the revelations that have been made ought to be the immediate control of prices where high charges have been made. The people know that Canadian flour made from Canadian wheat, and bread made from that flour are cheaper in England than in Canada, and that the products of Canadian packing firms are sold at a lower price in the Mother Country than they are sold here. The people want to know why such things can be, especially in view of the fact that we now have a food controller. Our food controller is engaged in a good work. A meeting was held in Toronto last night at which the women were addressed by the food controller upon the subject of thrift. The people do not want a food controller who will wait for a long report before he takes action. He may wish to have an initial report on which to act, but he ought to be sufficiently competent to investigate for himself; he ought to have at his services officials who will help him to ascertain whether or not, for instance, the statement made in connection with the price of bacon justifies immediate action on his part. If it be proved that the prices are exorbitant, the food controller, by virtue of the powers that the Government have under the War Measures Act, should take such steps that immediate relief should be brought to the Canadian consumer. They are getting results in England through the regulation of prices. We are gradually getting to that ourselves; some of the commissions having to do with the fixing of the price of wheat in the West are getting down to work, and I have no doubt that good results will be brought about. I think that we have a competent food controller, but what we expect is not investigations by commissions, but the regulation of prices, especially in such cases as are exemplified by the difference between the price of Canadian flour here and the price of the same flour in England. The food controller and his staff ought to be able to show in one week whether the charges for bacon and bread and flour in this country, the ordinary, every-day necessities of life, and all those articles of food that pass through the hands of the cold storage people, are fair and reasonable. If they are not fair and reasonable, then the people ought to get relief. I do not think that the people are satisfied to pay 52 cents a pound for bacon. I met yesterday a man who receives a fair salary, and I had occasion to ask him what he was taking home to his family on Saturday night. He said: I bought one pound of bacon, and I paid 52 cents for it. I was told on the same day that the price of a hog's carcass on the market was about 22 cents a pound. That is a large price, but there is quite a difference between 22 cents a pound for fresh pork and 52 cents a pound for bacon. I think that sufficient evidence has been sent broadcast over the country to justify quick action in the way of regulating the price of food. The Government would be wise in getting down to the essential issues concerning prices. What we want is not so much an investigation by one commission of the findings of another, as some definite action, as quick as we can get it. As to what has been disclosed, I do not for one moment reflect upon the packing plants. I am not in a position

to pass judgment upon them. But I say this: if I were the food controller, I would know within a week whether excessive prices had been charged, and under the powers vested in me I would intervene if the prices were found to be too high. That is what the food controller is doing in England every day. What is true of food is true of coal, gasolene, coal oil, all the necessities of life, which have been increasing in value since the war began. I called attention the other day to the long discussion that we had in connection with the Bill which was to-day read the third time in the House. It is not discussion we want; it is action, intervention on the part of the food controller where excessive prices have been charged. I believe that our food controller has no lack of assistance, and if his work is properly organized he should be able to give the people that for which they are asking; control and regulation of excessive food prices during the period of the war. If we do not have action soon, encouragement will be given for other kinds of extortion.

While what I say may not be quite germane to the subject before the House, it is certainly germane to the situation in the country which calls for immediate regulation and for the reduction of the excessive charges made in connection with ordinary foodstuffs and ordinary necessaries of life.

Mr. TURRIFF: Possibly the cold storage plants that have been reported on more particularly by Mr. O'Connor may not be included amongst those that the Government have assisted, but the Government for years back have been advancing large sums of money for the purpose of securing the erection of cold storage plants with the idea that they would enable food products to be carried over from one season to another to the advantage of the consumer. According to Mr. O'Connor's report, however, these cold storage plants are being used for the purpose, not of helping the farmer or the consumer, but of buying the product at a low price and storing it and later on making the consumer pay an enhanced price for it. Somewhat the same thing existed in connection with the terminal elevators in the West, and it was found necessary for the Government to intervene and to take over the control of the terminal elevators. Has any action been taken by the Government to look into this matter in order to find out if it is in the interest of the consuming public that these cold storage plants should be placed under the absolute control of whatever department looks after that particular class of work? I presume it would be the Department of Agriculture. If no action has been taken, it is time something was done along that line. Will the investigation that is going to take place under this new commission that has been appointed to investigate Mr. O'Connor's report ascertain the amount of profit that the William Davies company made during the past year, and will it ascertain if the amount this company paid in under the excess profits tax is the correct amount or not? The O'Connor report shows that this firm sold 120,000,000 or 130,000,000 pounds of bacon, and that there was a difference of five cents per pound between the cost of the bacon delivered at their warehouse and the selling price. The company did not give Mr. O'Connor the cost of storage and of delivering, but Mr. O'Connor got those costs from other storage plants, so that his figures cannot be very far wrong. According to his figures, there is a profit on what was sold to the War Department of between four and five million dollars. There is, of course, to be deducted from that the amount chargeable for storage and delivery, but there is to be added to that, the profit on all the bacon sold

10 p.m. by this company to the people of Canada at a very high price. Perhaps the Minister of Finance could say whether his department is making any investigation, in view of the facts that have come to light by the O'Connor report, as to whether the amount turned in as this company's share of excess profits—I think it was $107,000—is the proportion they should pay, or whether their true profits have been hidden, as I understand it is customary for companies to make profits show as low as possible during the years in which they have to pay taxes to the Government. If the report of this new commission is unsatisfactory, a third commission will have to be appointed to investigate the report of the one now being appointed. Unless this commission makes a thorough investigation from beginning to end, the people of this country will be very much dissatisfied, and at the present time they are very much exercised over what has come to light. If some of the members of that commission are appointed for the purpose, not of bringing out evidence, but of keeping evidence from coming out, the commission will be most unsatisfactory, and it will not clear up anything and the people will be still more dissatisfied than they are at present.

Mr. CURRIE: In regard to this cold storage controversy, a great deal of misrepresentation has been made to the public, and the case has not been fairly stated. The facts of the case as shown in the documents are these: Mr. O'Connor asked for statements not only from those who deal in food, but from those who deal in anthracite coal, sugar and other articles. The public impression was that the price of sugar was far too high. The sugar companies—we all know they are called trusts—were investigated, and the commissioner found that, as a matter of fact, they were not making what would be considered a fair profit. He then came to the cold storage question, and he asked the cold storage companies to submit their figures. All of the cold storage companies, with the exception of one or two, gave their figures for everything as accurately as they had them themselves. I understand very few of the companies are so organized that they can give a statement of costs, because unfortunately in this country most of the manufacturing concerns have not gone thoroughly into the question of factory costs and accounting, and they cannot tell where they stand only once every six months or every year. A proper business organization should be able to give a statement of its cost each day. The William Davies company, which is under investigation—and I am now speaking from the report—were asked to give the cost of the raw material, the cost of manufacture, the overhead cost and the selling price. Nowadays, every one in the manufacturing business is pestered every other day by some investigator coming in and wanting to know the cost of this and that. In Ontario, within the last year or two investigations have been made in connection with various matters, for instance the Workman's Compensation Act, and as the result of these investigations for no reason, an advance of something like 700 per cent was made in the rates last year. Everybody wants to know how much money is being made, so they can get some of the profit. The William Davies company did not give the cost of the manufacture and the overhead cost, the result being that the report made by Mr. O'Connor, which was made in good faith, gave the selling price and the cost of raw material, and said the difference was gross profit.

In other words, Mr. O'Connor gave the gross profits not the net profits of the Davies company. That was all right, because they would not give him the figures, so he states in his report. The public, however, at once jumped to the conclusion that it was the net profit, and imagined that the company were making enormous earnings. Everybody in the manufacturing business knows that a great many items have to be taken out of the gross profit before you can get the net profit. Overhead charges alone run to about twenty per cent in the manufacturing business. The Davies company rightly complained. They said to the Government: Your commissioner has not done us justice; he has misstated the facts. And they asked for justice and further investigation. It seems to me very strange that when the Government steps in and tries to put an end to profiteering they should be subject to criticism from hon. gentlemen opposite. As the Davies company demanded justice, the Government could not very well leave the matter to Mr. O'Connor, so they appointed two firms of accountants who are thoroughly equipped to go into the whole question of the net profits, which the William Davies company say in their advertisements amount to less than one cent a pound.

The Government are next criticized for having appointed a lawyer on that commission. Bear in mind that it is the Government that is being attacked through their commissioner. Hon. gentlemen opposite assume that the Government is trying to let the William Davies company out of it. But it is just the opposite. The William Davies company say that a false report has been given to the public by the Government. The Government must therefore have a capable counsel to support their commissioners, and I have no doubt the Government have appointed a capable man. What is the use of saying the question is one of accountancy pure and simple, as was stated by my hon. friend from North Oxford (Mr. Nesbitt) a moment ago. At first glance it would look as if it were so; but bear in mind that these companies that are being investigated might refuse to give certain information. They refused certain information to the commissioner in the first instance, and in the second investigation they may not let the commission have access to certain books. I am not very fond of appointing lawyers to all these commissions, but it seems to me—and I appeal to all the lawyers in this House—that it is necessary to have a lawyer on the commission because questions of that kind might arise from time to time, and when they do occur what person is better fitted to deal with them than the gentleman who has been appointed? He could set the legal

machinery in motion to compel the companies to disclose the information.

I do not think this discussion is particularly pertinent to the item under consideration, and as this subject, the Flavelle report, is to be brought before the House in another form, I do not see any necessity for continuing this debate to-night, especially as the matter is now under judicial investigation. Whenever the Government take any step that is in the interest of the public, hon. gentlemen opposite always get up and criticise it, or else their papers give them the credit. That is one of the beauties of a strong opposition. But as I have pointed out, this subject is really not pertinent to the item, and as it will come before the House later on in another form, I do not see why we should continue this debate.

Mr. CARVELL: We are all very much obliged to my hon. friend from North Simcoe (Mr. Currie) for the lecture which he has just delivered to us on what we ought and ought not to do on this side of the House. As a member of this House, I suppose he has the right to lecture us if he wants to, but so far as a few of us here are concerned at all events, notwithstanding his lecture, we are going to carry out what we consider to be our duty to the public, and we are not very much interested whether we should discuss this subject upon this item or not. I made no attack on the Government or on the William Davies company. I tried to state the case as fairly as it could be stated. I stated that Mr. O'Connor had made one report, and that the William Davies company were spending an enormous sum of money in placing another report before the public. If the statements contained in the advertisements of the Davies company are correct, they are making a profit of a little less than one cent a pound. As a business man, I say that that is not at all an unreasonable profit. It may amount to a large sum of money in the case of that firm, because they are doing a very big business. But if they are making five cents a pound on a food necessity of the people, I say that that is an unreasonable profit, and I would like to see the matter settled once for all, so that the public will know the truth. I object to the chairman of the commission, because I do not think the people will get justice. I hope my position is so plain that even the hon. member for North Simcoe will understand it.

Mr. CURRIE: My hon. friend changes his position so often that it is hard to follow him.

Mr. McKENZIE: Whether it is proper to discuss this subject on this item or not, we have been discussing it, and notwithstanding the injunction of my hon. friend from North Simcoe I think we might as well go on with it. We very often depart from the proper rules of procedure in this House until the hon. member for Simcoe corrects us, and then our sins, of course, are on our own hands because he points out the exact line of procedure, the evidence and the whole business. He is at once the judge, the jury, the evidence and the court of appeal. I am very glad that, although the Prime Minister (Sir Robert Borden) is not here, and not many members of the Government, we still have the Minister of Finance (Sir Thomas White) with us. He is a lawyer and has a great deal of knowledge as to how matters of this kind should be conducted. I wish to keep closely to this O'Connor report, because it is important to the people I represent. I represent thousands of people who are non-producers —able, capable workingmen, who must feed their families, and feed them well if they can, and it is important to them to know whether the O'Connor report is correct or not. If the report is correct, then some steps should be taken to implement it in such a way as to benefit the people who have to buy the goods which these companies are selling at such exorbitant prices. I come from the same province as Mr. O'Connor. He has been a lawyer of standing in the province of Nova Scotia for the last twenty-five years. He is well known to the Premier, and by reason of the knowledge the right hon. gentleman had of him, Mr. O'Connor has been brought here and given a position of prominence and responsibility under the Government. He was appointed to make a certain investigation. I did not see the terms of reference, but I take it for granted that if the business of the Government is done in a businesslike way the matters which Mr. O'Connor had to investigate were properly tabulated and submitted to him. The Government would say to him: "Here are certain matters to be investigated; get the evidence and report upon it." I should be surprised indeed if Mr. O'Connor were given carte blanche to investigate anything that happened to occur to his mind, for if that is the way the Government does business, surely there will never be an end to the reports they receive. I take it for granted, however, that certain questions were submitted to Mr. O'Connor, and that upon

these questions he made certain findings. I appeal to the Minister of Finance as a lawyer and a man of strong commonsense, as to what should be done if Mr. O'Connor's report is not full and satisfactory. The parties who are not satisfied want a new trial. Mr. O'Connor says that as a court he asked these parties for certain facts in the course of his investigation, and that they refused to give him the facts. I am sure the lawyers in the House will agree with me that in the higher courts once a litigant has refused to furnish certain evidence he cannot give that evidence later on just when he pleases.

If he is once asked to put in the facts and he says he is not able to do it, or refuses to do it, that is the end of it. That is the hard and fast rule of court and it is a proper one. I would not ask Mr. O'Connor or any investigator to follow rigidly that rule. The Minister of Labour had this question up in the House the other night. He admitted that Mr. O'Connor's report was prematurely given to the public and that there was some further evidence that Mr. O'Connor should have had before he made his report. Then, the Government should have asked him to reopen his court and hear this evidence and when he had all the facts to make his report complete. But, a most extraordinary and absurd course is taken. The Minister of Finance is the only lawyer in the Government who is here, and I appeal to him to say if this is not the most extraordinary and ridiculous course that could have been taken. Whoever heard of such a thing as allowing a judge to hear a part of a case and conclude it, as he thought, and then, when it was discovered that new evidence should be brought in, discharging that judge and appointing another to begin de novo. The proper thing, the logical thing, would be to make application to the judge who had heard a portion of the evidence and get permission to put in further evidence, and then allow him his conclusions on the whole matter. But, it is proposed to have a new court starting over again, and we are entirely ignorant of the terms of submission to that court. Then, we shall get an endless, senseless, indecisive decision or something else which may be absolutely foreign to the matter with which Mr. O'Connor was dealing. It is not fair to the reputation of this gentleman to have his report treated in that way and to be subjected to adverse criticism based on an entirely different set of facts and circumstances. I submit that, at all events, if this court is to be reconstituted,

[Mr. McKenzie.]

the Government should have made him a member of it and he should have sat with that court. Then he would be able to see whether the facts which he investigated were getting a fair show or not. When the report comes in, if Mr. O'Connor is a member of that court and if he agrees with that report amending the decision that he has given—adding to it or taking away from it—the people will have some confidence in it. But, if the Government merely constitute another court that, as has been suggested by my hon. friend from Richmond (Mr. Kyte) will bring in the kind of decision that the friends of the Government want brought in, and if they deal with questions different from those which are dealt with in the report of Mr. O'Connor, there will be no confidence in the report and the people will be just as much dissatisfied with conditions as they were before. The Minister of Finance knows very well how readily the people will believe that there is something wrong about these extraordinary prices, as there must be. Mr. O'Connor says that, while some of them may be permissible under the law, they are not respectable. He says that if a good many of these transactions had taken place after the passage of this order in council under which he was acting he would have deemed it his duty to report the matter to the authorities in the provinces where the transactions took place that it might be criminally prosecuted or submitted to the Attorney General for his opinion upon the question of its criminality. These are the opinions and the statements of a very respectable man from my own province, a man whom I have known for the last twenty-five years, and I have every confidence that in so far as the facts were submitted to him he has done the right thing. If there is any further evidence, let it be submitted to him and to the rest of the court. Then we shall have reason to have some respect for the last findings of this court. Otherwise, I submit there is no business about it, there is no practice properly followed, and we shall have just as much right to start de novo, to try the results that will be obtained by the commission that is now investigating, as the Government have to institute this new tribunal. We are told that these people are working for nothing. I am sick and tired of this business of people working for nothing. The next thing we find is that they are overpaid. If you get a thing for nothing you usually pay for it all that it is worth. If the Government are expecting a report for nothing it is safe to conclude that that will be all that it will be worth.

Mr. CARVELL: Would the Minister of Finance lay on the Table the order in council appointing this last commission?

Sir THOMAS WHITE: I think it was laid on the Table to-day.

Arts and Agriculture—For the administration and carrying out of the provisions of the Agricultural Instruction Act, $25,000.

Mr. CARVELL: Is it the Agricultural Instruction Act which provides that certain moneys shall be handed over to the provinces amounting to $10,000,000?

Mr. REID: The details of the whole sum are set forth below.

Mr. CARVELL: What becomes of the $25,000?

Mr. BURRELL: The $25,000 is to cover the cost of the administration of the Act. We have four or five officers in connection with the general inspection work. It also covers publication and a part of the cost of the publication of the Agricultural Gazette, which publishes the record of the work that the provinces do under the $10,000,000 grant.

Mr. NESBITT: What inspection is there?

Mr. BURRELL: The vote as it stands this year will be $1,100,000. The officers work in collaboration with the provinces. There is correspondence and there are consultations and inspections from one cause or another. We have a commissioner, an officer in Quebec who thoroughly understands the French language, an officer and a stenographer in the office and an additional inspector for keeping in closer touch with the provinces in order to co-operate more fully with them in all lines of work.

Mr. CARVELL: Does the minister exercise any supervision over the provinces as to the manner in which they shall invest their portion of the fund? Up to the last three or four months the $45,000 or $50,000 which was handed over to my province was entirely eaten up by salaries. When I saw this $25,000 item, I wondered if it was just a continuation of the same old story, because, so far as education in New Brunswick was concerned, it was practically nil, but so far as the multiplication of offices was concerned, it was a wonderful success.

Mr. BURRELL: I am sure my hon. friend can hardly expect me to agree entirely with that version of the story. An agreement is entered into with each provincial government, conforming to the general principles of the Act. As a rule the suggestions of the provinces are followed, but if we think that certain proposed expenditures do not conform to the general provisions of this Act we have negotiations with the province and possibly some alteration is made. The appropriation of the money for the current year, 1917-18, for New Brunswick includes, under the head of agricultural schools, capital account, construction and equipment, furnishing, agricultural and dairy schools, $1,000; salaries and maintenance, $3,000. Under the head of instruction and demonstration, it includes district representatives, $8,000; bee-keeping demonstration and instruction work, $500; soil and drainage instruction work, $4,000; horticulture, demonstration work, $5,500; short courses, $3,500; for live stock educational work, $7,000; dairying, $4,000; poultry, $1,600; fertilizer educational and demonstration work, $3,000; for entomology, $1,000; young people's clubs, $2,000; agricultural societies, $4,000; women's institutes, $4,500; educational instruction in public, high and normal schools, household science, training teachers, grants, $9,785; school fairs, educational work, $1,725. This makes a total of $64,110. Although it may be true that a good deal of this seems to go in salaries, I need hardly point out that it is along the lines of the best work done in all progressive countries that is strengthening the educational side of agricultural work. That is what brought Belgium and Germany to the state of efficiency which they had attained shortly before the war.

Mr. CARVELL: I appreciate that, and I am glad to get this list of the distribution of the moneys. I quite understand that a large amount of that money, if properly expended, ought to produce valuable results. I do not know whether there will be any change or not; I sincerely hope there will. I noticed among the items read by the minister, $4,000 for drainage and soil. That is one of the greatest scandals we ever had in New Brunswick. They simply hired half a dozen fellows who did not know anything about running the business. They would work for a few hours wherever they wanted to. It was a machine, but it was a political machine. My friends are in power in New Brunswick now, and if they carry on this thing in the same way that the others did, I hope my hon. friend will withdraw the grant and exercise some sort of a supervision over it himself. I hope we shall have a better condition of affairs. Then there is a poultry expert at $1,600. The poultry expert was simply the brother of one of the members for the county of

Kings, a barber who kept a few hens. He was out of a job, and so they made him a poultry expert.

Mr. McKENZIE: His own hens?

Mr. CARVELL: Yes, his own hens, a few in the back yard. If my friends in New Brunswick are doing no better than their predecessors were, I hope my hon. friend will withdraw the grant, because a very large amount of this money was not properly expended, and did not go to the education of the people. If he will carry out this policy on the lines laid down there, and if this money is used for educative purposes, it will be all right, and I wish we had twice as much, but I hope there will be some supervision.

Mr. BURRELL: My hon. friend is aware that I cannot have a personal knowledge of all these expenditures. I agree that if there are any grievances of this kind they should be remedied, and I shall be glad to do all I can to remedy them.

Mr. COPP: Does an official go from the minister's department to the different provinces to inspect the work?

Mr. BURRELL: Yes.

Quarantine—Salaries and contingencies of organized districts and public health in other districts, $225,000.

Mr. McKENZIE: May I bring to the notice of the minister some complaints in connection with the quarantine station at Halifax? I understand the minister has more than one doctor at that place. I am told there is an old official who was appointed nearly twenty years ago. Dr. Mackay, and then there are two other doctors who are assistants under him.

Mr. BURRELL: One, I think.

Mr. McKENZIE: I think there are two. At all events, it was so reported to me. Those assistants get more than double the amount paid to the chief man.

Mr. BURRELL: My hon. friend knows that Dr. Mackay is allowed to carry on private practice as well.

Mr. McKENZIE: The minister will find the others are carrying on private practice as well as Dr. Mackay. The great difficulty is that the assistants were appointed since 1911 and Dr. Mackay was appointed before that. Dr. Mackay is supposed to be a Liberal, and his officials are the nominees of strong supporters of the Government, and they have the old style pull. It is rather scandalous to my mind that a man of the standing of Dr. Mackay, one of the first practitioners in Nova Scotia, a surgeon who is the peer of any in Canada, should be getting only $1,000 a year, and young men who are his assistants should be getting somewhere in the vicinity of $2,200 and $2,500.

And that is solely and simply because Dr. Mackay happened to be a Liberal and the others were Tories. I want the minister to explain if there is any other reason. I bring the charge home to him, and tell him that that is what it is for. Whoever his advisors in Halifax are, if the hon. minister looks up Dr. Montizambert's report, he will find that he is a regular watchdog for Toryism since the change of Government in these particular matters; that he does not like Dr. Mackay, because Dr. Mackay was a bigger man in his profession than ever Montizambert was born to be, and Dr. Mackay will not fall down and worship him; and he is to be punished by being kept down to the first salary he got of $1,000 when he was appointed some twenty years ago; and this young man put over his head at double his salary and more. I place these facts before the minister as strongly as I can, and if he will look into the facts he will find it is nothing but partisanship; and I protest against it.

Mr. BURRELL: The hon. gentleman is extreme in his statements. Dr. McKay was appointed by the Liberal Government, and the very salary he is complaining of was given him by that Government, and given under conditions similar to those which exist to-day. With regard to the other man, it was considered absolutely necessary to appoint a man who would give his whole time to the work, a bacteriologist, and it was not easy to secure such a man. There have been changes. One man has gone to the war, and I think I am within the facts in stating that one of the men who occupied the position since that time is not a Conservative at all. However, I shall be glad to bear in mind what the hon. gentleman says, and, although I do not agree with his statements, I shall be glad to post myself thoroughly.

Mr. CARVELL: Is it under this vote that there is a tug of some kind—I have forgotten its name—employed in the city of St. John?

Mr. BURRELL: Yes.

Mr. CARVELL: I thought I had the papers here, but my memory is very good. I can give the minister the facts pretty nearly as they are. The tug is owned by a man named Elkin. Unfortunately, Elkin

was, and I presume is still, of the wrong stripe politically. Of course, he could not rent the tug to the department. Elkin rented the tug to a Mr. McNeill, and if my hon. friend the Minister of Marine and Fisheries (Mr. Hazen) were here he would be able to tell you exactly who McNeill is. He is a very prominent member of the patronage committee of the Government party in St. John. McNeill pays, I think, $500 a month to Elkin for the tug. He rents it to the minister for $900, and there it goes on, year after year. These things are well known to the people in St. John. Complaints have been made about Mr. McNeill pulling down $400 a month for five or seven months out of the year. I give my hon. friend the names and the amounts, because it is common property down there, and it is common knowledge of the minister, but it goes on just the same. We hope the time will come very shortly when there will be a way of stopping these things, but at least for the present we would like to know how long it is to continue. The time will soon arrive when it will commence again. It starts in the autumn, and continues during the winter. The steal is not more than $2,000 a year, but it is an absolute patent steal, known to everybody.

Mr. MACDONALD: All over the province.

Mr. BURRELL: If I had known this matter was coming up I should have had the information.

Mr. CARVELL: It is the Lily M.

Mr. BURRELL: I think it is.

An hon. MEMBER: Not the Minnie M.

Mr. BURRELL: No, not the Minnie M., but the Lily M. The deputy and Dr. Montizambert looked into the matter, and we came to the conclusion it was a proper and business-like arrangement.

Mr. CARVELL: For McNeill.

Mr. BURRELL: No, for the Government. A responsible officer of the Government advised me in the matter. I cannot enter into a discussion, because I do not remember the details, but I know I felt justified in making the arrangement, or I should not have made it.

Mr. CARVELL: I am sure I am correct. I might be a few dollars out one way or the other. I know there is a rake-off of $400 a month being made by a member of the Conservative patronage committee in the rent of the tug, and I do not think it is necessary to hire the tug at all, because it is tied up at the wharf for a long time. The minister could hire all that work to be done by other men there for $500 a year. It is simply a straight steal; that is all there is to it.

Mr. BURRELL: I think the hon. gentleman is wrong.

Mr. CARVELL: No, I am not wrong.

Mr. BURRELL: If there is not a boat there in proper condition, and at the service of the Government, we would get in some strange predicaments.

Mr. CARVELL: This boat only goes out to Partridge Island occasionally. I have no doubt my hon. friend is sincere in his statements, because these gentlemen are very shifty in St. John, and they can put up as smooth a story as any man in any part of Canada, and no doubt they did put it up, but there is nothing in it but graft.

Public Works Health Act, $12,000.

Mr. CARVELL: Is any portion of this devoted to the hospital up on the Hill, near the new Parliament buildings now under construction?

Mr. BURRELL: No.

Mr. CARVELL: From what vote is that provided for?

Mr. REID: Public Works.

Mr. CARVELL: That private hospital on the Hill is one of the funniest institutions in Ottawa.

Mr. REID: We have a number of patients there.

Progress reported.

On motion of Sir Thomas White, the House adjourned at 10.45 p.m.

Wednesday, July 25, 1917.

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

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

MR. ARMAND GRENIER.

Mr. DELISLE:

1. Is Mr. Armand Grenier, advocate, in the employ of the Government?
2. If so, in what capacity is he employed?
3. When was he appointed?
4. What is his salary?
5. Has he been appointed in place of another person, or is he occupying a new position?

6. What is the classification of the position he occupies?
7. Where does he reside?

Mr. DOHERTY:

1. Yes.
2. Civil law reporter.
3. May 16, 1917.
4. $2,800.
5. In place of L. W. Coutlee, deceased.
6. First Division, subdivision A.
7. He was at time of appointment a resident of Montreal. He is completing arrangements to establish his residence in Ottawa.

ENLISTMENT OF CANADIANS IN UNITED STATES.

Mr. MACDONALD:

1. How many commanding officers have been authorized to recruit for Canadian forces in the United States?
2. What are the names of said officers?
3. How many recruits have been obtained?
4. Has any Order in Council been passed in regard to recruiting in the United States?
5. If so, what are the terms of the Order in Council?

Sir EDWARD KEMP:

1. When the British recruiting mission was authorized to recruit throughout the United States for the enlistment of British subjects in the Canadian Expeditionary Force, instructions were issued to all District Officers Commanding that all men accepted for enlistment in the Canadian Expeditionary Force would be forwarded, for attestation, to the nearest Canadian depot, the following places having been selected for this purpose, viz., Vancouver, Calgary, Winnipeg, London, Toronto, Kingston, Montreal, Valcartier, St. John and Halifax, and that these men should be permitted to make their own choice as to which Canadian Expeditionary Force unit, (Infantry), they preferred.

No commanding officer of any Canadian Expeditionary Force unit has been authorized to recruit in the United States, solely for his own unit.

2. Answered by No. 1.

3. Total number of recruits reported in Canada for Canadian Expeditionary Force to July 17, 1917, 2,194; total number of recruits reported in Canada for British Expeditionary Force to July 17, 1917, 679; total, 2,873.

4. Yes, P.C. 1505 dated June 4, 1917.

5. The order in council provides:

(a) That there should be only one recruiting organization dealing with British subjects in the United States, and that this organization should consist of the staff of the British recruiting mission with whom should be conjoined selected officers, non-commissioned officers and men from the Canadian Forces.

(b) That the mission will accept for enlistment men who desire to join the Canadian Expeditionary Force.

(c) That the Minister of Militia be empowered to detail the required number of selected officers, non-commissioned officers and men, and that he be also empowered to incur the necessary recruiting expenses and to authorize subsistence allowance to the officers, non-commissioned officers and men employed on this service.

STELLARTON, N.S., POSTMASTER.

Mr. MACDONALD:

Who is the acting postmaster at Stellarton, Nova Scotia?

Mr. DOHERTY: With reference to this question, it may be stated that W. G. Miller has been appointed postmaster at Stellarton, N.S. The existing premises being unsuitable as regards site and accommodation, it was necessary to move the post office to a more suitable site and to fit up the building in such a manner as to afford the public proper accommodation. The transfer of the Stellarton post office has, therefore, been deferred until the necessary alterations to the new building are completed. In the meantime, the late postmaster, Mr. A. M. Inglis, is acting as postmaster. The new building will be ready in the course of a very short time.

MR. WILLIAM BRINDLE.

*Mr. LEMIEUX:

1. Has Mr. William Brindle been dismissed and relieved of his duties as Chief Section Master of his division upon the Transcontinental Railway District No. 1?
2. If so, for what reason was he dismissed?
3. Does the Minister of Railways intend to hold an inquiry into the matter?

Mr. COCHRANE:

1. Yes.
2. Excessive use of intoxicants.
3. The minister has sent for all papers with the object of fully investigating the matter.

RICHMOND COUNTY MEDICAL OFFICERS.

Mr. KYTE:

1. Who were the medical officers appointed by the Minister of Militia in the County of Richmond, N.S., to examine, and who examined, recruits since the 4th day of August, 1914?
2. What amount was paid to each such officer for such services?

Sir EDWARD KEMP:

1. B. A. Le Blanc and J. A. McDonald.
2. B. A. Le Blanc paid $53.50; J. A. McDonald services gratis.

ENLISTMENTS AND CASUALTIES.

Mr. SINCLAIR:

1. What was the total number of recruits enlisted in the Canadian Expeditionary Forces in June, 1917?
2. What was the total number of casualties in the Canadian Expeditionary Forces in June, 1917?

Sir EDWARD KEMP:

1. 6,347.
2. 4,351.

CUSTOMS MOTOR BOATS.

Mr. CARROLL:

1. How many motor boats are employed by the Customs Department upon Sydney Harbour?
2. What are the names of the boats so employed?
3. Who are the owners of said boats?
4. What length of time have these boats been employed by the Department?
5. At what rate have they been paid?
6. How long has the motor boat Helena been employed?
7. Who is her owner?
8. What is the full amount paid for her services to date?
9. What crew is employed upon this boat?

Mr. REID:

1. One—for examination of ships in connection with Naval Detention Service.
2. Helena.
3. Mr. Finlay MacDonald.
4. Fiscal year ending 31st March, 1914, 142 days; 1915, 271 days; 1916, 257 days; current fiscal year, 85 days.
5. $15 a day, owner to supply gasoline and oil and a man to run the boat.
6 and 7. Answered by Nos. 3 and 4.
8. $10,965.
9. Answered by No. 5.

ENLISTMENT OF PERSONS OF FOREIGN BIRTH.

On the Orders of the Day:

Sir ROBERT BORDEN: Some time ago the member for Saltcoats (Mr. MacNutt) asked a question with regard to the enlistment of aliens under the voluntary system and under the Military Service Act. The matter of the enlistment of such persons under the voluntary system has been under consideration by the military authorities not only of this country but of the United Kingdom as well, and there has been consultation between the two Governments with regard to it. Upon that consultation the general policy under the voluntary system of recruiting has been not to enlist men of alien enemy birth for combatant service. With regard to the policy under the Military Service Act, it would not be considered desirable to enlist for combatant service any man who, under the policy that has been carried out in respect of voluntary enlistment, would not be accepted. The same principle, we think, should be applied to both: that is, such a man should not be enlisted for combatant service.

RECRUITING OF CANADIANS IN THE UNITED STATES.

On the Orders of the Day:

Mr. OLIVER: Will the Minister of Militia be good enough to make, at his convenience, a statement in regard to the recruiting in the United States of Canadian battalions for overseas service?

Sir EDWARD KEMP: A question in regard to that matter, asked by the member for Pictou (Mr. Macdonald), was answered to-day.

Mr. OLIVER: I do not think that the answer given to the question of the member for Pictou conveys the information that I am desirous of obtaining. I should like to have a statement of the policy of the Government in regard to the matter. I do not particularly desire the details; I want to know how far it is intended to carry this practice and upon what principle it is formulated. Are these instances merely exceptional, occurring for some exceptional reason, or are they in accordance with a well defined policy of the Government?

Sir EDWARD KEMP: If the information contained in the question which I answered is not sufficient I will make a note of what my hon. friend says now and will make a statement in the matter within a day or so.

CORRECTION—MR. KYTE.

On the Orders of the Day:

Mr. KYTE: The Journal-Press newspaper of to-day's date contains the statement that I did not vote upon the third reading of the Military Service Bill yesterday, and that I did not state whether I was paired or not. That statement is incorrect. I voted against the third reading of the Bill, and my name is recorded in Hansard as having so voted.

DELAY OF HOMESTEAD PATENTS.

On the Orders of the Day:

Mr. McCRANEY: I am in receipt of a telegram from Mr. G. Harmon Jones, Secretary of the Military hospitals commission in Saskatchewan I wish to ask the Minis-

ter of the Interior a question with regard to it. The telegram is as follows:

Settlement of returned soldiers on lands seriously retarded by delay of patent on account of failure to complete improvements. Possibly amendments contemplate removal of this obstruction. If not, cannot some method of relief be devised? The matter is urgent and soldiers considerably agitated over it.

I understand that duties are remitted in the case of homesteads belonging to soldiers returned from overseas. I would like to ask the minister if he will facilitate the issue of those patents.

Mr. ROCHE: Yes.

Mr. OLIVER: I understand the minister to say, in answer to the member for Saskatoon (Mr. McCraney) that the duties on homesteads of returned soldiers are remitted. Does that apply to residence duties only, or does it include also improvement duties?

Mr. ROCHE: The terms of the order in council are to the effect that any person who had made a homestead entry prior to enlistment has his residence duties counted while he is away. That is the point raised in the telegram read by my hon. friend (Mr. McCraney).

Mr. OLIVER: Then that remission does not cover improvements?

Mr. ROCHE: No.

QUEBEC AND SAGUENAY RAILWAY.

On the Orders of the Day:

Mr. LEMIEUX: Does the Minister of Railways and Canals intend to bring in any legislation this session with respect to the Quebec and Saguenay Railway?

Mr. COCHRANE: I made a statement to the House some time ago that we were going to bring in legislation.

WAYS AND MEANS.

WAR TAX UPON INCOMES.

The House in Committee of Ways and Means, Mr. Blain in the Chair.

Sir THOMAS WHITE (Minister of Finance): Mr. Chairman, the enactment of the Military Service Bill which has just passed through the House will result in material increase in and acceleration of the war expenditures of the Dominion.

By that Bill, provision is made for calling an additional 100,000 men to the forces of Canada. In view of the expenditure involved, and in order to maintain the credit of the Dominion, it is necessary that we should adopt further taxation measures. Apart from this necessity from a financial standpoint, there has arisen, in connection with the Military Service Bill, both in this House and in the country, a very natural and, in my view a very just, sentiment that those who are in the enjoyment of substantial incomes should substantially and directly contribute to the growing war expenditures of the Dominion.

In view of these considerations, I desire to-day to lay before this committee proposals for a national measure of income taxation. I may say that the adoption of such a measure is a distinct innovation in federal fiscal legislation. Hitherto we have relied upon duties of customs and of excise, postal rates and other miscellaneous sources of revenue. It is true that since the outbreak of the war we have adopted the Business Profits War Tax Act which is a measure of direct taxation akin to income taxation, but not so wide in its scope. As the members of the committee are aware, the Dominion Government, under the provisions of the British North America Act, is empowered to raise revenue by any mode or form of taxation, whether direct or indirect. On the contrary, the provinces, and, by consequence, the municipalities which derive their taxation powers from the provinces, are confined, in the raising of their revenues, to measures of direct taxation. For this reason, since the outbreak of the war, I have hesitated to bring down a measure of federal income taxation. As I have stated, the provinces and the municipalities are confined to direct taxation, and I have not regarded it as expedient, except in case of manifest public necessity, such as I believe exists at the present time, that the Dominion should invade the field to which the provinces are solely confined for the raising of their revenue.

There is a further fact to which I have alluded in my Budget speeches since the outbreak of the war. Canada is not a country of concentrated wealth. We have a sparse population of some 8,000,000 people, scattered over an immense territory as large in area as the United States of America, almost as large as the continent of Europe. The result of that is that the cost of administration of an income tax measure will be quite substantial, and the cost of administration is always a factor which should be had in mind in connection with the imposition of taxation. Generally speaking, if the cost of administration of a tax is dis-

proportionately heavy, it is not a good tax. I do not say that the cost of administration of such an income tax as I shall propose to-day will be unduly heavy, but the fact that we shall have to cover the entire Dominion in our administration of the measure has been an element to which I have given some thought when the matter of income taxation has been under my consideration and the consideration of the Government in the past.

Furthermore, Canada has been and will continue, during the lifetime of those present here to-day, to be a country inviting immigration. I have, therefore, thought it desirable that we should not be known to the outside world as a country of heavy individual taxation. There is another feature which has had some influence with me in hesitating to bring down an income taxation measure, and that is the fact that the people of this country, from the very outbreak of the war, have been most generous in contributing from their incomes to the Patriotic, Red Cross and other funds connected with the war.

We are, however, confronted with grave conditions arising out of the war and with, as I have stated, an increased and accelerated war expenditure due to the measure which has just passed the House and which will enable us to continue to play our part in this great conflict. The war continues, not only on an undiminished, but on an ever increasing scale. I believe it is the will of the people of Canada that we should continue to exert to the utmost our human and material power to the end that final and decisive victory may be obtained. I do not believe any other end than such final and conclusive victory will satisfy the high spirit and aspirations of the free people of the British Empire. No matter what the cost may be in man-power or in treasure, I believe it to be the will of the people of this country that we should persevere unto the end.

In view of what I have said as to the financial situation, as to the increased demands which will be made upon us, and as to the purpose of the people of Canada in this war, it is manifest to me, as I think it will be to most of the members of this House, that the time has arrived when we must resort to this measure of direct taxation. I am confident, Mr. Chairman, that the people of Canada whose patriotism during this war has been so often and so nobly proven will in the light of present conditions, which call for it, cheerfully accept the burden and the sacrifice of this additional taxation.

I shall now explain to the committee the nature of the proposals which I purpose laying before them. In framing these proposals we have had regard to certain conditions which I think ought to be taken into account in connection with a measure of this kind. In the first place, we must not be blind to the fact that the cost of living has materially, and indeed, greatly increased in this country, as it has all over the world since the outbreak of this war, and that has a bearing upon the question of the exemption which should be allowed in an income tax measure. We have also borne in mind the fact that in most of the provinces of the Dominion there is a municipal tax upon income more or less heavy, running as high as two or three per cent. In addition to that, there is in some of the provinces a direct income tax levied by the province itself. So we must bear in mind that when this measure becomes law the people of this country whose incomes make them subject to the several income taxation laws in force in Canada will be liable to three different sets of income taxation—first, income taxation by the municipality, secondly, income taxation by the province, and thirdly, income taxation by the Dominion.

There is another matter which I have thought proper to bear in mind, and that is the existing income taxation in the United States of America. For 3,600 miles the territories of the two countries adjoin, and there is a continual flow of population over the border. As I stated earlier in my remarks, we are inviting immigration to this country; we are inviting those of good character and capability from all nations in the world to make their home in Canada. The United States and ourselves occupy the northern half of this continent, and I think it would be undesirable, except for the gravest reasons of national necessity, that our income tax should be substantially heavier than that in force in the United States. The American measure which I have had in mind for the purpose of comparison only when drafting this Bill is the measure which is now before Congress, and which provides for a very much heavier degree of taxation than is provided for by their existing legislation, or by the legislation which existed before the outbreak of the war.

In a measure of income taxation we should consider first, what amount of exemption should fairly be allowed. On the one hand, we must be careful that the entire burden of the taxation is not borne by

a particular class, and on the other hand, we must see to it that our taxation is not oppressive to those whose incomes are barely sufficient to enable them to sustain the burden of the cost of living as it is to-day. It has appeared to us that it would be proper to fix the limit of exemption at $3,000 in the case of married persons, and $2,000 in the case of unmarried persons and widowers without dependent children. So that, so far as this measure is concerned, a married man who has an income of $3,000 or less will not be subject to its provisions. An unmarried man, or a widower without dependent children, having an income of $2,000 or under will not be subject to its provisions.

We have also thought it advisable to adopt the principle of graduated tax. Within certain limits of income it is proper that an income tax should be uniform, but when we reach the higher salaries I regard it as just and proper that the rate of taxation should increase as the scale of income increases. Our proposals are therefore as follows:

We propose to levy an income tax of 4 per cent upon incomes exceeding $2,000 per annum in the case of unmarried men and widowers without children, and exceeding $3,000 in the case of other persons, and in addition thereto a supertax of 2 per cent upon the amount by which the income exceeds $6,000 and does not exceed $10,000; and 5 per cent upon the amount by which the income exceeds $10,000 and does not exceed $20,000; and 8 per cent upon the amount by which the income exceeds $20,000 and does not exceed $30,000; and 10 per cent upon the amount by which the income exceeds $30,000 and does not exceed $50,000; and 15 per cent upon the amount by which the income exceeds $50,000 and does not exceed $100,000, and 25 per cent upon the amount by which the income exceeds $100,000.

Mr. NESBITT: Is that the net tax or the supertax?

Sir THOMAS WHITE: Let me recapitulate. First, there is the exemption of $3,000 in the case of married men, and $2,000 in the case of unmarried men and widowers without children. Subject to those exemptions there is a 4 per cent rate upon all remaining income no matter how large it may be, and in addition to that 4 per cent there is the supertax as I have stated.

Mr. GRAHAM: Are all salaries up to $2,000 and $3,000 respectively exempt, no matter what the amount may be?

[Sir Thomas White.]

Sir THOMAS WHITE: All are free to that amount. If a man has an income of $100,000, $97,000 will be the amount unexempted. On this he will pay 4 per cent, plus the supertax.

Mr. A. K. MACLEAN: Would the minister again recite the supertax figure from $5,000?

Sir THOMAS WHITE: First, there is the 4 per cent and in addition thereto the supertax of 2 per cent upon the amount by which the income exceeds $6,000 and does not exceed $10,000; 5 per cent upon the amount by which the income exceeds $10,000 and does not exceed $20,000; 8 per cent upon the amount by which the income exceeds $20,000 and does not exceed $30,000; 10 per cent upon the amount by which the income exceeds $30,000 and does not exceed $50,000; 15 per cent upon the amount by which the income exceeds $50,000 and does not exceed $100,000, and 25 per cent upon the amount by which the income exceeds $100,000.

I was about to inform the committee as to how this tax works out in concrete cases. The following statement will show:

INCOME TAX.

Income of	Unmarried men and widowers without dependent children, exempt $2000.	All other persons exempt $3,000.
$ 4,000	$ 80	$ 40
5,000	120	80
7,000	220	180
10,000	400	360
12,000	580	540
15,000	850	810
20,000	1,300	1,260
30,000	2,500	2,460
50,000	5,300	5,260
75,000	10,050	10,010
100,000	14,800	14,760
150,000	29,300	29,260
200,000	43,800	43,760

Mr. DEVLIN: If the question is not premature, might I ask the minister whether the income tax will apply to the revenues derived from industrial profits already taxed?

Sir THOMAS WHITE: I will come to that a little later, under the exemptions.

Mr. LEMIEUX: Will the minister define what income is?

Sir THOMAS WHITE: Income will be defined in the Bill, but I may say it is the net profit or gain arising from any business in which a person, as defined in the Act, is engaged—salary, income from investments whether stock, mortgages, or otherwise. In other words, we have endeavoured to give

a definition of income as wide as possible so that everybody in Canada shall be subject to the tax, provided the income is over the amount of exemption.

Mr. LEMIEUX: The point upon which I would wish information is whether the liabilities will be considered before the income is fixed.

Sir THOMAS WHITE: "Income" means any income, not deducting living expenses. If a man has a business and his gross receipts are, say, $100,000, but his operating and under expenses are $50,000, the income would be $50,000. Of course you cannot tax a man on his liabilities.

Mr. C. A. WILSON: I suppose municipal and provincial taxes will be deducted?

Sir THOMAS WHITE: In connection with a man's own business, yes; in connection with a man's own home I should say no, however that is a question which we will have to deal with a little more fully in committee.

I may say this measure applies to the income of the present year. It provides for returns by all parties subject to the tax before February 28 of next year. There are a number of exemptions under the Act, mostly of those institutions that do not operate for gain. I do not know that it is necessary I should specially refer to them here. Apart from those exemptions which I shall be glad to mention in committee and take up more particularly when the Bill is before the House, there are certain exemptions which I should mention here. My hon. friend from Wright very properly asked as to whether those who are paying a very heavy business profits taxation are subject to this income measure. The House is aware that liability to the Business Profits War Tax Act of 1916 and the amendment thereto of this year comes to an end on December 31 this year, and it is not the intention to renew that measure. When that measure was imposed it was retroactive to the extent of one year so that in 1916 firms and companies subject to its provisions paid in respect of their profits of 1915; those liable on account of their profits in 1916 paid this year and those liable in respect of any accounting period falling in during this year, 1917, pay the tax next year. I think it is only just and proper that those who pay the very heavy business profits tax—much heavier than this tax—upon an accounting period falling in during the present year should not be called upon to pay this income tax unless it chances to be heavier than the tax they are paying. The result of that view is that we shall exempt from the taxation which would be payable by such firms and companies under this measure the amounts paid by any taxpayer under the Business Profits War Tax Act, 1916, and any amendments thereto for any accounting period ending in the year 1917. In the case of a partnership, each partner shall be entitled to deduct such portion of the tax paid by the partnership under the Business Profits War Tax Act, 1916, as may correspond to his interest in the income of the partnership. In addition to that, we provide that taxpayers shall be entitled to deduct from the amount which would otherwise be payable by them for income tax under this measure the amount paid by them for taxes during the year 1917, and in any year thereafter, under the provisions of Part 1 of the Special War Revenue Act, 1915. That means that if the taxation under the Special War Revenue Act, 1915, is greater than the income tax, they pay the greater taxation, but if, on the other hand, this income tax is greater than the tax to which they are now subject, they are permitted to deduct from the income taxation the tax to which they are liable under the Special War Revenue Act, 1915.

Mr. A. K. MACLEAN: Does the exemption of $2,000 or $3,000 apply to corporations?

Sir THOMAS WHITE: I will come to that. We are providing in the legislation also that we shall levy an income tax on corporations and joint stock companies earning an income exceeding $3,000. In England there is no super tax upon companies, but their shareholders are liable to it. We are providing by this measure that joint stock companies and corporations shall be subject to a tax of four per cent. Their shareholders are liable not only to the tax of four per cent but to the super tax. But, in estimating the income of any person subject to the tax, we credit him with the amount which has been paid by the company from which he derives dividends under the provisions of this Act, the idea being to avoid double assessment. Let me give a concrete case.

Mr. MACDONALD: Is that the same practice as is followed in the United States?

Sir THOMAS WHITE: Yes. That question gives a great deal of difficulty. In Great Britain they have not imposed a super tax upon corporations or companies. In the

United States they have an income tax called the normal tax to be paid by corporations and joint stock companies. They provide—and we have similarly provided—that, while the shareholders of these companies are subject to the super tax, the amount of the normal tax upon dividends shall be deducted from their income. It will be obvious to the committee that it is not possible to impose the super tax upon a company, much as we should like to do so, for this reason: Take a company that is owned by hundreds of shareholders, that has a capital of $1,000,000 and that earns six per cent; it would have an income of $60,000. Take another company with $2,000,000 capital and which earns six per cent; it has an income of $120,000. Although both derive six per cent, if you applied the super tax, because the income of the $2,000,000 company is larger than that of the $1,000,000 company, you would make one set of shareholders pay so much more than another set of shareholders. Accordingly, we get over the difficulty by making joint stock companies and corporations subject to a four per cent tax, called the normal tax, and then we make their shareholders liable to a super tax giving them an allowance equivalent to the normal tax upon the dividend that they derive from such companies.

Mr. LEMIEUX: What about the revenue derived from American companies?

Sir THOMAS WHITE: If my hon. friend is a holder, as I hope he is, of the shares of any corporation either in this country or any other country, he will be liable to pay in respect to the income derived from such companies no matter whence or how it is derived. If my hon. friend has such income, he has to pay provided he is a resident of Canada.

Mr. A. K. MACLEAN: What about foreign corporations?

Sir THOMAS WHITE: Foreign corporations will pay in respect to their earnings upon their business in this country.

Sir HERBERT AMES: What about a dividend that has already been taxed?

Sir THOMAS WHITE: In the case of a resident of Canada?

Sir HERBERT AMES: Yes.

Sir THOMAS WHITE: In the case of a resident of Canada, if he was taxed in respect of his dividends in a foreign country, he would be entitled to deduct the amount of such taxation from his income for the purpose of ascertaining the amount on which he should be assessed here. So far I have not been able to reach a conclusion, although I am glad to have an open mind on the matter, that he should be allowed to deduct the amount of such tax from the taxation which he would pay upon his entire income.

Mr. A. K. MACLEAN: Do I understand the minister to say that foreign corporations are subject to his income tax only to the extent of the profits gained in this country?

Sir THOMAS WHITE: Yes, I am speaking of a foreign corporation domiciled in a foreign country and carrying on business in Canada, but if a Canadian company carries on business here and throughout the world you assess it on its entire income.

Mr. MACDONALD: How about an alien who lives in another country and who has stock or interests in Canada from which he gets an income?

Sir THOMAS WHITE: We do not tax any but residents of Canada.

Mr. MACDONALD: The United States impose such a tax?

Sir THOMAS WHITE: I believe they do but I am of the opinion that it is rather an unwise tax. I do not see how we can hold an alien liable unless we provide to cut off a portion of his income at his source and that would raise questions as to what his real income was and as to whether it was proper to do that. This Bill will not apply to aliens unless they are living in Canada.

Mr. MACDONALD: What would be the course with regard to a British citizen who lives outside of the boundaries of Canada but who draws an income from Canadian sources?

Sir THOMAS WHITE: That is a very vexed question, a question which has been often raised in England and is before the British Government now; that is to say, the question of double income taxation. My own view is that there should not be double income taxation within the Empire.

Mr. MACDONALD: Take the case of a Britisher who lives in the United States; he is not taxed upon income that he derives from Canadian securities.

Sir THOMAS WHITE: I think he is.

Mr. MACDONALD: I am inclined to think not. I think their taxation is confined to income arising within the country but still there may be some question about

that. Why should not he be liable to taxation in Canada?

Sir THOMAS WHITE: In the first place he is not a resident of Canada. There is another thing. We must bear in mind that we must not be too astute or too eager to tax an alien in respect to the small investments he may have made in Canada. I would fear that too stringent taxation in that regard would deter men from investing in this country—and we want investment.

Mr. LEMIEUX: What about the people who transform their present holdings into, say, Dominion war loan securities, which are free from any taxation?

Sir THOMAS WHITE: The Government war loans are free from any income taxation, and they must be. It is absolutely impossible for this Government to issue its bonds to the amount which is and will be required for the war expenditure of the Dominion unless those bonds are income tax free, so far as Dominion legislation is concerned. The reason is that men buy securities to yield a certain interest rate. Sometimes the difference between 5.30 and 5.40 per cent will determine whether a man will or will not buy a bond. My hon. friend knows that the value of securities is regulated having regard to market conditions and the value of all other securities, and in offering Dominion issues, put out as we must put them out to finance a war of this kind, the uncertainty of an income tax so far as the future is concerned, or a heavy income tax so far as the present is concerned, means that people will not buy those bonds to the extent they otherwise would. And there is this further point to be considered. If you should sell your Dominion bonds without that provision that they are income tax free it would only mean that you would have to sell them to yield a higher rate than they yield to-day. So it is as broad as it is long; you would not get as much for your issue of securities as you get for them to-day, free of income tax. That is a question that has perplexed many Chancellors of the Exchequer. In the United States they have issued their loans free of income taxation for the reasons I have mentioned. Even in England, which is the home of income tax, where they struggled to the utmost against issuing securities free of income tax, in connection with the last loan in London they gave an alternative, one free of income tax and another subject to it. There is in the Bill provision for assessment, appeal and collection. I have placed no time limit upon this taxation measure; but I do suggest, and I should like this suggestion to be on Hansard, that after the war is over this taxation measure should be deliberately reviewed. What I have in mind is this: In the period after this war, as in the past, we will continue to invite people to come to this country. We shall need men of enterprise, men of ability, to bring in capital and develop our immense undeveloped resources. In reviewing this measure after the war, I think consideration should be given to the question whether the taxation is so heavy that it would operate to prevent men of that type from coming to this country and giving us the benefit of their enterprise and their capital and their ability. I have placed, as I stated, no time limit upon the measure. We cannot see very far ahead in these days. We do not know how long this war will last. We do not know what the attitude of the people of this world or of this country will be upon many questions, social, industrial, financial and fiscal. Therefore I have placed no time limit upon this measure, but merely have placed upon Hansard the suggestion that, a year or two after the war is over, the measure should be deliberately reviewed by the Minister of Finance and the Government of the day, with the view of judging whether it is suitable to the conditions which then prevail.

I therefore beg to lay upon the Table the following resolution:

Resolved, that it is expedient:

1. To levy an income tax of four per centum upon income exceeding two thousand dollars per annum in the case of unmarried men and widowers without children, and exceeding three thousand dollars in the case of other persons, and, in addition thereto, a supertax of two per centum upon the amount by which the income exceeds six thousand dollars and does not exceed ten thousand dollars, and five per centum upon the amount by which the income exceeds fifty thousand dollars and not exceed twenty thousand dollars, and eight per centum of the amount by which the income exceeds twenty thousand dollars and does not exceed thirty thousand dollars, and ten per centum of the amount by which the income exceeds thirty thousand dollars and does not exceed fifty thousand dollars, and fifteen per centum of the amount by which the income exceeds fifty thousand dollars and does not exceed one hundred thousand dollars, and twenty-five per centum of the amount by which the income exceeds one hundred thousand dollars.

2. To levy an income tax of four per centum upon income exceeding three thousand dollars in the case of corporations and joint stock companies.

Mr. A. K. MACLEAN: Mr. Chairman, I do not propose to detain the committee for more than a moment at the present time, as it is quite clear that the proposal which is submitted by the Minister of Finance (Sir Thomas White), can be more properly and profitably discussed when we are considering the bill founded upon the resolution. I have no doubt that the principle contained in the taxation proposals just submitted to the committee will be approved of by the country. The advantages of the proposal are quite obvious. It will augment our revenues, which is very desirable and very necessary indeed; but, better than that, it will equalize taxation in this country, and that is obviously desirable. I think the House will approve also of the suggestion, of the declaration of the Minister of Finance—

The House having resumed.

THE ROYAL ASSENT.

A message was delivered by Lieut.-Colonel Ernest J. Chambers, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Deputy of His Excellency the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

Accordingly, the House went up to the Senate.

And having returned,

The Speaker informed the House that the Deputy of His Excellency the Governor General had been pleased to give, in His Majesty's name, the Royal Assent to the following Bills:

An Act respecting The Guardian Accident and Guarantee Company, and to change its name to "The Guardian Insurance Company of Canada."

An Act respecting The Grain Growers' Grain Company, Limited, and to authorize it to change its name to "United Grain Growers, Limited."

An Act respecting the Saint John Board of Trade.

An Act to amend the Act incorporating The Canadian Surety Company.

An Act respecting The Canadian Order of the Woodmen of the World.

An Act to incorporate Alliance Nationale.

An Act to incorporate La Société des Artisans Canadiens Français.

An Act respecting the Athabaska Northern Railway Company.

An Act respecting The Lachine, Jacques-Cartier and Maisonneuve Railway Company.

An Act to confirm certain agreements made between The Vancouver, Victoria and Eastern Railway and Navigation Company and The Canadian Northern Pacific Railway Company.

An Act respecting The Western Dominion Railway Company.

[Sir Thomas White.]

An Act respecting The Calgary and Fernie Railway Company.

An Act respecting The Canadian Northern Quebec Railway Company.

An Act respecting The Canadian Western Railway Company.

An Act respecting the Kaslo and Slocan Railway Company.

An Act respecting The Mount Royal Tunnel and Terminal Company, Limited.

An Act to incorporate The Eastern Telephone and Telegraph Company.

An Act respecting the Grand Trunk Pacific Branch Lines Company.

An Act to incorporate The Bishop of Mackenzie River.

An Act to amend the Act to incorporate The Canadian General Council of the Boy Scouts Association.

An Act respecting The Interprovincial and James Bay Railway Company.

An Act respecting La Compagnie du Chemin de Fer de Colonisation du Nord.

An Act respecting The Continental Heat and Light Company.

An Act respecting certain patents of George C. Breidert and Burton W. Mudge.

An Act for the relief of Delbert Ralph O'Neil.

An Act for the relief of Edward Austin Barnwell.

An Act for the relief of Charles Frederick Reuben Jones.

An Act for the relief of John Basnett Parker.

An Act for the relief of Amy Beatrice Mathews Hilton.

An Act for the relief of Colin Darrach Poole.

An Act for the relief of Thomas Edwin Jory.

An Act for the relief of Florence Evaline Snyder Lockwood.

An Act to incorporate The Grand Lodge of the Canadian Association of Stationary Engineers of the Dominion of Canada.

An Act to facilitate certain financial arrangements between the Government of the United Kingdom of Great Britain and Ireland and the Canadian Pacific Railway Company, and for other purposes.

An Act to amend the Penny Bank Act.

An Act to repeal The Ocean Telegraph Act.

An Act to amend the Chinese Immigration Act.

An Act to amend the Civil Service Act.

An Act to amend The Business Profits War Tax Act, 1916.

An Act respecting The British Columbia and White River Railway Company.

An Act respecting The Western Life Assurance Company.

An Act for the relief of George Walter Sherald Garrett.

An Act for the relief of Gertrude Ellen Beal.

An Act for the relief of Donald George Whibley.

An Act respecting a patent of Ernest Mead Baker.

An Act respecting a patent of James B. King and others.

An Act for the relief of George Maisey.

An Act for the relief of Herbert Featherstone Conover.

An Act respecting The Empire Life Insurance Company of Canada.

An Act respecting the Security Life Insurance Company of Canada.

An Act respecting The Essex Terminal Railway Company.

An Act to incorporate The Kenora and English River Railway Company.

An Act for the relief of Florence Amelia Kennedy.

An Act to authorize the issue of a patent to James Wallace Tygard.

An Act respecting a certain patent of the Sharp Rotary Ash Receiver Company, Incorporated.

An Act to incorporate The Canadian Council of The Girl Guides Association.

An Act respecting The Canada Preferred Insurance Company

An Act respecting The Western Canada Accident and Guarantee Insurance Company.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1918.

WAYS AND MEANS.

INCOME TAX PROPOSAL.

The House resumed in Committee of Ways and Means, Mr. Blain in the Chair.

Mr. A. K. MACLEAN: When the attendance of this House was required in the upper chamber, I had observed that the country would at least approve the principle involved in the taxation proposal submitted to the committee this afternoon by the Minister of Finance, and that if there was any criticism of the same, it would relate entirely to the details of the proposals. The details of the resolution can be more profitably discussed when the Bill founded on the resolution is printed and distributed amongst the members. The taxation of income is as the minister has stated, a new form of taxation in this country except in so far as it is employed in the several provinces. My experience is that while there is an income tax in several of the provinces, still it is not enforced very rigidly and in the strictest sense I would think that there is still in Canada hardly any such thing as an income tax. One great value of this form of taxation will be that the taxpayer will take a greater interest in the expenditure of any money which he contributes directly to the public treasury. One of the evil effects of indirect taxation is that the taxpayer is apparently never fully seized of the fact that he is contributing anything in taxation to the public treasury. Consequently, he is as unreasonable in his demands upon the public treasury as are people who never contribute one cent either directly or indirectly. It is in the interest of sound national finance that we should have in this country some form of income taxation, and I have no doubt that once we have embarked upon it, the judgment of the country will be that it should be continued for many years to come.

The minister is a little alarmed that the imposition of taxation of this kind may, in the future, impede immigration. He left the impression upon me, at least, that in his mind there was a fear that the intending immigrant would consider an income tax as unfair and oppressive. I hardly look at the matter in that light. Our taxation in this country is by no means light to-day; it is very high; indeed, it is excessive. The fact that it is paid indirectly in the form of customs taxation makes the average taxpayer blind to the fact that it is from him we obtain all our revenue. The average rate of customs duty to-day is, I suppose, 35 or 40 per cent, and nobody could say that that was a light rate of taxation. The minister, therefore, need not be apprehensive that in the future immigrants might be deterred from coming to Canada by reason of the imposition of the income tax. If the country is in fear that our taxation would impede immigration in the years to come after the cessation of the war, such fear can easily be removed by a lower rate of customs taxation, which is now very excessive.

I wish to refer very briefly to the statement made by the Minister of Finance in justification of his taxation proposals. He stated that he was urged to do this by reason of the fresh burdens which this country was about to assume owing to the passage of the Military Service Bill. That is hardly a good ground upon which to justify the resolution. It may be that the introduction of the Military Service Bill has accentuated in the minds of the people of this country the fact that from the beginning of he war up to the present time the Government has not imposed a sufficient burden of taxation upon the people in order to meet in proper proportions our unusual obligations due to the war. The Minister of Finance, in discussing his Budget proposals on the 24th of April last, took very strong ground against the imposition of an income tax, and argued very carefully and seriously the undesirability of imposing such form of taxation. I am not inclined to agree with him when he says that the justification of the income tax is due to the fact that we are about to engage in larger military operations by reason of the passage of the Military Service Bill. The truth is that almost since the beginning of the war we should have had in this country some form of income taxation. I do not say that it should have been imposed immediately at the commencement of the war, but I do say during the past two years we should have had some form of income taxation. Hon. gentlemen on this side of the House, and, I think, some hon. gentlemen opposite impressed this upon the minister on various occasions, in particular

when we were discussing the annual Budget speech of the Minister of Finance. I am, however, sure the country will welcome the proposal submitted to the committee this afternoon. The only criticism which hon. gentlemen, or the country generally, will make to the proposal will have relation to the details and not to the principle.

I wish to say just a word or two in reference to the details of the resolution, although it might be proper to reserve discussion of such details until the Bill is printed. The exemption in respect to unmarried men is too high. We must realize —and if we do not it will be unfortunate for the country in the future—that we are rapidly piling up a tremendous national debt, which will tax to the limit the resources of this country and its people in the future.

We are enjoying commercial prosperity notwithstanding the war, and it seems to me that now is the time to impose upon the people of this country the utmost of taxation. According to the statement read by the Minister of Finance an unmarried man with an income of $4,000 will pay a tax of $80; with an income of $5,000, a tax of $120; with an income of $7,000, $220; with an income of $10,000, $400; with an income of $12,000, $580; with an income of $15,000, $850. I submit that this is certainly not an oppressive tax to impose upon an unmarried man or widower without dependent children. I think it is a very, very moderate tax, in fact, too moderate. I think an unmarried man with an income of $4,000 should be obliged to pay more than $80 taxation under this measure. I believe that the young men of this country enjoying a salary of that amount would be glad to pay a higher tax, at least during the war, and until there is a reconsideration of this taxation Bill. I do not intend to occupy the time of the hon. members now in discussing further this particular detail; I merely say that in my judgment the proposed rate of taxation in this respect is not sufficiently high. I also think that the exemption limit in the case of an unmarried man might be lower than $2,000. I make this statement believing of course that after the war the question of income taxation will be reconsidered and modifications made to meet then existing conditions. It seems to me that an exemption of $2,000 is quite substantial in the case of an unmarried man, and I think it could very well be reduced. I do not know exactly what are the provisions of the income taxation measure now before the United States Congress, but as the Bill was introduced and as it stood on July 7th it provided for an exemption of $1,000 in the case of single persons, and $2,000 in the case of married persons and the heads of families. Those provisions were still in the Bill when it was reported to the Senate. The Bill, however, was re-committed to the Senate Finance Committee, this being necessitated by the addition of certain clauses providing for the prohibition of the manufacture of spirits which reduced the estimated revenues, and I do not know now how the legislation now stands.

There are many other features of the resolution which require consideration by the committee, but until they are before us in the form of a Bill I shall reserve discussion upon them. I should like to know what amount of revenue the Minister of Finance expects to receive from this income taxation.

Sir THOMAS WHITE: That is a very difficult question to answer. In fact, it is almost impossible to do more than guess at the amount, because we have never had a tax of this kind in Canada; but roughly speaking, we hope to get $15,000,000 or $20,000,000 a year at least.

Mr. A. K. MACLEAN: If the minister anticipates that amount of revenue, it justifies the statement I made a few moments ago that we should long ago have had federal income taxation in this country. My hon. friend always resisted the introduction of income taxation on the ground that it would bring in very little revenue. In fact, I think that on one occasion he said it would not bring in more than $3,000,000 or $4,000,000 a year at most. However, I am very glad indeed to learn that he anticipates a revenue of $15,000,000 or $20,000,000.

Sir THOMAS WHITE: That is merely an estimate. When I dealt before with the question of how much revenue we would obtain from an income tax in this country I always took into consideration the results of the American taxation, which was very much lower than this. Assuming that their population is thirteen times as large as ours, and that their wealth is from twenty to forty times as great, I thought that on the basis of their income tax, which for the reasons I have given I did not feel justified in exceeding, we would not obtain more than $3,000,000 or $4,000,000 a year. The new income taxation proposals in the United States, which have not yet been translated into legislation, provide for a

very much higher rate than their existing law, and while our taxation is about on a par with their new proposals, it is double or more than double the taxation I had in mind when I made the estimate of $3,000,000 or $4,000,000. I have always held the view that our income taxation here should not be materially heavier than the taxation in the United States, for reasons that will be obvious to the committee. Whether or not we will get $15,000,000 from this taxation I am not prepared to say, but on talking it over with the commissioner of taxation we reached the view that we might get that figure.

My hon. friend says that we should have introduced this measure earlier. I do not desire to enter into any controversy over that, but I would like to point this out. For a considerable period after this war broke out the business and industrial interests of this country were greatly dislocated, and I cannot imagine anything that would have been more unwise, in 1915 at least, than to have brought in an income tax measure, because at that time owing to the dislocation which prevailed on account of the war it would have been a most serious and discouraging burden upon the people of this country. We had a pretty prosperous year in 1916, and I brought down the Business Profits Tax, which is giving us a very handsome revenue. The idea of that was to take a portion of the abnormal profits earned by firms and companies during the war. This year we increased that tax, and having regard to the financial condition of the country at the time I brought down the Budget, having regard to the fact that our revenues from all sources enabled us to pay all ordinary expenses, all capital and special expenses, all the increased interest charges due to the war, and all pensions, and still have left some $60,000,000 to devote to the payment of principal on war expenditure, I thought it inexpedient and unnecessary to bring in an income tax measure. But, with this new measure now adopted by the House, and having regard also to the fact which I mentioned, which is a most important fact, that by reason of the compulsory provisions of that measure there exists a just and proper sentiment that those who have substantial incomes should contribute substantially to our growing expenses of the war, I felt this to be a proper measure to bring in at this time.

In answer to what my hon. friend says about the unmarried men, I would like to state I traversed all that ground before bringing this measure down. There are many men who are unmarried because they have others dependent upon them. I do not believe there are very many single men without dependents who have large incomes. There are many unmarried men who have incomes of $2,000, $3,000 or $4,000 who have many dependents upon them that the public know nothing about. I know of many such cases. I thought if we made a distinction of $1,000 between the unmarried men and the married men, in favour of the latter, that it would be a fair distinction. When I was in Washington I made some inquiry about the reduction of the exemption limit from $4,000, which is the limit under the existing legislation—

Mr. A. K. MACLEAN: Three thousand dollars in the case of unmarried men, and $4,000 in the case of married men.

Sir THOMAS WHITE: I was speaking of the married men. I made some inquiry with regard to the reduction from $4,000 to $3,000, and from $2,000 to $1,000, and, while I am not prepared to mention names, I may say it is felt there that they have gone quite a distance in reducing the exemptions to $2,000 and $1,000 respectively. I know this is a subject on which differences of opinion may exist, but, having regard to the cost of living and to the fact that a married man has dependents, and that many single men have dependents, and for that reason do not marry, I felt if we fixed the exemptions at $3,000 and $2,000 it would be about fair play.

In the United States, as I said, the corporations are liable to the normal tax, while their shareholders are liable to the general measure of taxation which embraces both the normal tax and the super tax. Therefore, in this regard, our taxation follows the same principle as the British and the American taxation.

Mr. CARVELL: It is not very often that I heartily congratulate this Government on the measures it introduces, but I do so on this occasion. I have some objection to the details, but to my mind the principle is such a step in the right direction that we can very well forgive the Government for any error of detail it may make. I can hardly forgive my hon. friend from Halifax (Mr. A. K. Maclean) for reminding the minister that he stated some time ago that this income tax could not be worked out, because that was almost finding fault with the minister, or trying to point to some of his delinquencies in the past.

Mr. A. K. MACLEAN: He is improving.

Mr. CARVELL: He is improving, yes. We know it can be worked out, and it is not new to this side of the House. I find in Hansard that, in the month of August, 1914, I advised the minister that it could be worked out.

Sir THOMAS WHITE: That was the wrong time.

Mr. CARVELL: There has not been a session since at which I did not renew the statement. No measure has passed this House since I have been here which has given me as much satisfaction as has the introduction of an income tax. I realize the tax will probably not be maintained as it is now after peace is declared. In all probability there may be a grading downwards to some extent, but I hope the income tax has become an institution in Canada, and that it will remain for all time. We must not close our eyes to the fact that enormous liabilities have been incurred in Canada in the conduct of this war, and that enormous liabilities will be incurred in the future. Everybody has come to the conclusion that this cost cannot be met by increasing the customs tax on goods coming into the country, in other words, you cannot produce sufficient revenue by customs and excise.

I know of nothing as fair and just upon everybody as an income tax. It produces a condition of affairs by which, after the war is over, we can discuss questions of trade, commerce and tariff much more intelligently than we have ever been able to discuss them. We have heard the cry "you will ruin manufacturing," and "you cannot get revenue." The minister has shown to-day—and I am satisfied it will be thoroughly demonstrated—that we can get revenue by means of an income tax.

I do not agree with the minister, however, that the exemptions should relieve the unmarried man to the extent of $2,000 and the married man to the extent of $3,000. I think the exemptions should only have gone to the extent of $1,000 and $2,000 respectively. What I shall say now will be without wishing to be sarcastic or anything of that kind. Probably, when we are discussing salaries, or taxation, we are apt to be guided to some extent by the conditions existing in Ottawa. We know that in the different departments at Ottawa, a man who is receiving only $2,000 is, in his own mind, a menial, and in the eyes of the people of Ottawa is not entitled to any kind of social distinction. When, however, a man in the ordinary country districts of Canada—and I do not care what part it may be—receives a salary of $2,000, he is looked upon as being in pretty affluent circumstances. There is no part of Canada, even including the city of Ottawa, where a married man in receipt of a salary in excess of $2,000 should not pay taxation on the excess. The same principle applies to the unmarried man. A man who is not supporting a wife or family in this country, in this time of stress, ought to pay much more heavily than the minister is providing for under this legislation.

I look upon this as purely a war tax for the present, although I was glad the minister did not state he would abolish it at the close of the war. It will never be abolished, because the good sense of the people of Canada will see it is kept in effect for all time. Inasmuch as it is a war measure at the present time, I think we could apply more drastic conditions to it than we are applying, and get more revenue from it. I would suggest to the minister that there should be less exemption to the unmarried man than is provided for in this Bill. When an income reaches $10,000, or even $5,000, you are only exempting a married man to the extent of $1,000 more than the unmarried man. That is no distinction whatever. When you reach an income of $15,000, or $20,000 it is a mere bagatelle. In the practical working out of this scheme the unmarried man with a large income really pays no more than the married man. With these two exceptions, the Bill suits me. I heartily congratulate the minister and the Government on the fact that they have finally taken the grip and have introduced a measure which the people have been looking for for many years past.

Mr. A. K. MACLEAN: I wish to emphasize the point which my hon. friend from Carleton (Mr. Carvell) has just made by calling the attention of my hon. friend the Minister of Finance to the figures he gave the committee this afternoon showing the amount payable by a married man, and then by all other persons when the income reaches a large sum such as $15,000 or $20,000. This will make very clear the point of my hon. friend from Carleton:

Income.	Unmarried Men.	All Other Persons.
$15,000	$ 850	$ 810
20,000	1,300	1,260
30,000	2,500	2,460
50,000	5,300	5,260

The difference is very small and it makes clear the point of my hon. friend from Carleton.

Sir THOMAS WHITE: When you get up to these incomes of $30,000, $40,000, $50,000, $75,000 or $100,000, I do not think we need worry about how much a married or a single man has to pay. How many single men are there with incomes of $15,000, $25,000 or $30,000? I think that with very few exceptions the single men who have comparatively large incomes have others dependent upon them. That is one of the reasons why they do not marry. I do not believe there are many single men with incomes of $15,000, $20,000 or $30,000. The only unmarried man I can recall who had an income of $20,000 or $25,000 and who was about 35 years of age, enlisted when war broke out and was killed at the front only the other day. Do not let us be too hard on the unmarried man who happens to have an income of $3,000, $4,000 or $5,000. He may have some maiden aunts, a mother or some other dependent relatives. The people of Canada are pretty careful of their relatives. That is to me one of the great glories of this country. I think you will find that there will be some special circumstances where there is an unmarried man who has a large income. Make a distinction of $1,000 and then let the Bill run on. We need not worry if the married man with an income of $30,000 and paying $2,500 by way of income tax reflects that a single man who does not appear to have any dependents pays only $40 less. I think the Bill will work out fairly well as it is.

Mr. GRAHAM: I am glad that my hon. friend the Minister of Finance has seen through the mists, that the clouds have rolled away, that what seemed insurmountable and impassable difficulties have disappeared, and that we now have a measure which looks to the obtaining of revenue from those best able to pay. I am not alarmed at the introduction of direct taxation if properly and carefully administered. After all, as has been pointed out, if a man has to go directly into his pocket, or to his bank account, and pay a certain amount into the coffers of the country he is going to inquire, perhaps, a little more carefully how that money is expended than he does now, when it goes into the pockets of somebody else every time he buys certain goods. The Minister of Finance has pointed out rightly that the provinces have given to the municipalities the right to impose taxation on incomes. In some cases the provinces are exercising that right direct themselves. In a time like this particularly that taxation will be found to be comparatively small. Even if it were not, the circumstances are such that the imposition of direct taxation is fully justified, particularly as the vast majority of the people will not be taxed by this measure at all, but only those who receive salaries and incomes enabling them to pay it without being seriously hurt. After all, not to go outside of this House, who of us has been really hurt in the matter of taxation in this war so far? None of us. I have not asked the minister yet whether he intends to include in this taxation the sessional indemnities of the members. For myself, I would say: yes. I think these ought to be called incomes for the purposes of this Act.

There is another question which will arise, and that is the situation in the city of Ottawa. Owing to an arrangement between the Government and the city of Ottawa, incomes in this city have been largely exempt from taxation. I mean Civil Service incomes. I think the incomes of ministers of the Crown have been exempt under the same arrangement. I presume that under this Bill none of these exemptions will be allowed, because this is something outside of the municipal income taxation. The arrangement between the city of Ottawa and the Government was merely to cover the incomes derived by those in the employ of the Government at Ottawa, the municipality accepting a certain amount from the Government for certain municipal purposes, through the Improvement Commission largely. This being outside and separate, I presume there will be no exemption for the purposes of this Act in the city of Ottawa any more than there will be in any other city in Canada. I think there should not be.

Sir THOMAS WHITE: All are liable.

Mr. GRAHAM: The question of taxation is one that affects us all, and we are directly touched by it to a certain extent. I take it for granted that when this war is over there will be of necessity a readjustment not only of this system of taxation, but there will have to be, owing to new conditions, a readjustment of our tariff and all that kind of thing. I would not be surprised to see, when this war is over, a revolution in our tariff. The introduction of an income tax, tapping a new source of revenue, will make it easier to deal with the larger question from the point of view of revenue. The Minister of Finance has said that the Business Profits War Tax Measure

will become inoperative at the end, I think, of next year.

Sir THOMAS WHITE: The tax will be collected next year, but it will be on this year's accounting period, which will be the last accounting period.

Mr. GRAHAM: That is the intention now; but my hon. friend sometimes changes his mind on taxation, and perhaps whoever may be Finance Minister a year from now may say: we are going to have this business profits taxation continued. I am not sure that it should not be continued, because, at least until the war is over, I am inclined to think we must not let go of any source of revenue we now have.

What I am calling attention to is that while that is the suggestion to-day, whoever has authority and responsibility at the end of the last accounting period will have to take the responsibility of either renewing that Act or letting it expire through flux of time. The Finance Minister has also told us that one reason for the imposition of this tax at the present time, in contradistinction to not introducing it some time ago, is the fact that the Military Service Act is becoming law, and will entail considerable expense. The other reason given by the Finance Minister is a good and substantial one, that is, that when we begin to compel men to go and sacrifice themselves at the front, it is high time to compel those who stay at home, and who are able to do so, to pay more taxation. But to say that it will be more expensive to have the Military Service Act—

Sir THOMAS WHITE: I should say that it will greatly accelerate the expenditure, owing to the increased number of men.

Mr. GRAHAM: As a matter of fact, from the standpoint of expenditure, military service under the compulsory measure will be much less expensive than under the voluntary system. What I mean is that 100 men going under the voluntary system cost much more money, generally speaking, than the same number of men under this system, for this reason, that under the voluntary system thousands upon thousands of men have gone and left families, while under the compulsory service Act the younger men without families will be taken first. There will be no separation allowance for wives, there will be no money to be paid out of the Patriotic Fund for children. I submit that if we had had the compulsory service measure in force at the beginning of the war—and now I am speaking only financially—

Canada would have been millions and millions of dollars ahead financially at the present time. So I think that reason of my hon. friend is rather an excuse than a reason.

Sir THOMAS WHITE: I had regard to the numbers. Recruiting had slowed down and it was to the increase in numbers that I referred.

Mr. GRAHAM: There is another question that comes to my mind in reference to what was said by the hon. member for Halifax (Mr. A. K. Maclean). We have been careful under other taxation measures to exclude to a large extent the men engaged in agriculture, and the reasons have been obvious. We are all very anxious to fill up our new country with men to go upon the land, and the object of excluding them from the taxation that we have had heretofore was that our immigration should not be retarded by the bugaboo of heavy taxation. On the contrary, it has been our desire to do everything to encourage rather than discourage immigration. I presume that under this measure incomes derived from any source whatever will be taxed; there will be no exceptions except those outlined. That being true, I am rather inclined to think that $2,000 is not too high an exemption for a single man, and $3,000 for a married man. We have to view Canada as a whole and endeavour to do what is best for the whole Dominion. We want to get all the money we can, but we do not want to frighten any person away; rather we want to impose our taxation in such a fair manner that, not only will no young man, or older man either, whom we want to go upon the land, be discouraged from doing so, but capital will not be deterred from coming into this country. We know that if the investing public, either in the old land or in the United States, come to the conclusion that the Canadian Government and the Canadian Parliament are reckless in their imposition of taxation, or are led to believe that the Government will deal unfairly with capital coming into the country, great injury will be done to Canada. We must avoid that because only if Canada is prosperous and successful after the war, through the investment of money and the development of our resources, can we hope to offer inducements that will bring to Canada the class of settlers whom we desire. I believe that the young man who goes to the West, for instance, and takes up farming, has plenty of discouragements before him now; and while his profits with a good crop may be as high as $2,000, I say he is using

that money immediately for the payment of his property and for the development of the country, and it is not unfair that he should be exempted to the amount of $2,000. If I were going to say anything I would exempt the married man a little more than he is now exempted, rather than reduce the exemption to the single man. We must remember that the conditions in Canada are not the conditions of England, England is a self-centred, small, compact country, and there is no man in England who is settled out miles and miles from any settlements, with the hardships that are undergone by men who go into our new country to open it up. Conditions here are altogether different from those in England. There they have the moneyed classes, divided into three or four different castes. We have nothing of that kind here. We want to have some system of taxation that will bear as equally as possible upon all classes.

I am not sure as to the working out of the measure, and I agree with the Finance Minister that what he estimates as to the income from this tax can only be an educated guess, or perhaps an uneducated guess in this instance. This kind of taxation has never been imposed in Canada except through the provinces and municipalities, and without being at all harsh, I think it is fair to say that this imposition has been somewhat loosely made in some province and in many municipalities. It will depend altogether upon the machinery that is provided in the Bill for ascertaining the incomes that are being obtained throughout this country. The explanation of the Finance Minister as to the exemptions of incomes that have been affected by the business profits war tax is a bit intricate, and, while I think I understood it, I prefer not to deal with it until I see it in cold print and have an opportunity of reading it. I think the Government has made an advance step and I am not going to chide them for not doing so before. I shall simply say that if they had started sooner, they would have been farther along the road at the present time.

Mr. NESBITT: Does the minister propose to deduct the amount of the income taxes, paid to the provinces and the municipalities?

Sir THOMAS WHITE: No, that is not the intention, a man may be liable upon his income for municipal taxation, for provincial taxation and for Dominion taxation under this measure.

Mr. NESBITT: As I understood, if a corporation pays more under the present business tax than it will pay under this measure, it is exempt under this measure.

Sir THOMAS WHITE: Yes, it is exempt under this proposed legislation. A firm or corporation which is liable to pay the Business Profits War Tax for an accounting period ending within this year will be permitted to deduct from the income taxation to which it would be liable under this measure the amount which it pays under the Business Profits War Tax Act in respect of that accounting period.

Mr. MACDONALD: In considering the deductions made, are subscriptions to the Patriotic Fund taken into consideration?

Sir THOMAS WHITE: In the Bill which I shall lay before the House, a man will be entitled to deduct from his income, as part of his expenses, his contribution to the Patriotic, Red Cross, and other war funds approved by the minister. That does not mean that he will be allowed to deduct that amount from the taxation to which he is liable. Let me put it this way: Suppose the income upon which a man would be liable under this Act is $10,000. Assuming that he has contributed $1,000 to those funds, he would be liable, under the Bill as I shall present it to the House, to income taxation upon $9,000. That is a matter which will, no doubt, be discussed in committee, and upon which I have an open mind.

Mr. MACDONALD: I have seen conflicting statements as to the total expenditure of the Government for war and other purposes. Information of that kind should be available in considering this measure.

Sir THOMAS WHITE: Of course, our war expenditure is very heavy and is growing rapidly from day to day, notwithstanding the fact that we are making fair headway in our payment on account. In anticipation of the question which the member for Pictou (Mr. Macdonald) has asked, I had a statement prepared by the assistant deputy minister as to the outrun since April 1 of this year. My Budget speech practically covered the fiscal year ending March 31. My hon. friend will recall that as a result of last year's operations we paid our running expenditure, our capital and special expenditure, the interest upon our national debt, including the increased debt due to the war, and all pensions. In addition to that, we were able to devote $60,000,000 to payment upon principal account. The statement which I have

received as to the period from April 1 to July 20, will, I am sure, be interesting, as well as gratifying, to the committee.

The total revenue from April 1 to July 20, was, in round figures, $78,276,000. Our total expenditure for that period, ordinary, capital and special was $40,821,000, leaving a balance applicable to our war expenditure of $37,000,000. That is to say, since April 1 of the present fiscal year we paid our ordinary, capital, special, pensions and increased income expenditures, and we have $37,000,000 to the good, applicable to our war expenditure. In a foot-note the deputy minister says:

> These figures represent receipts and payments which have passed through the books of the Finance Department to July 20, 1917, together with a close estimate of expenditure to July 20, 1917, not yet passed through the books.

So that, while the figures may not be mathematically accurate, they represent a close estimate.

The total war expenditure of Canada in Canada to July 20 was $388,627,000. The total war expenditure elsewhere, including estimate of maintenance of troops in France from September 30, 1916, to July 20, 1917, at 6 shillings per man on an average of 117,000 troops, was $234,600,000, making a grand total of estimated war expenditure to date of $623,000,000.

Mr. MACDONALD: That is since 1914.

Sir THOMAS WHITE: That is the entire expenditure since 1914.

Mr. A. K. MACLEAN: What was the war expenditure from April 1 to July 20, 1917?

Sir THOMAS WHITE: War expenditure, Canada, from April 1 to July 20, 1917, $39,702,000. It will be interesting for the committee to observe that the amount which we have to the good is just about, though not quite, equal to our own war expenditure in Canada. I have not a statement here as to how much we have spent in Great Britain or abroad from April 1 of this year to July 20. All I can give is a general statement as to our expenditures elsewhere than in Canada since the outbreak of the war. I propose later, probably within the next week or ten days, to make a financial statement, in which I shall advert particularly to this matter, because I want the House and the country to keep informed as to the financial situation. I think it is right that they should know the facts, and as minister it is my duty to lay those facts before them.

The total amount which Canada borrowed from Great Britain to July 20, 1917, was, in round figures, $317,000,000. That includes everything. On the other hand, we advanced to Great Britain up to July 20, 1917, $302,000,000. The amounts are about equal, subject to this: we repaid Great Britain $107,000,000 of the liability which we owed her, by an issue of securities of 3½ per cent dollar bonds due March 1, 1928, $95,000,000; and 4½ per cent dollar bonds due December 1, 1915, $12,400,000—a total of $107,000,000.

We repaid Great Britain our liability by the issue of those securities. I used the word "repaid," because those securities are pledged in New York for the indebtedness of Great Britain there. Therefore, the balance due by Great Britain to Canada on open account on July 20, 1917, is about $95,000,000. This statement is necessarily a fragmentary and partial one. When I make my financial statement to the House a little later on, I shall point out the extent of our estimated expenditure during the next few years and also inform the House as to the financing which we are doing here for Great Britain in order that Great Britain may purchase in Canada, munitions, cheese, hay, oats, flour, and other supplies. I have proceeded upon the assumption that it was our duty to do what we could to assist the financing of Great Britain in buying munitions and foodstuffs in Canada. In the first place, it is our duty because in that way we are materially assisting her in the prosecution of the war, and secondly, it is of great advantage to this country from a business standpoint and from the standpoint of our agriculture that Great Britain should be able to purchase in Canada munitions, raw material, supplies of all kinds, cheese and other foodstuffs. We have been able to do much in the way of assisting Great Britain to make those purchases. In my statement I shall refer to the extent of the assistance which we have rendered and are about to render.

It is necessary that we should extend liberal financial assistance to Great Britain to purchase in Canada by reason of an element to which I hesitate to refer, because I know my hon. friend from Pictou (Mr. Macdonald) takes decided objection to it. I refer to the question of exchange. My hon. friend says that whenever I find myself perplexed or driven into a corner, I always resort to the exchange question. I would like to say to my hon. friend from Pictou, who knows more about exchange than is indicated by the remarks he has made respecting it to myself, that the exchange question is one of the most extreme im-

portance; its importance cannot be overestimated. In a word, this may be said: Great Britain can buy upon this side of the Atlantic only to the extent to which she can borrow upon this side of the Atlantic. Practically confined as Great Britain is to using the proceeds of her borrowings in the United States to purchases in that country, it is necessary that Canada should furnish credits to the Imperial Government to the utmost extent that we possibly can to enable her to purchase those munitions and foodstuffs so greatly needed by her army and by her civil population at this time. We have endeavoured to do that to the utmost of our power.

Mr. CARVELL: Would not the minister add to that ability our purchases from Great Britain?

Sir THOMAS WHITE: In the exchange situation, and having regard especially to shipping, and to the dislocation of British industries during the war, our imports from Great Britain are small, while our exports are great.

Mr. MACDONALD: The other day I saw in an advertisement of the war savings certificates issued by the minister's department the statement that we were spending $2,000,000 a day on our obligations in connection with the war. Has the minister any computation of what our obligations amount to day by day at the present time?

Sir THOMAS WHITE: Both here and abroad?

Mr. MACDONALD: I am referring to a statement made in an advertisement in an Ottawa paper.

Sir THOMAS WHITE: I observed that advertisement, which was not published by the authority of the department, or of the National Service Board, which has been assisting in promoting the sale of war certificates. I interested myself to have that statement withdrawn because it was misleading. Our expenditure is on no such basis.

Mr. MACDONALD: Perhaps the minister, when he comes before the committee again, will tell us what the war expenditure is day by day. In framing this measure the Minister of Finance no doubt had in view the object of bringing home to all of our citizens the seriousness of the situation. There has been too much talk in this country of " business as usual," and of the prosperity of the country being so great. Some hon. gentlemen have gone so far as to give some credit to the Government for that prosperity, whereas it is due to the huge quantity of supplies required in connection with the war, and to a great extent the people of this country have not realized the tremendous issues and the very great obligations this country is assuming and must assume in order that we may play our part in the war.

There seems therefore, to be this anomaly in the range of taxation the minister purposes imposing. Take the man who has an income of $5,000, which is an ample amount for any man to live on respectably in this country. After you deduct the tax he pays, he is left with an income of $4,880. After income tax is deducted the man with an income of $7,000 is left with $6,780; the man with an income of $10,000 is left with $9,600; the man with an income of $12,000 is left with $11,420; the man with an income of $15,000 is left with $14,150, and the man with an income of $20,000 is left with $18,100. Leaving out altogether those who have extremely large incomes, under the taxation proposed by the minister, you have a condition in regard to men with incomes between $5,000 and $20,000, under which my hon. friend does not really bring home to the door of the man who is wealthy and has much money to spend the stern necessity of the situation. $100 is of more consequence to a man with an income of $4,000 than it is to a man with $10,000, and the man with an income of $20,000 is left with over $18,000, which in Canada is a princely amount to live on. The percentage does not increase at the rate at which it should increase.

This taxation inevitably involves the strictest possible economy in detail. Every year the Government spends amounts varying from two or three to four hundred dollars on small matters in various parts of the country, and if the strictest economy is not exercised in these small expenditures the impression that it is desired to create by this legislation will be entirely lost. A measure of this kind imposes on the Government the duty of exercising the strictest economy even in the smallest expenditures. Although the ordinary citizen has but a faint conception of an expenditure involving millions of dollars, when he sees $2,000 or $3,000 wasted before his very eyes he gets the impression that this Government is not exercising the economy that it should, and I would particularly impress that phase of the situation upon the Minister of Finance.

Mr. LEMIEUX: The one thing which will stagger the people of this country in connection with these income taxation proposals is the fact that they will be called upon to pay three sets of income taxation; first, a municipal tax, which I think exists in every province—it certainly exists in the province of Ontario, as all residents of Ottawa know too well—secondly, a provincial income tax, and now, superimposed upon these two taxes, comes the federal income tax. I do not say that I am opposed to a system of income taxation. Indeed, I warned my hon. friend a year and a half ago, when he introduced his business profits tax, that he would yet have to come to the income tax, which of all taxation measures is the most natural and the fairest. According to the best authorities, such as Adam Smith and Thiers, the income tax is the least objectionable of all systems of taxation, because it makes no distinction as between the taxpayers. The Minister of Finance stated at that time that an income tax would involve too large an expenditure in its administration. However, he has changed his mind, and to-day he lays before the people of this country a system of taxation which will bear heavily upon the taxpayers of Canada. The minister states, however—at least, that is what I gathered from his remarks this afternoon—that this income tax is only temporary, that when the war is over it will be either revised or wiped out. Personally, I do not share the optimism of my hon. friend on this point, because as a student of history, I remember that when the first income tax was introduced in England by the younger Pitt at the time of the Napoleonic wars, a distinct pledge was given that it was only for the duration of the war, but Sir Robert Peel, Mr. Gladstone, and all the other great chancellors of England had to admit that the thin edge had been introduced into the taxation system of the United Kingdom, and the income tax was there to remain. In spite of the hopes of my hon. friend, bright as he thinks they are, I really believe that the income tax has to-day entered into the politico-economic system of Canada, to stay there for many generations.

Let me now emphasize what has just been said by my hon. friend from Pictou. If the people of this country have to be bled, and bled white, it seems to me that the duty devolves upon this Government to exercise the strictest economy in its expenditures; the Government should be implacable in its reductions for the sake of economy. In the present financial crisis which prevails all over the world—and that it is world-wide is made abundantly clear by the last presentment that was made to the British House of Commons by Mr. Bonar Law, as given in to-day's papers—it seems to me that the Government should reduce its ordinary expenditure to a minimum. I dare say that the Minister of Finance has read the article which was published a few weeks ago in the financial edition of the New York Post by Mr. Hirst, the late editor of the London Economist, possibly the greatest financial authority in the British world. In that article, after calculating the war indebtedness of the different warring nations, he predicts that sooner or later, and probably sooner than later, some of the warring countries will be forced to repudiate their national debt. I do not say that this will happen in Canada, but it is well to pay heed to this warning from one of the highest financial authorities in the world. I am not referring to the war expenditure, although that, of course, should be very closely checked by the Minister of Finance, the Prime Minister and the Minister of Militia and Defence, but I say that the ordinary expenditure should be reduced by at least 50 per cent. There is no reason why to-day we should be building wharves, breakwaters, post offices and armouries in this country. There is no reason why at this present session, when we are asked to pass this drastic legislation, the Government should insist upon the passing of the Quebec and Saguenay implementing Bill. There is no reason in the world for that, and if this miserable piece of legislation is insisted upon, it will revolt the people.

Then there is the Highways Bill, which it is intended to introduce during this session. That Bill involves an expenditure of millions of dollars, and for what purpose? The highways are primarily under the jurisdiction of the provinces, and that expenditure if decided upon should be under provincial control. If we were living in ordinary times I for one would say: Very well, let the Dominion Government increase the provincial subsidies, and let those subsidies be specifically applied, so as to connect the highways of the different provinces from ocean to ocean.

But we are told that such will not be the measure, that, on the contrary, it will afford the Government an opportunity at the proper time to spend vast sums of money for the highways of the Dominion. It is further stated that this expenditure

will be the means of procuring employment for returned soldiers. Have we reached the point that Canada will spend millions of dollars to make navvies of our returned soldiers? While I do not look upon the returned soldier as a first-class colonizer, or as a desirable agriculturist, still it is far better to direct the soldiers on the land in the West, according to the legislation introduced the other day by my hon. friend the Minister of the Interior, rather than to reduce him to the status of a navvy. Pray, do not insult the soldier by branding him as a navvy on his return. My hon. friend expects that the people of this country will voluntarily submit to this taxation. Perhaps so, but they will expect him to be the faithful watchdog of the treasury and see that no extravagant expenditure is made, such as the Quebec and Saguenay expenditure and the Highways Bill expenditure.

Now I come to the point I raised a moment ago, the Dominion War Loan security. I quite agree with my hon. friend that the people of the country should be impressed with the fact that it is right and proper that such security should be free from all taxation. I approve entirely of that principle. Perhaps I did not make myself clear on the subject, but the point I wished to place before my hon. friend was this—by this exemption of taxation as regards the Dominion War Loan securities, you invite, so to speak, capitalists and investors generally to transfer their funds from industrial investments to Dominion War Loan securities, and thereby you create this bonded aristocracy to which I referred the other day. I would like my hon. friend to examine that point and see whether it is right that a gentleman drawing dividends from industrial investments liable to taxation should transfer his holdings into Dominion War Loan securities and thereby avoid all taxation. I know my hon. friend gave good reasons, and reasons which I approve of as being quite proper and patriotic, why our Dominion War Loan should be exempt from taxation.

Mr. SCHAFFNER: May I ask the hon. gentleman a question? Is is not likely that those industrial investments would be earning more than five per cent, and is not that a reason why investors would not withdraw from industrial investments in favour of the war bonds?

Mr. LEMIEUX: If my hon. friend will consult the market returns he will see that since the beginning of the war there has been many a slump in the market, and there is much uncertainty in the minds of the investor as to the aftermath. Owing to that uncertainty, people are disposed—and indeed more than disposed to transfer their holdings into Dominion war loan securities. As a matter of fact, many of them have actually done so.

Sir HERBERT AMES: May I point out the fact that an industrial security usually brings a very much higher return than the Government war securities. If the industrial security does not bring a higher return than five per cent, it only sells for fifty or sixty cents on the dollar, and if a man wished to convert such industrial securities into war bonds, he would only get about half the amount of war bonds.

Mr. LEMIEUX: My hon. friend is too keen a business man not to know that practically all industrial holdings which pay large dividends to-day are war industries. The war will come to an end some day, and those securities will be valueless or practically so, then you will have to build up new peace industries, and it may take years before they are in a position to yield the same average return as they yielded in ante-war times. Take the paper industry for instance. I happen to know a little about the business, because I represent one firm dealing in pulp and paper, and I have seen the European and United States contracts that firm had before the war. Compare those figures with the contracts which they are making to-day, and tell me if the present contracts will last long after the war, when we shall have reverted to normal conditions? It is only a passing prosperity. As was stated last year by my hon. friend from Pictou (Mr. Macdonald), it is a fictitious prosperity. Take any industry, and tell me if present conditions will continue after the war? Perhaps in the case of the steel industry they may, because of the reconstructive period which will ensue, but do you believe that after the war conditions will be the same with any other industry as they are at the present time? And that the large dividends now being earned will continue? Therefore, I say to my hon. friend from St. Antoine, that the investors who receive to-day those large dividends, dividends for which war conditions are primarily responsible, will not fail to acquire non-taxable war bonds.

Do you believe that these people will ever live in a fool's paradise and not think of the aftermath, when as the first news of peace is flashed out there will be a slump, when values will decrease and dividends will

vanish? It may be that I am somewhat pessimistic but my hon. friend knows that in the main I am right. The average investor who is the recipient of large dividends knows that the Dominion War Loan bonds are gilt-edged securities, even if they do yield less than those industries which to-day are so prosperous, and he will hasten to convert those securities into Dominion War Loan bonds. That is the practice of a sound business man and I do not know of any Scotch investor who would not do that.

Sir HERBERT AMES: To sell you must find a purchaser. Try to sell industrials to-day and find out how easy it is.

Mr. LEMIEUX: I hope that my hon. friend the Minister of Finance will look into the question and see if there should not be a maximum transfer in these cases. I simply throw out the suggestion to my hon. friend that he may think over it. On the whole, having supported the participation of Canada in this war, I shall support this measure. The income taxation measure, which, in spite of what my hon. friend stated this afternoon is here for many, many years to come will, I humbly submit, act on the people of this country as a sobering influence. I am, with all my heart, in this war, but I always stated that we should not go beyond our means and resources. Many titled gentlemen who are always ready to launch this country into imperialism and militarism will pause and ponder when reading their morning paper to-morrow. They will then realize that taxation measures constitute the sobering influence upon their dreams of imperial and military domination.

Mr. McCREA: With regard to the exemption of married and single men I think the limit is probably quite low but it should be graded. The responsibilities of a single man who gets beyond $10,000 a year are very much less than those of a married man. A single man who has an income exceeding $10,000 should be graded very much higher than he is. A single man may have dependents, a mother and sisters to support, but as a rule he has not nearly the responsibilities a married man has. He has not the responsibility of housekeeping, of keeping a family and providing for their future as a married man has. I think it would be well for the Minister of Finance (Sir Thomas White) before this Bill finally passes to consider this matter. I think he will find that it is only reasonable that a single man without any family or responsibilities, when he gets beyond a certain amount, should be graded very much higher than a married man.

There was another matter that I notice the minister did not refer to. What effect will this Bill have on the income of soldiers at the front? There are some men who have investments and their incomes will be subject to taxation. I would like to know if it is the intention of the Government that a soldier who would be subject to taxation under ordinary circumstances will be subject to taxation under this Bill? It does not appear right.

On the general principle of taxation of incomes I must congratulate the minister. I am pleased to see that he has shown that his mind is in a sound state. It always is pretty sound but it is now better than ever. I was pleased to hear him state that he was not in favour of the policy of taxing industry or energy or of putting an obstacle in the way of a man who puts his energy and ability into the building up of the business of the country. In my judgment, it is a shortsighted policy to tax men of that class because they are the men who are building up this country. I was glad to hear the minister say that he had realized this fact and that the business taxation would be terminated in one year. If the minister had gone a little farther and had remedied his mistake in interfering with the price of news print paper and placing it at a cent a pound less than it could be produced for I would be inclined to give him absolution.

Sir THOMAS WHITE: I desire to say just one word in reply to my hon. friend from Sherbrooke (Mr. McCrea) about the unmarried men. There is more to consider in connection with a measure of taxation than the amount which might be taken from the taxpayer. There may be unmarried men in Canada of great ability and great enterprise whose activities mean much to this country. If we tax them too drastically the question comes as to whether they would—I do not mean immediately, but in the future—be liable to remain in Canada.

Mr. CARVELL: Yes, they would remain and get married.

Sir THOMAS WHITE: There is always a question as to whether unmarried men, enterprising, able, about to make Canada their home, may not be debarred from doing that by too heavy an income tax. I just throw

out these suggestions to my hon. friend. My own view is strongly that a distinction or a discrimination of $1,000 in favour of married men is about as far as we should go. I do not believe there are many unmarried men in Canada getting salaries from $10,000 up to $50,000. An unmarried man who has an income of that kind usually has a good many dependents.

In regard to what my hon. friend from Rouville (Mr. Lemieux) said as to the exemption of income from Dominion bonds he agrees with me and I think most men will agree, that these bonds should be free from taxation. There must be a certainty about a bond of that character. The public will not buy it in the large volume in which the issues are made unless they know positively that it is free from income tax present or prospective. As to whether people will sell out stocks and bonds, try to realize on the securities they have and buy Dominion bonds, I may just say to my hon. friend that these things adjust themselves. If a man has a mortgage investment that pays him seven per cent, it would not pay to change it into Dominion income bonds because the yield would be very much less than that which he is now obtaining. This income tax will have this effect, I think, and I hope it will tend to make an excellent market for Dominion bonds. While that market exists for Dominion bonds it means that you can put your issues out at an advantage. You can sell them at a lower interest yield and the country gets the advantage. I am not at all apprehensive that it will bring about a serious dislocation of the business of the country. It will benefit the market for and the price of Dominion securities and that is a matter that is desirable in the national interest. But I do not believe that people will sell out a mortgage investment or other securities and buy Dominion bonds because the rate of yield which they get from these other securities is much higher than they will get now or in the future from the Dominion issues which are not subject to taxation under the provisions of this Act.

The hon. member for Pictou (Mr. Macdonald) asked me for certain information which I now have, and which I shall place upon Hansard. I find that the war expenditure of Canada in Canada from April 1 to July 20 of this year was $39,700,000; that the estimated expenditure elsewhere than in Canada, including France, was $62,600,000. That means that the total expenditure from April 1 to July 20, on war account, was $92,000,000. That is at the rate of a little less than $840,000 a day. Let us say, in round figures, that $850,000 to $900,000 a day represents the war expenditure of Canada at present.

Mr. A. K. MACLEAN: The hon. member for Pictou had in mind an item that appeared in the Ottawa Citizen to the effect that the expenditure amounted to $2,000,000 a day.

Sir THOMAS WHITE: That is incorrect.

Resolution reported, read the first and the second time and agreed to.

Sir THOMAS WHITE: I will introduce the Bill to-morrow.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

THE SOLDIER SETTLEMENT BOARD.

Hon. W. J. ROCHE (Minister of the Interior) moved the second reading of Bill No. 116, to assist returned soldiers in settling upon the land and to increase agricultural production.

Mr. J. G. TURRIFF (Assiniboia): Before this Bill is read the second time, I want to put myself on record as being absolutely opposed to the principle of putting on the land men who are not accustomed to farming. Undoubtedly, returned soldiers who have been farmers will be able to make good; the aid given by the Government under this measure will be an advantage to them as well as a general advantage to the country, but I understand that the provisions of this Bill apply to returned soldiers from any part of the Empire. Not one in fifty soldiers from Canada or from other countries who have not been accustomed to living on farms can possibly make good under this proposal. It is proposed that men who for the last two or three years have been living in large communities, as it were, with plenty of company, shall be sent to land belonging to the Government which is situated twenty, thirty or forty miles from a railway—because in many cases you have to go that far from railway communication in order to get good land. By making an advance of $2,500 to men of that kind who occupy these lands, it is expected that they will make good. We had experience with that class of settlement in the West in early years. People of different nationalities were brought into the country, placed upon land and given an advance of $600, a mortgage being taken just as is proposed here. These people did

not understand farming. They spent several years at the work, but in the end they lost everything, they were unable to pay one dollar of the money that was advanced to them, and the mortgage companies, or whoever advanced the money, took over the lands in lieu of the debt. In those days $600 would buy almost as much as $2,500 will buy to-day.

This policy may well be applied to men who know something about farming, but some other method should be adopted of giving a start to the men who are not accustomed to farm life or living long distances from towns. A better way of looking after returned soldiers who are not accustomed to farming would be to follow the example set by Alberta. There they have established schools in which men of education are trained to become school teachers, while those who are not fitted for teaching are put into a technical school and taught trades. By following this course, such men can be put in a position to earn a good living, with resulting advantage not only to themselves, but to the country generally. The Government will make a great mistake if they pass a general law under which returned soldiers from all parts of the Empire, inexperienced in agriculture, will come into Canada and occupy land. They get a quarter-section of land, we advance them $2,500—and five years afterwards they will not be worth a dollar. It turned out that way in practically every instance in the past; why should the chances for success be any better now, especially in view of the fact that we are dealing with men who will not be content to live a long distance from railways, separated from social intercourse, and put up with the conditions that any man has to put up with who pioneers in a new country a long distance from railway communication? I know a good deal about it; I went through it myself. Many difficulties have to be overcome, and I say that only the men who are accustomed to life on the farm will make good under this proposal.

Hon. W. J. ROCHE (Minister of the Interior): Mr. Speaker, I am afraid that if we were to follow the advice of the member for Assiniboia (Mr. Turriff) we should be discouraged from attempting to place upon the land any person who has not had experience in farming. As I have explained, the desire of the Government under this legislation is twofold: first, to do something for the returned soldier by placing him upon the land; secondly, to increase agricultural production. Every other country is, with good hope of success, adopting a land policy, not confining it at all to those who were previously upon the land; I do not see why we should be discouraged from doing the same thing in Canada. The cases referred to by the member for Assiniboia are cases in which there was no supervision of the expenditure. In this instance the loan to the returned soldier will be expended under the supervision of the Board of Commissioners who will be appointed for that purpose. Besides, it is the intention to grant loans, not to persons inexperienced in agriculture, but only to those recommended by the Board of Commissioners, who will first satisfy themselves that the persons in question measure up to the qualifications set forth in this legislation. It is the intention to provide agricultural training for the men who have never had agricultural experience. Australia and New Zealand are encouraging soldiers to go on the land—not only their own soldiers, but British soldiers as well. We are safeguarded by advancing loans only to those who are recommended by the commissioners as being likely to make a success of agricultural work. And, as I have said, the commissioners have supervision over the expenditure of the money.

Mr. TURRIFF: Will this legislation apply to the soldiers of India?

Mr. ROCHE: No.

Mr. TURRIFF: Does the Bill not so provide? What about British subjects from India?

Mr. ROCHE: The legislation defines "settler" as follows:

> Any person who has served in the naval or military expeditionary forces of Canada during the present war, or who was engaged in active service during the present war in the naval or military forces of the United Kingdom or of any of the self-governing British dominions or colonies.

So that it does not apply to the class of persons referred to by my hon. friend.

Motion agreed to, and Bill read the second time.

The House went into committee on the Bill, Mr. Rainville in the chair.

On section 2—Definitions.

Mr. OLIVER: In regard to subsection (c), the minister will remember that the hon. member for Bonaventure (Mr. Marcil) made a certain suggestion in reference to the inclusion of citizens of Canada who

served in the forces of the Allied countries. There are some such cases, and the hon. member was anxious to know if the minister could see his way clear to accept that suggestion.

Mr. ROCHE: The hon. member for Bonaventure particularly referred to the French and the Belgian reservists who were summoned to the colours and who were citizens of Canada. I have an amendment here to meet the wishes of the hon. gentleman. I beg to move:

That subsection (c) of section 2 be amended by inserting after the word "Colonies" in the fifteenth line, the words "or who being a British subject resident in Canada before the war has been engaged in active service at one of the seats of war in either the naval or military forces of any of His Majesty's Allies in the present war."

Mr. TURRIFF: A few minutes ago the minister stated that in the past the classes of people who had failed under a system something like this were people who had settled on the land and been given advances of money, the expenditure of which was not subject to supervision. I know of two colonies that were settled under somewhat similar conditions and that were under very strict supervision, and success did not result. Take the crofter settlement of Moosomin and the crofter settlement in the vicinity of Killarney in southern Manitoba. These were well supervised; the men were put on the land and given an advance of $600. And yet not 2 per cent of them made good. They lost their land, and they lost that money. The parties who advanced the money took the land back in the end, and it was only after many years of experience in the country that these settlers, after starting absolutely on their own account without a dollar, began to make some advancement and to meet with some success. While it might be all right to incur a loss of $2,500 in the case of any of our returned soldiers, when you come to run the risk of incurring a loss of $2,500 on any soldier from any of the other parts of the Empire who chooses to come here and who may be passed upon the commission, the country is undertaking to spend many millions of dollars and will probably incur a loss of millions without helping on development. I am absolutely convinced that, with the exception of men who are accustomed to farming, not two per cent of the returned soldiers who settle on the land will succeed.

Mr. ROCHE: They will have to prove their ability to the satisfaction of the commission.

Amendment agreed to.

Section as amended agreed to.

On section 3—Boards.

Mr. OLIVER: I notice that the commissioners may be removed at any time by the Governor in Council for cause. Those commissioners will have very important powers, and it is, I assume, desired by the Government that in matters of administration they should exercise those powers as a commission without let or hindrance on the part of the Government. That is to say, the Government will lay down certain limits within which this board shall have full power to act. Does not this provision in regard to the dismissal of the commissioners hold them under the authority of the Government to a degree that is not altogether desirable? If it is the idea of the Government to have the commission independent of departmental administration, it would seem to me that the appointment should be made somewhat more permanent than it is in this section. I am not urging that that should be the policy of the Government, but if it is the Government's policy then the wording of the section should give a greater guarantee of independence on the part of the commission.

Mr. ROCHE: This is not a new provision; you will find it in the appointment of the Railway Commission. I think this was drafted from the wording of that appointment. There has been no suspicion even of anything there in the nature of political control. The term "for cause" means for some very grave cause, for instance, if one of the commissioners were to become demented, or anything of that nature, or if some irregularity occurred.

Mr. OLIVER: If this provision is parallel to that in the Railway Commission, it ought to be satisfactory.

Section agreed to.

On section 4—Dominion lands to be reserved.

Mr. OLIVER: When we were discussing the resolution, I raised a question as to the advisability of what might be called permanent reservations, such as are contemplated by this section. While we desire to meet the purposes of the Bill by giving priority of right to those taking advantage of the provisions of the Bill, we do not wish unduly to prejudice the ordinary settlement of the country. I think at the time I suggested to the minister and

if I did not, I desire to suggest now, that instead of a permanent reservation to continue until three years after the war being made, provision be made that reservations may from time to time be made for the purpose of giving soldier settlers priority, but that any such reservation shall not continue for a longer period than six months. That would give the soldier settler priority during the period of six months, but it would not hold back other settlement awaiting the time when the soldier settler might find it possible to take advantage of the provisions of this Bill.

Mr. ROCHE: I think the object is that this power should be exercised with discretion by the commissioners. They need not necessarily place the reservation on certain lands for three years. It was deemed advisable, however, to stipulate that no land should be reserved for a longer period than three years after the close of the war, because we were convinced that any person taking advantage of this legislation would do so within that time. Of course, it would not be wise to lock up any large reservation for a period of two or three years and say that nobody should go in there. I think the commissioners would be guided largely by the number of applications they received from returned soldiers to go on the land. For instance, after a certain number of applications had been received they would ask that a certain township, we will say, be reserved, and the soldiers would have priority for a certain length of time. I do not suppose that the commissioners, as soon as this legislation comes into force, would go out and select a large area of land and say that they were going to make a reservation of that land for three years for the returned soldiers. We set three years as the maximum, but of course it might be very much less than that. The commissioners will operate under regulations to be approved by the Governor in Council, and I think they will take the view that I have suggested.

Mr. OLIVER: The wording of the section places the matter under the direction of the minister, and after the minister's declaration of policy I have no objection to this power being given; but my understanding is that the policy of the department will be as stated by the minister a moment ago.

Mr. TURRIFF: What is the idea of the Government extending this privilege to returned soldiers from all parts of the Empire? Why should Canada undertake the expenditure of the many millions of dollars that this Bill will entail for soldiers from other portions of the Empire? It seems to me that we shall have a pretty big job on our hands looking after our own returned soldiers without making ourselves responsible for the welfare of returned soldiers from other parts of the Empire.

Mr. ROCHE: As I stated when I introduced this legislation, our first duty will undoubtedly be to look after our own returned soldiers, and I fancy that for at least one year after the war we shall have very few returned soldiers coming to us from the armies of Great Britain or our Allies, because the transportation companies will probably require a year to bring home our own soldiers. I understand that Lord Shaughnessy said some time ago that it would take at least ten months after the close of the war to get our own soldiers back to Canada, so I think within that time we need not look for any immigration. I hope the hon. gentleman's expectations in one respect may be realized; so many of his colleagues, and many who are not his colleagues, have expressed the conviction that comparatively few of our own soldiers will go on the land no matter how attractive the inducements may be. At all events, it is certain that we will not be rushed into an expenditure of millions in looking after our soldiers in this way. They will have to show their bona fides to the commission, and the commission will satisfy themselves that the applicant has the experience in agriculture and the other qualifications set forth, before recommending that the loan be advanced by the Government.

Mr. TURRIFF: I would point out that returned soldiers from other parts of the Empire can get to Canada much more easily than they can get home in many cases, and I think many of them will come here direct instead of going home to their own country.

Mr. OLIVER: I wish to draw attention to the last two lines of subsection 3 of section 4:

> The minister may grant . . . . a free entry for not more than 160 acres subject to such conditions as in the opinion of the Governor in Council are necessary to secure the use of the land for the purpose for which it is granted.

That is to say, the homestead regulations which are embodied in the Dominion Lands Act are to have no parallel in this Act, as the regulations are to be the subject of

Orders in Council. Following the same line of argument that I used a day or two ago, regarding game preservation in the Northwest Territories, I would respectfully urge that the conditions upon which the settler may acquire the land and the use he must make of it should be set down in plain terms in the Act, so that everybody could see exactly what they are. I think that is only fair to the soldier, and only fair to the country and everybody else.

Mr. ROCHE: The trouble lies in the impossibility of knowing at this time just what conditions should be imposed. As a matter of fact the commission will determine that, and we will act upon their recommendations. The commissioners will recommend regulations to us which will set forth conditions such as are set forth in section 3. That is the manner in which it has been done in New Zealand, Australia, and the other British colonies. In both New Zealand and Australia there is very little in the statutes. Their Acts are mere skeletons. I have the New Zealand regulations before me, and the Act is administered almost entirely by a set of regulations which were recommended by the local board. I cannot see how it would be possible in passing this Bill to impose the conditions under which this land may be secured when, as a matter of fact, the Governor in Council will have to depend upon the commissioners for knowledge of those conditions.

Mr. OLIVER: I do not see the matter in the same light as the minister has placed it. The Government is asking the House to assent to a provision of a very important nature, when we have no knowledge as to what we are assenting to. We simply give a blank cheque to the Government for them to fill in as they please. In my judgment that is not good legislation, and is not fair either to the soldier or to the country. The fact that this is done in Australia, or in New Zealand, or in some other country, does not at all settle the question so far as Canada is concerned. We have greater experience in the matter of the settlement of homestead lands than either Australia or New Zealand could possibly have, and instead of our being guided by their action, I should think our action would be a guide for them, allowing, of course, for the great difference in climatic conditions which make it impossible for us to accept the land regulations of Australia and New Zealand as being applicable to Canada. I may go so far afield for a moment as to say that during this session of Parliament we have been taking part of our legislation from London and part from Washington, and we have made no objection to it, but when we begin to bring in legislation from New Zealand and Australia, I think it is really overdoing what may be a very good thing. In making any arrangement for the disposition of our own lands, to our own soldiers, we should let our people know exactly what we are doing beforehand, so that there may be no misunderstanding as to the character of the offer we are making.

Upon this condition depends the whole character of the offer. The conditions may be such as will actually debar the settler from taking advantage of it, or receiving any advantage from it. On the other hand, the conditions may be such as to create a situation in which the country will suffer very seriously instead of being benefited.

Mr. ROCHE: I would call my hon. friend's attention to section 8, which provides that:

> (1) The Board may, with the approval of the Governor in Council, make regulations,—
> (a) Prescribing the manner in which entries for land and applications for loans may be made;
> (b) prescribing the conditions upon which free entries and patents for the land may be granted and issued.

—and so on. The hon. gentleman will see that the Board itself, with the approval of the Governor in Council, makes the regulations. I think that would accomplish the purpose that he has in view. I am sure that there will be a disposition on the part of the Board, as well as of the Governor in Council, no matter what Government is in power, to deal most leniently with the soldiers and to make the conditions bear as lightly upon them as is consistent with carrying out the policy which we all have in view. I cannot see the necessity of incorporating certain of the conditions upon which they get the land in detail in the statute. I think that a certain latitude must be allowed to the Board to lay down conditions by way of regulation, as they have done in New Zealand and Australia.

Mr. OLIVER: It has been recognized as being necessary, ever since we began to administer homestead lands, that the conditions under which those homestead lands might be acquired should be set out in the

statute and not be made the subject of Orders in Council. We are going into an arrangement here which reaches very much farther in the matter of governmental responsibility than the ordinary homestead regulations, and all I ask is that we give the same assurance of stated facts to the conditions that we found necessary in the case of ordinary homesteaders. If this was necessary in the case of ordinary homesteaders, it is very much more necessary in the case of this special class of people with whom we have to deal.

Section agreed to.

On section 5—Loan to settler not exceeding $2,500.

Mr. OLIVER: I assume that the soldier who has rendered service and has returned will be eligible, under this section, to secure a loan on his homestead?

Mr. ROCHE: Yes.

Mr. TURRIFF: Will a returned soldier who is eligible as a homesteader be able to take a homestead and then get from the Government under this Bill an adjoining quarter section in addition?

Mr. ROCHE: This Bill does not interfere with a man's homestead rights, so that he can qualify for this 160 acres upon being a soldier and in addition he can exercise his privilege of homesteading under the Dominion Lands Act and take an adjoining homestead.

Mr. TURRIFF: Will he be allowed to take a homestead in this reserve?

Mr. ROCHE: Either in or outside of the reserve. He will not be confined to the reserve.

Mr. TURRIFF: A man who has not had a homestead in Canada will be able to secure a half-section under this Bill?

Mr. ROCHE: Yes.

Mr. JAMESON: What arrangement, if any, does the minister purpose to make for settling soldiers in those provinces in which they desire to settle? I would like to know if any provision will be made for the expropriation of land of a suitable character and what steps will be taken in that direction.

Mr. ROCHE: All the public land outside of the three prairie provinces is Crown land in the right of the provinces and each of the provinces has a land settlement policy of its own. Some of the provinces have already passed legislation with special reference to the returned soldier. Others possibly have in contemplation legislation with special reference to the returned soldier. We thought it advisable, after consultation with the representatives of the various provincial governments, to leave the disposition of the Crown lands of the various provinces entirely to the provincial governments. Some of these provinces, notably Ontario, at the last session of the provincial legislature, gave 80 acres of homestead land in the Northern part of the province to any returned soldier who wished to settle on it. I do not think that Nova Scotia has adopted legislation as yet with special reference to the returned soldiers. However, the returned soldier who desires to locate upon Crown land in Nova Scotia, or who has a little capital of his own and desires to purchase some land, may utilize this section and secure a loan to the maximum amount of $2,500, just the same as those soldiers who want to locate upon the free Dominion lands in the West. The loan part of this Bill is available to the returned soldier in any province of the Dominion and with reference to any land upon which he may desire to locate.

Sir HERBERT AMES: What course will be pursued where there is already a loan policy on the part of the province? Will both loans be available?

Mr. ROCHE: In that respect the commission will have to measure up their security. They will have to get the necessary security, which is a first mortgage on the land, and if the provincial government have already granted a loan to the returned soldier on provincial Crown land and got a first mortgage, the soldier would not be eligible under our legislation unless he utilized our loan for the payment of the first mortgage, giving us a first lien.

Mr. JAMESON: The difficulty I foresee is this: In certain provinces in Canada, notably, Nova Scotia, Prince Edward Island and New Brunswick, there are no free lands suitable for settlement.

Mr. COCHRANE: There are in New Brunswick.

Mr. JAMESON: I do not speak definitely of New Brunswick, but in Nova Scotia and Prince Edward there are no Crown lands suitable for settlement. This Bill is going to work very great unfairness to these provinces. In the western provinces the Crown in the right of the Dominion possesses certain lands. There a returned

soldier, or anybody else. if he is a suitable settler and can comply with certain conditions, gets 160 acres. Then, after getting 160 acres of land, he has the benefit of this clause by which he can secure a loan of $2,500 for the purpose of carrying on. In Nova Scotia and Prince Edward Island these lands are not available. There should be some provision for placing these provinces in as advantageous a position as the West for the purpose of securing settlers. A broad, generous policy should be adopted, and where suitable lands are found in these provinces the board which is created by this Bill should have the right of expropriation, —not necessarily a right to be harshly exercised, but the right of expropriation where circumstances warrant it—and these lands should be placed at the disposal of returned soldiers upon such terms as will work out a fair policy for all parts of Canada. There are a good many soldiers who will come back to this country who will not desire to go to the West. Soldiers from the Maritime Provinces, I have no doubt, will prefer to remain there, but under this Bill they will not have the same privileges as men desiring to settle in the West will have. It is a matter of such great importance to the people of this country and to the soldiers who hope to settle on land that a proper policy shall be entered upon that I hope the minister will not put this Bill through committee to-night but that he will take into consideration what I have said and will endeavour to broaden the scope of the Bill to some extent so that powers of expropriation will be given to the board, because in no other way that I can see can fair play be meted out to the provinces and to the soldiers themselves.

Mr. ROCHE: I imagine that there will be so much rivalry between the various provinces to retain their own soldier population within the confines of these provinces that they will be only too pleased to adopt land settlement policies of their own and do the same as the provinces of Prince Edward Island and New Brunswick have already done. New Brunswick is expropriating land other than its own Crown lands. Most of the Crown lands are disposed of but they have a land settlement policy under which they are purchasing unoccupied lands and farms and making them available for returned soldiers. There is no reason why Nova Scotia should not inaugurate a similar policy for her returned soldiers and vie with the other provinces in retaining her own soldier population.

The province of Prince Edward Island sent a deputation here and explained to us that it is their intention to expropriate certain land and they desired to know if they could co-operate with us and take advantage of this loan. We assured them that we would be only too pleased to have them do so. A returned soldier in Nova Scotia, who has a little money of his own and desires to remain in his own province and take up farming, may purchase whatever land he likes but whether he remains in his own province or whether he desires to take up a prairie farm, we will, under the provisions of this Bill, advance him $2,500 to pay for the farm. That would strike me as being a much fairer policy than that the Government should step in and expropriate land within these provinces for soldiers to locate upon. I am satisfied that the provincial governments would be only too pleased to do their utmost to supply any available Crown lands they have of their own to keep their own soldier population within their own provinces.

Mr. JAMESON: If the minister pursues his argument a little further he will see that, upon his own statement, it is quite unnecessary for the Government to introduce this Bill at all. If the provinces will do it, why have this Bill?

Mr. ROCHE: The hon. gentleman overlooks the $2,500 entirely.

Mr. JAMESON: No, I am not overlooking it at all. I am speaking of the acquisition of the land. It is going to work a great unfairness to those provinces where the lands are not held in the Crown in the right of the Dominion. Of course, I can do nothing more than express my views to the minister and indicate the course which, in my opinion, the Government should pursue. Instead of adopting this unsatisfactory policy I can only point out what in my judgment would have been a better and a proper policy.

Sir HERBERT AMES: While the Returned Soldiers Committee were meeting a large number of deputations waited upon us, many of which referred to land settlement. We found that no two provinces asked for the same thing in the matter of land settlement, and we have a large number of memorials in our evidence, which members can read for themselves, coming from various provinces with reference to the conditions of settlement of returned soldiers. We found in each case that the pro-

posals were adapted to the particular conditions of the provinces themselves. If these provinces were to control their own regulations, we thought the better way would be to allow each to take its own time to work out a policy of its own with reference to the assisting of returned soldiers having reference to the peculiar conditions obtaining in each province. A number of the provinces have already passed statutes and they are planning several more. One proposition for land settlement that has been very popular in the Maritime Provinces is the community settlement plan. Several projects were submitted to us, the essential idea of which is that land should be expropriated, a central village established in each area and small farms within a radius of it taken by persons who might have a house and a barn in the little village that it is proposed to create. All the schemes have special reference to the province wherein they were devolved, and it seems to me that we can rely upon each of the provinces adopting legislation which will suit the soldiers of these different provinces.

Mr. TURRIFF: The hamlet system of farming has never been a success in the western provinces. It has been tried a number of times. There is, or was, a clause in the Dominion Lands Act providing for settlers adopting the hamlet system. But, it does not amount to anything and it has never been made a success except by the Mennonites and Doukhobors. English-speaking people would not make a success of that system in the West. I would like to ask the minister whether men who have gone overseas and who have been sent back will come under this law.

Mr. ROCHE: We have not drawn the line so fine as that. We have defined "settler" to mean "any person who has served in the naval or military expeditionary forces of Canada during the present war."

Mr. TURRIFF: That would bring them in.

Mr. ROCHE: That covers the point.

Sir HERBERT AMES: If a man joins to-day, spend a week in the expeditionary force expecting to go overseas, and is then discharged, is he entitled to the benefits of this Act? He is a member of the "expeditionary forces of Canada" on active service.

Mr. ROCHE: The commission will exercise a discretion in that regard. The loan shall only be given to a man "who has left the forces with an honourable record and who has been honourably discharged." If he has been discharged on account of any irregularity, he would not be eligible, and the commission would exercise a discretion in that case.

Sir HERBERT AMES: Will men who enlisted, were passed as medically fit, served a short time in Canada in camp or barracks, went to England and were found to be unfitted for soldiers and were discharged, be entitled to the benefits of this Bill?

Mr. ROCHE: I do not see any reason to deny them the benefits inasmuch as we are desirous of getting increased production and getting soldiers on the land. We are not making a gift to any individual. We are desirous of getting a quid pro quo, and the quid pro quo is a soldier settler. We should not offer any interference or any bar to any returned soldier who desires to settle on the land. We ought to make the interpretation pretty broad. Any person who has joined the Canadian Expeditionary Forces for active service would be included.

Sir HERBERT AMES: It seems to me there should be some recognition of the degree of service rendered, and that a man who has only served a week or so in Canada should not be compared with the man who has actually gone to the front or who has given two or three years of service. As far as getting at the facts is concerned, and that sort of thing, you might make a classification as between the men who have been in France and the men who have only been a few weeks in the service here. There should be a differentiation. I do not think that any man should get special privileges unless he has actually gone overseas.

Mr. SUTHERLAND: What are the special privileges? Has a soldier, to get a land grant, to do settlement duties and make improvements the same as an ordinary settler?

Mr. ROCHE: That was all discussed a few moments ago.

Mr. SUTHERLAND: Well, I was not in.

Mr. ROCHE: He has to comply with certain conditions which will be recommended by the Board of Commissioners, and approved by the Governor in Council under conditions that will be laid down by regulation.

Mr. SUTHERLAND: In some of the other provinces where land grants were given to veterans on previous occasions

there was great difficulty. The soldier was anxious to avail himself of the free land grant, but not to settle on the land. This was unjust to adjoining settlers and retarded development. These returned soldiers must become settlers?

Mr. ROCHE: Undoubtedly they must be permanent settlers.

Mr. SUTHERLAND: So that the returned soldier does not receive much favour in respect of the land, but he receives this loan of $2,500, at a rate of interest not much below the ordinary rate, with which he can start operations. I should think that to induce the soldiers to go on the land some further inducement will be necessary. I am glad that the Bill is to apply to other provinces than those in which the Dominion holds lands. Otherwise there would be discrimination against the older provinces. After their experience as soldiers I doubt if these men would wish to settle on isolated farms, and by the provision enabling the purchase of lands they can be given farms in the older provinces where they may be more comfortably settled. I was impressed by the measure introduced this afternoon to assess large incomes for carrying on the war. The soldier is making the greatest sacrifice, and it is only right that the rich man at home should give of his wealth to assist in carrying on the war. I think our treatment of the returned soldiers should be generous, that we should do even more than is proposed by this Bill. Many of these men will not like the idea of going into the newer districts and becoming pioneers after their experience of the last few years.

Mr. OLIVER: I have the authority of Lord Shaughnessy in support of a view which I advanced on the same line as the argument of the hon. member for South Oxford (Mr. Sutherland). I said that it would be economical and in the interest of rapid increase of production if prairie land not under cultivation, but situated in the vicinity of railroad communication were expropriated at a fair price and then distributed among the soldiers on fair terms. With the financial assistance given them by this Bill they can bring that land into production in the shortest possible time. We should be getting a return upon our investment, and the soldier himself would be doing better than if he became a pioneer. But it may be said that that would increase the investment of the country on behalf of the soldier. It does and it does not. It does increase the initial investment required in payment of the expropriated land. That would be an additional amount, but it would be no additional risk. The $2,500 would be a loan to the soldier to purchase stock and machinery upon which the Government would hold a lien, and of course the land would be worth what the Government paid for it. If the payment for the land were extended over a long period of years at a moderate rate of interest, while the original investment of the Government would be increased, the risk of loss would not only not be increased, but would be very greatly lessened, and the results in the matter of increased production and of self-support by the soldier would be reached in a very much shorter time. I observe provision in section 5 empowering the Government to take such action as I have suggested. Is that in contemplation?

Mr. ROCHE: The principal reason for putting that in is to enable any soldier who desires to go on land other than Dominion land to acquire land wherever he likes. It is thought better that he should buy the land than that the Government should expropriate it. If, as has been suggested, we are going to lose a lot of money under our free land grant and the advance of $2,500 to the soldier, the country would be much more involved if, in addition, we expended millions in expropriating lands which might remain on our hands for a long time. It is true we should have the lands, which would be of value, but in war times we have better use for our money than buying lands which may not be required even for the purposes of settlement for years to come. This provision is to enable the soldier to purchase land wherever he may desire. He can use the money in clearing the land and getting started.

Mr. OLIVER: I am not the originator of this suggestion; I first saw it mentioned on the authority of Lord Shaughnessy, of the Canadian Pacific Railway. I think that everybody must pay some respect to a suggestion in regard to land settlement coming from such a source, especially in view of the fact that the organization of which Lord Shaughnessy is the head is the owner of a large amount of unoccupied land. He said that he was prepared, on behalf of the company, to take the same chance as anybody else and have the land expropriated for this purpose. While the policy of the Government does not at the moment contemplate any such action, under this subsection, it would be possible

for such action to be taken. May I urge upon the Minister of the Interior and the Minister of Finance the advisability of taking up that question and of discussing it with those who are well posted on the subject? Having had as great experience, perhaps, in the matter of homestead settlement as any other member of the House, I am strongly of the opinion that in the end it would be better for the settler, and better for the country, to adopt the suggestion that has been made than to depend upon the occupation of distant, unimproved, uninviting and, to some extent, inaccessible land, such as our present homestead land largely is.

Sir THOMAS WHITE: It has frequently been suggested that it would be a wise policy for the Government to buy extensive tracts of land and sell them to settlers who have a certain amount of capital—the last having always been regarded as an essential feature. In order to get the Northwest settled up, it may be necessary for the Government to expropriate lands at present held in private ownership—as my hon. friend suggests, and as, I think, Lord Shaughnessy suggests—and to sell them to settlers coming in who have a certain amount of capital, which would be a measure of security to the Government, the Government possibly making a further advance to those settlers. The question of the expropriation of lands held by railway companies, or in private ownership, convenient to railways, is really one of the larger questions of settlement; it is a wider question than that which is now under consideration. It is, I think a matter that is well worthy of consideration. At present there is the financial difficulty in the way of considering it, even if it were regarded as otherwise practicable and as good policy. As to this particular measure, we are advancing $2,500 to any soldier who may desire to settle upon Dominion land in the West on terms of settlement to be established by the commission and approved by the Governor in Council. In the case of a man taking free lands, $2,500, or even a less amount, would be of substantial assistance to him in establishing himself and his family on the farm. A comparatively small percentage of those who have gone on free lands in the West have had as much money as that to start with. Moreover, there are provinces in which the Dominion has no lands, and it was regarded as desirable that this measure should afford also a degree of assistance to the soldier who might not desire to take up free lands in the West, but who might desire to remain in Ontario, Quebec, or the Maritime Provinces. Under the provisions of this Bill, the $2,500 is available to such a soldier. We had a provincial conference here in which this matter was discussed. All the Provincial Governments are greatly interested in the matter; they all proposed to take steps to secure their share of the soldier settlement. New Brunswick has already a land settlement scheme, and they intended to proceed actively with it. Under that scheme a soldier could buy from them land which was owned in the right of the Crown, or that had been expropriated or otherwise acquired under their Land Settlement Act. We are asked if this $2,500 would be available to a soldier so settling upon land in New Brunswick. The answer was, as the minister has stated, that the $2,500 would be available, secured, of course, as provided in the Bill; and to that extent it would afford substantial assistance to the soldier settling upon land in New Brunswick. The soldier in New Brunswick might desire to go into intensive farming and to take up from ten to fifty acres—not necessarily 160 or 320 acres. The $2,500 would enable him to take up a small farm, especially if he had a little money of his own or had received such assistance from the Provincial Government as I have mentioned. Quebec is interested in the matter; Quebec has Crown lands. Ontario intended to proceed actively with this land settlement scheme, and has so proceeded. It seems to me, therefore, that the Government is well advised in giving a loan of $2,500 to the soldier who settles, first, upon the free lands of the West; or, secondly, upon the free lands of any of the provinces, if the provinces make provision for making those lands available to the soldiers, as I believe they intend to do; or, thirdly, upon any land that he may have acquired. Some question was raised as to the rate of interest, five per cent. That is a lower rate than the Dominion can borrow money at to-day. The valuable feature of these loans is that they are spread over a long period of years, with a gradual amortization of the principal. I had a good deal to do with this measure, because, if it is availed of to a considerable extent, as I believe it will be, it will involve very heavy financing. It seemed to me that the measure would be very helpful in the establishing of soldiers on the land. I put it to my hon. friend, as a man who knows the West, that a scheme of the kind that has been suggested, having to do with the larger question of settlement, is not likely to suc-

ceed unless the settler to whom the land is sold by the Government has himself a substantial amount of capital which will represent his stake in the property. Given settlers such as we get from the United States, who have capital of two or three thousand dollars, to whom loan might be made by the Government under some general scheme of land settlement after the war, the adoption of such a suggestion might result very advantageously to the West, and consequently to the whole of Canada. It is a matter to which we should be glad to give consideration.

Mr. OLIVER: I do not want the minister to take what I have said as a suggestion that the Government should go into a general scheme of expropriation of prairie land. I only suggested that, in so far as it might be applicable to this Bill, under which we are really taking hold of a special class of people and giving them special privileges, the expropriation of this unused land, if made would be in order that the land might be acquired at a fixed and reasonable price. But I think the Minister of Finance hardly caught my suggestion, which was that the purchase price of the land would be in addition to the cash amount advanced which would be for the working of the land. Suppose we paid $20 an acre, which would be a very high price for raw land. That would mean $3,200 for a quarter-section. That, of course, would add very considerably to the obligations of the Government, but it would, I contend, add to the security of the total investment, and, besides, bring a return very much more quickly than could be expected where the settler spent his $2,500 and spends four or five years of his time in bringing into production a part of a wooded quarter-section which might be ten, fifteen, twenty, thirty, forty, fifty or seventy-five miles distant from a railroad over roads which might be very difficult. Surely the man who has a quarter-section in open prairie within ten or fifteen miles of a railroad, with good roads leading to it, and who is given an advance of $2,500, will produce a greater and quicker result to the country and to himself than the man who has to spend $2,500 in the improvement of a bush or brush farm.

Mr. TURRIFF: I quite agree with the suggestion made by the hon. member for Edmonton (Mr. Oliver.) The Saskatchewan Government, at the last session of the local legislature, took power to do this very thing —that is, to purchase unoccupied lands held by speculators. Their idea is to purchase those lands at their value, or as cheaply as they can, and to re-sell them to adjoining settlers or to any other settlers who are prepared to go on the lands, and to give them thirty years for repayment of the purchase price. The object of the local Government is to get more people into the province and more land brought under cultivation.

Mr. MARCIL: I was not in the House when section 2 was passed, but I understand that my suggestion was adopted and the Bill amended accordingly. I must thank the minister for having accepted my suggestion. I have had the opportunity of learning in Montreal, since this matter was mentioned in the House, that those who did take part in the war either for France or for Belgium would have thought an injustice had been done to them if they had been left out. Although I have never been west of Winnipeg, I have for twenty years been legislating here on matters connected with the West. Since this matter of land settlement has come up, I have had the advantage of being a member of the Returned Soldiers Commission and attending meetings at Montreal, Toronto and Ottawa, and the impression gathered was that unless very substantial inducements are given to the soldiers to go on to the land, very few of them will do so.

In Toronto, we were told that out of six or eight hundred men at that time who had been asked as to what their future intentions were, only two per cent declared their intention of going on the land. The same thing might apply in Montreal. It is no exaggeration to say that the great bulk of those who enlisted in the military forces of Canada came from the cities and towns, and that a relatively small number came from the rural parts. If those returned soldiers are to go on the land, we shall have to give them good inducements. Some valuable suggestions have been made here to-night by the hon. members for Edmonton and Assiniboia. It strikes me as most extraordinary that the Dominion Government should allow large tracts of land to remain unoccupied and uncultivated along the line of any railway in any part where the Government can exercise jurisdiction, and thus compel settlers to go long distances from railroads. The idea of expropriating lands and of giving the soldiers first choice is an excellent one and one well worthy of being looked into. I am sure the House will agree that anything that can be done for the returned soldier will be

heartily supported by hon. members on both sides of the House.

Mr. OLIVER: In regard to this land grant, what will be the decision of the Government as to the point at which responsibility to the returned soldier begins? I think the question was asked and the minister made the reply that it would be provided under regulation made by the board. Has the Government not a definite policy on that point? That is to say, will men who have never gone overseas come within the provisions of this Bill?

Mr. ROCHE: We did consider that point, and the question was discussed as to whether we should include the soldier who enlisted but who did not leave Canada to go overseas. For instance, suppose a man enlisted just before the war ceased. He might not have the privilege of going overseas. Inasmuch as we desire to secure as many settlers as possible for the land, we decided to include those, so that they could take advantage of the provisions of the Bill just the same as those who went overseas.

Mr. OLIVER: A large number of men who have enlisted in Canada, have been discharged in Canada as unfit. Will they be included?

Mr. ROCHE: Any person who has enlisted and who has been honourably discharged, through no fault of his own, would be included.

Sir HERBERT AMES: What would be the position where that clause does not coincide with the corresponding clause in provincial legislation? For instance, the Ontario Act provides that:

> The lands set apart shall be reserved for location by persons who since the fourth day of August, A.D. 1914, have been upon active military or naval service with the British forces, out of Canada, against the King's enemies.

In other words, you cannot take advantage of the Ontario Bill for agricultural settlement unless you have been out of Canada. Therefore, there would be a wide class who could take advantage of this Bill, but who could not take advantage of the Ontario Bill.

Mr. ROCHE: That shows that our policy is much more generous than the policy of the Ontario Government. Hon. gentlemen might as well compare the acreage given by the Ontario Government with the acreage given by the Dominion Government.

[Mr. Marcil.]

The Ontario legislation provides for only eighty acres whereas we provide for 160 acres. The Ontario Government charges 6 per cent whereas we charge only 5 per cent. They have also more restrictions as to the class of individuals who can take advantage of their legislation. There need be no difficulty at all on that score. Each legislature has paramount jurisdiction within its own sphere. I think that what has been said goes to prove that our legislation is much more generous to the soldier than the legislation of the Ontario Government.

Sir HERBERT AMES: The Ontario Government legislation restricts the offer to men who have gone overseas, and I think it is the same in New Brunswick.

Mr. MARCIL: That is not fair to the men who enlisted in good faith and who were not given the opportunity of going overseas, but were sent to Bermuda, and on their return to Canada were discharged. The Ontario legislation leaves them out entirely.

Mr. GLASS: Could a soldier receive assistance from this Government and from the Ontario Government as well?

Mr. ROCHE: Yes.

Mr. GLASS: Supposing the Ontario Government had a first mortgage on the soldier's land. What security would the Dominion Government take if they also loaned money to him?

Mr. ROCHE: The facts of receiving assistance from the Ontario Government would not interfere with the soldier's receiving this loan. With this loan he might be able to pay off the first mortgage the Ontario Government held against his land, giving us a first mortgage, and use the balance of the money in working his farm.

Sir HERBERT AMES: Would it be possible for him to take one farm under the provincial government and one farm under the Dominion Government?

Mr. ROCHE: Certainly.

Mr. MACNUTT: This Bill deals only with settlement by soldiers, but I wish to say a few words in connection with the general settlement in the West. I think such a discussion is in order because the same principle obtains. Whether a man is a returned soldier or an ordinary settler, we want him to be successful; that is the main thing. There are two classes of land in the West. One is the homestead system of free government land, and the other is the system of purchasing lands that have

been acquired by land corporations, railway companies, and so on. The good homesteads which attracted people to the West in the first place have been pretty well exhausted, although there are no doubt still many acres of good homestead land in north Saskatchewan and in the Peace River country. It seems to me, however, that the policy of the Government should be to settle successfully those lands that are in the vicinity of towns, with schools, a railroad, and other conveniences. It is better worth a man's while to pay for land of that kind than to go a long distance away and get land for nothing, providing of course the terms of payment are made easy. The difficulty of which I have seen so many instances is not so much the cost of the land, as the terms of payment. A man may be unfortunate and be put back for a year or two, but if he is able to meet his payments he will remain. I have found farmers a very optimistic class of people. I have known some to be hailed out completely, and just as soon as they could get on the land again they would have teams out ploughing for next year's crop, and then go and work with the team for somebody else to earn enough money to carry them over the winter. I have known some of them hailed out two summers running. The people who settle in the West want to make homes for themselves and, with an eye to the future, they are willing to put up with a great many hardships if only they can make both ends meet. That is the class of people we want in the West, whether they are soldiers or not. We should do everything we can for the soldier, but I do not see why this other class of good settlers should not be included in a plan for settling the older parts of the country, even if the settlers have to pay for the land. But they should not have to pay for it on the short terms that are now allowed. I have known many cases where good settlers, with good outfits, have bought good land. They would have to make a first payment down, and sometimes it would be three years before there would be any return, and their capital would be all eaten up. A great many of these men have left their farms altogether, and others have rented them on tenant shares. They could not make the farms their own, because the payments were not spread over a sufficient number of years. The provincial government of Saskatchewan has taken this matter up to a certain extent, but I think it is a matter for the Dominion Government to deal with. It would not require any new railways to develop these lands in the vicinity of the towns. The Government could gradually expropriate the lands, and sell them to bona fide settlers on long terms. I do not think there are many lands that are purchased from speculators in less than six payments. I have made a little calculation. I have put ordinary good land at $20 an acre, six payments, 6 per cent interest. Without going into details a man would have to pay in five years a first payment down of $533, with the interest added each year. Altogether in the five years he would have to pay $3,838.20 on the six-payment plan. If the payments were spread over 25 years at the same interest and the same price, in the five years he would have to pay only $1,754.68, or a difference of $2,083.52. Of course, under the twenty-five payment plan he would still have a lot of payments to make at the end of the five years, but he would be able to make them. It is the first few years, when nothing is coming in, that eats up his capital.

With regard to returned soldiers and settlers generally I would say, let them make a first payment down to show they are bona fide settlers, then for the next couple of years let them pay the interest only. This would not cost the country anything. Land bonds could be sold, I suppose, and if a man were to give up his land—I do not suppose many would—somebody else would take it up and work it. I do not think there would be the slightest charge on the country. Do not confiscate these lands by any means, but gradually expropriate them. At the same time no speculator should be allowed to unload lands on to the Government; there should be no favouritism of any kind; the matter should be handled in a business-like way. If this plan were carried out, then, if a settler had a bad year, he would not have a heavy payment to make and could carry on. I should say after about eight or ten years an ordinarily successful settler could start making definite payments.

Mr. CURRIE: That is provided for in subsection 6 of section 6 of the Bill.

Mr. MACNUTT: I did not read the Bill through. If it is provided for I am endorsing what is in the Bill. If the hon. member has no objection I will continue to endorse it. This is not a new idea. Two or three years ago, when I first thought of it, I believe it was fairly original. With regard to soldiers particularly, and with regard to any settlers, I would make it easy for them

to pay interest, if nothing else, for two or three years. The great thing is that they shall not be obliged to use up what capital they have, whether it is loaned to them by the Government, or whether it is their own. I live out in the western country and I generally know what I am talking about with regard to matters pertaining to the West. I will give you an instance as indicating the accuracy of the statements I have made. Three years ago about forty families came from the United States and settled about twenty miles south of me, on land they had purchased. Last spring twenty-nine of those families went away, and the rest will follow them. They gave up simply because the payments were too large and came too fast, and they thought they had better go while the going was good. The principle of the thing is this: the people who are there must have a certain capital to work on, unless they want to go away back and homestead, in which case they can make their own capital, as the first homesteaders did. Of course, it takes a great many years to do this, and I do not know that we have very many people who would care to do it at the present time. I do not believe the soldiers will want to do it.

Mr. CURRIE: Will the hon. gentleman repeat what he said about the soldiers?

Mr. MACNUTT: The soldiers would not care to go away and isolate themselves a long distance from the railways and from civilization, because they are so accustomed to community life. Of course, some of them might do it. At the same time, I think it would be far better if they settled on some good lands, of which there are millions of acres in the West, in the hands of different companies. If they were able to buy these lands on easy terms, I think it would be far better than if they went away from civilization altogether. It would be to the advantage of the country, because when you put in a lot of settlers, before long they will require transportation facilities, and you will be obliged to build new railroads for them. We have railroads now running through these lands, and our country roads are getting into pretty good shape. We also have our schools, and our little towns. These towns would become larger and the business men would become more successful; they would have more customers, and living might possibly become cheaper on that account. The country will have a great burden to bear later on, altogether apart from the soldiers. The more settlers come into the country the easier the burden will be borne, and if you make it so attractive that the settlers will come, they will bear their share of the burden. It is a wonderful country, but there is no use trying to settle it and then have the people leave the land, because if that happens matters are a great deal worse than they were before. There are altogether too many abandoned farms at the present time. I know of a man who lived about two miles from me, who came up from the United States and bought a section of land. Last winter he sold everything and went back to the States to live on an eighty-acre farm. He found the payments were coming too fast.

Mr. CURRIE: Was it also because German is taught in the schools there, and he could not have his children taught English?

Mr. MACNUTT: No, nothing of the kind. There is no German taught there. If the hon. gentleman would go out there and live for about three years, he would know something about the country. A little trip through the West once in a while does not give one very much knowledge of it. The point I was making was that it is of no benefit to the country, or to anybody, to get people in unless they become successful and stay there. Neither is it a good plan to make it too easy for them to come into the country. We want the right class of settlers, who know some effort is required on their part, and who know they can make a success of it if they put forth the effort. If, however, they are up against heavy land payments, which come too fast, they will simply get broken-hearted and leave the country, and the result will be a worse state of affairs than before.

Mr. OLIVER: Section 6, which deals with the loans and the payments of interest, is specific. I was asking that similar specific provisions be made with regard to the use to which the lands would be put, that is with regard to the settlement duties. I think it is very much more necessary that the settlement duties should be indicated in the Act than it is that the terms of the loans should be set out, although I find no fault with the latter, on the contrary I think it is very commendable.

Section agreed to.

Bill reported, read a third time, and passed.

On motion of Sir Thomas White the House adjourned at 9.45 p.m.

Thursday, July 26, 1917.

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

WAR TAX UPON INCOMES.

FIRST READING OF THE BILL.

Hon. Sir THOMAS WHITE (Minister of Finance) moved for leave to introduce Bill No. 117, to authorize the levying of a war tax upon certain incomes.

He said: This is the Bill founded on the resolution which I introduced yesterday.

Motion agreed to, and Bill read the first time.

THE DOMINION LANDS ACT AMENDMENT.

On the motion of Hon. W. J. Roche (Minister of the Interior), Bill No. 107, to amend the Dominion Lands Act, was read the second time, and the House went into committee thereon, Mr. Rainville in the Chair.

On section 1—Cancellation and compensation for improvements.

Mr. OLIVER: This Bill contains a large number of details, and it may be that I have been remiss in not following up the work, but I would not like to be compelled to consider all these many details to-day, not having seen them before.

Sir ROBERT BORDEN: There is no need of going into any of those sections to which my hon. friend objects. We might run over the Bill and see what part is not controversial. There is no other business ready just at the moment.

Mr. OLIVER: Has the Bill been available to hon. members in the shape in which it is now laid on the Table.

Mr. ROCHE: It has been distributed.

Mr. OLIVER: When?

Mr. ROCHE: Only to-day.

Mr. OLIVER: That bears out my point. I was saying that the Bill contains a large number of details which require careful consideration before hon. members can be in a proper position to assent to or dissent from them. I would very much rather have had some little time to study these details before being compelled to take the Bill up and go through it in committee.

Sir ROBERT BORDEN: No doubt the Minister of the Interior will agree that any of the sections as to which my hon. friend thinks further consideration will be necessary can stand, and the minister can give his explanations which will assist my hon friend in his consideration.

Mr. OLIVER: Under the circumstances, the Bill having just been distributed, it being a Bill of detailed amendment and we not having had an opportunity to compare it at considerable length with the present Act, we shall have to ask you, Sir, to be good enough to read each section.

1. Subsection two of section fifteen of The Dominion Lands Act, chapter twenty of the Statutes of 1908, is amended by inserting after the word "latter" in the tenth line thereof, the words "or to any other person or persons adjudged by the minister to be entitled thereto as dependents of the former holder of the land," and by adding the following at the end thereof:

"The person who may subsequently secure the land, either under entry or by sale or otherwise, may be required to pay any and all amounts due for principal and interest then charged against such land for seed grain, fodder or other relief advanced by His Majesty to the former or any preceding entrant or holder of such land, in such manner as the minister may direct."

Mr. OLIVER: Will the minister give an explanation in regard to this amendment?

Mr. ROCHE: The members of the House will see that in the Bill as it has been distributed, in addition to the amendments that the Chairman has just read, there is in one column the reading of section 2 of the present Act and in the opposite column the reading of the section as it will be after amendment, the portion that has been added being in darker type. The explanation of the first change is to clothe the minister with authority to order that moneys collected for improvements made by a former entrant shall, instead of being refunded to the said former entrant, be paid to his wife. In many cases of desertion the woman is unable to obtain an assignment from her husband, although it may be shown in some instances that she has advanced money to her husband to effect improvements. As the law now stands, she has no redress.

There may be other cases where it would be advisable to make a refund to the father or mother or some other near relative of the former holder of the land, on proof being furnished that such relative is the person most entitled to receive the money.

The practice of the department, where the wife has been abandoned, is that after she has been abandoned for two years, she will be allowed to make entry for the land in her own name. At present the practice is that a woman who is allowed entry is supposed to have her residence count from

the date of entry, but we desire to take the opportunity of allowing the woman to have her residence count even before she has received her entry if she has been residing upon the land subsquent to her desertion. This particular provision means that where the husband has made certain improvements under the existing Act, those improvements may be collected from the next entrant. We do not desire to collect from the deserted wife, but to have authority to pay over the value of the improvements to the wife.

Mr. NESBITT: Less the amount of indebtedness?

Mr. ROCHE: Yes, if there was anything due. The second change is in connection with the advance of seed grain, fodder and relief made in 1914 and 1915. In some cases the party obtaining the advance failed to complete the duties in connection with his entry, and such entry has been cancelled. In cases of this kind it has been decided that any one taking up the land later on will have to pay the amount of the advance. In every case, a person obtaining entry for cancelled land is required to pay the value of the improvements remaining upon the land at the time he secures the entry. The amount so collected for improvements is applied on the seed grain debt, but if the value of the improvements is not equal to the amount of the seed grain indebtedness, the party securing the land is required to make up the remainder of the indebtedness. For instance, we have a lien on the land of any one who received advances from us in 1914 and 1915 under our seed grain distribution. If the homesteader abandoned that land and we had no lien upon it, the next entrant who applies for cancellation would receive a free entry for that homestead. But when we have a lien upon the land, in order to protect the treasury we insist that whoever takes up the land must assume the indebtedness over and above the value of the improvements.

Mr. OLIVER: If I have been able to correctly gather the purport of the minister's remarks, I would say that the first change with regard to the dependents of a homesteader is a very proper one. But there is no doubt in my mind, in regard to the second change, that the charging of the whole indebtedness against the subsequent entrant for an abandoned homestead will in many cases have the effect of preventing the entry from being made. There are many cases in which a large indebtedness has been incurred on account of seed grain and fodder, and if another bad season occurs this year—and I am afraid that some parts of the country may be facing a bad season—many homesteads may be abandoned, particularly those on which the Government has a lien. I think the Government would be well advised not to charge against the incoming settler the indebtedness incurred by the previous homesteader in regard to seed grain and fodder relief, beyond the fair value of the improvements upon the homestead, because if more than the value of the improvements is charged against the incoming settler he will to that extent be deterred from taking the homestead. I am quite sure that the amount of the lien will not be sufficient to deter the homesteader in all cases, but I am equally satisfied that it will be sufficient to deter him in a large number of cases if the indebtedness is greater than the actual value of the improvements. In that case he will be required to pay for something that he does not get, and there are very many people, of course, who object very strongly to paying for something which they do not get, but which somebody else gets. That sentiment, apart from the actual values, will have a serious effect in deterring the re-occupation of abandoned land. If, on the other hand, the Government undertook to collect from the incoming settler the value of the improvements only which the previous homesteader had made, and which the incoming homesteader would have the benefit of, there would be no such impediment to the re-occupation of the land, and the Government would in all probability get all they possibly could get out of the transaction in a large number of cases. That would encourage the re-occupation of the country, and not deter it, as I am afraid it will be deterred by the provision which the minister is placing in the Act.

Mr. ROCHE: Unless we take some means of protecting the treasury, we are liable to lose a very large amount of money. I do not think we should leave any stone unturned to protect the country against such loss when we have at our hand this method of collecting the indebtedness. I do not look at the matter in exactly the same light as my hon. friend, when he says that the subsequent entrant is paying for something that he does not get. In one sense that is true, but the incoming settler does get the land, and land in a thickly settled portion

of the community—and it was here that the distribution of seed grain was made—is more valuable than far-distant homestead land. Our experience thus far would not lead us to believe that this provision will be a deterrent against the re-occupation of the land. We have had a number of cases where men were only too pleased, in fact volunteered, to pay off the seed grain indebtedness for the privilege of being allowed priority of entry. The land is valuable, though in some cases there are very few improvements. If the improvements were valued at $300 and the indebtedness at $400, the incoming settler pays the $300 for the improvements in any case, and he is then called upon to pay the other $100 in order to release the Government lien. As we have already had many cases where men were only too pleased to assume this indebtedness, I do not imagine this provision will be a deterrent to the re-occupation of the land, and if we do not have such a provision I fear that the country will be liable to a very serious loss.

Mr. OLIVER: I have no wish to put the Government in the position of failing to collect indebtedness that is due to the country, but I am compelled to take a view very different from the minister's in this matter. The minister speaks of the willingness of the incoming settler to pay off the seed grain indebtedness, and, I presume, the value of the improvements besides.

Mr. ROCHE: The indebtedness over and above the value of the improvements.

Mr. OLIVER: I do not gather that that is the wording of the section.

Mr. ROCHE: He would have to pay for the improvements in any case, and the amount he pays for improvements is applied on the seed grain indebtedness.

Mr. OLIVER: I do not think that is made clear in the section. However, the policy of the department is good enough in that particular. The minister speaks of these seed grain liens having been taken in thickly settled districts, where the land is of sufficient value in itself to make it a business proposition for the incoming settler to pay off the lien.

Under such circumstances of course that is the business way for the transaction to go through, but I am compelled to take the view that the large majority of those cases are not in the thickly settled parts, but are rather in the isolated sections, otherwise the men would not have abandoned the land. The land is worth just as much to the farmer as it is to the incoming settler, as land or as a speculation, and inasmuch as no business lien can be held against the land there is no reason why he should abandon it. The outlying localities, where the pressure of settlement has not given value to the land, are where abandonment will take place largely, and where it is important that the Government should secure re-occupation of the land. In those localities it is very much more important to secure re-occupation and production of the land than it is to secure the repayment of the balance of the seed grain lien. I would not ask the minister to delay this section, because I think its purpose as explained by him is perfectly clear. I have made my protest against the view taken by the minister, and I am willing to have the section pass. At the same time I must contend strongly that the minister has made a statement of the case which, in my judgment, is not generally applicable, and it will not work out as he suggests, but will act as a deterrent to re-occupation and cultivation of the lands.

Mr. ROCHE: This legislation was intended to harmonize with our existing practice. I do not know that there have been very many cases of this character, but there have been instances where the applicant for cancellation voluntarily desired to assume the obligations for the sake of getting the land. The last distribution of seed grain was largely in the south, in the pre-emption area. As the hon. member for Edmonton (Mr. Oliver) well knows, many of those men abandoned the land because of getting into difficulties in other respects, for instance, because of a poor crop, or getting out of their depth financially, or because of indebtedness to implement dealers, merchants, or others. Personally I would not be in favour of throwing that land open and losing money, and the only other thing we could do would be to sell the land outright by public auction, to the highest bidder. It is much better to let them get the land free by assuming the seed grain obligation, rather than put it up at public auction with that obligation as the upset price. In the cases which have come before us so far we have been allowing this to be done. I do not anticipate the difficulties my hon. friend (Mr. Oliver) foresees in this regard.

Mr. OLIVER: I am aware that has been the practice in the past, and it is because of the instances which have come to my at-

tention that I have spoken of. The minister has, no doubt, heard of cases where the incoming settler has come forward and offered to take over the land at that price, but he has not heard of the number of cases where the land has lain vacant year after year simply because of the lien against it, which is a condition very much more detrimental to the welfare of the country than the mere matter of the collection of the balance of the money. Of course, I do not wish to see the money lost if that can be avoided, but neither do I want to see the land kept out of production, or settlement deterred, because of this condition. It very often happens that a business man has to take the position that the first loss is the best, and that it is better to close the account, take the loss, and start afresh. This is my view in regard to this matter. It is better not to hold the land out of occupation in the hope of collecting the balance of the lien. I admit there are special exceptions, but they are a very small minority.

In regard to the suggestion that the land should be sold for the purpose of realizing the seed grain lien, I would protest most strongly against any such action, because I think it would create a most unfortunate condition of affairs.

Mr. SCHAFFNER: How does the hon. gentleman expect the Government will obtain repayment of the money it has lent to the farmer on the security of the farm? Does he suggest the Government should relinquish the security?

Mr. OLIVER: Yes. Take the case of a farmer who owns a piece of land which he leases to a tenant on crop payment, and this tenant, by some means or other, finds a means of beating him on the deal. What does he do? He takes the loss and re-leases the land to a man who will produce from it at the first opportunity. He does not hold the land vacant until somebody comes along who will pay him the loss he made through the previous tenant and also assume obligations for the future, which is the position the minister is taking on those abandoned homesteads against which seed grain liens are outstanding. My hon. friend (Mr. Schaffner) would not do it in his own business, and it is not good business for the Government.

Mr. SCHAFFNER: The case suggested by my hon. friend is not a parallel one. I could understand the argument in regard to other debts apart from the Government loan, but in the case of the seed grain lien, for which the land is security, it is practically money belonging to the state.

Mr. OLIVER: Surely.

Section agreed to.

On section 2—Holding by husband deemed holding by wife in certain cases:

Mr. PUGSLEY: Will the minister explain that section?

Mr. ROCHE: My experience has shown that the department should be given authority to issue patent for a homestead within three years from the date of entry. In the case of a deserted woman, the department grants her an entry upon proof being furnished of not less than two years' time. In the meantime she is required to make the land—for which her husband held entry—her home and also to keep up the improvements. As the law is now constituted, a woman in this position is not entitled to patent until after the expiration of three years from the date she is granted legal entry. Inasmuch as she is required to make the land her home for two years before being granted entry, it is desirable that the department should have the right to grant her a patent immediately on proof being furnished that she has completed the required six months' residence in each of three years calculated from date of desertion, in addition to the other requirements of her entry. It seems too bad not to allow the time she has spent doing the duties prior to the date of entry in her own name and therefore we desire to issue the patent three years after the date of desertion.

Mr. PUGSLEY: A person might put in five years on the land, or five years might pass, and if he actually put in six months in three of these years he would be entitled to his patent. The amendment is not limited to the case of a wife deserted by her husband; it is general in character and it provides that a patent may issue after six months' residence in any three years, not three years immediately preceding the date of entry. Therefore one might go on the land, be in occupation this year, perhaps spend a month on it next year, then go off to work somewhere else, probably in the United States, come back, remain a little time and the next year after that put in six months, be absent again the following year and the year following that again put in six months. As long as he puts in six months in one of the three years before he applies for the patent he will get it. If

this amendment were limited to the case of a wife who was deserted by her husband I could understand the propriety of it.

Mr. ROCHE: Prior to September, 1908, the practice followed under the Dominion Lands Act permitted settlers to count residence in any one of the following ways: (1) From date of entry; (2) from date of commencement of residence either before or after date of entry, or (3) six months' residence in each of three calendar years.

Mr. PUGSLEY: Must they not be succeeding one another?

Mr. ROCHE: I do not think that is compulsory.

(4) Homestead year and calendar year combined, or otherwise shifting the date for the commencement of the term as may be most satisfactory to the settler.

When the Act of 1908 came into force the methods of calculating residence were restricted to the first two.

In some cases a settler, by a technicality is deprived of a portion of his residence, and it is, therefore, desirable that the former method should be re-established, as it is often found that while a settler may not have performed six months' residence, in each of three years, counted from date of entry or from date of commencement of residence, either before or after date of entry, he has performed six months' residence in each of three years, calculated from some other date than is allowed by the Act of 1908.

This is in effect going back to the practice of the department prior to September, 1908, and it is to deal with cases of hardship where a man through some technicality is deprived of his period of residence by reason of not complying with the existing legislation. We thought it was only right to have this amendment to enable us to revert to the old practice.

Mr. OLIVER: I think the amendments go very much farther than my hon. friend has suggested to the committee. Let me compliment the minister on the preparation of the Bill for presentation to the House. It certainly is in very convenient shape for a thorough understanding of its purposes. The explanations and comparisons are very desirable. But, I desire to make a comparison between subsection (b) of the present Act and subsection (b) of the amended Act as they appear in parallel columns. Subsection (b) of the present Act recites that:

> To have resided thereon at least six months in each of the three years from the date of entry or date of commencement of residence.

As it is proposed, subsection (b) will read:

> To have resided thereon at least six months in each of three years.

The difference between the two is that there is no fixed starting point as to residence in the new section while there is a starting point provided in the present Act. One is the commencement of residence and the other is the date of entry. Whichever occurs first is the date that will be taken as the basis of the term during which residence must be performed. There is no other conceivable right under which a homesteader can earn a patent than that of his residence or under his date of entry. When these two definite starting points are abandoned there is an uncertainty in the requirements of residence to be met by the settlers which does not make for the good administration of the Act, for the good settlement of the country, or for the satisfaction of settlers. My hon. friend has spoken of the desirability of there being a greater elasticity in the fulfilment of residence requirements. I agree that it is desirable that there should be some measure of elasticity, that there should be a considerable amount of discretion left to the administration in that particular. But I maintain that for the satisfaction of the settlers themselves, it is in every way desirable that whatever may occur in regard to the completion of residence duties there should be no uncertainty about the date of commencement. The date of commencement should be a fixed date for definite reasons as provided in the present Act, namely, it must be the date either of the commencement of residence or the date of entry. I would certainly urge very strongly that to omit that fixity of date is a very great blemish on the Act as it is proposed and will do incalculable damage in deterring the settlement of the country because in the administration of the land there will be cases of dissatisfaction on account of the different treatment that one settler will get as compared with the other. The success of homestead settlement depends largely upon the confidence that the homesteaders have in the granting of the rights that they earn and in order that there shall be that satisfaction it must be known beyond question what these rights are and when they begin although there must always be a certain amount of discretion left as to the time in

which these duties are completed. I consider that the minister is making a great mistake in making the changes which he proposes in the particulars I have mentioned.

Mr. ROCHE: The hon. gentlemen takes it for granted that we are abandoning the two methods in use under the old Act. We are not doing that at all; we are simply adding another option to the terms of residence. Because of cases that have been brought to the attention of the officials of the department in which grave hardships would have been imposed on settlers had the rule been strictly followed of counting the time of residence from the date of entry or the date of the commencement of residence either before or after entry, and in which cases there has been some elasticity in the application of the rule, this amendment has been proposed. We are not foregoing anything, but simply restoring, in addition to the existing options, the condition that existed before the legislation of 1908.

Mr. OLIVER: The minister has a majority and can force the Bill through, and I do not wish to delay its passage. But I point out to him that it was under the provisions of the Act of 1908 that the largest settlement in our history occurred in the Prairie West, and that there was the greatest satisfaction in the relations between the homesteaders and the department. Had there not been such satisfaction there would not have been such extensive settlement. I am not going to ascribe a sinister motive to the minister or to the Administration, but I am going to assert that only sinister results can follow from a condition in which the point of commencement of the rights of the homesteader is left in doubt or in question.

Mr. ROCHE: There is no doubt. Why did not those sinister motives exist prior to 1908 when there was similar legislation?

Mr. OLIVER: I do not wish to rake up past memories, but the provision of 1908 was adopted because, under the Administration that my hon. friend proposes to revert to, there was dissatisfaction, which had been a deterrent to settlement, and I point out that it was under the changes in the Act of 1908 that the great progress in western settlement was made, showing beyond question that the Act had not been made less adaptable to the conditions, but if anything more adaptable. I am not assuming sinister motives, but pointing out the certainty of sinister results; that when the homesteader goes to the land office and asks for his patent and he does not know when his rights begin, they will begin when the Administration say they ought to begin.

Mr. ROCHE: Oh no, they will be published in regulations and sent broadcast.

Mr. OLIVER: This is the Act, this is not a regulation, and the Act provides that the settling of points in reference to men's rights shall depend on the judgment of the department.

Mr. ROCHE: No.

Mr. OLIVER: I shall have to disagree with the minister; that is what the Act says and provides. That is an unfortunate provision and is bound to lead to dissatisfaction and complaint on the part of settlers who have been treated differently from their neighbours, and who will ascribe such varying treatment to sinister motives, where they consider they have had the worst of the deal. I suggest that the minister leave subsection (b) of section 16, where it is today. It will not interfere with the exercise of reasonable discretion in the relaxation of conditions when the patent has to be issued. I say it is bad administration not to make specific provision in the Act so that every man will know exactly when his rights begin.

Mr. ROCHE: To show that there is no sinister motive behind this, I will take the hon. gentleman at his word and place the responsibility on his shoulders for any lack of elasticity in the future. My suggestion of this legislation was in order to make it easy for the homesteader, and to give the department a little more elasticity. At present they have the option of counting residence from the date of entry or from the date of commencement of residence either before or after entry, and my suggestion was simply to add two other provisions. They would be under the same conditions as the other two, only there would be two more options. But the hon. gentleman thinks there is something sinister behind this, and I am agreeable to leave the section as it is.

Mr. OLIVER: I expressly said I did not suggest sinister motives, but I did suggest sinister results.

Mr. TURRIFF: The people I represent are not now much interested in the working of the Homestead Act as practically all patents have been issued for homesteads in my constituency. But I should not like to see the minister drop this amendment.

I think it is perfectly right, as it leaves the homesteader all the opportunities he had before to count his residence from the date of entry or from the date when he went into residence on his homestead. He has all the advantages he has had up to the present, and he has one more opportunity, of getting his six months in in each year for three years. He had not that option before and to that extent, in my judgment, the amendment is to the advantage of the homesteader, and I think it should carry.

Mr. ROCHE: That was the idea.

Mr. OLIVER: I want to say that I probably represent a larger proportion of homestead area than any other member, and in my judgment I would desire that the minister should make the change as suggested.

Mr. SCHAFFNER: Is the argument presented by the hon. member for Assiniboia that it gives the homesteader one more advantage, correct? If it is, for Heaven's sake let us give it to him, he has hard times now.

Mr. OLIVER: It gives the Administration one more opportunity to grant or withhold, with or without cause, and thereby create dissatisfaction amongst the settlers, and retards settlement. It was because of that that the change was made in 1906, and the change was followed by a stupendous success in the homesteading, not only in the volume of homesteading, but in the satisfaction between the homesteaders and the Government. There was no other period in the homestead history of Canada when there was as much satisfaction between the homesteader and the Government as during that period and under that law. All that I am asking is that that provision, which was placed there for good reasons, be continued in the interests of the homesteader.

Mr. TURRIFF: At present, when the homesteader applies for a patent, he either goes to the land office and interviews the official there, or he gives notice, and the homestead inspector comes to the settler. The officials in the land office and the homestead inspector are all well posted as to just how a homesteader can apply for and secure his patent, and I venture to say there is not one case in ten where the homesteader does not consult with the officials and the inspector, and makes his application as prescribed by these officers. Many of the homesteaders do not understand the regulations absolutely, and it comes back to the same thing, that this gives the homesteader one more opportunity and it does not take away one single iota of the advantage that he has at the present time. If the regulation governing what is proposed here is published, I do not see that any official of the department can vary it once it is published.

Mr. ROCHE: Apparently the views of the hon. gentleman from Assiniboia (Mr. Turriff) harmonize with my own views, and I have as much right to pay attention to the views of the hon. gentleman from Assiniboia as I have to pay attention to the views of any other member of the House. I should like to have his criticism of the section, and also the criticism of other members from the West. I should like to get their opinion on it before consenting to revert back to the former legislation. I have not any strong views myself. I want to do anything I can to aid the homesteader and make it easier for him, whilst imposing the usual duties on him. That is the only object I had in view, and I should like to know just exactly the feeling of the other members from the West with regard to the change I have suggested.

Mr. BRADBURY: I was not in the House when the discussion commenced, but I do not see why the hon. gentleman from Edmonton (Mr. Oliver) is objecting to the amended section. I represent a large number of homesteaders, and I have, time after time, realized that the law as it stood militated against the homesteader, and I for one in this House felt that we should do everything we could to assist the homesteader. The changes are simple, giving the homesteader another opportunity of making good and performing his work. I think it would be a policy that would be condemned by the homesteaders all through the West, and by every member in this House, if we proposed to do anything at all that would militate against the homesteader, and I should like the hon. gentleman (Mr. Oliver) to reconsider his attitude.

Mr. OLIVER: I am unable to find any word in this section that gives the homesteader any right that he does not possess under the previous section, but, by the omission of the words in the previous section, I can see very plainly that those who are in charge of the administration of the law can take away from the homesteader rights which he might very well think he had, and that is something I do not wish to see. I desire to avoid friction between the homesteaders and the Administration, but

my hon. friend opens the door for such friction by taking out of the law that provision which does not, and cannot in any way, interfere with the rights of the homesteader to get his patent, and which only establishes beyond question the date and place and circumstances under which his rights begin. That is what he is taking away from the homesteader, and that is what I object to. In the constituency I represent, and in the adjoining constituency, one of the hon. gentleman's officials, a land agent, has twice been a candidate in the provincial election. In another constituency in the neighbourhood one of his timber inspectors has been a candidate, and in the constituency I represent one of his timber inspectors was a candidate at the last provincial election. and was supported in his candidature by one of his homestead inspectors. Under those circumstances, while I am not accusing my hon. friend of sinister motives, he will pardon me if, representing a pioneer community, I have some question in my mind as to taking away from those pioneers the specific right that they shall date the beginning of their right from a fixed point set down in the Act, and make them dependent on inquiry from the homestead inspectors or the land agent, or the timber inspectors, or some other officials of this Government, to find out when and where their rights begin.

4 p.m.

Mr. ROCHE: The hon. gentleman overlooks the fact that there will be no more doubt in the mind of the homesteader under this section than there is at the present day under the old section. This Act is printed and available for any homesteader, and he can read the Act as it will be amended, just the same as he can read the present Act, and the Act gives him the privilege of having four options. He has one option more than provided under the present Act. There is no taking away of any right.

Mr. OLIVER: Would the hon. gentleman read the section of the Act with reference to options?

Mr. ROCHE: I have read it, but I am telling the hon. gentleman that he still has the same right——

Mr. OLIVER: Will the hon. gentleman read that portion of the section which sets out the additional options the homesteaders have.

[Mr. Oliver.]

Mr. ROCHE: The present Act provides that the time shall count, (1) from the date of entry, (2) or from the date of commencement of residence, either before or after date of entry. Now we propose to add to that.

Mr. OLIVER: Where do you add to it?

Mr. ROCHE: We add the words "six months in each of the three years."

Mr. OLIVER: Will the hon. gentleman read the paragraph where he makes that addition?

Mr. ROCHE: This is the explanation and object of the Act as it will be administered. The explanation of this section reads:

(3) Six months' residence in each of three calendar years.

(4) Homestead year and calendar year combined, or otherwise shifting the date for the commencement of the term as may be most satisfactory to the settler.

If this legislation passes it is intended to give these other two privileges in counting the time, in addition to the provision in the existing Act. That is the result of the Act.

Mr. OLIVER: My hon. friend has stated that certain intentions of the department in matters of administration are contained in the Act. They are not contained in the Act, and the omission does not interfere with the additional consideration that he suggests he is so ready to give to homesteaders. He takes away from the homesteader the fixed date upon which the homesteader knows by Act of Parliament that his rights begin, and he substitutes nothing for that, except the statement that he is going to administer the Act in a certain way.

Mr. ROCHE: Section (b) at present reads:

(b) To have resided thereon at least six months in each of three years from the date of entry, or the date of commencement of residence.

The amended section will read:

(b) To have resided thereon at least six months in each of three years.

And that leaves it—

Mr. OLIVER: Entirely in the hands of the department to say when it shall begin.

Mr. ROCHE: Exactly. The hon. gentleman must take it that the Act will be administered by the officials appointed by my hon. friend's (Mr. Oliver) Government in the best interests of the settlers. The officials the hon. gentleman appointed during his regime are still administering this Act.

Mr. OLIVER: I am sorry to say that that is not absolutely correct. I do not wish to enter into an argument with the minister, but that does not happen to be true. The minister has told the House that he is withdrawing from the Act, as it stands, that fixity of right which enables the homesteader to say: I began my residence on a certain day, or I made my entry on a certain day; my rights began then, and under the terms of the Act I am entitled to my patent. By taking out these words, the minister can give or he can withhold a patent just as his officials see fit, and I want to say that in the section I represent, where such a large portion of the people are homestead settlers, this is a serious matter, and when the officials of the minister take the political attitude they do in connection with elections, it makes it a very much more serious matter. I did not wish to bring these matters up, but I am anxious to secure, within the four corners of this Act, the guarantee of the rights of the settlers I represent. I am very much more anxious to get those rights defined in an Act of Parliament than I am to accept the verbal assurance of the minister that his intentions are to give the homesteaders their lands under more favourable circumstances than in the past.

Mr. ROCHE: The hon. gentleman sees sinister results, and it seems strange that in his interpretation of this Act, he sees something that is going to result so disastrously to the best interests of the homesteaders and probably of his own political party. I am not at all anxious to see any legislation passed in this Parliament that can in any way be utilized by any official to the detriment of the homesteader or even to the detriment of the hon. gentleman's political party. If it will meet his views any better, to have the matter more definite, I am willing to incorporate in the legislation itself the four explanations that I have given, and to add to subsection (b) which reads in the present Act:

> To have resided thereon at least six months in each of three years from the date of entry, or the date of commencement of residence.

The other two provisions:

> Or six months' residence in each of three calendar years; or homestead year and calendar year combined, or otherwise shifting the date for the commencement of the term as may be most satisfactory to the settler.

I am willing to incorporate those two provisions within the Act itself, if that meets with the wishes of hon. gentlemen.

Mr. OLIVER: I do not see where the first two provisions that the minister mentions are contained in the Act, but if he does incorporate in the Act those four provisions that he has in the explanations, that will be satisfactory. We shall then know exactly where we stand and it will not then be a matter of discretion on the part of the administration at all.

Mr. CURRIE: I am not very well versed in the homestead law, but it occurs to me that some change should be made in the law or in the regulations so as to assist those returned soldiers whom we expect to take up this land. Those men will have largely to work together as a community.

Mr. SCHAFFNER: Was the hon. gentleman here last night?

Mr. CURRIE: Yes, but this has to do with the homestead regulations as they stand. If the soldier takes up land under the Bill which was passed last night, he is given a loan. Under this Act, however, he has to conform to the regulations as they appear. The law should be relaxed so that the soldier, if he is in a soldiers' community, may not have to reside on his homestead. The soldier may be a married man and on both sides of him there may be unmarried soldiers, and there should be some method by which those men can form a community, and residence on a man's own farm should not be essential, but he should be permitted to operate his farm and have residence within say one and a half or two miles from his farm count as residence. In that way you would have the soldier settlers in communities. Under the old law the settler was compelled to live on his farm and he was not allowed to go two or three miles away to work for another farmer. Under the present conditions of labour, if a homesteader works his farm and does his duty, he should be permitted to put in residence when assisting another farmer in the neighbourhood.

I know cases of young men who have gone out to the West and taken up homesteads and who have put in their three years' residence. By the time they got their patent, they were so sick of the whole thing that they would mortgage their farms and leave the place altogether. That is why there are so many vacant farms in the West. Some provision should be inserted in the Act to prevent men, when they get their patents, from leaving the community and selling out their farms to the loan companies. I know of sections in Upper Can-

ada where farmers took up land years ago and where they still have the titles vested in the Crown. They will not take their title over because they do not want the land mortgaged. The term of residence in the West is altogether too short, and the tendency is for the settler to get rid of the land and to turn it over to a loan company, which will buy it by way of a mortgage for about $2 an acre. The land lies fallow for years and after five or ten years there is a lot of good land unoccupied, and when any one wants to buy it, the loan companies charge $20 to $25 an acre for it. There is too much speculation. The land should go to the actual settler and he should be made to settle on the land. Many young men who took up homesteads three or four years before the war did so in order to get a piece of land, and as soon as they completed their residence and got their patent, they sold the land and left the district. Those are sections of the western provinces in which the people do not want to live continuously daily on their land, and we should have some regulation whereby the soldiers will be permitted to live in small communities and work their land.

Mr. BRADBURY: You do not seem to think the soldier should live on his farm.

Mr. CURRIE: I want the soldier to live on the land, but every settler, for the first two years after he goes out to that country should be given a certain amount of latitude so that he can hire labour to assist him in the improvement of his farm. After those two years are up, and after he has hired help to assist him in getting his land broken up, he should be compelled to settle on the land.

Mr. BRADBURY: The minister has the power to grant an extension of time.

Mr. CURRIE: I go out to the West two or three times every year, and I see thousands of acres of land lying vacant. That is not in the interest of the country. Many Americans and many men from Ontario have taken up homesteads, and after putting in three years' residence and getting their patent, they say: we will sell our homesteads for $800 or $1,000 and get out of the country.

Mr. ROCHE: The Soldiers' Settlement Act under which they can secure 160 acres is separate and distinct entirely from this Act.

Mr. CURRIE: I am quite aware of that.

Mr. ROCHE: After the soldier or any one else gets his patent, the Government has no jurisdiction over what he may do with his own property. You cannot compel a homesteader who has got his title to reside upon his land or prevent him from selling that land. That would be interfering with personal rights and liberties in a way that nobody would tolerate for one moment. The homesteader who has got his title has just as much right to dispose of his property as the man who purchases land.

Mr. CURRIE: All I have to say is that as far as the soldier is concerned I think he will be looking after himself pretty well when he comes back, and any regulations we are making here at this moment will not count for much. The soldier will do what he thinks is right, and he will be represented here by those who will get that done.

Mr. W. H. BENNETT: Would the minister consider placing a provision in the Bill allowing entry to be made for soldiers by proxy?

Mr. ROCHE: That is already allowed.

Mr. W. H. BENNETT: The reason I ask is that I have received a letter from a young man in a corps now in France, who says that he and his chums all intend to take up land in the Northwest, and they want to be all together. If there is already such a provision in the Dominion Lands Act or in this Bill, I think it will be availed of to a considerable extent.

Mr. PUGSLEY: To my mind it is absolutely clear that the effect of the amendment would be to allow a man who had made entry for a homestead, to take up his duties at the end of two or three or more years if the minister and those representing him chose not to give notice of cancellation. I understand that under the law at present the homesteader must begin his residence duties in the year immediately succeeding the date of entry, and put in six months in each one of the three years.

Mr. ROCHE: If he does not, somebody will apply for cancellation of the homestead entry.

Mr. PUGSLEY: Under this amendment the minister need not cancel the entry, and with all deference to the minister I think that somebody must have had this provision put in with that intention, so that some favouritism might be shown. The minister is not a party to it, of course, but I cannot conceive of a law being framed in such a way as to allow of that being

done, unless somebody had the provision put in for that very purpose. If it is intended that the three years residence necessary to enable a man to get his patent payment should begin either on the date of entry or on the day he commences his residence duties we ought to put in the amendment "in the succeeding three years." If we do not do that the homesteader will not know what his rights are, and some homesteaders will be getting their patents five or six years after they make entry, while in the case of other homesteaders certain Government officials might insist that their residence duties must commence immediately after making entry. If the amendment is carried as proposed it is very indefinite and liable to interpretation one way by one set of officials and another way by another set of officials.

Mr. ROCHE: I think it would make the provision entirely too restrictive to adopt my hon. friend's suggestion. There is in the Act at present a provision enabling the Government to cancel a homestead if patent is not applied for within five years. If a man is away from his homestead for more than six months there is always somebody on the lookout to cancel it, and it is very seldom that we do not receive an application for cancellation in such cases.

Section as amended agreed to.

On section 4—Issue of patent to disabled volunteer, a British subject or alien ally.

Mr. ROCHE: Section 23 of the Act, as it now stands, enables patent to be issued at once to any homesteader belonging to the Canadian forces who is disabled while on active service. It is desired to extend this to apply to members of the British or allied forces. It is further desired to provide, in case the holder of the land is killed while on active service, that the patent may be issued in his name immediately without the performance of further duties.

Mr. OLIVER: When a patent is issued in the name of a deceased soldier, in what way does the patent reach his heirs?

Mr. ROCHE: Letters of administration have to be secured in the ordinary course.

Mr. DOUGLAS: Supposing a deceased soldier left a widow and no will, would she be entitled to only one-third of the homestead.

Mr. ROCHE: Letters of administration would have to be applied for just as in the case of a civilian.

Mr. SCHAFFNER: Would she get the entire property?

Mr. ROCHE: That is for the courts to decide. The patent would issue in the soldier's name and the widow would no doubt apply for letters of administration.

Mr. McCRANEY: Why are letters patent issued in the name of the deceased soldier? Under the law at present I understand that if the homesteader dies, letters of administration are filed with the department, and the patent issues to the person mentioned in the letters of administration. I do not see that the minister is getting anywhere by this departure from the usual practice, because letters of administration must be obtained in any event. When the minister has received notice of the death of a homesteader, I understand that under the present law letters of administration, or letters probate, as the case may be, are filed and acting on that the minister issues the patent. Under this Act, in the case of a deceased soldier the patent will be issued and registered, and no one can deal with the land until the registrar receives the letters probate or the letters of administration, as the case may be. The whole thing has to be gone through in the same way in both cases, and I do not see why the minister is making this departure.

Mr. ROCHE: The hon. gentleman would prefer the old method?

Mr. McCRANEY: I do not see why you should deal with the homestead of a deceased soldier in one way and the homestead of a deceased civilian in another way.

Mr. CURRIE: Is it a fact that in some of the western provinces the widow of a soldier who dies without making a will does not inherit the property of her husband?

Mr. McCRANEY: I do not know of any case of that kind. In any event the law of the province governs the way in which the property shall be dealt with.

Mr. CURRIE: Is it not true that the Alberta law still holds against the widow? In other words, the children may inherit, but the widow cannot.

Mr. McCRANEY: As I understand it, the widow is entitled to one-third, and the children two-thirds of the property.

Mr. CURRIE: Six or seven years ago, one of my friends told me the first thing he did when he got married was to make

his will in order that his wife might inherit his property in Alberta, because without a will the law of Alberta did not permit of the wife inheriting from him.

Mr. McCRANEY: I think my hon. friend is in error. Probably he has in mind the fact that in Saskatchewan and Alberta, until recently, it was within the power of the husband to make a will cutting his wife out of any interest in the estate. This has been changed, I believe, in both provinces.

Mr. DOUGLAS: I am under the impression that under the laws of Alberta if a man dies without a will the wife is entitled to one-third of the estate. I should think the minister would be well advised if in the case of a soldier killed on active service a patent was immediately issued to his wife, because the pension will be probably her only means of support, and that is only a matter of about $384 a year, if she gets the full amount. If she had not the land she would be left in a very precarious position. I think the country would not suffer in any way if a patent were issued immediately under such circumstances.

Mr. SCHAFFNER: Why should it not be so in every case, whether it refers to the widow of a soldier or not?

Mr. OLIVER: This is a special provision in regard to soldier's homesteads, and it differs from the action to be taken in regard to the ordinary homesteader, because the patent is issued without further duties or further responsibility, the idea being to close up the transaction at once in favour of the widow. I think the idea of the hon. member from Strathcona is a very good one, and I would urge that in the special case provided for by this section the patent should be issued to the widow, and that it should not be a matter of letters of administration at all. If she is the widow of a soldier who was a homestead entrant in good standing, the patent should issue to her immediately without any question except as to proof of identity. There is no legal reason why this should not be done. The granting of the homestead is an act of grace on the part of the Government, which has a perfect right so far as authority is concerned, to give the homestead to the widow. Having this right, I maintain it would be a just and proper thing to do, instead of leaving the widow subject to whatever may be the laws of the different provinces in regard to her heirship of her husband's property. It is but fair and just that she should be given the homestead patent, and I think that would be appreciated by our soldiers and their dependents.

Mr. LEVI THOMSON: The suggestion made by the hon. member for Souris (Mr. Schaffner) is a sensible one. I do not see why we should make a distinction between the widow of a returned soldier and the widow of any other man, and I do not see any reason why the minister should change his plan. I have every consideration for the widow, but I have also some consideration for the orphans, and to my mind there is no reason why the orphans should be cut out entirely. I do not know that a soldier's widow is any better than any other man's widow, and I do not know that you are any more positive she will not abuse her rights, if you give her any special rights, than you are that any other man's widow will not. The only safe way is to leave the property to be dealt with according to the laws of the province in which it is situated. It is true there is some difference in the laws of the provinces. For instance, in the province of Saskatchewan, if a man dies leaving a widow and no children, the widow gets the whole of the property, if there is no will. I understand this is not the case in some of the other provinces.

Mr. SCHAFFNER: It is the same in Manitoba.

Mr. LEVI THOMSON: I think the legislatures of the different provinces are thoroughly cognizant with all the phases of the matter, and will deal with it properly. I am willing to grant all the concessions you possibly can to the soldier, but there is no reason why you should make a difference between a soldier's widow and any other widow.

Mr. ROCHE: The practice has been to issue patent to the administrator when an ordinary homesteader died. The reason we have asked the change is because of the requests which have come in from the estates of some of the deceased soldiers, desiring to expedite the issue of patents. We thought there would be less delay in getting matters wound up if we did not wait for the issue of patents until the letters of administration had been secured from the local courts. The patent is issued in the name of the deceased homesteader, and after the administration papers are gotten out the local courts of the province take the matter up.

Mr. LEVI THOMSON: Is there a distinction between the widows and orphans of returned soldiers and other widows and orphans?

Mr. CURRIE: My hon. friend is making a mistake in referring to the widows and orphans of returned soldiers. There is no discussion except as to the widows of soldiers who are killed at the front. There is a great deal of force in what has been urged by the hon. member from Strathcona (Mr. Douglas), so that title should issue direct to the widow. Take the case of a widow whose husband has had a farm, and the settlement duties are not completed; she has to get letters of administration before she can obtain title to that property, or before she can have it arranged so that she and the children may acquire the property. In order to get letters of administration somebody must go security for her, or she must go to a trust company and pay a large sum of money out of her estate to get them to put up the necessary security. Of course this is very fine, and makes a lot of work for lawyers—and I like to see them get as much work as possible, because some of them need it—but the property should go to the widow of the soldier without any charge whatever; then she will have an immediate security on which she can raise funds to educate her children.

The wives of deceased soldiers are entitled to every consideration. There will not be very many cases that will come under this law because every soldier at the front carries his will in his passbook and if his body is found the will will also be found. Arrangements are made for copies of these wills being sent to an officer at headquarters. There are very few cases in which soldiers do not make their wills, but in case there is no will in the passbook, or if no passbook is available, I think it would be only proper that the state should give the property direct to the widow and avoid having the widow chasing around to get a lawyer or paying a trust company five per cent to look after the estate. I quite appreciate the remarks of the hon. member for Strathcona (Mr. Douglas). I believe that the wives of soldiers who are at home would very much appreciate it if a concession were made in that regard. I do not think anybody would be hurt by such a change in the law.

Mr. LEVI THOMSON. In case, there are children, they would be cut off entirely.

Mr. CURRIE: They could homestead when they grew up.

Mr. LEVI THOMSON: Supposing there were young children they would be cut off. The widow might marry and the children would get nothing.

Mr. CURRIE: My hon. friend is accustomed to police court cases where mothers abandon their children, but the mothers of Canada and the wives of soldiers are not built that way. They will attend to their children.

Mr. DOUGLAS: A case I have in mind is one of a mother with two or three small children. The husband was killed at the front He had a homestead. I wrote to the department to know what disposition would be made of the land and they said that the homestead would go to the heirs of the husband on letters of administration or of probate being taken out. This woman was depending on the farm for her livelihood. Her husband was cut off without any notice and there was no accumulation of savings. The cases of a civilian's wife and soldier's wife are not parallel. I think my hon. friend from Qu'Appelle has not fully considered the matter when he says that soldiers and civilians' wives should be treated the same way in connection with a patent for a homestead. This man to whom I have referred went out to do what he considered his duty to the country. It is to be supposed that if he had remained at home he would not have been killed. The widow is left with two or three small children and under the letters of administration she has to retain that land until these children become of legal age. In the meantime it is a source of expense instead of revenue, whereas, if the patent were issued to herself, she could dispose of the land and use the proceeds for the education of her children and the maintenance of herself until her children were able to take care of her. As the hon. member for North Simcoe (Mr. Currie) says, the cases will be very few and everything should be done to assist the dependents of those who have given their lives for the cause of the country.

Mr. ROCHE: This amendment was introduced at the request of some of the estates of deceased soldiers. There are two alternatives—continuing the usual practice of issuing patents to persons who have taken out letters of administration or issuing them as proposed in this legislation in the name of the deceased homesteader leaving the disposition of the estate to be provided for under provincial law. I am afraid that if we were to issue a patent in the

name of the wife a grave injustice might be done to the children. Such a proceeding would practically confer on the department the functions of a court and might land us in difficulties. We have two alternatives—we may stick to the present practice of issuing the patent in the name of the party who has taken out letters of administration or issue it in the name of a deceased homesteader, sending out the patent, and leaving the letters of administration to be dealt with subject to provincial jurisdiction.

Mr. McCRANEY: I see there is a difference between the estate of an ordinary homesteader and that of a deceased soldier where the duties not only of residence but of cultivation are remitted. From the departmental standpoint it would result in cleaning up the books of the department if the patents were issued directly in the name of the deceased soldier but when it went into the registry office it would have to be dealt with under letters of administration.

Mr. OLIVER: I want to say one word on behalf of the widows of deceased soldiers, of the women, whose husbands being homesteaders, have gone to the front. There are differences amongst soldiers and amongst their wives as there are amongst other people. Some are less deserving than others, no doubt, but I want to go on record as holding the view that the wife of the soldier in the large majority of cases, and particularly the wife of a homesteading soldier, is making a sacrifice for the welfare of this country that is entitled to consideration at the hands of this House. In the large majority of cases the married homesteader who volunteers does so because of the inspiration of his wife. It is unthinkable that the married homesteader volunteers contrary to the wishes of his wife. If the woman has made the sacrifice that she has made with regard to her husband for the cause of the country, I claim that she is in an entirely different position from the widow of the ordinary homesteader who dies in his bed under ordinary circumstances. In either case it is pitiable, it is deplorable, but in the one case neither the homesteader nor his wife has made any sacrifice for the public good. They have suffered no disabilities because of any sacrifices they have made. They have used every endeavour that lay within their reach to improve their conditions and to earn the patent of their homestead. The soldier is in a different position. He has offered himself as a sacrifice for his country, he has suffered under conditions inconceivably more terrible than those that the homesteader on his land could suffer and his wife has suffered from conditions such as are almost indescribable. There comes to my mind an item which I saw in a newspaper a few days go relating an incident that occurred amongst the pioneer settlers north of the Saskatchewan, in the constituency of my hon. friend (Mr. White). A homesteading soldier had gone to the front and his wife was carrying on the cultivation of the homestead. She was driving a seed drill, the horses ran and the result was that she was badly cut up—lost an arm and an eye and is disabled for life. That could not have occurred if her husband had not been at the front. The condition of the wife of the homesteader who is at the front is different from that of the homesteader who is remaining at home doing his best to fight the battle of life under the ordinary conditions of homesteading.

Mr. CURRIE: She generally works the land in place of her husband who has gone to the war.

Mr. OLIVER: Many of them have not done so but they have suffered deprivations that entitle them to consideration at the hands of this House. While there may be exceptional cases, I maintain that, on the average, the mother can be even better trusted to care for the children than the father. It is true that sometimes mothers desert their children, as occasionally fathers do, but as a rule, in this country, we trust either the mother or the father, and the one as much as the other, to see that the children are cared for. I cannot see that there would be any detriment to the children if the patent were granted direct to the mother, and I can see a great disadvantage in restricting the mother and children in the full enjoyment of the land, and putting them under expense in merely holding it.

Mr. CURRIE: I might add that I have witnessed several hundred wills made by soldiers, and I think in every case but one the soldier willed all his property and everything of which he was possessed to his wife. I think the law should be such that the department could grant the patent direct to the widow. This would avoid expense and inconvenience to her in having to apply to an official referee every time she wishes to spend money. There is no reason why this should not be the law, unless we believe that the women of Canada have not the instincts of motherhood. I

should like to see an amendment to the effect that the title should go to the wife, or that she should be named as administratrix. Otherwise she may have to go to great expense in securing the administration of the estate. I know of dozens of cases in Ontario where women have had to undergo great hardships and to live almost on charity because of provisions in wills that there must be an administrator.

Mr. DOUGLAS: The principle involved in the change suggested is involved in the amendment to clause 16, where in the case of a deserted wife the entry of her husband is granted to her. So I do not think the minister is departing from the spirit of the Act when he grants the patent direct to the wife of a deceased soldier in a case such as that brought to his attention this afternoon.

Mr. ROCHE: I think that there the deserted wife is recognized as the head of the family, and she performs the rest of the homestead duties.

Mr. DOUGLAS: In the explanation it says that the patent shall be granted to her on proof being furnished that she has completed the required six months' residence in each of three years.

Mr. McCRANEY: If I understood the point taken by my hon. friend from North Simcoe (Mr. Currie), the suggestion is, not that the homestead of the deceased soldier shall go to the widow, but that in the case of intestacy, it shall go to the widow, and otherwise to the persons named in the will.

Mr. CURRIE: In case there is no will.

Mr. McCRANEY: Before the department would come to such a conclusion it must have the certificate of the proper Probate Court that no probate has issued and no letters of administration have been granted.

Mr. CURRIE: In the case of a soldier only one signature to the will is required, and on the back of his passbook there is a simple blank form of a will. There is a probate department attached to the War Department here which looks after the estates of deceased soldiers, and ascertains if they have left wills. Probably within three months it would be definitely known whether a soldier had left a will, and if no will had come to light in that time, then his homestead should go to the widow. I am quite willing to trust the widow. Because perhaps one woman in a thousand goes wrong, that is no reason why this Parliament should legislate against the rest of the women.

Mr. McCRANEY: My hon. friend states as a fact that one witness is sufficient for a soldier's will. My recollection is that such a will is good so far as personal property only is concerned, not for the purpose of devising lands. I think you will find that is the case not only in Saskatchewan but in a number of the other provinces.

Mr. CURRIE: I do not think that any provincial law or any law we may make will override the Army Act.

Mr. ROCHE: The Soldier's Settlement Bill provides that the privilege of taking up land is accorded under that Act to the widow of a soldier just as to a returned soldier, and therefore she would participate in the loan of $2,500—as a soldier would, besides having her pension.

Mr. DOUGLAS: The minister should not overlook the fact that the homestead of a deceased soldier is not his homestead, because he has not earned it, and that the department is giving certain privileges to the wives of deceased soldiers inasmuch as they are granted exemption from fulfilling the conditions under which the man got his homestead entry.

Under these conditions, it would only be fair that the department should grant to the wife the complete title to that homestead, as a mark of favour. She is not earning that homestead any more than the man earned the homestead until the conditions are fulfilled, but, in the unfortunate case of the man being killed, the department is lenient enough to grant him the homestead. Why not make the homestead issue direct to the wife?

Mr. ROCHE: There seem to be divergent views in the House in regard to this section. I do not wish to spend all day on it and we can allow it to stand.

Section stands.

On section 5—issue of homestead letters patent to British subject only:

Mr. OLIVER: Perhaps the hon. gentleman would give us a short explanation of the many subsections, and it might not be necessary to read them.

Mr. ROCHE: Provision is made for:

1. Issue of patent in the name of an alien entrant killed in action whether he was a member of the British or Allied forces.

2. Provision for the issue of patent to an alien serving with the British or Allied forces, who has completed his duties but cannot secure naturalization.

For instance, there are some of these men who are perhaps military French reservists, who have completed their duties, but who, by reason of being at the seat of war, are unable to become naturalized because they are not in the country. The hon. leader of the Opposition brought a case to my attention, and under the War Measures Act we took steps to allow the patent to issue. This legislation will affect that person.

Provision is also made for the issue of patent to an alien female homesteader who is debarred from the right to receive patent under the present Act unless she is a British subject. A widow of British nationality, who enters for a homestead in her own right, would cease to be a British subject should she subsequently marry an alien, and, unless her husband then became a British subject by naturalization, she would be deprived of the right to obtain patent for her homestead by the present law. In the same manner, the deserted wife of an alien would be unable, during the lifetime of her husband, or during the continuance of her marriage, to become a British subject, and under the present law she is also debarred from the right of receiving patent for a homestead.

Mr. OLIVER: There are three explanations and six subsections.

Mr. ROCHE: They are all included in that, except that (f) is not a new provision, but is merely transferred from chapter 28 of the statutes of 1914.

Mr. OLIVER: This explanation of paragraph (f) seems to be very lengthy. Could the hon. gentleman state what it is?

Mr. ROCHE: In 1914 the naturalization Act was amended by providing for world-wide British nationality, after five years' residence in Canada. At the present time, in order to earn a patent for a homestead, it is only necessary to put in three years, and then proclaim the intention to become naturalized. The explanation of paragraph (f) is:

Notwithstanding anything in the Dominion Lands Act, chapter 20 of the statutes of 1908, or any other statute, any alien who has not resided in the British Dominions or been in the service of the Crown for the period necessary for naturalization, shall be entitled to obtain letters patent for a homestead in the same manner as if he were a British subject: Provided that he satisfy the Minister of the Interior that in all respects save such period of residence or service he is qualified to be naturalized and declare upon oath his intention to be so naturalized as soon as he has completed such period of residence or service.

2. This Act shall come into operation on the first day of January, nineteen hundred and fifteen.

In preparing the present amendment to section 25 of the Dominion Lands Act, it was thought advisable to include in one section all the cases where naturalization is not necessary before obtaining a homestead patent and therefore chapter 28, above quoted, is being repealed and the wording of it included in the present proposed amendment to section 25 under paragraph (f). This is merely a transfer for convenience in referring to the statutes.

With reference to paragraph (f) it might be stated that during the present war subjects of enemy countries are not allowed to take advantage of this provision, but must submit a certificate of naturalization before patent is allowed.

Mr. LEVI THOMSON: Is there any provision for compelling the patentee to carry out his promise and his oath that he will become naturalized, and is there any punishment in case he fails to do so? It seems to me that an alien might sometimes make oath in order to get his patent. Would it be advisable, in the minister's opinion, to have some punishment inflicted upon him, in case he should violate his oath and not carry out his promise?

Mr. ROCHE: There is no penalty for that.

Mr. LEVI THOMSON: Is the question of whether there should be a penalty or not worth considering? I merely throw it out as a suggestion.

Mr. OLIVER: I think this section is of sufficient importance to warrant a little discussion. Up to the time of the passing of this law in 1914 it was understood to be the foundation principle of our homestead law that we did not give homestead patent to any man who was not a British subject. That was, I think, our foundation principle, I believe it was a sound principle, and I do not think it should be departed from, if the interest of the country can by any means be otherwise served. When we brought in the Naturalization Act of 1914, requiring five years' residence to secure naturalization, there at once arose a clash between the terms of the Homestead Act and the terms of the Naturalization Act, and, in order to get over that difficulty, this

5 p.m.

section was added to the Dominion Lands Act, which grants homestead patents to aliens. We can make the homesteader take all the oaths we require, but we do not compel him to become a British subject, because, when he has put in his three years' residence, there still may be reasons why he should not become a British subject, and the great principle at the very foundation of our Dominion Lands Act has been departed from in a most important particular. I should like to know how far the minister has recognized that condition, and in what way he does recognize it, because circumstances have come to my attention where aliens were refused patents, or were unable to get patents, because they were not able to become naturalized. The man had put in his term; he had fulfilled the conditions of his entry, but still he was not able to get his patent, because the department was not willing to carry out the letter of the law, as it appeared on the statute; that is to say, while the law said: "this man is entitled to patent at the end of three years," as a matter of fact he could not get it. Has it been the policy, or is it going to be the policy of the department to grant patents to aliens on the fulfilment of their homestead duties?

Mr. ROCHE: The hon. member is not referring to alien enemies?

Mr. OLIVER: No, to aliens.

Mr. ROCHE: As the hon. gentleman states, since the Naturalization Act of 1915 was passed, we have been granting patents to aliens, and it was provided by an amendment to the Dominion Lands Act that patents would issue upon the declaration of their intention of becoming British subjects. There may be a certain weakness in that in not providing a penalty if a man does not take out his naturalization papers, but I do not know that any cases have occurred in which at the end of five years they have failed to take out naturalization papers. The alternative is that we should issue patent at the end of five years. We did not extend the time because we thought that if settlers had to put in five years' residence and do the duties, before they could get patent, that would probably retard immigration. We decided that the best way to deal with the subject was to issue patents at the end of the accustomed period of three years providing all the duties were done, and providing that the homesteader declared his intention of becoming a British subject. Whether, in the opinion of Parliament, it is necessary that the time should be extended so as not to issue patent until the end of five years, or whether it is necessary to impose a penalty, is of course, another consideration. But even if at the end of thre years we do compel an alien to become naturalized, there is no reason whatever why such person, as soon as he receives his patent, might not dispose of his land to another alien thus leaving the land still in the hands of an alien. If, however, it is considered there is a weakness in the existing Act, I am open to suggestions, as to the best methods of remedying the same.

Mr. OLIVER: I am not criticising from the point of view the minister has indicated, but am stating that in administering this Act during the past several years, the department has apparently, by raising impediments, refused to give to aliens the benefits of the Act. The alien, for one reason or another, was not able to get naturalized, and difficulties were thrown in the way of getting his patent, so that he did not get it. Was that an accident, or did it happen by design? What was the policy of the department in the past, and what is to be its policy in the future? Is it to be the policy that an alien—not an alien enemy—on fulfilment of his three years' duties, may get and will be given his patent?

Mr. ROCHE: Upon inquiry, I do not know of any cases of the nature suggested by the honourable gentleman unless the parties were alien enemies During the war, of course, some difficulties have been thrown in the way of alien enemies. In war time, under the War Measures Act, alien enemies cannot secure patent. I am not aware that the department have thrown any difficulties in the way of aliens securing their patents. If the hon. gentleman can bring any such cases to my knowledge, I shall be glad to have them looked into. It is not the policy of the department to throw any obstacles in the way of aliens securing patents.

Mr. OLIVER: The policy of the department then is that if the alien has fulfilled his duty, and if he is not an alien enemy, he can get his patent. The other position is that the alien has received the material advantage of citizenship, although still an alien. What I want to get at is this: Is there any mutual obligation existing between the alien and the Government on the one part or on the other as a result of this material advantage which the alien has secured?

Mr. CURRIE: This has to do with the Naturalization Act which used to give a man the privilege of becoming a citizen after three years' residence The Naturalization Act which is in force in this country now is virtually a subject of treaty with Great Britain, and it extends the time to five years. I suppose the view of the department was to continue to grant the patents at the end of the three-year period, following the American practice. A man has to put in six or eight years' residence in the United States before he can become a citizen. After he goes to the United States and has been resident there for some time, he can take out what is known as his "intention." He can go before a justice of the peace or some other federal officer and subscribe to a declaration that he intends to become a citizen of the United States, and in that declaration he foreswears allegiance to the country he has left. The federal law will not allow a man to be a captain or to hold a certificate for various things unless he is a citizen of the United States. Some of the States make matters easier. For instance, the state of Michigan declares a man eligible to do everything under the Federal Act, who has made a declaration of his intention and who was a citizen of contiguous territory. That throws the citizenship open to a Canadian. In the state of Washington or some of the other western states, they go so far as to say that if a man makes a declaration of his intention to become a citizen, he is entitled to all the rights of citizenship and can not only hold land but vote. The idea in this Bill is to follow the American practice, and it would enable Americans to obtain title to their land if they made a declaration of intention at the same time as they applied for their land. They will have to put in three years' residence after that before they can become citizens. I do not think this Parliament has anything to do with whether the term of residence for naturalization is to be three years or five. That was settled with the British House of Commons by arrangement. If a man goes through all the same motions as he would before a justice of the peace when becoming a full citizen, he should get his land just as before he could in three years become a citizen and get his land.

Mr. McCRANEY: Are those who declare intention to become citizens of the United States liable to be drafted under the law which has just been put into force there? This question brings up the very point as to whether a person who is an alien and who has not completed his citizenship duties, while receiving the advantages of citizenship, may not, if an alien, be liable to draft.

Mr. CURRIE: I understand that question has been answered in the last day or two in the United States by the statement that they are going to draft all aliens, and if the aliens do not wish to serve, they will be deported. That is a simple method of settling the problem.

Mr. OLIVER: Under this law, the alien gets the benefit of all homestead rights. I understand from the minister very definitely that it is not the intention or part of the policy of the Government to withhold in any degree his homestead once he has earned it according to the terms of the law. He is on an absolute equality with every other man. Am I correct in that?

Mr. ROCHE: Yes.

Mr. OLIVER: Does this declaration of intention make the homesteader subject to obligations to the state other than are imposed on any other alien?

Mr. ROCHE: Obligations as to military service?

Mr. OLIVER: Take that, for instance.

Mr. ROCHE: I should not like to give an opinion offhand on such a delicate point as that. It has never been brought to my attention before, and has nothing whatever to do with the administration of the Dominion Lands Act. I really could not say definitely whether or not he would be amenable to our Military Service Act.

Mr. OLIVER: I think it has everything to do with the administration of the Dominion Lands Act. It is a fundamental principle of the Dominion Lands Act that we do not give our free land to anybody unless and until he is ready to assume all the obligations of citizenship. That was the fundamental principle of the homestead law during all the years previous to 1914, and I want to know if that principle is being absolutely departed from—or is there some saving provision that will protect the public interest in that regard? It is a matter of very great interest to know whether the man to whom we have given all the privileges of citizenship in our power, as regards the ownership of land, renders himself liable, for instance, to military service to the state. Does this declaration of intention bring him under any such obligation in any way?

Mr. McCRANEY: This discussion suggests to me that perhaps we had better revive our three-year citizenship, which was a citizenship as regards Canada only. We have now a five-year citizenship, which is a citizenship in the British Empire. I can see there is a hiatus here between the three years and the five. We may have gone too far in doing away with our three-year citizenship, as regards the imposing of the obligations of citizenship on those who obtain free-grant lands from this country.

Mr. CURRIE: I do not think that can be changed, but the man could take an oath that he would take out his citizenship papers at the end of five years, and he could at the same time obligate himself not to claim citizenship in any country in the meantime. He could take oath that he would be amenable to all the laws of the state, military service included; in other words, he could take oath that he would become a citizen or assume all the obligations of citizenship. Then, if at the end of the five years, he did not take out his papers as he had sworn to do, he could be punishable under the Criminal Code for having taken a false oath.

Mr. McCRANEY: I do not think any court would prosecute a man who in an affidavit expressed an intention to do some act in the future.

Mr. CURRIE: He swears definitely that he will take out his papers at the end of five years; that is taking an oath, not expressing an intention. The oath taken in the United States is very, very rigid. Not only does he declare his intention of taking out papers, but at the same time he foreswears any citizenship that he at that time holds. I have seen lots of copies of the oath of intention in the United States; they can be seen in the Library here. The declaration of intention is a solemn oath that from that minute forward the man forswears—not that he is going to forswear, but forswears then and there—all his privileges as a citizen in any other country, and more particularly, he takes an oath against the sovereign of the country to which he at that time belongs. So it is a most solemn oath. I should think that if a man obtains under false pretenses all the rights of citizenship as regards free land, he could be punished under the ordinary law of the land if he took such an oath falsely.

Mr. THOMSON: I think my hon. friend should study the law before he attempts to lay down legal propositions.

Mr. CURRIE: What is the law on this point?

Mr. THOMSON: I do not think you can prosecute a man for false declaration of intention. I have had some experience myself, and I know positively that you cannot prosecute a man for obtaining anything under false pretenses, if the false pretenses relate to the future. It would be impossible to prosecute a man for obtaining his homestead under false pretenses in the way that my hon. friend suggests. There may be some other way of doing it—and I am merely throwing this out by way of suggestion. It seems to me that rather than go through all the rigmarole suggested by the hon. member for Simcoe, we might better adopt the suggestion of the hon. member for Saskatoon and revert to our old plan of three-year citizenship for this particular case. We might allow Candian naturalization only—not British citizenship—to the person who required it for the purpose of taking out his homestead patent, or we might provide a penalty in case the homesteader failed to take out naturalization papers within a reasonable period after the time set. It seems to me there should be some compulsion on a man who gets the benefits of Canadian citizenship, and refuses to carry out his undertaking to the department given in the agreement conferring on him those benefits.

Mr. ROCHE: There appears to be a weakness in our existing law in that one point. The Act, of course, was passed when no war was in sight. I think perhaps the best way out of the difficulty might be for the man to obligate himself, in the declaration of intention, to discharge the duties of citizenship, and penalties could be provided in case of his failure to do so.

Mr. OLIVER: What is the position in regard to alien enemy homesteaders? I have no doubt that many homesteaders of alien enemy nationality have taken up land and were continuing to take up land until they were prohibited by the order in council in December last.

Mr. ROCHE: Under the order in council, which was passed under the authority of the War Measures Act, no alien enemy is now allowed to secure a homestead entry, but those who had secured homestead entry prior to the passng of the order in council are allowed if, they can get naturalized in the meantime, to secure their patents. We did not think it right, when they had made their entry under normal conditions and ac-

cording to the regulations, to withold the patent if they could get naturalized.

Mr. OLIVER: I suppose a man of alien enemy nationality would have to reside in the country for five years before he could become naturalized and before he could get his papers?

Mr. ROCHE: Three years, up to the end of this year. There were some who had made entry prior to the passing of that Naturalization Act, and the time will expire at the end of this year.

Mr. OLIVER: Until the passage of the order in council no distinction was made between a homesteader of alien enemy nationality and a man who is only an alien?

Mr. ROCHE: No.

Mr. OLIVER: I wish to be very clear on that point, because I am afraid there have been impediments thrown in the way of such men getting their patents, even after they had fulfilled their duties, and I assumed it was the policy of the department. I did not discuss it with the department, of course, but from the difficulties that were raised it seemed to me that possibly the department had a policy on the subject and did not intend to give patents to homesteaders of alien enemy nationality.

Mr. ROCHE: Not unless they become naturalized.

Mr. OLIVER: Then I am to understand from the minister that the man of alien nationality who entered for a homestead in good faith previous to the order in council prohibiting such entry is treated just the same as anybody else?

Mr. ROCHE: Except that he has to be naturalized.

Mr. OLIVER: The man of alien enemy nationality must be naturalized before he gets a patent, and he can be naturalized on a three years' residence?

Mr. ROCHE: Yes, under the law at present, and up to the end of this year.

Mr. CURRIE: I think it will be news to this country to know that alien enemies can take out naturalization papers here during the present war and become voters. In no other country at the present time is an alien enemy permitted to become a naturalized citizen. In fact, in Great Britain, to take out naturalization papers during the war, subjects an alien enemy to very severe penalties. This is also the rule in practically every other country in the world. The Government should take immediate cognizance of this fact. I understand that under the War Measures Act an order in council was passed to prevent alien enemies from taking out naturalization papers. After the war broke out there was a rush of alien enemies to become naturalized, and the Government should take immediate steps to prevent a continuance of this. I do not think the country should grant any particular favours to alien enemies who are resident in this country simply because they cannot get out of it and go to fight us on the French front, if they are of military age. To grant these men the privileges of colonization and citizenship and the right to vote during the war is an absolute crime, and I protest most strongly against it. It is an insult to the men in the trenches who are fighting against those alien enemies, to think that those aliens can become citizens of this country and be entitled to the same privileges as a Canadian. I will go further and say that if those alien enemies were in their own country they would not be entitled to have the rights of citizenship which they have here. They would not be allowed to vote. If those men of military age now taking up land in our West were in Germany or Hungary, none of them would be entitled to vote, and to say as we are saying now that we are going to make citizens of them during the war, give them votes, and give them land, is a shame, and the men who are to-day fighting in the trenches should know what is being done at home. If these alien enemies had the privilege to-morrow, every one of them would go over and fight for Germany and Hungary. They are all called to the colours, and the only reason they do not go is because they cannot get ships to take them there, and this country would not allow them to go. There is not a British subject in Germany to-day who is permitted to take up land and become a citizen. There is not a man of British origin in Germany who is not interned and whose property has not been sequestrated. Those alien enemies have no rights in this country, except what we accord them as a matter of humanity. I would not like to see them interned, but it is a downright shame to give them citizenship while this war is on and while their hearts are with the enemy and they are organized all over this west country and established in the West to defeat this Government and every one who has taken part in this war.

So far as I am concerned, and I think I speak for the soldier in the trenches, we deeply resent the conduct of the people at home who will pander to these alien enemies and will permit them to take up the rights of citizenship when they are of military age and when they still hold their citizenship in Germany and Hungary, and where there is no law which compels them to forswear their allegiance to those countries. I deeply regret that this country has not seen fit, so far, to take the same action as has been taken by all the other Allies with regard to aliens, and to see that they are deprived of the rights to become citizens during the war. We are at war, and if we do not disturb them or take their property away from them, it is simply because we view these matters with justice. Persons of British origin who owned property in Germany have had their property taken away from them and have been locked up in jail. Dr. Béland, a member of this House, has been treated in that way, and why? Because he happened to be a Canadian. I say again that those men who are colonized in the various constituencies of the West, who are of military age and who are alien enemies, have no right to the privilege of citizenship during the war, and I protest most strongly against this Government or any other Government giving them the rights of British subjects while war is on. I do this feeling that I am expressing the views of the men who are fighting the battles of Great Britain, and Canada, and who are trying to play the game on the square, and who do not like this crooked political game going on in different sections of this country. Our men are giving this country and the Mother Country all that is best in them. They are willing to sacrifice their blood, their lives, and while they are fighting in the trenches in Flanders this country goes on making citizens of Germans and Hungarians who are of military age and who are reservists in the German, Austrian and Hungarian armies. I protest with all my force against that, and I say this House should take action before it closes to see that those of alien enemy birth who have been given the rights of citizenship should be restrained from voting during the war; or, in other words. from putting their arms up against the men who are at the front because there is not one of these men in the West, who, if given the right to vote, would not vote against any candidate who was friendly to this war or to our soldiers. It is all right enough to talk, but I have met these Germans at very close quarters and I know them. I am just as willing to fight the German reservist right here as I am to fight the German soldier on the plains of Flanders. He is most dangerous at home. I protest, in the name of the soldiers at the front, against permitting these aliens to exert any hostile influence on behalf of our enemies. In the name of heaven, what right have these men to raise their hands and use their votes against the men in the trenches as they are about to do? I cannot see any difference between the man across the river, in Quebec, who is against conscription and comes out in the open and says: I want a referendum before conscription is put in force, and the man who sits in this House and says: I will vote for conscription but I want to come back to this House with the votes of the German reservists or the Huns. That is straight talk and it might as well come out here as anywhere else. I believe that I speak on behalf of the man at the front who is ready to lay down his life, and I say that it is an insult to him that this House of Commons should pander to the votes of aliens of this description who are being made British citizens and whose votes for winning the war may overbalance the votes of the soldiers at the front. I call upon this House, I call upon the minister, to see that none of these aliens are granted their land until after the war is over. They would not be citizens in their own country entitled to vote, so we are not taking away from them anything they would have in their own country. Nor, would they be able to take land in their own country unless they belonged to a certain select class. Therefore we are not taking anything away from them in that respect. Many hon. members of this House, who are fond of declaring themselves to be supporters of soldiers and returned soldiers, especially hon. gentlemen on the opposite side of this House, take the stand that these aliens are entitled to take possession of their lands, be naturalized and vote. Those who should be citizens and entitled to take land and vote in Canada should not be alien enemies.

Mr. ROCHE: I did not expect that the Naturalization Act would come up for discussion while the Dominion Lands Act was under consideration. At the present time alien enemies are not allowed to make entry for land in Canada and they have not been allowed to do so since the passage of the order in council under the War Measures Act. The question of issuing naturali-

zation certificates is one that is within the discretion of the courts. Some judges have taken the view that aliens, when they applied for certificates of naturalization, were entitled to have those certificates issued, in the usual order of things, in peace times as in war times. On the other hand, Chief Justice William Meredith took the position that he would not issue a certificate of naturalization during war time. It is a matter of discretion with the judges as to whether naturalization should be conferred upon an alien enemy during war time or not. After this year that will disappear and the Government will have more jurisdiction in the matter. At the present time it remains with the courts to exercise their discretion but under the proposed amendment of the Naturalization Act the judges will refer the matter to the Secretary of State and he will have jurisdiction over the question as to whether a certificate of naturalization shall be issued or not.

Mr. CURRIE: That is all right. I do not wish to disagree with the minister. He states exactly what is a fact, but I still hold that under the War Measures Act that right could have been taken away from the alien enemy and should have been taken away from him long ago. It will be a matter of great surprise to the people of this country to know that alien enemies are being granted lands and are being allowed to become citizens. They are the same alien enemies who are gathering nightly in the little huts and school houses in the West devising ways and means of doing up this country and this Government. We all know that these alien enemies are fighting and plotting not only in this country but in the United States. If you lock them up, if you intern them, they are ready to mob anybody who has anything to do with them. I have seen them in the pens in this country. These alien reservists should not be treated as British subjects during war time. After the war is over, I would be true to the British traditions, I would be the first to wipe away the tears of the widowed German, I would be prepared to deal fairly and squarely with the foe, as Great Britain has dealt with the foe in South Africa; but, during the war, when our best blood is being shed, when the country is struggling in death grips, and when, possibly, in the next two or three weeks, we will have to decide in an election whether the support of this country is going to be given to our brave men at the front or whether we are going to have a damper put upon it by the alien enemy in this country, I am firm in the belief that the rights of British citizenship should not be accorded to those who would use those rights to our disadvantage. That order in council should pass now, and the practice of according the rights of citizenship and voting to alien enemies of military age should stop. I protest most vigorously against it. Every man who has returned from the front will be of the same opinion. I feel that in speaking as I do, I am only representing their views. I believe that I am also representing the views of the men in the trenches who know the cowardly enemy that they have to fight at the front. The Germans fight us unfairly without any judge or referee to see that fair play is dealt out. Many men who have taken up land in the Canadian West are now fighting our men in the trenches. A great many of them have been taken prisoners, and we know this. Many of the men who are still in the West would do the same thing, and if they are not doing it, it is simply because they could not get ships or the right to go over. If they could get ships and the right to go, they would go to-morrow to fight against our men in the trenches. Under these circumstances, what are we going to do? Are we going to have in this House after the next election thirty-five or forty members who owe their election to the votes of these Hungarian and German reservists who are now given British citizenship, and who will outvote our soldiers at the front? This House should put a stop to that. I think I speak for the men in the trenches when I say that they will not support any man or party who is pro-German in so far as this House is concerned. Any member of Parliament who stands up and says that these German reservists in the West are entitled to become citizens now and to vote at the next election, will not receive my support, and he should not receive the support of any Britisher in this country.

Mr. TURRIFF: There is a great deal in what my hon. friend (Mr. Currie) has said that I do not agree with. We invited people to come to this country from different countries of the world. A great many Austrians, Galicians and Germans came into Canada. They came on our invitation and on our agreement that if they did certain things we would do certain things. They were promised that if they came in they would be allowed to get a quarter-section of land as a homestead on a payment of $10 entry fee, and that if they lived on the land for six months each year for three years and applied for their naturalization papers,

they would get their naturalization papers, become British subjects, Canadian citizens, and would also get the patent for their land. I do not believe that the fact that war has been forced upon the world by the ruler of one of the countries from which these people come is a sufficient reason why Canada should adopt the German principle and make a treaty, of a bargain, simply a scrap of paper to be burned up whenever it suits one's purpose to do it. The Austrians, the Galicians, the Polanders—the bulk of those people would not go back if they could go back; you could not force them to go back. They came away from these countries to avoid being conscripted and forced into war whether they wanted it or not. That does not apply to the same extent to the Germans; I agree that some of them would go back. But a very considerable number of Germans from the West are to-day fighting in the Canadian ranks, on the Canadian side. When I was in the West within the last month, I came across one man who was born in Germany, who has been out here for a number of years, a man 33 or 35 years of age, married and with a family of children. This man's father and mother are in Saskatchewan. His mother cannot speak any English, and his children cannot speak any German. That man's two younger brothers enlisted in a Canadian regiment in the town of Oxbow, and they are in the trenches to-day fighting for Canada and for the British Empire. I ask any member if he would disfranchise these men and their brothers and their fathers. There are many such cases. I saw a statement some time ago that six per cent of the voluntary enlistments in Canada were foreigners. I do not mean to say that six per cent of them were foreigners from enemy countries, but a very considerable percentage were. I know quite a large number in my own constituency, of Germans and Austrians, Germans chiefly, who have gone to the front with Canadian regiments. It is quite probable that it is advisable now to so change the law that men from these countries will know that if they come into Canada they will not have the same privileges as they would have had if they had come earlier. But to enact a law now that shatters the arrangement we made with them, that goes back to our agreement with them, I think would be very poor policy. We hear a great deal in this country about living in harmony and about conciliation—well, well, that is not the way to bring that about. If Great Britain had taken that stand in South Africa we should not have had South Africa to-day as one of the strong pillars of the Empire. The one thing that has made Great Britain the greatest colonizing power in the world is that she has treated people from all parts of the world well and fairly, and has carried out her agreements with them, whatever those agreements may have been, and I do not think the Government would be justified in breaking an agreement that they made with these people who happened to come from countries with which we are now at war.

Mr. CURRIE: I will answer the hon. gentleman in one or two words. He, in common with a great many others who are pandering to the pro-German vote in the West are going about this country saying: Oh, we made an agreement with these poor people; they come under a special agreement with the Government, and we must do this and that for them; it does not do to break an agreement. I want to tell the hon. gentleman that, so far as civil contracts are concerned, there is not a contract in this country with an alien enemy that holds during the war. That is the law. Why should we place a weapon in the hands of these men in the West, as we are doing day by day, whereby they are going to strike down the men in this House and those people in this country who are sending their sons and brothers to this war? There is no law that I have ever been able to discover, international or otherwise, that justifies a course of that kind. I am very pleased that the hon. gentleman got up in his place to defend pro-Germanism in the West. I am sure that I, in common with a great many other people in this House, are not being very greatly amused, but very greatly alarmed, at the extent of the movement that has recently been organized in Canada for the purpose of destroying the historical Conservative party and putting in place of that party a so-called Unionist party. Does this new party hold the same views as the hon. gentleman?

Mr. LEMIEUX: May I—

Mr. CURRIE: I beg your pardon. Let me speak and after I have finished the hon. gentleman can make a speech if he pleases. I was going to say a great movement is organizing, with many newspapers subsidized from one end of the country to the other to bolster up a Union Government. We will all welcome a Government of any kind in this country, call it what you like,

that will end this war one day sooner, or save one life, but I, in common with others who have done a little bit for the war, dread that this may be a wooden horse that has been saddled and prepared, inside of which we may find something like 40,000 or 50,000 pro-German votes in the West which are going to send down forty or fifty members to support us in this House in carrying on the war. I cannot see anything like win the war in that. I say that, so far as I am concerned, as a soldier I denounce any attempt to pander to these Germans in the West, and that any man who stands up in this House or on the hustings in this country to advocate that these Hun reservists should have votes or should have any rights except those of minors is deserving of condemnation. They should not have the full rights of British citizens during the war. I say without any reservation that I have no confidence in any man who stands up in this House and says that they should have those rights, nor in any man who is a supporter of a propaganda in this country to win the war, for which apparently there are millions of dollars. May I be permitted to suspect very much where that money is coming from. Why, pray, should any British gold be spent to get German votes in the West to send members to this House? What is the object? When the hon. member went to the West years ago there was one tribe of Indians up there called the Blackfeet, and often when they were on the warpath they turned their snowshoes so that if a scout of the enemy ran across their tracks he would think they were travelling in the opposite direction to that in which they were going. I have travelled long enough in politics in this country not to be deceived when any individual or parties turn their snowshoes.

Mr. OLIVER: I wish to correct the hon. gentleman—the Blackfeet did not use snowshoes.

Mr. CURRIE: What did they use?

Mr. OLIVER: Ponies.

Mr. CURRIE: It was the ponies, I acknowledge it. Perhaps it was another tribe that used to turn their snowshoes and so try to deceive people as to the direction in which the warpath was being taken. That cannot go on in this country. No win the war party can pander to the votes of Hun reservists, and I say this so far as my party is concerned, even if I speak alone, and so far as any man in the Liberal party is concerned who wishes to see the war end, I say it is our duty to take cognizance of everything peculiar that is going on and to stand to our arms to-day in defence of this country and our soldiers, and in condemnation of those who stand up in this House or elsewhere and support the Germans voting in this country or having the right to be made citizens of this country or of exercising any political influence during the war.

Mr. TURRIFF: My hon. friend need not undertake to lecture me in this House. I am supporting the war as much as my hon. friend is, and the Germans of my constituency will support me in supporting the war. There are not many in my constituency, but those that are there will support the war. I have Germans in my constituency who went across with the first contingent to fight for Canada; and they are fighting there still.

Mr. CURRIE: I want to tell the hon. gentleman that every German who went over with the First Contingent, and I believe every man of German birth who has yet gone over, has been detained in England or else has been sent back here. With very few exceptions, unless they had the special permission and authority of the minister, they were not allowed to go to the front. There are no men of German birth in the trenches. I know of only one man of German birth from Canada who entered the trenches, and he was a young man from Stratford, Kahn, or from that district. To tell me what I know is absolutely not right and absolutely not true—that these men of German birth, German reservists, are sent over to the front to fight in the trenches—it is inconceivable: they cannot get within twenty miles of the trenches. The hon. gentleman says that, because there is an exception, because a few of these men have gone over to England where they are under observation, we should take the whole lot of these reservists to our bosom, and all that sort of thing—and let them vote. We have the evidence plainly before us in the late provincial election that, in the province from which he comes, every one of these Huns has his knife out for the Conservative party and the win-the-war party. He cannot stand up and tell me otherwise, because I know it, and I say it is no reason, because some Germans have enlisted and gone over to the war—because there are two or three exceptions of that kind—that we should shut our eyes. A few exceptions do not

prove the case. In fact, the hon. gentleman gave his own case away when he said the Germans would go over and fight against us if they had a chance. Still he wants them to vote against our soldiers. There is no distinction in this country between Germans and Hungarians. We now learn with astonishment that if a German has resided for three years in this country he can get his citizenship papers and vote at the next election. I appeal to hon. gentleman of this House: do you think it is fair and right to our soldiers? Do not you think it is an insult to the men you have sent to the front? If you do this, you will put it in the hands of German alien enemies to snipe our soldiers in the back. That is what they will do.

Mr. LEMIEUX: I was going to say to my hon. friend that, although the hon. gentleman from Assiniboia (Mr. Turriff) does not hold exactly the same views with regard to the measure passed the other day in this House as I do, I resent, as every hon. member in this House should resent, the insinuation of my hon. friend (Mr. Currie), when he said a moment ago that the member for Assiniboia was defending pro-Germanism in the West, when everybody knows that his son died for the cause a few months ago. I hope the hon. gentleman will withdraw.

Mr. CURRIE: I saw a wounded German-Canadian come back to this country, and I have seen his father, a German, deny him admission to his house. The son, if alive, would disown him.

Mr. LEMIEUX: The hon. member for North Simcoe is a gentleman, and I think he should withdraw the statement he made with regard to the hon. gentleman from Assiniboia (Mr. Turriff).

Mr. CURRIE: It is my word against the word of the hon. gentleman from Assiniboia. I say he is supporting the German party, the Hungarians and the Germans of the West, in this House, and that he stands for them, and that he thinks they should have the same citizenship and rights as the Canadian who is fighting in the trenches, and I say he is wrong and the people will not support him.

Mr. LEMIEUX: The hon. gentleman said that the hon. member for Assiniboia defended pro-Germanism, which is quite a different thing.

Mr. NESBITT: I am glad the hon. member for North Simcoe said there were some exceptions, because I was going to tell him that I knew one who, not only was in France, but was severely wounded, and was just as brave a young fellow as ever stood in clothes.

Mr. CURRIE: And those very men would be the first to vote for and support what I suggest.

Progress reported.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

SUPPLY.

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

Excise—Salaries of officers and inspectors of Excise, and to provide for increase depending on the result of excise examinations, $581,-318.75.

Mr. LEMIEUX: Will the minister explain the increase of $5,442.50?

Mr. SEVIGNY: It is due to statutory increases.

Mr. LEMIEUX: How many excise officers has the minister in the district of Montreal and how many in the district of Quebec?

Mr. SEVIGNY: Thirty-five to forty in Montreal and ten to fifteen in Quebec.

Mr LEMIEUX: I should think there was a larger number of officers both in Montreal and in Quebec. How many inspectors of excise are there?

Mr. SEVIGNY: We have only one inspector in the district of Montreal and one in the district of Quebec.

Mr. LEMIEUX: Have any new appointments been made recently in those two districts?

Mr. SEVIGNY: We have recently appointed four new officers in Montreal—four returned soldiers.

Mr. LEMIEUX: What are their names?

Mr. SEVIGNY: Mr. Barbeau, Mr. Gariepy, Mr. Gallaher and Captain MacKay Papineau.

Mr. LEMIEUX: I have lately read a very severe arraignment of a new patent medicine which is largely advertised in Montreal and Ottawa papers. The name of the medicine which everybody has seen advertised in the papers is Tanlac. In this criticism it is stated on good authority—I do not accept it as being true, because I do not

know myself—that this Tanlac is nothing but a substitute for liquor; that it contains a very large percentage of alcohol. It is being very severely criticised by the friends of temperance. I do not know whether I read this arraignment in the organ of the prohibitionists or not, but I suppose the attention of the minister has been called to the matter. If Tanlac is really nothing but a substitute for alcohol, the department ought to look carefully into the matter and see that no such medicine is offered for sale, especially in provinces, counties or cities in which the sale of liquor is prohibited.

Mr. SEVIGNY: No representations have yet been made to the department in regard to that patent medicine, but the department will certainly take the remarks of my hon. friend into consideration.

Mr. PROULX: Are all proprietary medicines analysed in the department?

Mr. SEVIGNY: Some of them are, but not all.

Mr. PROULX: I thought a law was passed some years ago compelling manufacturers of proprietary medicines to give their formulæ?

Mr. SEVIGNY: It is still the practice. Every proprietary medicine should be registered with the department, and if it is not registered an analysis of the medicine must appear on the label.

Mr. BOIVIN: Will the hon. minister give us the names of the employees who were dismissed to make room for the four returned soldiers whose names were given to the committee?

Mr. SEVIGNY: None were dismissed.

Mr. BOIVIN: I understand then the amount of $5,442.50 is to pay the salaries of these new employees?

Mr. SEVIGNY: No.

Mr. BOIVIN: How are their salaries provided for?

Mr. SEVIGNY: From the contingent account.

Mr. BOIVIN: Can the minister give us any idea how it happens that, after the excellent temperance legislation which was put into effect by this House at the instance of the Minister of Justice last year, doing away with the consumption of liquor in seven or eight of the nine provinces, it is now necessary to have more employees to inspect the output of the distilleries than were necessary before this legislation came into force?

Mr. SEVIGNY: As my hon. friend knows, we have no prohibition in the province of Quebec.

Mr. GRAHAM: You have, after nine o'clock.

Mr. SEVIGNY: After nine o'clock, yes. It is not improbable that having prohibition in other provinces the liquor trade in the province of Quebec has increased.

Mr. BOIVIN: Does the minister mean to tell us that there is more liquor consumed in the province of Quebec now than there was heretofore?

Mr. SEVIGNY: That is not what I said.

Mr. BOIVIN: Does the minister mean the trade has increased? Has the number of distilleries in the province of Quebec increased?

Mr. SEVIGNY: No.

Mr. BOIVIN: Has the number of distilleries in any other part of Canada increased?

Mr. SEVIGNY: No.

Mr. BOIVIN: Has the output of distilleries increased?

Mr. EDWARDS: Is it not the case that even in provinces where prohibition is in force the distilleries are engaged in the manufacture of alcohol for munitions purposes?

Mr. GRAHAM: Were any of those officers employed in Hull?

Mr. SEVIGNY: No. They were employed in Montreal.

Mr. BOIVIN: Can the minister tell us from the excise figures whether the consumption of alcohol or of alcoholic beverages manufactured in Canada has increased during the past year? He surely must have the figures from the department.

Mr. SEVIGNY: I understand the trade has diminished slightly during the last three months.

Mr. BOIVIN: And, with the trade diminishing, and this Government preaching economy, it is appointing other employees where they are not required, to do work that was done by a smaller number of employees when the output of the distilleries was greater. Although the minister admits the traffic is diminishing, still the Govern-

ment is increasing the number of employees, and at the same time preaching economy. Will the minister explain why those extra men were appointed?

Hon. Mr. SEVIGNY (translation): Mr. Chairman, my hon. friend knows that the city of Montreal is the largest in the Dominion, and it is in the Montreal district that my department collects the bulk of its revenue; I will go further, almost half of its revenue comes from the Montreal office. I may add that Montreal's liquor trade has increased substantially on account of the material increase in the shipments to the province of Ontario.

Mr. BOIVIN (translation): Montreal shipments to Ontario?

Hon. Mr. SEVIGNY (translation): Yes.

Mr. BOIVIN (translation): Can the hon. minister tell me whether the Ontario distilleries have ceased doing business?

Hon. Mr. SEVIGNY (translation): Two of them have shut down.

Mr. BOIVIN (translation): And the others which have no right to sell in their province ship liquor to Montreal and, under the frendly eye of the hon. Minister of Justice (Mr. Doherty) these beverages are sent back into Ontario.

Hon. Mr. SEVIGNY (translation): I cannot tell my hon. friend what is going on, but I have heard the wine and liquor dealers of Montreal say that they were doing quite a large business with Ontario.

Mr. LEMIEUX: Although the province of Quebec has not adopted prohibition, it is well known that the number of licenses has been decreased materially within the last five years. During the past year there has been a still greater decrease on account of the very severe policy inaugurated by the Gouin Government. In Montreal and in Quebec the number of licenses has been decreased as the result of new legislation. Outside of four or five large centres in the province there are no licenses. If you travel on the Intercolonial from Levis to Matapedia and from Matapedia to Gaspé, you will not find a single licensed establishment. There is one license at Gaspé, but it is not a license to serve liquor over the bar. Between a province that has adopted prohibition and my own province, which is on a fairly temperate basis there is not a very material difference, because I am pleased to say that in the province of Quebec within the last ten years the movement in favour of temperance has been so well managed by the churches and by the Government that almost every municipality is under temperance legislation. I might mention as instances the city of Three Rivers, the city of Joliette, and the city of Hull, where a vote was taken lately. One can see the wave in favour of temperance. People have decided that they will eventually banish the bar. Treating has been abolished in Montreal——

Mr. GRAHAM: And in all Quebec.

Mr. LEMIEUX: Yes, that is so. The step was especially important in the city of Montreal, because it has a population of about 700,000.

Mr. BOIVIN: The minister said that two of the large distilleries in the province of Ontario had been closed?

Mr. SEVIGNY: That is my information.

Mr. BOIVIN: Will the minister tell us what has become of the employees who were attached to those distilleries? Are they still drawing salaries from the Government?

Mr. SEVIGNY: We are reducing the staff every day.

Mr. BOIVIN: I understood the minister to say that nobody had been dismissed.

Mr. SEVIGNY: In Montreal.

Mr. BOIVIN: Have they been dismissed elsewhere?

Mr. SEVIGNY: When they are no longer required, their services are dispensed with.

Mr. BOIVIN: How many employees have been dismissed?

Mr. SEVIGNY: Four employees have recently been dismissed in Ontario because their services were no longer required.

Mr. BOIVIN: Four employees have been dismissed in Ontario recently, and four have been added in the province of Quebec, and yet there is an increase in salary of $5,442.

Mr. SEVIGNY: This increase is not on account of new employees, but on account of the annual statutory increases.

Mr. BOIVIN: Do the employees of the Department of Inland Revenue ever die, or are any of them ever dismissed from the service? I have been in this House for six years, and every year since this Government has been in power there has been an increase in the estimates, under the head of excise, of about $5,000 on account

of statutory increases. I should have thought that when the older employees leave the service through death or otherwise, the new men taken on in their places would be started at lower salaries and that there would consequently be a decrease in the amount required for statutory increases. In the ordinary course of nature the older employees must gradually be leaving the service, and new employees added. The expenditure incurred by this department is continually growing, although the revenue is decreasing. The minister tells us that the distilleries are being closed, that there is less liquor being consumed in Canada as a whole, yet in spite of this decreasing revenue the expenditure increases—and this at a time when the Government is preaching economy and imposing taxes. If the minister can explain this perpetual increase I shall be obliged.

Mr. SEVIGNY: The increase on account of salaries is very small, but the increase in the revenue is very large. In excise alone we have an increase of $1,000,000 this year.

Mr. BOIVIN: If the consumption of liquors has been decreased, where does the increase in revenue come in?

Mr. SEVIGNY: There is a decrease of about $200,000 on the liquor traffic, but there is an increase of $1,000,000 on tobacco.

Mr. BOIVIN: Is it not a fact that the increased returns from tobacco are due to the special war taxation which was imposed upon tobacco during the first year of the war? I think the minister knows well that the excise duties upon tobacco, cigars, cigarettes and every other form, were increased by the Minister of Finance. That extra taxation is collected, I understand, by the same employees who collected this taxation before the increase of about 10 per cent. If there is an increase in the excise duties upon tobacco, it is due to the fact that the duties are higher. Why is it that extra employees are put on to collect the extra money coming in from this source?

Mr. SEVIGNY: The increase in the excise returns upon tobacco is not due to the higher duties but to the increased consumption.

Mr. BOIVIN: Is it not a fact that the duties upon tobacco are higher than they were three years ago?

Mr. SEVIGNY: The duties were increased in 1915.

[Mr. Boivin.]

Mr. BOIVIN: Is the increase just mentioned by the minister an increase over the consumption of last year or over the consumption of 1915?

Mr. SEVIGNY: It is an increase over the consumption of last year.

Mr. BOIVIN: How much of an increase?

Mr. SEVIGNY: The increase is $975,000 on all sorts of tobaccos, cigars, cigarettes, chewing tobacco, etc.

Mr. BOIVIN: Has the minister any idea on which form of tobacco the increase has been the greatest?

Mr. SEVIGNY: I cannot say offhand, but I shall be only too pleased to let my hon. friend know if he will come over to the department to-morrow.

Mr. BOIVIN: What has been the decrease in the revenue upon alcoholic beverages?

Mr. SEVIGNY: About $200,000 for the last fiscal year.

Mr. BOIVIN: Is the number of employees the same as the year previous?

Mr. SEVIGNY: The number in Ontario has been decreased and the number in Quebec increased.

Excise—For extra duty-pay at large distilleries and other factories, $16,000.

Mr. SEVIGNY: Officers, not only of my department but of every department, are entitled to extra pay for overtime, and that accounts for this item.

Mr. LEMIEUX: I suppose officers of the department are doing extra work at the large distilleries which are turning out alcohol for the Imperial Munitions Board? Last winter I was at Renfrew, and saw the very large plant that is distilling alcohol there for the board. I suppose you would have an officer there, for instance?

Mr. SEVIGNY: We have one officer in each of these establishments.

Preventive service—Contingencies, $15,000.

Mr. LEMIEUX: What are the contingencies?

Mr. SEVIGNY: This amount is required to pay the salaries of our preventive service officers. The service has been reorganized and rendered more effective within the last year and a half.

Mr. LEMIEUX: How many officers are there?

Mr. SEVIGNY: About 150 all over Canada.

Mr. MACDONALD: The minister will remember that when his Estimates were last before the House he promised to give us an explanation in regard to the increase of $142,000 under Excise, $26,000 under Weights and Measures, and $10,000 under Adulteration of Food.

Mr. SEVIGNY: I have the explanation here and when we reach these items I shall be only too glad to give the information.

Mr. MACDONALD: There seems, apparently to be a new system of grouping these items. We have only one item under the heading of "excise," while in the estimates as formerly brought down, there was a separate resolution for each one of these items. Why is the minister asking for $54,000 more this year than he asked for last year?

Mr. SEVIGNY: This fund of $101,000 was created last year, and voted in the Estimates for the year 1916-17, for the purpose of bringing under one service all the preventive officers of the different branches of the department. Most of our preventive officers were temporary employees, who had been paid up to the moment of their permanent employment, out of the contingencies account of the excise, weights and measures, and food branches.

There have been appointed to date, in that service, about 106 preventive officers, who had been on the temporary list of officers for several years past, some as long as fifteen years. The average salary of these officers is to $950 per year; therefore, the sum necessary to pay them reaches $100,700.

This service is still in the course of organization, and there are still about sixty-four temporary officers, receiving a total salary of a little over $51,000. A large proportion of these officers will be appointed permanently in the near future, to complete the organization, and a certain number will be dismissed as excise work diminishes on account of prohibitory laws.

Nearly all these are temporary officers. Most of these temporary officers are, at present, employed in the Excise Service. It has been the policy of the department to transfer these officers to the preventive service, when they can be spared from excise.

The department has under consideration at present, the project of embossing promissory notes, checks, etc., with the two-cent stamp, free of charge. At present these commercial instruments are embossed by the British American Bank Note company, at the cost of $1 per thousand, when an order is above 15,000, and $1.50 per thousand, when under that figure, with a minimum charge of $5. The Banker's Association claim that they should not be called upon to pay the cost of embossing the checks, any more than the consumer is called upon to pay the printing of the war stamp. The department is inclined to favour the request of the Banker's Association. If the project is brought into practice, it will be necessary to purchase five or six embossing machines. Each machine will have to be manned by an officer skilled in the work of this nature, and additional employees, besides the operator, will be necessary. The salary required, under that heading, would probably amount to about $15,000. As this is an entirely new undertaking for the department, it has been thought advisable, for the present, to pay the salaries in connection with this additional staff of the stamp branch of the department, out of this preventive service fund. Therefore, the $54,000 of an increase, under this heading, is to cover the payment of the additional permanent preventive officers to be appointed, and also the salaries of the new stamp staff.

That this new preventive service has proven effective is apparent by a comparison of the revenue from the war stamp duty, and from the excise duty on tobacco and cigars. The preventive service within the last two years was instructed to see to a strict application of the tobacco laws and regulations, a matter which had received but little attention in the past.

Moreover, after the Special War Revenue Act was introduced, the department undertook a campaign of education, which lasted several months. Then it became evident that this law was being violated by a very large number of druggists and merchants, without any excuse whatever, and the discovry of violations of the law.

In comparing the figures below, with regard to the revenue from tobacco, one must take into consideration that the enlistment of 400,000 men has taken away from Canada, a large number of tobacco consumers; also that the department has consented to give to the soldiers in training, or going overseas their tobacco duty free, at a loss of revenue to the extent of four or five hundred thousand dollars, for each of the last two years. Notwithstanding all this, the revenue from tobacco has increased, thanks to a better and stricter observance of the tobacco laws, through the agency of our preventive service, as may be readily seen by glancing at the following figures:

Tobacco Revenue.

Revenue on tobacco for	1915-16..	$10,222,783.78
" "	1916-17..	11,197,102.52
Increase		$ 974,318.74
Revenue on tobacco for April and May, 1916		$ 1,746,042.44
Revenue on tobacco for April and May, 1917		1,887,129.52
Increase for April and May this year.		$ 141,087.08

War Tax Revenue Stamp on Patent Medicines, Cheques, etc.

War Tax for	1915-16	$1,550,488.35
" "	1916-17	2,072,441.42
Increase over last year		$ 521,953.07
War Tax for April and May,	1916.	308,658.11
" " "	1917.	351,562.58
Increase this year		$ 42,904.47

Mr. BOIVIN: Is it not a fact that the increase the minister has just mentioned in the war tax on patent medicines is due to the fact that when this tax was first put into operation the department had no stamps printed, and the revenue from that branch was included in the receipts of the Post Office Department because postage stamps were used?

Mr. SEVIGNY: Our stamps were printed within two months of the passing of the Act.

Mr. BOIVIN: Is it not a fact that the war tax stamp is more generally used now and is better known than it was two years ago?

Mr. SEVIGNY: Yes, because the preventive service of my department has seen to the application of the law.

Mr. BOIVIN: So that this large increase in expenditure has been for the purpose of making people buy war stamps instead of postage stamps to put on patent medicines?

Mr. SEVIGNY: Oh, no.

Mr. BOIVIN: The minister told us that $101,000 which was set apart in the Estimates for 1916-17 for this service had not been sufficient and that there was a balance of some $35,000 or $40,000 which he had been obliged to take last year out of another fund to pay for this service.

He was requested by the hon. junior member for Halifax (Mr. A. K. Maclean) to explain exactly how this money had been appropriated, and he promised that he would give this information on the items of Preventive Service and War Stamps. I think this would be the proper time to say where that balance was obtained and how it was appropriated to this service.

Mr. SEVIGNY: I have a memorandum about this matter. This item for 1914-15 was $151,000. It was reduced the next year by $21,000, and left at $130,000. It was still further reduced last year by $70,000, and left at $60,000.

Mr. BOIVIN: I was referring to the item immediately preceding the one with which the minister is dealing. I would like to know where the minister got the money to pay these employees.

Hon. Mr. SEVIGNY (translation): For many years, for over fifteen years, there were in the department temporary employees who were paid from the contingent fund. When the House passed the new Act to increase the revenue, we availed ourselves of these temporary employees to educate the people, to look after the proper administration of that Act, and we have come to the conclusion that it would be clearly in the interest of the department to retain this staff who were performing such a good service and so, instead of keeping them on as temporary, the department intends to appoint them as permanent employees. In the past, they were paid from the contingencies; in the future, they shall be paid from this sum of $155,000 which we ask for this year. Last year, we asked $101,000 for the temporary clerks whom we have made permanent. We still have fifty temporary employees. We intend transferring several of these clerks to the permanent staff, and it is for that reason that I am to-day asking the House a sum of $155,000, in order that this staff of permanent officials be paid out of this same item.

Mr. BOIVIN (translation): I quite understand the hon. minister's remarks, only he is not answering my question at all. I asked the hon. minister if that service had cost him more than $101,000 last year, and if that service has not cost him more than $101,000 last year, why should it cost $155,000 this year? He answers the second portion of my question by saying that he intends making the temporary clerks permanent and paying them larger salaries.

Hon. Mr. SEVIGNY (translation): I did not say that. Not a larger salary and from this amount of $155,000.

Mr. BOIVIN (translation): But when the Estimates were before the House, on June 15, the same hon. minister told us that there had been an error in making the estimates last year, and that this amount of $101,000 last year had not been large enough

to pay these employees, that it had cost $155,000, that he had been forced to take the money somewhere else, without telling us where he had taken that money, and that is the explanation we would like to have to-night.

In order to refresh the hon. minister's memory, he has stated, on page 2479 of the Hansard, unrevised edition:—

Mr. Sevigny: I am informed by the officers of my department that last year an error was made by the accountant of the department in making an estimate of $101,000, and that we have had, on account of that error, to make an expenditure from the War Fund. It is to meet the exigencies of the service that we ask for $155,000 this year.

Now, a debate ensued in the House. The hon. minister has not been able to satisfy the Opposition members as to the right he had to take that money from the War Fund to cover an error, to make up a deficit in the amount entered in last year's Estimates, by reason of an error made by one of the officers of his department. He promised to give us some further explanation; to-night he tells us more employees are needed this year, or if more are not needed, that some temporary ones should be appointed as permanent and to pay them under a new heading, if you may so call it. That portion, if I understand it right, refers to the coming year, but it is the explanation as to last year that is not yet given us and that we would like to have.

Hon. Mr. SEVIGNY (translation): As to the explanation for the last year, here it is: Last year, we had an amount which had been voted us and which was not adequate to pay the employees on duty in my department. Seeing that we were without sufficient funds, that we needed revenue as it was impossible to leave unpaid those working for the department, as it was impossible to discharge them, we have sought some means to pay them.

After consulting the Auditor General, the latter authorized us—the department—to pay them from the War Fund. I have used the expression "War Fund" because the $125,000 item in the estimates is called the "War Fund," in my department. This fund is generally known as the "War Fund" in the department, and, on account of the error I have mentioned, seeing that we had not enough money to meet the expenditure, we were authorized by the Auditor General to take a sum of $27,000 from that war fund.

Mr. BOIVIN (translation): That fund is the vote which reads as follows:—

To provide for stamps, stationery, salaries, travelling expenses, etc., in connection with war tax.

Hon. Mr. SEVIGNY (translation): Yes.

Mr. BOIVIN (translation): Well, if the hon. minister was obliged to take from this fund the sum of $54,000, how is it that, this year, it is not reduced by this amount of $54,000, for I see that this item is still for the same amount, this year?

Hon. Mr. SEVIGNY (translation): It is because, as I have just stated, the Government intend to put in an outfit to print the stamps to be used upon the cheques and the notes. Now, to set up this service, we must purchase five or six machines which we can get only in England.

Mr. BOIVIN (translation): How much do these machines cost?

Hon. Mr. SEVIGNY (translation): From $1,300 to $1,500 each.

Mr. BOIVIN (translation): Six machines like these at $1,500 would amount only to $9,000. That leaves quite a margin, and I would like to know how the hon. minister intends to expend it.

Hon. Mr. SEVIGNY (translation): Does my hon. friend mean the balance of the $54,000?

Mr. BOIVIN (translation): Yes.

Hon. Mr. SEVIGNY (translation): As I have just said, there are in my department some temporary employees.

Mr. BOIVIN (translation): We have provided for that. In last year's estimates we had an item:—

To provide for stamps, stationery, salaries, travelling expenses, etc., in connection with war tax.

Mr. BOIVIN: The hon. gentleman says that there was a mistake, that that item should have been $155,000. That is admitted. He took the balance of $54,000 last year out of the vote to provide for stamps, stationery, travelling expenses, etc., in connection with the war vote, which vote last year was $125,000. That closed the books last year. Whether it was or was not right to do what the hon. gentleman did, I do not propose to discuss at present; I will leave that to other hon. gentlemen. But the fact remains that the hon. gentleman now admits that he took $54,000 from the item to provide for stamps, stationery, and so forth, and applied it to the item of Preventive Service salaries, which, owing to mistake, was not large enough. This year he tells me he will increase this item of $101,000 to $155,000 in order to provide for the $54,000 he had to take out of another item last year. I now ask the hon. min-

ister why he did not reduce that other item by $54,000 which he did not need last year. He tells me he intends to buy four or five machines for the purpose of embossing drafts and cheques, with the two-cent war stamp which machines would cost about $5,000, and which would very rightly come under that head. I now ask him what becomes of the balance of $49,000, which he has already provided for this year in his vote of $155,000, which I must say, in all fairness to the hon. minister, he has explained to the House, as far as this year is concerned, in a very satisfactory manner. But I cannot understand why the other item is not reduced. If he had $54,000 too much last year, and if he only required to use $5,000 for other purposes this year, there should be a reduction of $49,000, especially when we are imposing new taxes every day and preaching economy.

An hon. MEMBER: And imposing an income tax.

Hon. Mr. SEVIGNY (translation): From what my hon. friend has just said, we would have spent last year more money than we had. There is one point which my hon. friend forgets: in February last, my predecessor had asked the House a certain amount of supplementary estimates in order to make up for the difference in the votes we needed in 1916-17; the House granted the amount asked for. My hon. friend will now allow me to read to this House a memorandum which I caused to be prepared in order to reply to the questions which were put to me when this item was first submitted to the House. This refers to the $90,000 item.

This item for 1914-15 was $151,000. It was reduced the next year by $21,000, and left at $130,000. It was still further reduced last year by $70,000, and left at $60,000. The preventive service was, at that moment, in the course of organization, and as it was necessary to create a special fund for special service, it was deemed that $70,000 could safely be taken from that item and transferred to the preventive service fund, which would be paid the permanent officers after being transferred from this temporary service. The total expenses under that heading amount to $107,954.-

9 p.m. 80, in which is included the expenditure for special assistance of $27,697.12. This latter amount was used to pay temporary preventive officers, whose duties were more especially connected with the observance of the Special War Revenue Act, and was, after consultation with the Auditor General, transferred to the item of $125,000 voted in connection with the War Tax. This left a balance expended of $80,257.68, or $20,257.68 of a deficit. This was covered by a supplementary estimate of $30,000, which was asked for two or three months before the end of the fiscal year, at a time, when the exact amount of the deficit, could not very well be ascertained. The item is brought to $90,000; that is to the amount actually voted last year—$60,000 in the main estimates, and $30,000 in the supplementary estimates, above referred to. It is deemed that this amount of $90,000 will be about sufficient, in view of the general increase of divers items, such as travelling expenses.

(Translation): So that my hon. friend can see that with the amount of $30,000 which was voted us in the month of February last, and with these $60,000 voted at the last session, we are asking, this year, the same amount exactly.

Mr. BOIVIN (translation): That makes $90,000.

Mr. MACDONALD: What is the sum total of the minister's explanation? Will he tell us why he asked for $54,000 more to carry out the work of the department in connection with the salaries of preventive officers. He tells us that the auditor of the department made a mistake last year, and only asked for $101,000 instead of the necessary amount; then he proceeds to read a memorandum in which he confuses these items, travelling expenses, etc. There was an increase of $30,000 last year, and he proceeds to tell us his department spent some $20,000 more than they asked for last, and that when they found they were spending this $20,000 more, they got a vote for $30,000, not knowing how much the deficit was going to be. Then he refers to the following item, which is the one which specially relates to the war tax, and which is the vote Parliament gave for the enforcement of the war tax, and which has nothing whatever to do with the preventive staff, stamps, stationery, salaries, travelling expenses in connection with the war tax. My hon. friend asked for $125,000 and he tells us a certain amount of money was taken to pay the deficit on some previous vote, but he does not tell the House what it was. When this matter was before the committee on a previous occasion all these figures were gone into. He tells us this deficit, which was due to an error of an accountant of the department, was taken out of the war fund, out of the money voted under the War Measures Act. That is what he believed a month ago. What possible right has the minister to take out of the money which

was voted under the War Measures Act any sums of money whatever?—because that is the money upon which this country is going to pay interest for all time, or until the debt is wiped out.

But that is what he told us before. Now he confuses those three items, giving us an explanation which is no explanation at all. The result of the whole thing is that the minister is asking the country to give him, for those items which have no reference to this item for expenses in connection with the war tax, $84,000 more than was voted last year. The proposition is ridiculous. The minister has the greatest possible temerity in coming to this House with such a proposition.

Mr. SEVIGNY: Last year, as I have already stated we had to pay the temporary preventive officers of my department, and when we saw that there was not enough money to pay them, we inquired of the Auditor General and he told us that there was no objection at all to paying them out of this item:

To provide for stamps, stationery, salaries, travelling expenses, etc., in connection with war tax.

And that was done by the department with the authorization of the Auditor General.

Mr. MACDONALD: If the minister had so much more money than was necessary for the purpose of providing for stamps, stationery, salaries, travelling expenses, etc., in connection with war tax, why is he asking for the full $125,000 this year? Why did he pay, under the item of "preventive service, salaries," employees for services rendered under this other item in connection with the war tax?

Mr. SEVIGNY: It is because the service is permanent now. We wanted an amount to pay the permanent service. That is something new that we did not have last year.

Mr. MACDONALD: That has nothing to do with the matter at all. My hon. friend's predecessor obtained from Parliament $125,000 for the purpose of paying expenses in connection with the administration of the war tax. He did not need to spend more than one-half of that amount for the purpose of enforcing the war tax. Now he says that he desires to employ permanently a number of preventive officers, the necessity for whom nobody has yet ascertained, and because he employed a number of temporary officers who are called preventive officers under that item, he diverts the money from the war tax item for the purpose of paying his preventive officers. He asks Parliament to vote $84,000 more than last year to pay these officers, and at the same time he asks for $125,000 more for the purpose of enforcing the war tax, when he expended only half that amount last year.

Mr. SEVIGNY: We are not employing new officers. We have for many years past had temporary officers.

Mr. MACDONALD: Where are they?

Mr. SEVIGNY: Throughout the whole country.

Mr. MACDONALD: What are they doing?

Mr. SEVIGNY: We have 150 temporary officers throughout the country.

Mr. MACDONALD: What are they doing?

Mr. SEVIGNY: They are engaged in the preventive service, and they are performing their work very well, as shown by the fact that our revenues are increasing every day.

Mr. MACDONALD: Where are they?

Mr. SEVIGNY: In Montreal, Quebec, Toronto, Halifax.

Mr. MACDONALD: My hon. friend must have employed many of his political heelers.

Mr. SEVIGNY: We have an officer in Pictou.

Mr. LAPOINTE (Kamouraska) (Translation): Mr. Chairman, the hon. minister states that he had much difficulty in finding the money needed to pay those employees, the preventive officers; that he had to take the money from the next following item. Those employees were temporary ones whom he made permanent, because, among other things, their services are essential to educate the people. Has the hon. Minister the list of those employees?

Hon. Mr. SEVIGNY (translation): No, we do not have it here.

Mr. LAPOINTE (translation): The hon. Minister has in my county one of these preventive officers to educate the people. In the county of Kamouraska, there is a man named Pantaléon Courcy, preventive officer for the Inland Revenue Department. This gentleman draws a salary from the Department. He was appointed before the war; he continues drawing his salary, and he does absolutely nothing for the department. His name is Pantaléon Courcy, of St. Pacôme, Kamouraska county. I pray the hon minister to remember that name. He is drawing a salary at a time when the country evidently needs all its available funds;

when we are obliged to impose new and very heavy taxes upon the people. The department is employing election people and pays them salaries, when the strictest economy should exist. The hon. minister says that there are one hundred and fifty of these preventive officers. If the 149 others are doing what Pantaléon Courcy is doing in the county of Kamouraska, to earn his salary, I do most strongly protest, and I ask the hon. minister to put an end to paying useless salaries to people who are doing absolutely nothing for the department.

I believe I may challenge the hon. minister to produce any report whatever from that gentleman to the Inland Revenue Department, unless it be one in which he claims his salary.

In the neighbouring parish of St. Philippe-de-Néry, there is another gentleman who was postmaster, who had been appointed postmaster after the last general elections—the Liberal postmaster having been dismissed—a certain Mr. Roy was appointed in his stead. That appointment was not very popular in the parish, and in order to rally the Government's partisans who were refusing to vote in a local by-election which was subsequently held, they divided the St. Philippe post-office, and they established another one, two arpents from the first, in the village of St. Philippe-de-Néry. There are two post-offices, one in St. Philippe West, and the other has the pompous name of St. Philippe East. There are a few feet separating one from the other. This, Mr. Chairman, still exists during the war.

The first postmaster, Mr. Roy, was very angry to find his revenue cut down by the establishment of an extra post office. The Inland Revenue Department was just the one to heal his wounds, and a position was given to this man also. He is now food inspector. He draws a salary from the department; that is to say he resides in St. Philippe parish, he never travels, he does nothing for the department, he draws a salary and they keep on imposing taxes in the county of Kamouraska, as in all other sections of the country.

In the Customs Department there is one Mr. Desjardins, who draws a salary as a preventive officer for that department, who does absolutely nothing, his services are in no way required, not more than those of Mr. Roy; all these parties are drawing salaries from the public treasury during the war, when everybody is paying heavy taxes, as I have just said.

[Mr. E. Lapointe.]

My hon. friend states that he has made permanent these temporary employees, and that he is obliged to take from an item voted for some other ends the money required to pay these gentlemen.

For my part, I wish to protest as strongly as I can on behalf of my county, of those whom I represent. The hon. minister should put an end to this scandalous system; he should suppress those positions which do not exist as such, which are nothing but a trick to pay salaries to Government creatures. This should be immediately done, rather than to continue imposing new taxes.

Hon. Mr. SEVIGNY (translation): I must say to my hon. friend that the observations he has just made will be taken into consideration. It is the first time I have heard of Mr. Courcy, and moreover, I am informed by my deputy minister, that he does not believe that this party named Courcy is still in the employ of my department

Mr. BOIVIN: I understood the Minister to say in connection with these three items: preventive service, travelling expenss, etc., that the employees made permanent this year were in the service last year, but that last year they were paid out of the fund known as Contingencies.

Hon. Mr. SEVIGNY (translation): Those employees are also engaged to see that the war measures are enforced, such as are under my department; then we have paid from the item—

To provide for stamps, etc., in connection with war tax.

—with the Auditor General's authorization.

Mr. BOIVIN (translation): Then, with the Auditor General's authorization, these employees were paid from another item?

Hon. Mr. SEVIGNY (translation): There is also the word "salaries."

Mr. BOIVIN (translation): Then, the hon. minister admits that he has in his department, this year, with a few exceptions, the same number of employees he had last year, except that this year, without increasing their salaries, to reward their good services and in the country's interest, he has appointed them as permanent employees; but that it does not cost any more to the country, whether they be permanent or temporary clerks.

Will the hon. minister explain to us how it is that, for the same number of employees, he is asking this year for $87,000 more than he asked last year?

Hon. Mr. SEVIGNY (translation): I am not asking for $87,000, the hon. gentleman forgets that in February last, the House completed the amount. Therefore, it does not make $87,000.

Mr. BOIVIN: How much short were you? Is it not true that the supplementary estimates called for $30,000, and that these supplementary estimates were accompanied by an explanation from the minister, stating that he had been obliged to spend $20,000 more; that in order to provide for any contingency, he is asking to-day, in his supplementary estimates, $30,000?

In the supplementary estimates, $30,000 is applied for the House of Commons is informed that there is no intention of increasing the number of employees nor the salaries. Instead of increasing salaries by $30,000, they are increased by $87,000, even should it be necessary to present, as it will surely be done, some further supplementary estimates.

Hon. Mr. SEVIGNY (translation): I pointed out to my hon. friend that we intend making a new departure in my Department; we intend buying machines to emboss notes and cheques. This improvement is being urged upon us and, of course, a staff shall be required for this new service.

Mr. BOIVIN (translation): This cheque embossing staff will then cost the country the sum of $55,000, since that is the difference between last year's and this year's estimates. Therefore, if this service is to cost the people of this country the sum of $55,000, would it not be better to let the big manufacturers and the large business firms pay that expenditure or else let things stands; that is to say, that the employees of these firms shall themselves stamp their notes and cheques. I do not hesitate to say that it is with the object of helping along those gentlemen, that the department propose to have these cheque books prepared so that they will not be obliged to put these stamps on, and the poor fellow who cannot afford to get a cheque book will have to buy his postage stamps as in the past. I cannot see there is a reason to burden the estimates with this rather large amount of $55,000.

Hon. Mr. SEVIGNY (translation): I beg to point out to my hon. friend that, while being an improvement upon the present system, this new departure will also be an economy to the country. Just now, a large number of people are using common postage stamps and my hon. friend certainly knows that the Government pays a commission of 20 to 50 p.c. for the sale of such stamps.

Mr. BOIVIN (translation): Is it not true that a large number of people, now using postage stamps on their notes and cheques, will still be obliged to use the same in the future, for I have no doubt that these cheques you are going to have embossed by special machinery, bought in England, shall be for the use of firms such as the Royal Trust Company, the Capital Trust Company, the Toronto Trust Corporation and other such firms, while a large number of people, as I have just said, will buy their stamps in the future as they did in the past, and that the Government will always have to pay a commission of 20 to 50 per cent upon these stamps.

Is it not true that this expenditure, which the Government intend to make and which this House is asked to authorize to-night, is meant to save work to the employees of the big firms, which are more able to make this expenditure than the Government?

Hon. Mr. SEVIGNY (translation): My hon. friend knows that this improvement has been asked us by the Bankers' Association. He knows that the cheques which every one uses are taken from the banks.

Since the banks will be given embossed cheques, if my hon. friend wants a cheque book, the bank will give it to him with the stamps embossed upon the cheques.

Mr. MACDONALD: The minister is still at where he began. The minister is asking for an increase of $9,000 over last year for the inside service of his department. For the outside service, he is asking for an increase on excise alone of $142,442.50, or a increase on the two items of over $152,000. Then there is also an increase of $87,000, made up of $3,000 for preventive service contingencies, $54,000 preventive service salaries, and $30,000 travelling expenses, fuel, etc. My hon. friend is asking for this increase of $87,000 in war time when everything is being taxed. When we asked him to account for this increase he told us there were a lot of preventive service officers employed throughout the country, that the accountant or his office made a mistake in not asking for enough money last year, and that they had to take the money out of the war vote. All of which is unintelligible to others in explanation, more particularly in view of the fact that I have here the estimates of last year, and I find that for contingencies there was a sum of $10,000 and for other preventive ser-

vice salaries last year there was $101,000 voted, and for travelling expenses, rent, fuel, and stationery, there was $60,000 voted. The year before, for the three items, there was only $143,000 voted. In 1916-17 there was $161,000, or an increase of $28,000 for that particular service.

Mr. SEVIGNY: Will my hon. friend permit me? In addition to this item of $60,000 voted last year, we had another amount of $30,000 voted in February last.

Mr. MACDONALD: I quite understand that.

Mr. SEVIGNY: So, this item should read $90,000 instead of $60,000.

Mr. MACDONALD: If my hon. friend will look at th estimates of last year he will find his predecessor got $161,000 for carrying on the preventive service, whereas the year before it only cost $143,000. My hon. friend tells us he had a Governor General's warrant out of some fund which gave him $30,000 more, and that was passed at the beginning of this session. This means my hon. friend spent last year $191,000 on a service which only cost $143,000 the year before.

Mr. SEVIGNY: Our increase in revenue last year was a million and a half dollars.

Mr. MACDONALD: The increased revenue was either from excise or from war tax. When we asked my hon. friend what these preventive officers did, he said he employed 150 extra men to educate the people, and he got the Auditor General to let him take so much money out of the war tax fund. Speaking on this subject last year, my hon. friend's predecessor said in answer to a request by the hon. member for Rouville (Mr. Lemieux) for an explanation of the increase:

> There is an increase of $5,051.25 in the first item, which is due to statutory increases and changes. There is no increase outside of that. On the second item, for extra duty paid at large distilleries and other factories, there is an increase of $1,000 due to increase of business. The same explanation applies to the increase of $500, in the third item, duty paid to officers serving longer hours at other than special surveys. In the fourth item, preventive service contingencies, the increase is only apparent because it was made up of several items. The department is creating a new fund, so as to bring the preventive service under one heading. The creation of this fund does not occasion an increase, because certain amounts are taken from other funds, such for instance as the appropriation in connection with the adulteration of food. In preventive service contingencies, there is a decrease of $3,000, in excise contingencies a decrease of $70,000, and in gas and electric light inspection, a decrease of $11,000.
>
> Mr. Lemieux: You take from other services and apply to this new service?
>
> Mr. Patenaude: Yes.
>
> Mr. Lemieux: And you do not increase the general vote.
>
> Mr. Patenaude: There is no increase at all. You will find a decrease in all these items.

The result was that this Government came to the House last year and said: We are going to reorganize the preventive service, and it is not going to cost the country a single dollar more. Yet although the department had a vote for preventive service of $28,000 more last year than it had the year before the minister (Mr. Sevigny) tells us they spent $50,000 more on that service, and employed 150 men throughout the country. What were these men employed for? The money is voted for those services in the vote for salaries, extra duty pay at large distilleries, duty pay to officers serving longer hours, and so on. My hon. friend talks in an uncertain way about war taxes, and about tobacco, and so on—matters which have no relevancy whatever to this question. Why did my hon. friend spend $58,000 more last year in employing extra preventive officers, for which he had no warrant or authority, when his predecessor declared in Parliament last year that what was being done would not cost the country one cent more? In addition, having admitted to the House that out of the vote of $125,000 which was taken for the administering of the war tax last year, he had sufficient surplus to repay the $50,000 which he had overexpended for preventive services, my hon. friend is now asking to take this full $125,000, which is $50,000 more than was needed last year. I submit, he must place upon the Table a statement of the number of additional preventive officers he employed, where they were employed, and what their particular duties were, and a statement of what possible reason there could be to spend $60,000 in preventive service, without authority and in the face of the representations that anything that was to be done would not cost a single cent more. The Minister of Finance is taxing everybody, yet the Minister of Inland Revenue comes along with heavy increases in his Estimates, without any warrant whatever, and spends this money, as my hon. friend from St. John (Mr. Pugsley) said the other night regarding another matter, like a drunken sailor.

Mr. C. A. WILSON: Would the minister tell me if there are any preventive officers

in the county of Laval, and if so what are their names and what salaries do they draw? If the minister has not the list with him to-night, I would be pleased to have the information later on.

Mr. SEVIGNY: I will see that a list of those officers is prepared and sent to my hon. friend to-morrow.

Mr. MACDONALD: I think this committee is entitled to know who those additional preventive officers were, where they were employed, and their salaries, in order to find out where the $87,000 has gone. The committee is entitled to that information before the vote passes.

Mr. SEVIGNY: I would be glad to give my hon. friend the information but I have not the list before me.

Mr. MACDONALD: Then let this particular item stand and go on with the others.

Mr. SEVIGNY: I have a list of the temporary employees of the department.

Mr. MACDONALD: But my hon. friend seems to forget that he has a vote, and his predecessor had a vote which will be found at page 20 of the Estimates of this year—which provided for the officials of the department in the Inside Service and for contingencies. This year the amount is $202,412.50, which is an increase of about $9,000 over last year. It has no relation to this vote. This is a vote for the Outside Service altogether. If it is not, my hon. friend should ask for his money under the Civil Government Estimates and not under this.

Mr. SEVIGNY: Here is a list of the preventive officers in the Outside Service.

Mr. MACDONALD: I want the additional ones on which my hon. friend is spending this $87,000. I do not want the whole list. We can get that in the Civil Service list.

Mr. SEVIGNY: I think my hon. friend is wrong when he says that $87,000 was paid to temporary officers last year. I am informed by my deputy minister that the amount paid was $27,000. If my hon. friend wants the list of preventive officers I can read it.

Mr. WILSON: If it is not too long you might as well give it now.

Mr. MACDONALD: If my hon. friend only paid $27,000 for these officers, why is he asking for $87,000 more this year?

Mr. SEVIGNY: I am not.

Mr. MACDONALD: By reference to page 84 of the estimates it will be seen that my hon. friend is asking for additional amounts over last year as follows:

Preventive Service—Contingencies	$3,000
Preventive Service—Salaries, rent, fuel, stationery, etc.	54,000
Travelling expenses	30,000
Total	$87,000

Mr. SEVIGNY: What about the $30,000 voted in February for last year?

Mr. MACDONALD: That is so much more.

Mr. SEVIGNY: That is for last year.

Mr. BOIVIN: The minister says that there was a special vote in the supplementary estimates put through in February last, of $30,000, for the purpose of paying salaries last year. He tells us that these salaries, which were not provided for in the estimates last year, amounted to $27,000, and that they were provided for by the $30,000 vote. My hon. friend from Pictou (Mr. Macdonald) asks the minister if the estimates last year were short $27,000. If that is so, and if there are increases this year to the extent of $87,000, there is a discrepancy of $60,000.

Mr. SEVIGNY: If my hon. friend will figure up the amounts in the estimates he will realize that he must be wrong. They are, $155,000, $90,000, $125,000, making a total of $370,000.

Mr. BOIVIN: But I was referring to the increase. I take it for granted that what was voted in 1916-17 was more or less honestly expended and that the department was justified in asking for as much this year. But, if the department asks for $87,000 more this year than it had last year, we want to know what is to be done with the money, especially in time of war when we have new taxes imposed upon us every other sitting of the House.

Mr. SEVIGNY: Last year there were the following items: $101,000, $60,000, $125,000, and in February last $30,000 making a total of $316,000. This year we are asking for $155,000, $90,000 and $125,000, making a total of $370,000. Consequently, there is an increase of $54,000. It is the intention of the department to establish a plant for embossing cheques and it is probable this new organization will cost at least $25,000.

Mr. LEMIEUX: A plant in Ottawa?

Mr. SEVIGNY: A plant in Ottawa for embossing cheques.

Mr. LEMIEUX: I think there is a contract between the Government signed by the

Finance Minister and the American Bank Note Company for the printing of all bonds, stamps, etc.

Mr. SEVIGNY: I do not know exactly what the contract is between the Government and the company, but I am informed that the company prefer not to emboss cheques, and are willing that the work should be done by my department.

Mr. BOIVIN: What about the difference between $25,000 and $54,000?

Mr. SEVIGNY: It is for the complete organization of the preventive service in my department, which is very important. This service is doing well and we have only to look at results to realize it. The revenue, on account of the good service of the employees, is increasing every year, and the department should get some credit for that.

Mr. BOIVIN: The minister omitted from his calculation an increase of $3,000 under the head of contingencies for the preventive service. If he will add that to the $54,000 he will have $57,000 as the exact amount of the increase.

Mr. SEVIGNY: A few moments ago my hon. friend said it was $87,000.

Mr. BOIVIN: That was before we had deducted the $30,000 provided for in the supplementary estimates and which should have been $27,000 instead of $30,000. Leaving out that $30,000, we still have a difference of $57,000. The minister tells us he is going to provide for the installation of this plant for embossing cheques, which, I understood him to say, was going to cost $25,000. The minister will remember that he told the committee about an hour ago that it was not his intention to increase the personnel of his department.

Mr. SEVIGNY: It is not my intention, but if it is necessary I will do it; if it is not necessary, I will not do it.

Mr. BOIVIN: Therefore, without having any idea whether it is going to be necessary or not, without having any idea of the number of employees which must be added, without having any intention of increasing salaries and without any intention of increasing the personnel unless absolutely necessary—and with the right the minister always has to come back to this House with his supplementary estimates next year to provide for any slight increase in the number of employees who may be employed—he asks us to-day for an additional vote of $57,000, and the only explanation which he gives to us is that it is the intention of the Government to instal machinery for embossing cheques for the advantage of banks and large financial corporations.

Mr. SEVIGNY: And for the advantage of my hon. friend, too.

Mr. BOIVIN: Not at all.

Mr. SEVIGNY: For the advantage of everybody.

Mr. BOIVIN: Your hon. friend can continue as he has been doing, buying the war stamps at two cents each and placing them upon his cheques when he has any funds in the banks to issue cheques upon. That is what your hon. friend will continue to do and what most of your hon. friends on both sides will do. But the large corporations, and especially the trust companies, may find it more convenient to have their cheques embossed. The Government is going to spend $25,000 for their convenience, and the balance of the $57,000 is placed there in case it may suit the convenience of my hon. friend to hire more employees, like the one referred to a moment ago, who does absolutely nothing. Why not make the employees now in the department work before new ones are taken on? Why employ useless men, men who do nothing from the beginning of the year to the end? The minister said that five of these machines could be purchased for $1,300.

Mr. SEVIGNY: I said $1,300 and $1,500.

Mr. BOIVIN: Now the plant is to cost $25,000. It may be that the personnel will eat up the balance. If so it is a bad investment for this Government.

Mr. SEVIGNY: We expect to make lots of money for the Government with this new organization.

Mr. BOIVIN: How much and in what way?

Mr. SEVIGNY: The Government will not have to pay a commission of from twenty per cent to fifty per cent on the sale of postage stamps.

Mr. BOIVIN: I understand that that commission is paid only in small country post offices where the war stamps used on cheques will be very few. The minister cannot get away from the fact that these cheques are to be embossed for the convenience of the big corporations. If these corporations do not wish to pay employees for affixing

the stamps to their cheques, they should pay for the embossing of their cheques But, passing over the $25,000, what of the other $32,000? My hon. friend says it is for employees whom he may engage later on. He cannot say whether it will all be needed or not for employees who may be taken on upon the eve of a general election. It is currently reported in the House that we shall have a general election this year, and here is the minister asking us to place $57,000 in his estimates to employ people during the course of the year if it becomes necessary to do so. Who is going to decide, after this House has been dissolved, whether those employees are necessary or not? It will be the minister. How many preventive officers will be employed in Dorchester out of the $57,000? Nobody knows. The vote should not be passed if we cannot be told why the money is needed by the Government.

Mr. SEVIGNY: It is needed by the department to organize the preventive service.

Mr. MACDONALD: Was there no preventive service before?

Mr. SEVIGNY: Yes, but the business of the department is increasing all the time.

Mr. MACDONALD: In what way?

Mr. SEVIGNY: I am informed by the deputy minister that two years ago we had no well organized preventive service. Since we have organized the preventive service all over the country the laws of the department have been better enforced and the revenue has increased every year. It is the opinion of the department that this preventive service is rendering very valuable and important service.

Mr. MACDONALD: If the minister thinks there never was any preventive service until he took charge of this department he is under a strange and weird delusion.

Mr. SEVIGNY: I said two years ago.

Mr. MACDONALD: We have had a preventive service since Confederation. My hon. friend's predecessor did not talk of creating a service but of bringing the preventive service under one head. He said that was not going to increase the cost to the country. My hon. friend said that last year he employed additional men. I asked for the names, and he said he would give them. I should like to have them. If the information is to be of any value, we must have the names and places where these men are working, and the increased amount my hon. friend is asking, together with an indication of the number of new men who have never been employed, who are now to be employed by him. My hon. friend has not the statement ready, and as it is a warm night, I am willing to let the three items in regard to preventive officers stand, and let him proceed with his Estimates.

Mr. SEVIGNY: I will see that the lists are sent to Hansard.

Mr. LEMIEUX: I wish to call the attention of the Minister of Finance to this item, "Preventive service—salaries, $155,000." That sum is being asked to cover the salaries of preventive service officers, as against $101,000 a year ago. The Minister of Inland Revenue tried gallantly to defend the item, but he will admit that it is no defence. It is election gold, and nothing else. Here we are asked to vote this year $54,000 more than last year for the preventive service of the country, when my hon. friend is coming before Parliament with this legislation imposing a new burden on the people of a most drastic nature. The item may not appear very large to my hon. friend, but if so, it is because at the present day he is dealing with millions and hundreds of millions. But the item will strike the popular imagination as a large amount, and it is by pruning away such useless expenditure, such election expenditure, that my hon. friend will really be what he ought to be, the faithful watchdog of the treasury. We are living in extraordinary times. We are asked, day in and day out, to pay from our income in order to maintain our position at the front and help the Allies to win the war, and this should be the primary consideration of the Government. I said yesterday, when my hon. friend introduced his income tax resolution, that I considered it was a logical sequence of our entering into this war, that while I would approve of the measure, yet the public and the taxpayers of this country would expect that the chief tax gatherer would cut off all unnecessary expenditure. We are this evening discussing an item which is not a very important one, I confess, but looking at the figures for the preventive service salaries this year, we are asked to vote $155,000 as against $100,000 last year. The minister has explained that with this $54,000 additional he would, if need be, pay extra officers. Now we are not in a mood to accept such a vague

explanation, and the people will not listen to such a lame explanation. Let my hon. friend do the heroic thing, and drop this increase of $54,000, which evidently is put in the estimates in view of the general election. On the eve of that election we shall have a crop of preventive officers from one end of the country to the other. Extravagance is always to be condemned, but if, perchance, extravagance had to be condoned, and not condemned, it would be whilst we were in prosperous times, when there was no war, when the Government did not require to have recourse
10 p.m. to drastic taxation measures. Surely, Mr. Chairman, I expect from my hon. friend the Minister of Finance (Sir Thomas White), in whom I have, I must say, some confidence—I should even say, much confidence—better things. It is true he has erred; it is true that he is not with the party with whom he was long associated. I believe he has erred, but I believe that he is honest, that he means well, and that at the present time he is doing his best to weather the storm which has gathered around him. I appeal to him, and I am in earnest and sincere about it. The hon. gentleman is taxing right and left, he is taxing the war profiteers, and he has done well in doing so. He is taxing, I hope, the gentlemen, the patriots who were so sternly rebuked by the officer of the Government, Mr. O'Connor, the other day. He is taxing the common people. The income tax will reach the common people, and the country is patriotic enough to accept those taxation measures, but with some apprehension, I must confess. The country is so patriotic that there is no revolution in sight. On the other hand the country will expect from the Minister of Finance that there shall be no trifling, as in the present instance, with the ordinary expenditures. I said yesterday that you could reduce by fifty per cent the ordinary expenditure of the Government until the war was over, and I stick to my statement, and I say that here is one instance where my hon. friend should cut off this $54,000, which is an absolutely useless expenditure.

Sir THOMAS WHITE: I must confess that I am somewhat overwhelmed by this unexpected compliment by my hon. friend from Rouville. I think there must be something very peculiar in this case, when he finds it necessary to resort to such an unaccustomed and such an unusual course as that which he has pursued. He has stated that the Government might cut the ordinary expenditure of the Dominion in half. He might just as well have said that we could cut it down to 25 per cent of the present amount. There would be just as much truth in the one statement as in the other, for a statement that the Dominion Government could cut down the expenditure by one-half is simply an absolute absurdity. Since the war has broken out the Dominion Government, as a Government, and myself, as Finance Minister, have endeavoured in every way possible, so far as the ordinary expenditure and the capital expenditure of this country is concerned, to keep within the closest possible bounds, because we have been aware of the burden which the war has imposed and will impose upon us.

I need not go into figures, but I can make this general statement, that, except in so far as the Dominion Government was committed on capital expenditure so that withdrawal would mean heavy loss in work partially completed and in contracts that had been entered into, we have in every way possible reduced our expenditure. There is a matter in connection with our war time expenditures that is not appreciated in this House. It is generally assumed that all ordinary expenditure should be reduced. Upon many of the departments, apart altogether from the war, the expenditure has necessarily been increased, the cause indirectly being the war. In addition to that, we must remember that the trade of this country is double what it was before the war, and that means that the public services of this country have had to rise to the occasion. Take the Post Office Department. Does any one mean to suggest that with the enormous volume of business that is being done to-day the expenditure of the Post Office Department could or should be decreased? The other day, when I had the Civil Service Bill before the House, the hon. member for Rouville (Mr. Lemieux) and others protested that we did not pay the Civil Service of this country enough. Now we hear to-night that we should cut the expenditure in half. The expenditure of the Post Office Department is necessarily increased by reason of the increased volume of business. My hon. friend is thinking of 1911 and 1910, when the trade of this country was $750,000,000. To-day we are confronted with a situation in which the trade of this country is $2,000,000,000. All the departments administering the Government's functions in connection with that trade naturally have an increase in their expenditure. Take the enormous revenue we are deriving from the Customs Depart-

ment to-day as compared with 1914, or 1910, or 1911. Does anybody say that there should be a reduced staff in the Customs Department today, seeing that it is swinging the volume of business it does? You cannot expect a reduction. The same is true of the other departments. Take my own department. The other day the question was asked, no doubt to make it do service on the election platform: How many employees had you in 1911, and how many employees have you to-day? The answer which I gave indicated that we had considerably over 100 more temporary employees in the department than we had in 1911, and the statement is sent out to the country that the Department of Finance has over 100 more employees than it had in 1911. Of course, we have over 100 more employees, and if we had an additional fifty, we would not have too many to handle the volume of work in the department in connection with the war loans of the Dominion. The administration of the department has necessarily been increased. I had to create a staff throughout all Canada for the purpose of administering the Business Profits War Tax Act. I had to have a commissioner in every province to represent myself, and those men had to have with them assistants for the purpose of administering the Act. Does the Dominion lose anything—does the taxpayer of the country lose anything—by reason of the fact that we have created a staff for the administration of the Business Profits War Tax Act? Is it good business or bad that we should spend $100,000 in the administration of the Act, and as a result of the taxation take in for the Dominion of Canada twenty, twenty-five or thirty million dollars a year? The Minister of Inland Revenue has explained to the House the item for preventive officers. What does he want preventive officers for?

Mr. MACDONALD: What explanation has he given?

Sir THOMAS WHITE: I was not in at the time, but I know what explanation he would give, because I know the only explanation he could give.

Mr. MACDONALD: He has not given any.

Sir THOMAS WHITE: The only explanation he could give is that they were required for the purposes of his department.

Mr. MACDONALD: He did not say that.

Sir THOMAS WHITE: The very fact that the item is in the estimates indicates that they are required.

Mr. MACDONALD: The Minister of Inland Revenue does not know anything about the matter.

Sir THOMAS WHITE: How are these men appointed? The Minister of Inland Revenue makes his recommendation to the Treasury Board, and the board inquires: Why are these men wanted? The answer is: They are wanted for the purpose of protecting the revenue of the Dominion of Canada. The work of the Inland Revenue Department has been immensely increased since this war broke out, not only in connection with the ordinary work, but in connection with the Special War Revenue Act of 1914, all the taxation imposed by that measure, the tax upon patent medicines, upon perfumery—those subjects that have been under consideration here to-night. Is it good business or bad that the Department of Inland Revenue should take such action by way of creating the necessary staff for the purpose of safeguarding the revenues of the Dominion? Supposing that by the expenditure of $50,000, $500,000 or $1,000,000 is saved to the Dominion. Is that money wasted that is spent on that staff? My hon. friend from Rouville (Mr. Lemieux) says that it is put in the estimates for election purposes. That is simply balderdash. My hon. friend should not put forward such an argument to the country at this time when the people are excited over various matters. My hon. friend should not say that $54,000 has been put in the estimates to allow preventive officers to go through the country to promote the political ends of this Government, because that is not true. The Minister of Inland Revenue has put in this $54,000, to cover the appointment of preventive officers. As I have already stated, when he wants to appoint an officer, he brings his recommendation before the Treasury Board which is informed as to why that officer is required, and the appointment is made by recommendation to Council by the Treasury Board, that board, as I have said, acting on the recommendation of the minister. This item of $54,000 does not commit the Government to its expenditure unless it is regarded as necessary.

Mr. LEMIEUX: My hon. friend is wrong.

Sir THOMAS WHITE: How am I wrong?

Mr. LEMIEUX: The Minister of Inland Revenue is not asking for $54,000; he is asking for $155,000 as against $101,000 a year ago, when the War Tax Act was in force. There is an increase of $54,000.

Sir THOMAS WHITE: Let us assume that that is so. The Minister of Inland Revenue estimates that he will require that amount because it is necessary to protect our revenue further than it is protected at the present time. Why does the Minister of Customs appoint additional officers? He appoints them because they are required in connection with his department, to safeguard the revenue of the Dominion. The same thing is true of the Minister of Inland Revenue. My hon. friend (Mr. Lemieux) is beside the mark when he speaks of voting $54,000 for the purpose of promoting the political ends of this Government, because that is not the fact; it is not true. My hon. friend should be reasonable in his criticism. This $54,000 will not necessarily be expended unless it is required.

Mr. MACDONALD: My hon. friend is manufacturing an explanation for the Minister of Inland Revenue. He has indulged in one of his flights of eloquence about the war and other subjects which have no relation under Heaven to the explanations which we have been endeavouring to secure from the Minister of Inland Revenue in regard to this matter. What we have been trying to get from the Minister of Inland Revenue is some explanation why he wants $87,000 more than last year.

Sir THOMAS WHITE: Will my hon. friend allow me to suggest to him that I was answering a direct question asked me by the hon. member for Rouville (Mr. Lemieux) and a direct criticism which he passed upon the ordinary expenditure of this Government, and that I confined myself absolutely to the point at issue which he raised in his speech?

Mr. MACDONALD: Then am I to understand that the Minister of Finance was not undertaking to help the Minister of Inland Revenue out of a dilemma?

Sir THOMAS WHITE: The Minister of Inland Revenue required no assistance from me. I was answering the hon. member for Rouville.

Mr. MACDONALD: Beautiful, beautiful! For the last two hours we have been endeavouring to get some intelligible explanation from the Minister of Inland Revenue of the increase in the expenditure of his department. He has already given us three or four different explanations, and at this moment I defy any hon. gentleman in this House to tell us why this increase was made. The minister gave us as one explanation that last year the accountant of his department made a mistake and the expenditure had to be made up from the war fund. The predecessor of the Minister of Inland Revenue, on whose behalf the Minister of Finance would no doubt have talked just as eloquently as he has to-night, last year had an increase of $28,000 over the year before, and, speaking on this item, said:

> The department is creating a new fund so as to bring the preventive service under one heading. The creation of this fund does not occasion an increase because certain amounts are taken from other funds, such for instance as the appropriation in connection with the adulteration of food.

Now either the accountant made a mistake last year or he did not, and if the explanation of the Minister of Inland Revenue is correct, then the remarks of the Minister of Finance are wholly irrelevant. Who was the official that made this mistake, and how did the mistake occur? I find that this matter was before Parliament last year at the time Mr. Patenaude was in charge of the department. The Minister of Public Works also took part in the discussion, and if, after the full and free discussion that was had then, the accountant again made such a mistake, all I can say is that you have a pretty state of affairs in the Inland Revenue Department.

Talking about the war does not do away with the absolute necessity of hon. gentlemen finding out what was the reason for the statement made by the Minister of Inland Revenue as to the error made by the accountant. Let us know what the facts are. The minister says on account of this error $50,000 was taken out of the war fund.

Mr. SEVIGNY: Not $50,000, but $27,000; I have said that more than three times already.

Mr. MACDONALD: My hon. friend went on to say:

> I am informed by the officers of my department that last year an error was made by the accountant of the department in making an estimate of $101,000, and that we have had, on account of that error, to make an expenditure from the War Fund. It is to meet the exigencies of the service that we ask for $155,000 this year.

That is what the Minister of Inland Revenue stated in this House only four weeks ago. He says now that it was only $27,000.

If that is true, why does he want this $28,000 more. The minister should give us some intelligible explanation as to what he is going to do with the $54,000 increase over what his predecessor asked the House for last year. We have no objection on this side of the House to the minister getting his estimates through, but let us have some sensible explanation of a condition of affairs which my hon. friend himself says exists.

Mr. SEVIGNY: The increase asked for by my department this year is $57,000.

Mr. MACDONALD: Pardon me—$87,000; made up of $3,000 for preventive service contingencies, $54,000 preventive service salaries, and $30,000 travelling expenses, etc.

Mr. SEVIGNY: My hon. friend will remember that in February last an amount of $30,000 was voted by the House for my department.

Mr. MACDONALD: That makes $117,000 of an increase this year.

Mr. SEVIGNY: That amount of $30,000 was voted for 1916-1917, so that only leaves an increase of $3,000 for contingencies, and $54,000 for salaries, or $57,000 altogether.

Mr. MACDONALD: The $30,000 that was voted was for travelling expenses?

Mr. SEVIGNY: Last year $60,000 was voted for travelling expenses, rent, fuel, stationery, etc. When the department saw that that amount was not sufficient, we decided to take $27,000 out of the $125,000, with the approval of the Auditor General, to pay the preventive officers. Before doing that, the accountant of my department had a consultation with the Auditor General and was advised that there was nothing wrong in arranging matters that way. The officers were doing the same work that is covered by this item for stamps, stationery, salaries, travelling expenses, etc., in connection with war tax. When the accountant of my department, who is a very good official, saw that he had the authority of the Auditor General he had no scruples about taking this amount of $27,000 out of the $125,000. This year, in February, we asked Parliament for the sum of $30,000 to pay the expenses of 1916-17, that is last year, and the amount was voted. This year there is an increase of $57,000 over the amount voted last year, and out of this $57,000 it is the intention of the department to organize a plant to emboss cheques, which it is estimated will cost about $25,000. That leaves a balance of about $32,000 of an increase for this year.

It is all very well for my hon. friend to say that the expenditure of the department is increasing all the time, but he should not forget that the revenue of the department is also increasing. In the preventive service as organized by my department there was an increase in revenue of $1,500,000 last year. Now I put it to the hon. member for Pictou (Mr. Macdonald), is it not wise to spend $50,000 or $100,000 if by so doing we can increase the revenue by $1,500,000? Competent officials of my department assure me that next year they anticipate an increase in revenue of $2,000,000, instead of $1,500,000. Under these circumstances I think it is only reasonable and businesslike to make the expenditure asked for in these estimates.

Mr. MACDONALD: The pyrotechnics indulged in by my hon. friend, and which he has learned from his colleague, have no relation whatever to this item. My hon. friend has a separate item covering the payment of salaries of officers and inspectors of excise, who collected the extra money that came into that department, and there is an increase of $5,442,50 in that item.

But my hon. friend's explanation is that in the item of travelling expenses, rent, fuel, and stationery—for which $60,000 was added last year—he spent $27,000 more, and that was the money which he says he took out of the item in connection with the war tax. He told us earlier in the evening that it was on account of extra salaries paid to extra officers, and now he tells us that the $27,000 was on this item for which he is asking $90,000, namely, travelling expenses, rent, fuel and stationery. It is clearly evident that my hon. friend thought he would follow the example of his colleague, but he was entirely out of touch with his explanations, because he was paying travelling expenses, rent, fuel and stationery, and he paid $27,000 more last year than his people estimated. If his explanation helps the House, or helps his friends, and if he has told us anything, they are perfectly welcome to the information.

Mr. BUREAU: May I ask the minister if in the increased expenditure he includes the salaries of the people employed to go around the drug stores and see if the war tax measure is being enforced?

Mr. SEVIGNY: Yes.

Mr. BUREAU: If that be so, and if there is such an increase, it was unnecessary for

my hon. friend the Minister of Finance to get wrathy about the accusations made by the hon. member for Rouville (Mr. Lemieux), when he said there might be some election game in it. I was very much surprised when I saw the hon. minister get somewhat heated over it. May I give an example of what is taking place? In the city of Three Rivers where I live, they had an officer who came and bought Blue Jay corn plasters from eight or nine drug stores. Next morning the proprietors of the stores had summonses to appear before the magistrate. Now all the gentlemen who keep drug stores in Three Rivers are not of the same political complexion, some of them are Tories, some are Grits. So far as the Tories were concerned, this officer seemed to forget the war was on, because while all the Grits were before the magistrate not one Tory came. I went to court and put the question to this officer as to how he happened to forget the defeated candidate in the last Three Rivers election and did not buy any Blue Jay corn plasters from him. I may state here that these men were not drug store keepers, not druggists properly speaking. They sold patent medicines, toilet articles, etc. They did not know there was a chemical composition in this corn plaster, and advantage was taken of it.

Sir THOMAS WHITE: Will my hon. friend permit a question? If this additional expenditure for preventive officers was intended to promote the interests of the Government at the coming election, is my hon. friend aware that those estimates were brought down before an extension of term of Parliament was denied by the other side of this House? The hon member for Rouville says that the intention of this item was to engage preventive officers to assist in the coming election. On this side of the House we have not wanted any election, and when those estimates were brought down there was no election in view.

Mr. BUREAU: That is not an answer. We knew public opinion wanted a general election. If the Minister of Finance was asleep, we were not. Every one was clamoring for a general election.

An hon. MEMBER: Only in Quebec.

Mr. BUREAU: This "only in Quebec" business is played out. The difference is that in Quebec people speak their minds and you daren't. Go outside of Quebec and you will find that the hypocrites, when they get behind the door to make their mark will not make it for "no election;" and they will not make it for conscription either. The Minister of Finance is quite a financier, but he has given an explanation here which I do not quite understand. He justifies greater expenditure because we get greater revenue from the Customs Department. May I ask if it takes a man more time to figure out fifty per cent than it does to figure out twenty-five per cent? If you increase the duty from ten per cent to twenty per cent, does the minister say that will justify the doubling of the staff of the Customs Department?

Sir THOMAS WHITE: What about the increased volume of business?

Mr. BUREAU: My hon. friend spoke of the increased revenue. He said the revenue from the Customs Department was greater.

Sir THOMAS WHITE: Increased revenue comes from increased volume of business.

Mr. BUREAU: It comes from increased duty also. Let me come back to my Three Rivers merchants. Will the Minister of Inland Revenue tell me what instructions he gives those gentlemen when they start out on work of that kind? Is there a regulation to the effect that they are to protect all the Tories, and haul up all the Grits, or are there any special instructions given? I would also like to know where he gets his men, who recommends them, and how they are appointed? If I have to see $55,000 of an increased vote passed to get a party a lot of political friends I want to know how they proceed.

Mr. SEVIGNY: I have before me a memorandum showing that in Three Rivers proceedings were taken against: A. Beliveau, P. Dufresne, C. Kleiner, M. Nassif, Pharmacie Pelletier, Pharmacie Williams, A. Boisseau, E. Briere, E. DesBois, Genest and Cloutier, E. Moise, C. Prince and R. O. Dumont.

Mr. BUREAU: What about the Pharmacie Normand, the proprietor of which was the Tory candidate in 1911?

Mr. SEVIGNY: There was no report to my department against the Pharmacie Normand. At present we have six cases pending, and seven others resulted in a fine of $50 each. There was no exception.

Mr. BUREAU: I may tell my hon. friend that the people who paid the $50 pleaded guilty, and there are no cases pending in Three Rivers. The other complaints were dismissed.

Mr. SEVIGNY: When were they dismissed?

Mr. BUREAU: When they were tried.

Mr. SEVIGNY: When was that?

Mr. BUREAU: At the time you summoned them. You know the date. It was during the course of last spring. That very same day I sent a man to buy some Blue Jay corn plasters at the Pharmacie Normand, and there were no war stamps on it. My hon. friend's officer was not aware of that.

Mr. SEVIGNY: In that case the hon. member for Three Rivers (Mr. Bureau) failed in his duty.

Mr. BUREAU: There is no use in my hon. friend talking that way. He is not in Dorchester now.

Mr. SEVIGNY: The next time my hon. friend goes to the Pharmacie Normand and finds they do not put stamps on articles which should be stamped, if he will take it up with me, we will institute proceedings right away.

Mr. BUREAU: The men employed by the Minister of Inland Revenue were apparently unable to find Mr. Normand's place of business. I forget the exact reason why the other cases were dismissed. I believe it was because of some technicality in the laying of the complaints. Proper instructions were not given to the officers, and the informations were badly laid. I believe that was why the actions were dismissed. Those who paid the $50 pleaded guilty to not having put the stamp on these Blue Jay corn plasters.

An hon. MEMBER: All Grits?

Mr. BUREAU: They were all Grits. There were four other stores but they were not brought up. I do not know why, unless it was that they were Tories.

Mr. GLASS: I suppose the Tories put the stamps on?

Mr. BUREAU: I tell you they did not. I went around myself, got the stuff, and there were no stamps on it. The Tories are being protected by my hon. friend. It need not bring such a laugh to my hon. friend the Minister of Finance or such a broad smile to the faces of my hon. friends opposite. It is an absolute fact. It is only by deeds of the past that we are enabled to judge what will take place in the future, especially with an election pending.

Mr. GLASS: Assuming that the statement of my hon. friend from Three Rivers (Mr. Bureau) is true, and that the hon. Minister of Inland Revenue has been showing partiality to the Conservatives in Quebec, I feel that I have a grievance against the minister, for in the part of the country from which I come the proceedings that were taken against merchants for infringements of this Act happened to have been taken against Conservatives.

Mr. BUREAU: They are too far away from the minister; he cannot keep his eye on them.

Mr. BOIVIN: Upon what system are these employees, these informers, paid for laying these complaints and for travelling around the country?

Mr. SEVIGNY: They get half the fine.

Mr. BOIVIN: Do they get a salary apart from getting half the fine?

Mr. SEVIGNY: Yes, $900; too small in my judgment.

Mr. BOIVIN: In cases where prosecutions are not proceeded with under orders from the department, do they get any portion of the amount that they would have received had the case gone on?

Mr. SEVIGNY: They receive nothing except their pay.

Mr. BOIVIN: In that case who pays the travelling expenses?

Mr. SEVIGNY: In many cases, when it is a first offence, and when an affidavit is sent to the department stating that there was no intention to disobey the law, we are not severe, and I think my hon. friend knows it himself.

Mr. BOIVIN: My hon. friend has said that in some cases where an affidavit is sent by the person complained against to the effect that he had no intention of disobeying the law and that it was only an occasional infraction, the department have remitted the fine on payment of costs. What becomes of the costs in those cases where his own political friends are not proceeded against?

Mr. SEVIGNY: In all such cases the costs are paid by the defendant. In the two cases that are very well known to my hon. friend from Shefford, that is what happened.

Mr. BOIVIN: For the benefit of my hon. friend from Three Rivers (Mr. Bureau) I have explained the case of two friends in whose behalf I applied to the department in connection with a fine. In those two

cases the fine was not collected when an affidavit was filed to the effect that the violation was not intentional, that it was not customary, that the sale was made by a young employee during the absence of the merchant. In those cases the fine was not collected, but the costs were collected. Who paid the costs in the case of the complaint laid against Mr. Welch, druggist, of Waterloo, where the complaint was withdrawn? Were any costs paid by the defendant Mr. Welch who happened to be a Conservative?

Mr. SEVIGNY: I will inquire about this special case.

Mr. BOIVIN: It will be very interesting to the electors of Shefford, especially those who have paid their fines.

Mr. SEVIGNY: Who was representing Mr. Welch?

Mr. BOIVIN: I think that Mr. Davidson, the defeated Conservative candidate, represented Mr. Welch.

An hon. MEMBER: Is he a lawyer?

Mr. BOIVIN: He is not a lawyer, but he administers the patronage in Shefford county.

Mr. SEVIGNY: Is Mr. Davidson a lawyer?

Mr. BOIVIN: He is not a lawyer, but the case never went into court.

Mr. SEVIGNY: Then there would be no costs?

Mr. BOIVIN: There was the cost of making the complaint, of reporting it to the collector at Sherbrooke, of sending notices from Sherbrooke to Ottawa and the salary and travelling expenses of the officer.

Mr. SEVIGNY: Unless they were paid by Mr. Davidson.

Mr. BOIVIN: They possibly may have been paid by Mr. Davidson, but I have my doubts about it.

Mr. BUREAU: I understand from the minister that half the fine goes to the informer or excise officer?

Mr. SEVIGNY: Yes.

Mr. BUREAU: And that man gets besides $900 a year?

Mr. SEVIGNY: Yes.

Mr. BUREAU: Plus travelling expenses?

Mr. SEVIGNY: Yes.

[M. Boivin.]

Mr. BUREAU: Does the minister think that it is the proper way of administering his department to give the informer half of the fine? And will he give us the reasons for that policy?

Mr. SEVIGNY: It is considered by the department the only effective way. It is nothing new. You will see it done every day in our province under the license law.

Mr. DELISLE: Not half.

Mr. SEVIGNY: I do not know exactly what the amount is.

Mr. BUREAU: Officers under the license law get fifteen per cent. They used to get half the fine but they are doing away with that. What can one think of the minister's statement that the only effective way of carrying on the administration of the department is to give fifty per cent of the fine to the informer? I think that to give $900 to the man who does what this man did in Three Rivers, plus his travelling expenses, is overpaying him unless the money is to be turned over to the Dorchester election fund or some other fund unknown to the House. You cannot get men who will go around and fish for information for half the fine, and if you do, you get a class of men who are not a credit to the department. If you have a good officer and if his salary is not sufficient, raise it. Out of this $57,000 that is being asked for by the minister, there should be enough to raise the salaries of each of these officers to such a point that it will be possible for him to live and do his duty.

I do not believe in giving the informer one half of the fine because those who will do that are generally not the class of men required for this sort of duty. If they were paid a salary and travelling expenses I think the Government should get the benefit of all fines collected.

Mr. MICHAUD: How much was paid to the informer at Three Rivers during the last twelve months?

Mr. SEVIGNY: Seven people were fined $50 each; that would mean $175 to the informer.

Mr. BUREAU: The minister says there are other cases pending. What are they?

Mr. SEVIGNY: The cases of A. Belineau, P. Dufresne, C. Kleiner, M. Nassif, Pharmacie Pelletier, Pharmacie Williams.

Mr. BUREAU: Has there been any report to the department about these cases?

Mr. SEVIGNY: Not yet.

Mr. BUREAU: When were the complaints made?

Mr. SEVIGNY: During last spring.

Mr. BUREAU: Is not the minister aware that all those cases were dismissed by the magistrate last spring at the time the others pleaded guilty?

Mr. SEVIGNY: We have no report from the lawyer.

Mr. BUREAU: I will not make a report, it is not my duty. To whom was the $175 paid?

Mr. SEVIGNY: I think to Mr. Hardy, of Quebec.

Mr. BUREAU: Has any inquiry been made by the department about the cases now under advisement before the court?

Mr. SEVIGNY: Probably.

Mr. BUREAU: What is the probability and what was the kind of inquiry? Probably it will rain to-morrow.

Mr. SEVIGNY: This matter is handled by the secretary of the department, and we have confidence in our lawyer. When we send a case to a lawyer we have confidence in him, and we are waiting for the report.

Mr. BUREAU: That is not an explanation. A client generally inquires of his lawyer how his case is progressing.

Mr. SEVIGNY: That is what we do.

Mr. BUREAU: Those cases were all tried at the same time and some pleaded guilty.

Mr. SEVIGNY: Were you there at the time?

Mr. BUREAU: I was there in Court last spring, and the cases were dismissed because the informations were not properly laid. Why did the minister not inquire about the cases?

Mr. SEVIGNY: Were you there when the others were fined?

Mr. BUREAU: The cases were never tried, the defendants deposited their $50.

Mr. SEVIGNY: And were the cases of those fined pleaded at the same time as those dismissed?

Mr. BUREAU: I have sat here for seventeen years, and this is the first time I have heard a minister call on the Opposition to give him information about his estimates. The minister does not find it worth while to look after this business, after bringing practically all the men in a particular business in the town into Court. There has been ample time for the minister to get reports about status of the cases.

Mr. SEVIGNY (translation): I do not quite understand my hon. friend. He states that these cases have been dismissed and at the same time that some of the parties were fined.

Mr. BUREAU (translation): They pleaded guilty.

Mr. SEVIGNY (translation): They pleaded guilty and have been fined $50. Once more my hon. friend maintains that these cases have been dismissed, whereas from the reports in the department, they would still be under advisement. How could we have a report stating that seven parties have been fined $50 as provided by the Act, and no report concerning the cases which, according to my hon. friend, have been dismissed?

Mr. BUREAU (translation): I see the point that the minister is trying to make. I will answer him in English.

The minister asks how it is he has received the money when fines were imposed and that he has no further report about the cases dismissed. That is just the question I am asking the minister. He has been derelict in his duty if he does not know what was done in these cases.

Mr. SEVIGNY: My hon. friend says the cases were dismissed, and my answer is that the cases were not dismissed.

Mr. BUREAU: All right.

Mr. SEVIGNY: And the information we have in my department is that the cases are pending.

Mr. BUREAU: When did the minister get the last report on these cases?

Mr. SEVIGNY: I am sorry, I have not the date before me tonight.

Mr. BOIVIN: How is it he has let the cases drag on since February last without asking for a report?

Mr. SEVIGNY: We have asked for reports. We have many cases, not only in Three Rivers and Quebec, but all over the country. We follow them as well as we can, and we ask for reports. We have every confidence in the lawyers who represent us.

Mr. BOIVIN: Does the hon. minister want the House and the country to believe that, when a case is taken in the month of February, and he receives fines from a certain number of cases tried at the same time, and asks for a report concerning the other case, and there is no report received up to July, he is going to continue his confidence in that attorney, and to continue to entrust the business of the country to him?

Mr. SEVIGNY: My hon. friend knows very well that if you take an action say in Montreal, it may come before the court three years from now.

Mr. BOIVIN: If my hon. friend had practised law as much as he wishes us to believe we would know that there is a great deal of difference in cases before a Superior Court and cases before a district magistrate. A case may drag along in the Superior Court in Montreal for years, but a case before a district magistrate does not drag along for two or three months or two or three weeks in any place in the country. There is no congestion in the district magistrate's court.

Mr. SEVIGNY: How long did the Lepage case continue in my hon. friend's own district? My hon. friend knows that it was about a year.

Mr. BOIVIN: My hon. friend knows that the Lepage case had nothing to do with the administration of his department, and it would be altogether too long to explain to this House and the country the good fortune that attended Mr. Lepage in his liberation from the jail, through the good offices of the present Minister of Inland Revenue.

Mr. SEVIGNY: Under the hon. gentleman's recommendation.

Mr. BOIVIN: Yes, it was asked for by the minister. The Lepage preliminary inquiry did not take a year, or six months, or two months. It was over in a month. Lepage was condemned to stand his trial. He remained under bonds for practically three years, awaiting a term of the Court of King's Bench. And when that term was held he refused to come before the court. He obtained an order for speedy trial before the district magistrate, and after that the trial was over inside of six weeks. Why did not the minister ask for a report in those cases at Three Rivers? Upon what date did my hon. friend receive the fine in the cases in Three Rivers?

Mr. SEVIGNY: The date is not mentioned here.

[M. Sevigny.]

Mr. BOIVIN: I rose to ask a question a little while ago, and I think it is very important information for the House. What amount has been collected by the

11 p.m. department in general, not from any one section of the country, but from the country as a whole, in fines for infractions of this Act? And how much did the collection of those fines cost the country?

Mr. SEVIGNY: I will add it up.

Mr. BOIVIN: I am perfectly willing that it should be brought down later. I thought it would be a good thing for the country to know.

Mr. McKENZIE: The last night we discussed the hon. minister's estimate. I brought to his notice certain correspondence that took place between his department and the Auditor General. This correspondence is found on pages 37, 38 and 39 of the first volume of the Auditor General's Report for the last fiscal year. In the correspondence the Auditor General complains that the department has been employing temporary assistance without complying with the law. The Minister of Finance told us that every thing in connection with the employment of men in the hon. minister's department is performed with mathematical accuracy, on chronometer time, and that being so, I am surprised that the Auditor General found it necessary to engage the attention of the department in many cases to find out how it was that some eleven men, as appears on page 38 of this correspondence, were employed without any apparent authority, or without complying with any regulation. I understood the hon. Minister of Finance to say to-night, in the language of the law, which he was throwing around the Minister of Inland Revenue, that that very learned and responsible body, the Treasury Board, had to have a hand in this before anybody was appointed.

Mr. SEVIGNY: What is the date?

Mr. McKENZIE: The date of the letter is the 21st December, 1915. This is the latest report of the Auditor General, and up to the end of this correspondence no satisfactory answer is given why those men were taken on without authority and retained without any authority. I did not press this inquiry on the former occasion, because the minister could not be expected to know at the time, but that is now nearly a month ago. Perhaps the minister forgot that I brought this matter up on that occasion. I was promised some information in regard to it. I find on page 1-39 of this

volume what appears to me to be an irregularity in view of the high standard set in these matters by the Minister of Finance. I find this letter:

Audit Office,
November 15, 1916.

Sir,—I have again to call your attention to the correspondence between your department and this office in regard to the employment of Mr. J. A. Cantin as a temporary excise officer. The objection taken was that he could not be properly employed except under the authority of an order in council.

The only action I can find that has been taken was his transfer to the position of temporary acting inspector of electricity at Quebec at the same salary of $1,400.

Was that appointment made by order in council and has he passed the necessary examination prescribed by section 11 of the Electricity Inspection Act of 1907, which states that the Governor in Council may appoint inspectors or assistant inspectors, but not until they have passed a qualifying examination?

I am, sir, your obedient servant,

E. D. Sutherland, for A. G.

The Deputy Minister of Inland Revenue.

I find on 17th November, 1916, this answer from the Department of Inland Revenue:

Dear Mr. Sutherland,—I have your letter of November 16, concerning Mr. J. A. Cantin, Acting Inspector of Electricity at Quebec, at the salary of $1,400 per year.

I may say that Mr. Cantin is a very efficient officer, and has been preparing for his examination ever since he has been transferred to the Gas and Electricity Branch. He will be in position to pass this examination about the 15th of January next, when his position will be rectified.

Hoping this will be satisfactory.

This letter is signed by the deputy minister. Mr. Sutherland replies to that on 21st November, 1916, stating that the explanation is not at all satisfactory. There is scarcely a young man in Canada but would be glad to join the Civil Service and then attend some educational institution in which he would prepare for an examination while being paid at the rate of $1,400 per annum. The explanation given here is not satisfactory.

The reason for passing the Civil Service Act is that men shall join the Civil Service only after they have properly qualified. When inquiry is made in regard to the matter I have mentioned, not by a party who might be captious about these matters, not by a man like myself who might be trying to find fault, but by the Auditor General, the only explanation given him is that there is a young man, or an old man, or whatever he may be, attending school for the purpose of passing an examination, and in the meantime he is receiving $1,400 a year from the department, without the slightest pretext on the part of the minister of complying with the Civil Service Act. At all events, there is no pretext to be found in the explanation given by the deputy minister. When these estimates were before the committee on a former occasion I asked for, and was promised, an explanation. I may say, not only to the Minister of Inland Revenue, but to every minister in the Government, that there is a great deal of complaint about the infraction of the Civil Service Act, and the criticism is made that the Government apparently consider it is really on the statute book for the purpose of being violated and evaded rather than observed. It would be much better to throw the thing open altogether than have the farce or pretext of a Civil Service Act when the Act is not observed, when not the slightest attention is paid to it. When it suits the minister to make room for a friend, that friend comes in; he is paid a salary, and the explanation is given that he is at school somewhere, and while he is at school he is getting a salary. That is not good government; it is not fair to the people, who, at their own expense, are studying in order to pass the examination, that others should be permitted to become qualified at the expense of the Government and be placed in positions which they do not deserve and for which they have not the required qualifications under the law. I protest against such things, and I hope they will be remedied, and that we shall not be met with such conduct as this again. I hold responsible for this line of action the Minister of Finance, as he is, ex-officio, a member of the Treasury Board. He told us that not only had we the Auditor General and the head of the department, but we had this higher and stronger protection, this great bulwark for the protection of the people, the Treasury Board, of which he himself is the head and front—but over his head evidently goes this man with his $1,400 a year, although he has not the slightest pretext of qualification for the position. I would invite the Minister of Finance to make another eloquent speech in the endeavour to explain away this situation.

Sir THOMAS WHITE: It is too late and too hot.

Mr. McKENZIE: The Minister of Finance speaks with such vim and absolute disregard for time or hot weather.

Mr. SEVIGNY: Mr. Cantin was in the service at Quebec when the position of in-

spector of gas and electricity at Quebec became vacant, and Mr. Cantin was transferred to that position at the same salary on the understanding that he would pass his qualifying examination in electricity. I am glad to say that he did pass an examination and consequently he is to-day legally appointed.

Weights and Measures, gas and electric light inspection, $393,950.

Mr. BOIVIN: I understand from the note I have just received from the minister that he will give us to-morrow the information that I asked for a moment ago. I have no objection to the item passing if the minister will give the committee the information before his Estimates are finally passed.

Mr. SEVIGNY: The deputy minister informs me that it is $10,000.

Mr. McKENZIE: Will the list of officials that the minister promises to put on Hansard contain the dates of appointment and the addresses of the appointees?

Mr. SEVIGNY: Yes.

Mr. MACDONALD: Under which one of these items does the $27,000 come?

Mr. SEVIGNY: Under salaries.

Mr. MACDONALD: My hon. friend is asking for an increase of $26,000 in the Weights and Measures branch. I could understand there being an increase in expenditure under Excise, owing to the additional revenue, though my hon. friend did not put it on that ground. But I cannot understand why there should be this increase of $26,000 under Weights and Measures. I find that last year his predecessor, in war time too, asked $145,000 for salaries of officers, inspectors and assistant inspectors of Weights and Measures, which was an increase of $52,650. The minister is now asking for an increase of $10,000 on that one item, and for an increase of $15,000 for rent, fuel, etc. What is the reason for that increase?

Mr. SEVIGNY: The actual expenditure in connection with this item of $80,000 last year was $73,229. The deficit was covered by supplementary estimates voted previously to the adjournment of the House on account of the departure for England of the Prime Minister (Sir Robert Borden). It is estimated that the department will need the amount asked for this year as travelling expenses have been steadily increasing, and as the branch is developing constantly to keep pace with the industrial activities of the country, as is evidenced in the increased fees collected for the last three years as follows: Fees collected in 1915, $105,000, in 1916, $112,000, and in 1917, $131,630, showing an increase of $20,000 of fees collected by the department over last year.

Mr. MACDONALD: And my hon. friend proposes to spend $25,000 more for the sake of that $20,000?

Mr. SEVIGNY: This branch is not considered by the department as a revenue producer, but a service that is run in the interest of the public.

Mr. MACDONALD: Why are you putting it forward, then, as a revenue producer?

Mr. SEVIGNY: I quoted the fees collected merely as an evidence of the increased work the department is doing.

Mr. MACDONALD: Does my hon. friend really attempt to say that it is going to cost this country $25,000 more in order that the officials of the Weights and Measures branch may collect $20,000 more fees all over the country? It would not take the officials of the department ten minutes to collect that $20,000 if it was scattered all over the country.

Mr. SEVIGNY: To illustrate how the work of the department is increasing, last year we had to examine 300 more elevator scales in the West than the year previous. This service is run in the interest of the public. The officers must be paid their salaries and travelling expenses, and the only reason we are asking for an increase is that the service is expanding.

Mr. MACDONALD: My hon. friend says that there was an expenditure of $73,000 last year, which was $8,000 more than the vote. On June 15, in answer to a question in the House as to this increase, he said:

> We were given $65,000 last year by Parliament, but we were short by $15,000, and it is to cover that deficit that we are asking for $15,000 more this year.

Now my hon. friend tells us that it was not $15,000 more than they spent last year, but only $8,000 more; still he asks for $15,000 when the over-expenditure last year, according to the written statement he gave, was only $8,000. What is he going to do with the other $7,000?

Mr. SEVIGNY: These estimates were prepared in November last, before the end of the fiscal year, and at the time we had not an exact idea as to how we should come out. Our total expenditure last year was

$73,229, and it is figured that the amount required in my department this year will be about $80,000.

Mr. MACDONALD: The explanation about these estimates being prepared last November has no relevancy at all to the matter. On 15th June my hon. friend told me that the over-expenditure was $15,000; to-night he tells us it is only $8,000. It was on account of the fact that the over-expenditure was said to be $15,000 that he attempted to justify asking for $15,000 more. If the hon. minister wanted to pay the slightest attention to economy, upon what principle does he attempt to get $7,000 more for a service when he would be amply in funds to provide for it, according to his prepared and written statement to-night, with $73,000 instead of $80,000? My hon. friend need not speak about the Estimates having been prepared in November. On 15th June, with his deputy sitting beside him, and after the financial year had ended, he told us it was $15,000; now on reflection he finds it is only $8,000.

Mr. SEVIGNY: I can assure my hon. friend that economy is practised in my department. I must say that generally speaking the officers in the department are underpaid, considering the high cost of living. This applies particularly to the officers in the Outside Service.

An hon. MEMBER: Don't they get half of the fines?

Mr. SEVIGNY: We have about 150 preventive officers, and we have collected about $10,000 in fines. That does not give a very large dividend to each officer. Every day I receive requests for increases in salary, and it is my intention to go before the Minister of Finance shortly and ask him to increase those salaries. We have practised economy to such an extent that we now realize that our officers are not sufficiently paid.

Mr. MACDONALD: My hon. friend is coming back to that again, and is giving us this homily about salaries. We are not talking about salaries at all. We are now discussing rent, fuel, travelling expenses, and stationery. Not a cent of that is salaries. It is simply an extravagance of $8,000. The minister could facilitate the passage of his estimates if he would decrease this item by $7,000, which, according to his statement, is surplusage.

Mr. SEVIGNY: It would be a pleasure to me if I could decrease it, but I am informed by the officers of my department, who are very competent officials, that the service is increasing and that these amounts are required. It is very easy to show this. In 1915 the fees collected were $100,500. In 1916, the fees collected were $131,000. That is a big increase.

Mr. MACDONALD: But, you are spending $25,000 more in order to get the $20,000. I have been a member of Parliament for a good many years, and I never saw any minister come here with evidence of such incompetency in his department as the minister has shown here on the two occasions he has come to the point. Either he is absolutely incompetent himself, or his officials are incompetent. How does the minister explain the fact that a month ago he told us he had spent $15,000, and on that basis he asked for $15,000, and now he comes and says he spent $8,000, and although he only spent $8,000 he wants $15,000. In justification of that he says, "We collected $20,000 more in fees"—and the next moment he says he wants to increase the salaries of his officials. He is increasing salaries to the extent of $10,000, and his predecessor increased them to the extent of $32,000 last year. My hon. friend has shown clearly in his own statement that he is asking for $7,000 for which there is no necessity under competent administration, and he ought to reduce the vote.

Mr. SEVIGNY: We consider this amount required. It is not my intention to answer the compliment paid me by the hon. member for Pictou.

Mr. COPP: I would like an explanation of this item:

> Provisional allowance of not more than $150 each to officers in Manitoba and provinces west thereof, whose salaries from any government service do not exceed $2,500 . . . $11,000.

Mr. SEVIGNY: It is considered that west of the Great Lakes the cost of living is higher than in the eastern provinces. This practice is followed not only in the Inland Revenue Department but also the Post Office Department.

Mr. COPP: I think it is absolutely unfair that officials in the western provinces should be given more than those in the eastern provinces. Living expenses are no higher in the West than in the East. Men living in the Maritime Provinces and Quebec are under the same expenses as those in the West.

Mr. SEVIGNY: According to the information we have in the department, the cost

of living is higher in the West than the East—(I am ready to admit that the cost of living is very high in the East too). It is for that reason that we grant this amount.

Mr. COPP: I have not yet been able to learn that the cost of living in the West is any higher than it is in the East. The time has arrived when preferences of this kind should be cut out, and officials all through the Dominion treated equally in regard to salaries, instead of a little gift and sop being given to officials in one portion of the Dominion while similar treatment is denied to others. Referring to the minister's reply to my hon. friend from Pictou (Mr. Macdonald), that it was his intention to give increased salaries to the Outside officials, it seems to me that the argument is not sufficient to justify this increase. Any hon. gentleman who has anything to do with patronage is always able to find numerous applications for any vacancies that occur. It is easy to get applications for these positions from men who know what the salary is, and therefore the argument in that regard does not afford any answer to the question as to why this increased vote is being asked for. Not only have we not found any difficulty in securing applications to fill these vacancies, but my experience has been that we have too many applications. The minister would be starting out in the right direction if he would put all the officials in his department in the same position, give them equal salaries, and cut out this gift of $150 to western officials.

Mr. SEVIGNY: I can promise my hon. friend that I will give my best consideration to his remarks.

Mr. McKENZIE: I see an item here of $80,000 in connection with the metric system. In Nova Scotia the Department of Education and our superintendents of education do not give any recognition practically to the metric system. There has been some agitation in favour of it. I was always against it myself as an innovation that is not workable at all, and one which will create a good deal of disturbance if there is an attempt made to put it into force, at least in the province from which I come. Why are we spending money in connection with the metric system?

Mr. SEVIGNY: This is to meet the wishes of teaching institutions all over the country. It is not the intention to establish a new system.

Mr. MACDONALD: If the minister would be good enough to bring down a statement of the objects to which these increases of $10,000, $15,000 and $1,000 are to be devoted, I think, considering the lateness of the hour, we might allow the item to pass.

Mr. McKENZIE: I am really serious about the metric system. We had it up a couple of years ago, when the Hon. Mr. Nantel was Minister of Inland Revenue. I always make a fierce attack upon the metric system when it shows its head. I can tell the minister that if he wants rebellion and revolution he will impose upon the Scotchman of Nova Scotia the metric system.

Mr. SEVIGNY: I will certainly do my best to avoid that revolution.

Mr. GRAHAM: Will the minister bring down that information for the hon. member?

Mr. SEVIGNY: I do not see what further information I could give. The service is increasing all the time.

Mr. MACDONALD: Why could you not bring down a statement of what you are going to do with the money?

Mr. SEVIGNY: It would, of course, be only an estimate prepared by officers of the department, as is done in every department.

Mr. MACDONALD: The minister's predecessor provided for the increasing cost of living, etc., when he voted an additional $23,000 for the officials of this department. The minister is now supplementing that with another $10,000, making $42,000 in two years. That is in a department whose whole revenue is not more than $300,000.

Adulteration of food, etc., and the administration of the Act respecting fertilizers, $50,000.

Mr. MACDONALD: Will the minister make a statement with respect to the $10,000 increase here?

Mr. SEVIGNY: In considering the estimates I decided that $40,000 would be enough for this year, so I will move to reduce the item from $50,000 to $40,000.

Mr. MACDONALD: So that we have by our efforts here to-night saved the Minister of Finance from the necessity of taxing some person $10,000.

Amendment agreed to.

Progress reported.

On motion of Sir Thomas White the House adjourned at 11.55 p.m.

Friday, July 27, 1917.

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

REPORT PRESENTED.

Report of the Superintendent of Insurance for the Dominion of Canada for the year ending December 31, 1916.—Sir Thomas White.

GOVERNMENT RAILWAYS ACT AMENDMENT.

Hon. FRANK COCHRANE (Minister of Railways) moved for leave to introduce Bill No. 118, to amend the Government Railways Act.

Mr. GRAHAM: Explain.

Mr. COCHRANE: This is to put the Government railways under the railway commission, just the same as any other railways, with the exception of claims against the railway and the expropriation clauses of the Railway Act.

Mr. MACDONALD: The minister's statement is rather indefinite. Does that mean that the operation of the Government railways will be placed under the board, or simply the freight and passenger tariffs?

Mr. COCHRANE: It includes everything except expropriation clauses and claims against the Government railways

Mr. MACDONALD: The railways will be operated by the Government?

Mr. COCHRANE: Oh, yes.

Motion agreed to, and Bill read the first time.

DR. BRUCE'S REPORT.

On the Orders of the Day:

Sir SAM HUGHES: I desire to ask the Government or the Minister of Militia for information regarding the publication of the answer of Colonel Bruce to the so-called Babtie report. I should also like to know whether the Babtie who is at the head of the commission inquiring into Dr. Bruce's report is the same Dr. Babtie who was involved in the notorious scandal in connection with the British Medical Service in Mesopotamia, and who has been practically relegated from the service.

Sir EDWARD KEMP: I speak subject to correction, but I think the last time this question was asked in the House the Prime Minister stated that he proposed sending Dr. Bruce's report to the minister of the overseas forces for consideration, before laying it on the Table, and he gave certain reasons for that. I know nothing more about the matter than what was stated by the Prime Minister at the time. With regard to my hon. friend's other question about General Babtie, I have heard nothing about the matter to which he refers.

Sir SAM HUGHES: Surely the Government would not let a valuable document like that pass out of their hands without keeping a copy. I might say that it would be possible for me to furnish the Government with a copy if they have not got one. I think in the interests of the country the report should be laid on the Table and printed for distribution.

Sir EDWARD KEMP: I will draw the Prime Minister's attention to the matter.

Mr. MACDONALD: Is the report of Dr. Bruce being witheld until some answer to it can be prepared?

Sir EDWARD KEMP: I have no more information on the subject than was given to the House by the Prime Minister, but I shall be glad to direct his attention to my hon. friend's question.

Mr. MACDONALD: As this matter comes under the Militia Department, and as there is no Minister of Militia except my hon. friend and the so-called acting minister in England, how is it that my hon. friend comes to this Parliament and says, as Minister of Militia, that he knows nothing whatever about this matter? If he does not know, who does? Why has not Dr. Bruce's report been laid on the Table?

Sir EDWARD KEMP: The Prime Minister gave what I presume was a satisfactory answer to the House a short time ago, since then no further information on the subject has come before me. The matter was one which the minister of the overseas forces has to do. He is a colleague of mine, in control of the overseas forces in Great Britain. He is subject to the Prime Minister's direction, and not to that of the Minister of Militia, as my hon. friend seems to think.

Mr. MACDONALD: Are we to understand that there are two Ministers of Militia, one here and one on the other side, although there is no constitutional authority for the appointment of that other one?

Sir EDWARD KEMP: The order in council creating the position of minister of over-

seas forces was laid on the Table. It states exactly what his position is and what his duties are. He reports to the Prime Minister.

QUESTION OF PRIVILEGE.

On the Orders of the Day:

Mr. J. A. DESCARRIES (Jacques Cartier) (translation): Mr. Speaker, when the vote was taken on the third reading of Bill No. 75, Military Service Act, 1917, I was not in my seat in the House. I was under the impression that the vote would be only taken during the night, so that I was aboard the train on my way to Ottawa when the vote was taken. I wish to state that, if I had been here, I would have registered my vote against the measure.

EMPLOYMENT OF RETURNED SOLDIERS.

Hon. WILLIAM PUGSLEY St. John City): I should like to ask a question of the Minister of Militia—

An hon. MEMBER: Which one?

Sir EDWARD KEMP: I am the one here.

Mr. PUGSLEY: We have two Ministers of Militia, and it is sometimes rather confusing. The question I wish to ask is of very great importance as affecting recruiting, if the opportunity for voluntary enlistment has not been entirely cut off. I am informed that the Veterans' Association in the city of St. John, composed of nearly 300 returned soldiers, has recently passed a very strong resolution protesting against the employment in New Brunswick of men and officers—and some of the officers are employed at very high salaries—who have not been to the front. The opinion expressed by the veterans is that these positions ought to be given to men and officers who have been to the front. I understand that a copy of the resolution has been forwarded to my hon. friend the Minister of Militia. I would like to ask him if he has received the resolution, and what action he purposes taking with regard to it.

Hon. Sir EDWARD KEMP (Minister of Militia and Defence): The resolution to which my hon. friend refers has not yet reached me. There is a good deal to be said in respect of the opinion expressed by the Veteran's Association, as set out by my hon. friend from St. John. There are a certain number of surplus officers in Canada, and we are having the matter investigated by a competent board, with a view to seeing which officers should be retained, and which can be dispensed with, so that they may revert to civil life, particularly at this time when there are better opportunities for employment than there may be when the war closes. The matter is actually under investigation.

PREVENTIVE OFFICERS—INLAND REVENUE.

On the Orders of the Day:

Mr. E. LAPOINTE: When the estimates of the Minister of Inland Revenue were under discussion last night, the minister promised that a list of the temporary preventive officers of his department would be placed on Hansard. This list does not appear in Hansard. I do not think that is treating the House fairly. The estimates were passed with the understanding that this list would be furnished, and I ask that it be placed on Hansard tomorrow.

Sir THOMAS WHITE: The Minister of Inland Revenue is not present at the moment, but I may say that a member of the Hansard staff spoke to me last night when I was leaving the Chamber, and stated it would be irregular to place such a list upon Hansard unless it had been read in the House.

Mr. MACDONALD: Except by consent.

Sir THOMAS WHITE: That is probably the explanation of the fact that the statement does not appear in Hansard. However, I shall bring the matter to the attention of the Minister of Inland Revenue.

Mr. E. LAPOINTE: The Minister of Inland Revenue was quite ready to read the list last night, and it was only by unanimous consent of the committee that its reading was dispensed with, with the understanding that it would be given to Hansard.

Sir THOMAS WHITE: I will direct the attention of the minister to the point. Hansard, of course, would have no objection of embodying such a list in the report, if it is regular to do so. I should think it could be done with the unanimous consent of the House, but not otherwise. I assume the House is unanimous in consenting to it.

And consent being given.

INLAND REVENUE DEPARTMENT PREVENTIVE SERVICE, 1917-18.

Names.	Divisions.	Date of First Appointment.	Present Salary.	Proposed Salary for 1917-18.
Carson, J. F.	Brantford	Mch. 1, 1914	$ 900 00	$ 900 00
Hanham, J. H.	Hamilton	Jun. 12, 1916	900 00	900 00
Smith, J. F.	"	Jun. 12, 1916	1,000 00	1,000 00
Duffy, M.	Kingston	Jun. 1, 1915	900 00	900 00
Miller, C. W.	London	Sep. 1, 1915	900 00	900 00
McCort, J.	"	Mch. 9, 1912	900 00	900 00
Baron, J. H.	Ottawa	Nov. 6, 1914	1,000 00	1,000 00
Cryne, J.	"	Nov. 16, 1914	900 00	900 00
Dennison, F.	"	Jan. 14, 1909	900 00	900 00
Harty, M. J.	"	Feb. 5, 1914	900 00	900 00
Goulet, A.	"	Jul. 2, 1915	900 00	900 00
Laverdure, E.	"	Oct. 28, 1915	900 00	900 00
Labelle, V.	"	Oct. 1, 1913	900 00	900 00
Boudreault, J. H. L.	"	Oct. 25, 1915	900 00	900 00
Roy, E.	"	Jun. 22, 1916	900 00	900 00
Corbeil, A.	"	Jan. 1, 1917	650 00	650 00
Dugal, G. A.	"	Jan. 1, 1912	900 00	900 00
Barbeau,	"	Aug. 1, 1915	900 00	900 00
Charbonneau, J. A.	"	Jun. 28, 1915	900 00	900 00
Ruel, A.	"	Jul. 26, 1916	900 00	900 00
Kelso, J. P.	Prescott	Feb. 10, 1915	900 00	900 00
Floody, E.	Toronto	Apl. 16, 1900	1,000 00	1,000 00
Wickens, A.	Windsor	Feb. 13, 1912	900 00	900 00
Lamont, S.	"	Jul. 11, 1916	900 00	900 00
Quesnel, G. A.	Three Rivers	Jul. 25, 1914	900 00	900 00
Trudel, A.	"	Aug. 12, 1914	900 00	900 00
Thivierge, P.	"	May 20, 1915	900 00	900 00
Kelly, J. T.	St. John, N.B.	Apl. 15, 1889	1,000 00	1,000 00
Healey, T. J.	Halifax, N.S.	Mch. 9, 1915	900 00	900 00
Bowles, H. W.	"	Aug. 1, 1915	900 00	900 00
Arsenault, J. F.	Charlottetown	Oct. 23, 1916	800 00	800 00
Walker, M. W. W.	"	Mch. 22, 1916	900 00	900 00
Cosgrove, J. B.	Winnipeg	Jul. 2, 1915	900 00	900 00
Bélanger, A.	"	Jan. 2, 1913	900 00	900 00
Ashton, H.	"	Feb. 1, 1910	900 00	900 00
Davis, T. J.	"	Nov. 1, 1910	900 00	900 00
Sparling, E. J.	"	Jul. 5, 1916	900 00	900 00
Fidler, E.	Calgary	Jan. 2, 1912	900 00	900 00
Joughin, W. J. C.	Calgary	May 19, 1913	900 00	900 00
Richards, D. H.	"	Nov. 5, 1913	900 00	900 00
Green, W.	"	Nov. 1, 1916	900 00	900 00
Farrell, W. J.	Edmonton	Jun. 1, 1914	900 00	900 00
McLeod, J.	"	Jul. 10, 1916	900 00	900 00
Danis, J. M.	Moosejaw	Mch. 22, 1917	1,200 00	1,200 00
Greig, J. T.	Saskatoon	Jan. 19, 1914	900 00	900 00
Warren, G. S.	Montreal	Mch. 9, 1891	900 00	900 00
Brossard, W.	"	May 29, 1915	1,200 00	1,200 00
Dansereau, G. A.	"	Jul. 17, 1911	900 00	900 00
Barnes, F.	"	Oct. 17, 1907	900 00	900 00
Bessette, H.	"	Oct. 12, 1909	900 00	900 00
Lanthier, E.	"	Dec. 28, 1914	900 00	900 00
Boudet, E.	"	Nov. 1, 1916	200 00	200 00
Côté, F. X.	Quebec	Nov. 18, 1915	900 00	900 00
Fortin, J.	"	Feb. 8, 1916	900 00	900 00
Duggan, E.	"	Sep. 1, 1897	900 00	900 00
Robitaille, L. P.	"	Jan. 22, 1913	900 00	900 00
Bolduc, L.	"	Oct. 23, 1915	900 00	900 00
Paquet, L.	"	Nov. 27, 1915	900 00	900 00
Fiset, A.	"	May 25, 1915	900 00	900 00
Traversy, F. X.	"	Nov. 7, 1893	900 00	900 00
Bouchard, J. M. A.	"	Jun. 11, 1906	900 00	900 00
Gagnon, J. D.	"	Oct. 27, 1915	900 00	900 00
Somers, T. S.	Sherbrooke	Mch. 11, 1915	900 00	900 00
Cadotte, J. A.	St. Hyacinthe	Jul. 3, 1915	900 00	900 00
Raymond, J. C.	"	Oct. 21, 1913	900 00	900 00
Surprenant, J.	"	May 20, 1912	900 00	900 00
Labonté, F. X.	"	Nov. 15, 1915	1,200 00	1,200 00
Chaput, N. J.	"	Jun. 1, 1913	900 00	900 00
Lamoureux, H.	"	Jul. 19, 1901	900 00	900 00
Richard, J.	"	Feb. 1, 1917	900 00	900 00
Desilets, J. A.	"	Feb. 8, 1916	900 00	900 00
Landry, W.	"	Nov. 18, 1914	900 00	900 00

INLAND REVENUE DEPARTMENT PREVENTIVE SERVICE, 1917-18 (*Concluded*).

Names.	Divisions.	Date of First Appointment.	Present Salary.	Proposed Salary for 1917-18.
Pauzé, C. E.	Joliette	May 1, 1916	$ 300 00	$ 300 00
Coutu, E. C.	"	Nov. 8, 1915	900 00	900 00
Champagne, J. O.	"	Nov. 2, 1915	900 00	900 00
Roy, A.	"	Jun. 1, 1912	900 00	900 00
Poirier, W.	Montreal	Oct. 1, 1916	1,200 00	1,200 00
Brabant, J. B. G. N., Vice Brabant	"	Nov. 1, 1916	500 00	500 00
Ledoux, H.	"	Aug. 2, 1915	1,200 00	1,200 00
Rainville, J. E.	"	Sep. 16, 1915	1,200 00	1,200 00
Cousineau, H.	"	May 22, 1914	1,000 00	1,000 00
Hughes, M.	"	Sep. 28, 1916	1,000 00	1,000 00
Lafleur, G. B., Vice Lafleur	"	Oct. 31, 1914	1,000 00	1,000 00
Loranger, G. A.	"	Feb. 23, 1915	1,000 00	1,000 00
Houde, J. A. D.	"	Mch. 20, 1915	1,000 00	1,000 00
Deschambault, E.	"	Oct. 14, 1914	900 00	900 00
Côté, B.	"	Mch. 1, 1915	900 00	900 00
Guilbault, A.	"	May 21, 1915	900 00	900 00
Smith, D. J.	"	Sep. 15, 1915	900 00	900 00
Gauthier, W.	"	May 28, 1912	900 00	900 00
Ouimet, J. A. F.	"	Oct. 1, 1912	900 00	900 00
Therien, E. E. C.	"	Jul. 2, 1913	900 00	900 00
Navert, C.	"	Jul. 2, 1913	900 00	900 00
Labelle, J. D.	"	Jan. 16, 1914	900 00	900 00
Laurence, E.	"	May 20, 1914	900 00	900 00
Ross, W. L.	"	Aug. 1, 1900	900 00	900 00
Lefebvre, S.	"	May 7, 1915	900 00	900 00
Pageau, J. G.	"	Feb. 20, 1911	900 00	900 00
McDonagh, J. A.	Regina	Apl. 11, 1916	900 00	900 00
Shaw, A. I.	"	Dec. 8, 1913	900 00	900 00
Eadie, J.	"	Dec. 18, 1915	900 00	900 00
Grantham, J. A.	Vancouver	May 26, 1915	900 00	900 00
Brown, R. H.	"	Jun. 1, 1915	900 00	900 00
Quinn, T.	"	Nov. 4, 1913	900 00	900 00
			$94,250 00	$94,250 00

INSURANCE ACT AMENDMENT.

PROPOSED NEW ENACTMENT.

House in committee on Bill No. 53, an Act respecting insurance.—Mr. Rainville in the Chair.

Sir THOMAS WHITE: Since this Bill was before the House it has been carefully considered by the Banking and Commerce Committee. I explained upon its introduction that I was extremely reluctant to take up so important and so extensive a measure of legislation at this session of the House, but that the insurance business was, by reason of a decision of the Judicial Committee of the Privy Council which challenged the constitutionality of the Dominion Insurance Act, in such a condition that this legislation is deemed absolutely necessary in order that the Department of Insurance may exercise proper control over that business throughout the Dominion.

On section 3—Application of Act:

Sir THOMAS WHITE: The Bill with the amendments made by the Banking and Commerce Committee has not been reprinted. The Banking and Commerce Committee made an amendment to subsection 2 of section 3 of the Bill, as follows:

(2a) To any contract entered into or any certificate of membership or policy of insurance issued before the twentieth day of July, eighteen hundred and eighty-five by any assessment life insurance company.

This is simply a transfer of an existing section 75 from another part of the Act to this section, where it would appear to be more appropriately placed.

Section agreed to.

On section 4—Licenses:

Sir THOMAS WHITE: I have an amendment to subsection 3 of section 4—

Mr. PUGSLEY: Was section 3 passed?

Sir THOMAS WHITE: Yes, but we would be glad to consider anything my hon. friend may have to suggest.

Sir WILFRID LAURIER: Section 3 refers to the application of the Act, and states the cases to which it shall not apply. For instance:

To any contract of marine or inland marine insurance effected in Canada by any company authorized to carry on within Canada the said business.

What was the reason of this exception? If the Act applies to all Canada, why does it not apply to a contract of this kind?

Sir THOMAS WHITE: The reason is that it is not possible for any one country to control marine insurance, which may be effected anywhere. That is the explanation given me by the Superintendent of Insurance. I have not a personal knowledge of it myself, any more than my right hon. friend has, but it seems to me a reasonable explanation.

Sir WILFRID LAURIER: I would hardly think because a contract of marine insurance is universal, it applies to all countries. Neither this country nor any other country can have any legislative control over it. If you make a contract of insurance in London, or Paris, or any other part of the world, it must be subject to the law of some country.

Sir THOMAS WHITE: The superintendent informs me that the risk is upon the high seas and consequently it is not possible, in his opinion, for the Government of any country to effectually control marine insurance.

Mr. PUGSLEY: That would apply to marine insurance on the high seas but the Bill also excepts inland marine insurance, which would cover insurance on the great lakes and on rivers and insurance in the different provinces, which would be entirely within the jurisdiction of the Parliament of Canada. My hon. friend must get a better reason than that.

Sir THOMAS WHITE: The reason I have given is a very good one. The exception applies to ocean marine insurance as well as inland marine insurance. I was addressing myself first to the question of marine insurance, that is to the question of marine insurance, and the answer which the Superintendent of Insurance gives seems to me to be a very reasonable one. At all events, I believe his opinion is entitled to weight in the matter. As far as inland marine insurance companies are concerned, I am informed that a change was made in 1910, when my right hon. friend (Sir Wilfrid Laurier) was Prime Minister. It was made by reason of representations, which would seem to me to be well founded, that it would not be fair to subject the agents of inland marine insurance companies to the provisions of this Act in competition as they are for business with companies not subject to the jurisdiction of the Dominion of Canada. I can understand that there is a real difference between marine insurance and other kinds of insurance as far as this Parliament is concerned. At all events I would point out to my hon. friend that if there is any objection to it there was the same objection to it in 1910 when my right hon. friend made an exception of this kind of insurance.

Sir WILFRID LAURIER: If my hon. friend would always be as careful to respect the laws passed by the former regime it would be all the better for him. In the meantime, I am not satisfied with the reason given us why, as a general proposition, we cannot legislate on this question, because of the universal form of the contract, applying as it does to the high seas. I am satisfied that they have a law in Great Britain on the matter. If my memory serves me aright, in my time we had some correspondence with the British authorities on the subject. They claimed that they could legislate on these matters as against the colonies. For the reason that their shipping is much more important than ours, they claimed jurisdiction. We did not always agree with them but still we did not contest the point. There must be some law somewhere and if they can legislate on the subject, why can we not legislate here?

Sir THOMAS WHITE: I think there is no doubt that we can legislate, that we have the power to legislate, but it is not regarded as expedient that we should legislate upon this question because the companies subject to our legislation would be in competition with companies outside and they would not get the insurance business.

Mr. PUGSLEY: Does not that argument lose force when you come to consider that there is the same competition in regard to fire insurance? One of the greatest competitors of the fire insurance companies established in Canada arises from the operations of the mutual companies of the United States. They insure properties in Canada, and although they have never made a deposit with the Government, they do a very large business. It is true that the contract cannot be enforced in Canada. A party sustaining a loss caused by the destruction of, or damage to, his property cannot recover against these mutual companies in Canada but must go to the country in which they are located for the pur-

pose of enforcing his rights. They are very large competitors of the legalized insurance companies having their offices in Canada. The same argument, in so far as fire insurance is concerned, would apply to the case of marine insurance. As my right hon. friend has stated, marine insurance companies are incorporated in Canada. Some companies are incorporated in Canada and other companies are licensed to do business in Canada. I do not see why the law should not be made to apply to marine insurance companies just as well as to fire and life insurance companies. The Minister of Finance has stated that some years ago, under certain legislation, marine insurance companies were excepted. I understand the object of the present law is to get over difficulties in regard to insurance which have arisen by reason of the decisions of the Judicial Committee of the Privy Council. The minister apparently is urging the passage of this Bill, which is of enormous importance at the present time, because of an intimation that decisions of the Privy Council have thrown the insurance business into a state of confusion. If they have it seems to me that their judgment would affect the position of marine insurance companies. If it is desirable to pass a general Act which would relieve the insurance companies from the difficulties caused by the decisions of the court, I think it ought to be applied to all insurance companies doing business in Canada as well as to fire and life insurance companies.

Sir THOMAS WHITE: No question has been raised as to this exception which was inserted in the Act. The case is not at all on all fours with that of the fire insurance companies which are licensed to do business here, which have to conform to the conditions of this Act and which are in competition with the mutuals outside of Canada. There are no marine insurance companies complaining of this legislation. In 1910, I find representations were made by the transportation companies that unless these companies were exempted from the provisions of this Insurance Act there would be discrimination against the St. Lawrence route and Canadian ports generally in so far as insurance was concerned, which would mean an increase in insurance rates and an increase in freight rates upon the St. Lawrence route. If my hon. friend desires that these inland marine insurance companies should be subjected to the provisions of this Act, and if we should meet his request, it would only mean that ocean freight rates to his own port of St. John and on the St. Lawrence route would be injuriously affected. My hon. friend does not want to bring that about. It seems to me that his objection is ill founded.

It is true that we are bringing this measure down by reason of the decision of the Judicial Committee of the Privy Council. The Judicial Committee of the Privy Council raised no objection to inland marine insurance companies being exempted from the privisions of this Act, nor did they advert to the status of these companies in their decision. By reason of that decision, because it is so far reaching, it is unfortunately necessary that we should re-enact the entire Insurance Bill, and that is why we are now considering this section with all the other sections, although it was not touched by the decision of the law lords of the Privy Council.

Mr. NESBITT: I spent a good deal of time in the committee when the Insurance Act was enacted in 1910, and the reason given by the minister is the reason why we exempted these marine insurance companies. Besides that, there has since been no trouble over it, so far as I know. I do a good deal of marine insurance when I am at home, and I have never experienced any difficulty since that time.

Sir WILFRID LAURIER: By what law is it regulated, the British Act?

Mr. NESBITT: The British Act. So far as concerns any companies doing business in Canada that I know of, they are regulated by the British Act, and we have not interfered with them. We did not interfere with them then because it was represented to us that this might make a difference to the St. Lawrence route insurance, and also to the inland waters insurance. That is why we exempted this marine insurance at that time, and this Bill makes no change from the Act of 1910.

On section 4—Licenses may be granted to Canadian and foreign companies:

Mr. SINCLAIR: In section 4 there is a clause providing for Lloyd's Association to be licensed to do business in Canada. Would that include the right to carry on marine insurance? Provision is made in section 3 that such an association may be licensed.

Sir THOMAS WHITE: Permissive:

Mr. SINCLAIR: That would mean that they can carry on marine insurance in Canada if licensed?

Sir THOMAS WHITE: They may apply for a license, but they would not do so because they are exempt under section 3, which we have been discussing. It is open to a marine insurance company to take out a license under the Act, but as that entails a certain deposit and a fulfilment of the requirements of the Act, it is not at all probable that any marine company would take out a license, as they are exempted from doing so under section 3.

Mr. PUGSLEY: Subsection 2 of this section provides that a foreign company incorporated outside Canada, the moment it becomes licensed to do business in Canada, shall be deemed to be a company incorporated under the laws of Canada; in other words, shall be deemed to be a company incorporated under the Canadian company law.

Sir THOMAS WHITE: No.

Mr. PUGSLEY: Why not? How on earth can it be deemed to be a company if incorporated under the laws of Canada unless it is deemed to be a company incorporated under the laws which provide for the incorporation of Canadian companies.

Sir THOMAS WHITE: I quite appreciate the point raised. It attracted my own attention, and it has been carefully considered by the Deputy Minister of Justice. If my hon. friend will turn to the interpretation section and look at the definition of "Canadian company" he will find that that definition excludes any British or foreign company "which becomes incorporated under the provisions of this Act by reason merely of obtaining a license from the minister as herein authorized." That, therefore, excludes from the meaning of the words "Canadian company" any British or foreign company which becomes incorporated under the provisions of this Act by reason of obtaining a license under the Act.

To come back to subsection 1, which is under immediate consideration, my hon. friend's point is, will the effect of this legislation be to make, let us say, a New York incorporation a Canadian corporation? I need not say to my hon. friend (Mr. Pugsley), as a good lawyer, that it is not within the power of this Parliament to make a New York corporation into a Canadian corporation.

Mr. PUGSLEY: You attempt to do it.

Sir THOMAS WHITE: I am sound in my law as to that. In the first place, the Dominion Government has not jurisdiction to do it. There is nothing clearer than this: that a company incorporated under the laws of any country remains subject to the laws of that country; that is to say, its domicile is that country. It is open to this Parliament to say that a foreign company shall be deemed to be a Canadian company for the purposes of this Act, but that does not make it a Canadian company in the same sense as a Canadian company incorporated under the Dominion Companies Act.

Mr. PUGSLEY: The minister does not limit it to the word "deemed;" it says it shall thereupon and thereby become and be a company incorporated under the laws of Canada; not merely "deemed to be," but "shall be."

Sir THOMAS WHITE: Then let us say still I am correct, because, in the first place, this Parliament, no matter what words are used, cannot make a New York insurance company into a Canadian corporation. That is the starting point.

Mr. PUGSLEY: Then why attempt to do it?

Sir THOMAS WHITE: Because, for the purposes of this Act, it is necessary to put it in precisely the same position as a Canadian company. I made a suggestion myself, which the Deputy Minister of Justice ruled against, that it should be made clear that, by the insertion of the words "for the purposes of this Act," we were not trying to make a foreign corporation a Dominion corporation. The Deputy Minister of Justice, however, upon a full consideration of the purposes and effect of the Bill, by this section confirmed these words that my hon. friend now takes exception to, and did not regard it as expedient that the words "for the purposes of this Act" should be inserted after the word "be." All I can say to my hon. friend is that we are trying now to make the Act constitutional. The constitutionality of the Act has often been impugned, and recently so in a rather vague way, the Judicial Committee of the Privy Council has declared it so. In that decision it was suggested that it would be possible for the Dominion Parliament to frame legislation, providing the wording was apt, which would give it the jurisdiction which we now seek to regulate the insurance business in Canada. These sections which we now have under consideration have received the most painstaking attention on the part of the Deputy Minister of Justice and outside counsel.

Mr. PUGSLEY: What outside counsel?

Sir THOMAS WHITE: I think Christopher Robinson of Toronto. I hesitate, therefore, to make any change in this wording, which has been so carefully considered and deemed essential, in order that this Act may be held to be constitutional, should its constitutionality be challenged, as it has been in the past.

Mr. PUGSLEY: I have the greatest possible respect for the Deputy Minister of Justice, for his legal standing and great knowledge, and for the ability of Mr. Christopher Robinson. He is a young man of great ability doubtless, but these men are not legislators here. The responsibility is upon us, the members of this Parliament, and notwithstanding what my hon. friend says as to their opinion, it strikes me as a most anomalous and extraordinary thing to use the language which is contained in this section. There have been two or three occasions on which Parliament has given to foreign companies incorporated outside, the status of companies incorporated in Canada. I remember one occasion when a telegraph company, incorporated in France, I think, was given the status and powers of a company incorporated in Canada. I think a company incorporated in the state of New York was given power by the New Brunswick legislature to operate a street railway in New Brunswick, when I was a member of the Government of that province, or at all events, a member of the legislature. It was given power to operate in New Brunswick, the same as if it were incorporated in that province. But there are very rare instances where such a power has been given. It has always been the policy of this Parliament, and the policy of the legislatures, when people seek to get the status of a company to operate in Canada, to tell them to go to the Parliament, or to the legislatures of the provinces, and receive their corporate powers. By this section it is proposed to make a foreign company a corporation under the laws of Canada, not merely for the purpose of this Act, which I might be able to understand, but with this extraordinary section, for which there is no precedent in the legislation of this Parliament, or, I venture to say, in the legislation of any legislature of any province in Canada. I declare most positively there is no precedent for this extraordinary language. It is provided that a foreign company incorporated by a foreign legislature shall, the moment the license is granted, become a corporation under the laws of Canada. The section reads:

> Any company other than a Canadian company which may obtain from the minister a license or a renewal of a license shall thereupon and thereby become and be deemed to be a company incorporated under the laws of Canada with power to carry on throughout Canada, or in such part or parts of Canada as may be specified in the license, the various branches or kinds of insurance which the license may authorize.

Mr. NESBITT: Why does the hon. gentleman object to it?

Mr. PUGSLEY: Because it is unnecessary, and if you are going to incorporate a foreign company under the laws of Canada, you must know what powers you are giving to that company.

Mr. NESBITT: We give them all the powers a Canadian company would have, as long as they take out a license.

Mr. PUGSLEY: Let us do that, but do not let us make them a corporate body.

Sir THOMAS WHITE: We do not have to.

Mr. PUGSLEY: My hon. friend is wrong when he says: We do not have to. If a company is incorporated in Canada, and becomes a Canadian company, in order to become such, it must be incorporated, either by this Parliament or under the Companies' Act of Canada. If it is incorporated by Parliament, certain restrictions and limitations are thrown round its incorporation. If it is incorporated under the Companies Act, it becomes liable to all the obligations imposed by the Companies Act. It has the powers which are conferred by the Companies Act, but here we propose, in vague and general terms, to create that foreign company a company under the laws of Canada. Under what laws? Under the Companies Act?

Mr. NESBITT: Under this law.

Mr. PUGSLEY: No, not under this law.

Mr. NESBITT: The moment we license them they become a company.

Mr. PUGSLEY: They become a company under the laws of Canada. Are they under the Companies Act? Will the provisions of the Companies Act apply to them and govern their meetings, if they have meetings in Canada? Will it govern their obligations in Canada? Will the Companies Act apply generally to such a company, so far as applicable? The hon. gentleman will see they are not to become a company merely under this law and for the purposes of this law. If that were so, I could under-

stand it, and I do not know that I would have any objection to it, but they are to become a company under the laws of Canada, and every law which applies to companies in Canada would necessarily apply to these companies which take out licenses. The Minister of Finance says that this is controlled or regulated by paragraph (d) which reads:

"Company" means any corporation incorporated under the laws of Canada or under the laws of the United Kingdom of Great Britain and Ireland or of any British possession other than a province of Canada, or of any foreign country for the purpose of carrying on the business of insurance.

That does not affect it at all. That simply gives the definition of the word "company." Why could the minister not say that this section applies to any company incorporated in a foreign country, obtaining a license to carry on business in Canada? Why is it necessary to transform a foreign company into a company incorporated under the laws of Canada? Why state a falsehood in the statute? Why put in the statute a provision which is a farce, not a reality? My hon. friend has stated that we cannot make a foreign company a Canadian incorporated company, no matter what language we use. Why, then, use language which cannot effect the contemplated result?

Mr. NESBITT: Can we not make a foreign company come under the laws of Canada, so far as Canadian business is concerned?

Mr. PUGSLEY: Undoubtedly we can.

Mr. NESBITT: That is all we are doing here.

Mr. PUGSLEY: We are doing much more than that. We are declaring by section 2 that any foreign company obtaining a license shall thereby become and be deemed to be a company incorporated under the laws of Canada, with power to carry on throughout Canada the business of insurance.

Mr. MIDDLEBRO: What would be the objection to a foreign company becoming a company incorporated under the laws of Canada?

Mr. PUGSLEY: The objection is manifest. The law of Canada governing companies is the Companies Act. There are a hundred provisions of that Act to which a foreign company would not want to be amenable. Is it intended to make all the provisions of the Companies Act applicable to foreign companies, or is it not? Does my hon. friend (Mr. Middlebro) think that we can do that? Does he think that we intend to do that?

Mr. MIDDLEBRO: I do not think that we can make a foreign company a Canadian company against its will.

Mr. PUGSLEY: But we are going to do that.

Mr. MIDDLEBRO: We are not going to do that, because we cannot.

Mr. PUGSLEY: Then if we cannot do it, why attempt to do it?

Mr. MIDDLEBRO: For the purposes of this Act.

Mr. PUGSLEY: It is not for the purposes of this Act. The minister wanted the words: "for the purposes of this Act" put in, but the Deputy Minister of Justice advised against that; therefore the provision is not designed only for the purposes of this Act. Any company which comes under this provision will be deemed an incorporation under the laws of Canada for all purposes. If this section passes, the moment a foreign company obtains a license under this Act, it thereby, under the clear language of the section, becomes a company incorporated under the laws of Canada.

Sir THOMAS WHITE: To the extent of Dominion jurisdiction only.

Mr. PUGSLEY: If it becomes a company incorporated under the laws of Canada, surely it becomes a Canadian corporation; surely the company laws of Canada then apply to it.

Sir THOMAS WHITE: No.

Mr. PUGSLEY: Then what laws of Canada do apply to it?

Sir THOMAS WHITE: This Act.

Mr. PUGSLEY: It does not say this Act.

Sir THOMAS WHITE: No other Act.

Mr. PUGSLEY. Then why not say, under this Act? I see no objection to providing that foreign companies should become and be deemed to be incorporated for the purposes of this Act.

Sir THOMAS WHITE: I did not, either.

Mr. PUGSLEY: My hon. friend is right in his view, and I think that if he had had his way he would have been doing the sensible thing. If Parliament passes this section in its present form, it will be doing

something unparalleled in legislation, and for which no good reason has been stated.

Sir THOMAS WHITE: I am very much more modest than my hon. friend. I put forward the same suggestion, but when it was pointed out to me by the Superintendent of Insurance that the Deputy Minister of Justice, who had argued this case up to and before the Privy Council, was of opinion that those words should not be inserted, I bowed in deference to his opinion.

Mr. PUGSLEY: Will the minister state the reasons for his opinion?

Sir THOMAS WHITE: I do not know what reasons the Deputy Minister of Justice had for his opinion, but I am quite satisfied that although the words are not inserted the effect is practically the same as if the words were in. My hon. friend seems to think that the Parliament of Canada or the legislatures of the provinces cannot legislate with respect to foreign corporations.

Mr. PUGSLEY: I did not say that.

Sir THOMAS WHITE: I agree that my hon. friend did not say that they could not legislate, but he rather indicated that they did so very rarely—indeed, that it was an improper thing for them to do. But it is a very common thing to do. Take the case of a company incorporated under the laws of Ontario which desires to carry on business in Manitoba. Application is made on its behalf to the legislature of Manitoba and an Act is passed which makes the company, for the purpose of that Act, a Manitoba incorporation. It proceeds, therefore, to carry on business in Manitoba under the authority of that legislation; otherwise it could not lawfully carry on business in that province. There is no doubt that this Parliament cannot make an American corporation into a Canadian corporation; that is to say, it cannot give it any wider powers; it cannot cut down its original powers. But it can limit the exercise of those powers within Canada; it can determine the conditions under which that company shall carry on business in Canada, and it may declare that that company is deemed to be a Canadian corporation in the carrying on of the business which it is authorized to carry on. We desire to make it perfectly clear that this Parliament has authority to require a foreign corporation to take out a license and to conform to the provisions of this Act before carrying on business in Canada. That is a point that might be contested. In order to make that absolutely beyond legal question, we enact here that a foreign corporation—I shall quote the language of the section:

4 p.m.

> Any company other than a Canadian company which may obtain from the minister a license or a renewal of a license shall thereupon and thereby become and be and be deemed to be a company incorporated under the laws of Canada with power to carry on throughout Canada, or in such part or parts of Canada as may be specified in the license, the various branches or kinds of insurance which the license may authorize.

The purpose of that subsection is perfectly clear to me, and I think it is to my hon. friend. In order to give the Dominion Government plenary authority over this company in carrying on the business of insurance within Canada, it is to be deemed to be, and by this legislation becomes, for the purposes of this Act, a company incorporated under the laws of Canada. The question might be raised before the courts or before the Privy Council as to the constitutionality of this law; as to whether the Dominion Government had the right to require a foreign corporation to take out a license before it could do business in Canada, or make provision as to how it should carry on its business after obtaining the license. A sufficient answer to that would be: by this legislation, within the clear limits of its constitutional authority, the Dominion Parliament declares this foreign corporation to be a Canadian company, with power to carry on business as permitted by the license which it has taken out.

At first blush I had the same view that my hon. friend now has, that we should insert the words "for the purposes of this Act." I used almost the same language as my hon. friend. But when the responsible legal advisor of the Government, who has lived on this case, took an opposite view, and with much greater modesty than is possessed by my hon. friend from St. John, I thought his opinion and not mine should govern, and gave way; because we are enacting here a measure that has to stand the test of the law courts, and with all due deference to the hon. member for St. John, no matter what respect I may have for him as a legislator—and I shall make no statement on that to-day—I would rather have the opinion of the Deputy Minister of Justice on a strictly legal point in a case with which he has been identified for so long a period.

Mr. PUGSLEY: The extraordinary nature of this legislation is my excuse for taking up a little more of the time of the

House. The difference between the minister and myself with regard to modesty is that mine is normal and his abnormal; the modesty he has shown to-day is certainly abnormal. Surely when the minister comes to us with a piece of legislation in regard to the terms of which he is surrendering his own judgment to the judgment of the legal advisor of the Government, he ought to be in a position to tell us why the legal advisor insists upon this extraordinary language being used, language which did not commend itself to the judgment of the Minister of Finance in the first place. The Minister of Finance has studied law. I would say that he is a good lawyer. He has had a long business training, and I would regard his judgment upon a matter of business legislation as exceedingly good. He comes here to-day and tells us that his judgment has been overruled, and he asks Parliament to adopt this extraordinary piece of legislation—legislation which creates a foreign company, the moment it obtains a license, a corporation under the laws of Canada, not merely for the purposes of this Act, but for all purposes. The foreign company is thus created a Canadian corporation under the laws of Canada, not under this Act merely, but under any law which relates to companies incorporated in Canada. I think the minister ought to tell us why that change was made. Why would it not be sufficient simply to declare that no company other than a Canadian company shall be allowed to do business in Canada without first obtaining a license therefor from the Minister of Finance, and on obtaining said license such company shall become subject to the provisions of this Act. That surely would be sufficient. Why it is necessary to make this radical departure from what is recognized as good legislation, and to declare a foreign company a company incorporated under the laws of Canada, I fail to understand. I do not think the minister believes for a single moment that this is good legislation. I think he realizes that his own view was the correct one. The company might properly be named a corporation for the purposes of this Act. I think that is the minister's own view, and yet he yields to the view of someone else. Whether the deputy minister has personally given his opinion, or whether it was simply some official under him, I do not know, but the minister asks this Parliament, as if we had no sense or intelligence, to pass this extraordinary legislation against what was his own view when he was first considering the Act, and against what I believe is his own view to-day. He is not able to give us a single reason why this language should be used.

Mr. NESBITT: I do not know anything about the law and I have no right to discuss a legal point, but it looks to me that section 2 simply intends to make these companies Canadian companies in so far as doing business in Canada under this Act is concerned. I do not see that it affects the companies under any other Act. It seems to me the section will accomplish what we are trying to do.

Mr. PUGSLEY: Let us insert the words "for the purpose of this Act." I beg to move that the after the word "Canada" in line 7, the words "for the purpose of this Act" be inserted. That would avoid the absurdity which would otherwise be in the statute. It would do no harm, and would clearly carry out what I believe is the intention of the committee.

Mr. NESBITT: All the big companies have copies of this Act and they have not complained so far as I know.

Sir THOMAS WHITE: I do not think it would be wise to adopt this amendment. It was considered by the Banking and Commerce Committee and the Deputy Minister of Justice advised against it. My hon. friend asks for a reason why it should not be inserted. The onus is on him to show that it should be inserted, but I will give him one reason why it should not be inserted. Its tendency would be to qualify and cut down the effect of the language as it now stands. By this legislation which is thought to be necessary in order to make this Insurance Act constitutional, it is provided that:

> Any company other than a Canadian company which may obtain from the minister a license or a renewal of a license shall thereupon and thereby become and be and be deemed to be a company incorporated under the laws of Canada with power to carry on throughout Canada, or in such part or parts of Canada as may be specified in the license, the various branches or kinds of insurance which the license may authorize.

That unquestionably brings that foreign company under the jurisdiction of this Parliament. Now if the amendment of my hon. friend were accepted—and I have stated that it had occurred to me that such an amendment might be inserted—the effect would be to diminish the strength of the section as it now stands, by qualifying it. How qualifying it? For the purposes of this Act. I have no doubt in my mind that the effect of the section as it now stands is that

for the purposes of this Act the foreign company becomes a Canadian corporation, but as the matter is so important from a constitutional standpoint, and as the Department of Justice has specially advised against our qualifying it——

Mr. NESBITT: Was it the deputy minister?

Sir THOMAS WHITE: Yes, so I am informed by the Superintendent of Insurance, who took this matter up with him. Therefore I am unwilling to consent to the amendment, although I suggested the same amendment to the Banking and Commerce Committee myself. Our object is to make the provision constitutionally valid beyond all question.

With all due deference to the hon. member for St. John (Mr. Pugsley), a constitutional question is a legal question, and I do not see how members of this House can override the opinion of the Deputy Minister of Justice and change language which has been considered for the definite purpose of making the constitutionality of the provision beyond question.

Mr. PUGSLEY: I move:

That the words "for the purposes of this Act" be inserted after the word "Canada" in line 7 of subsection 2 of section 4.

How can that injuriously affect the constitutionality of this section? The minister must bear in mind that we are charged with some responsibility, and if we are not going to express our opinion and decide according to our judgment there is no object in consulting this committee, and we might as well remain outside and let the chairman and the minister pass the Bill through without us.

Sir THOMAS WHITE: I should not like the hon. member for St. John to hold the view that I object to taking his opinion, or to considering the amendment. I am only answering what he said.

Mr. PUGSLEY: If the Minister of Justice, in his place and with the responsibility that rests upon him as a minister, says it is better to leave these words out, I am quite willing to yield to his view, but to ask us to put through a clause absurd and nonsensical upon its face—and I do not hesitate to say it—incorporating a foreign company as a corporation under the general laws of Canada, strikes me as something the minister should not do without having the assurance of the committee that those words will in some way affect the constitutionality of the section, or prevent the carrying out of its purpose.

Mr. NESBITT: Why not allow the clause to stand until my hon. friend from St. John (Mr. Pugsley) satisfies himself in regard to the point he raises?

Sir THOMAS WHITE: If this is voted upon I shall direct the attention of the Deputy Minister of Justice to the debate which has taken place on this section, and if he sees fit to change his view, I will bring the matter before the House again at a later stage. I do not like to be put in the position of passing upon the opinion of Deputy Minister of Justice, or having it overridden by the hon. member for St. John. I would rather have it voted upon here, and afterwards if the Deputy Minister of Justice feels that the views of the hon. member for St. John can be met without in any way weakening the effect of the section, I shall be agreeable to meet his views.

Mr. PUGSLEY: That only shows the minister is determined to put the section through just as it is, without being able to tell the committee that there is any reason for it, and even going the length of telling the committee that it is against his own judgment, and that it is put through because an official of the department, for whom we all have great respect, thinks it is desirable. The Minister of Justice is the responsible minister of this House, so far as legal questions are concerned. I do not think the Minister of Finance should hesitate to yield to such a reasonable request as I have made. I can assure him that by doing so he will not lose any time in the consideration of the measure. I do not wish to overrule the view of the Deputy Minister of Justice; possibly he is right and I am wrong. I have often been wrong, but sometimes I am right. It is just possible I may have hit upon the right interpretation of this section. I am constrained to believe the Deputy Minister of Justice is wrong in the view he has taken. This is a very important matter. We are establishing a precedent in legislation, when we declare that foreign companies shall become companies incorporated under the laws of Canada. We are establishing for all time, precedents, which I do not believe exist in any other country in the civilized world. That being so, we should not hesitate for a moment to take the advice and guidance of the Minister of Justice.

Amendment negatived on division.

Sir THOMAS WHITE: I stated to the House that this question was raised by the Banking and Commerce Committee, and an amendment suggested substantially in the terms of the amendment made by my hon. friend from St. John. That amendment was submitted to the Deputy Minister of Justice, who stated it was unnecessary and objectionable. The reason I have asked that my hon. friend's amendment should be voted down is because he seemed to impugn my word with respect to what had been done. I will say to my hon. friend, because I am just as anxious—

Mr. PUGSLEY: If my hon. friend will permit me, I did not impugn his word at all.

Sir THOMAS WHITE: That was the effect of what my hon. friend said. He said we should get the opinion of the Department of Justice. As a matter of fact, we have the opinion of the Department of Justice. The Deputy Minister of Justice has been connected with this insurance case from the beginning to the end. I will submit the amendment to him, and if in his opinion it can be adopted, without weakening the effect of the section, I will see it is included.

Mr. PUGSLEY: Let me say again to my hon. friend that I did not impugn his word at all.

Sir THOMAS WHITE: Not in so many words.

Mr. PUGSLEY: I did not come within a thousand miles of it. I did not doubt for a moment what he said. What I suggested was that the Minister of Justice, whose duty it is to guide this House on legal matters, is not present, and it is only a matter of reasonable courtesy that this section should be allowed to stand until he is here. I also said if the Minister of Justice advises that the insertion of this proposed amendment would be undesirable or would in any way weaken the Act, I would withdraw from the position I have taken. I am rather surprised that my hon. friend has so little confidence in his colleague the Minister of Justice that he would refuse to allow him to give an opinion and to guide this committee as to the right lines to follow.

On section 4, subsection 3—Lloyds associations:

Sir THOMAS WHITE: I have to insert after the word "or," in the 16th line, the words "any association of persons." The reason is to more accurately describe the system of inter-insurance which is not confined to individuals, but applies to corporations as well. The use of the word "persons" would cover both cases.

Mr. SINCLAIR: Is this a new section?

Sir THOMAS WHITE: It is practically the same as in the old Act.

Mr. SINCLAIR: I see that it authorizes a number of individuals to be licensed to carry on insurance business. Is there any limit to the subjects that this association would insure? In Lloyds you can take out a wager policy. You can get a policy, for example, that the war will terminate before the end of the present year by paying a sufficient premium. Perhaps you could get a policy that the present Government would win the next election, but in that case it would require an enormous rate of premium. Does this mean that when an association is licensed to do business it can do any kind of business it wishes?

Sir THOMAS WHITE: No; it can only do the business it is authorized to do under the license. We have authority to license a company to carry on the class of wagering business referred to by my hon. friend, but in the exercise of our discretion I think it probable we would not do it. There is power to do it. They might apply for such a license and we would have to consider the question whether we should issue it or not. So far we have not granted licenses for so-called freak insurance.

Mr. SINCLAIR: The license itself will indicate the kind of business that is permitted.

Sir THOMAS WHITE: Yes.

Mr. PUGSLEY: Why is the word "individuals" used in reference to the word "association" on line 3, and in the amendment you use the word "persons?" Is there a different interpretation for the word "persons" from that of the word "individuals?" "Persons" would include a corporation, while "individuals" would not. Is it intended in one case to exclude corporations and in the other to admit them?

Sir THOMAS WHITE: The word "individuals" would not include "corporations," but it is the correct word to use in respect to Lloyds, because Lloyds is not a corporation, but an association of individuals. I think there is no question about the propriety of this definition of Lloyds. Now we come down to the amendment "or to any association of persons." That word

"persons" is wide enough to embrace corporations as well as individuals.

Subsection as amended agreed to.

On section 4, subsection 4—provincial companies:

Mr. PUGSLEY: What is meant by "faculty?"

Sir THOMAS WHITE: I am informed by the superintendent that the word "faculty" is used by the Privy Council in its judgment. It is not a usual word, but the idea is to make this legislation constitutional having regard to that decision.

Mr. PUGSLEY: This is a very important section. If it passes in its present form the effect will be that a company incorporated and under the control of a provinical legislature upon obtaining a license from the Minister of Finance becomes a company incorporated under the laws of Canada. Therefore, it would, ipso facto, be in the future entirely amenable to the laws of Parliament and would be taken wholly out of the jurisdiction of the provincial legislature which gave it life.

Sir THOMAS WHITE: That is the same question we were discussing a few moments ago.

Mr. PUGSLEY: It is a little broader here.

Sir THOMAS WHITE: The judgement of the Privy Council was to the effect that the Dominion Parliament has no jurisdiction over a provincially incorporated insurance company which not only does business in its own province but outside of that province. In other words, a provincially incorporated insurance company, no matter whether confining its business to the province of its incorporation or carrying on business under proper legislative authority in other provinces of Canada, is not within the jurisdiction of the Dominion Parliament unless it submits itself to such jurisdiction. The effect of this subsection is to permit provincially incorporated companies to submit themselves to Dominion jurisdiction, as many of them will. It is necessary that we should make them Dominion companies so as to have jurisdiction over them once they take out a license, and it is necessary in the opinion of the Deputy Minister of Justice that we should make a provincial corporation a Canadian company so as to give us jurisdiction over it.

Mr. PUGSLEY: Could that not be worked out in some way without removing them wholly from the jurisdiction of the provincial legislature?

Sir THOMAS WHITE: I do not think we have wholly removed them.

Mr. PUGSLEY: It says:

> 4. The minister may grant to a provincial company which has the faculty or capacity to carry on its business throughout Canada and to obtain the license hereinafter mentioned, and has complied with the provisions of this Act in that behalf applicable to a Canadian company, a license authorizing the company to carry on its said business or any part thereof throughout Canada or in any part or parts of Canada comprising more than one province which may be specified in the license, and the company shall thereupon and thereby become and be and be deemed to be a company incorporated under the laws of Canada.

I venture to say that the moment that license is taken out, although that is the object of it, the effect will be to remove these provincial companies, incorporated by the provincial legislatures, having certain restrictions which the legislatures have thought wise to impose upon them, ipso facto from the jurisdiction of the provincial legislatures. They will become Dominion corporations incorporated under the laws of Canada, which means this Parliament, and it seems to me they then become subject only to the jurisdiction of this Parliament. Have the governments of the different provinces been communicated with about this clause?

Sir THOMAS WHITE: The Bill has been sent to all the provincial departments of insurance many weeks ago. I do not agree that these provincial companies become by this legislation Dominion companies in the sense that my hon. friend has in mind. I do not believe their charters are repealed or that this Government has authority to repeal their charters. Their capitalization and powers, and any statutory provisions applicable to them as provincial incorporations, all remain in full force and effect. If a company obtains a license and wants to carry on business in Canada under that license, then it becomes a Dominion company subject to this Act. My hon. friend knows as a lawyer that very nice constitutional questions may arise. It is said that there is no legislation through which you cannot drive a coach and four. It may be that they will try to drive one through this, but this is the language which has been recommended by the Justice Department and by special counsel to meet the situation created by the Privy Council's decision.

Mr. SINCLAIR: For example, take a company incorporated in Nova Scotia, with a provision in its Act of incorporation that the head office of the company shall be in Nova Scotia. By section 51 the shareholders may change the head office from one province to another. If they should move the head office from Halifax to Toronto, which Act will govern, the Act under which the company was incorporated in Nova Scotia or this Act?

Sir THOMAS WHITE: I think that what the public should do in this case is to call in a lawyer and take his advice. That is a hard one.

Mr. PUGSLEY: That is going to be the effect of this Act, if it is not the intention.

Sir THOMAS WHITE: My hon. friend will realize that we are confronted with a condition and not a theory. The condition is that the Privy Council has said that the Dominion Parliament has no jurisdiction to regulate the business of an insurance company incorporated by a provincial legislature carrying on business in its own province, or even outside its province. If we had this Act, many provincially incorporated insurance companies would desire, for the sake of their standing if nothing else, to be subject to Dominion jurisdiction. One way in which they could bring themselves within the Dominion jurisdiction, although difficulties might arise, would be to take out Dominion incorporation and have the assets and liabilities of the old company assigned to the new. This provision has been inserted to give such companies the right to make application to take out an insurance license and subject themselves to the jurisdiction of the Dominion Insurance Act. It is pointed out to me by the Superintendent of Insurance that this provision has been in the Act for many years, that the principle of licensing provincial companies is not a new one, but one of many years' standing.

Mr. PUGSLEY: These words are entirely new.

Sir THOMAS WHITE: Some of them.

Mr. PUGSLEY: Are not the words "and the company shall thereupon and thereby become and be deemed to be a company incorporated under the laws of Canada" entirely new?

Sir THOMAS WHITE: Yes.

Mr. PUGSLEY: And they are the vital words of the section of which I am complaining.

Sir THOMAS WHITE: They are the vital words, and the words intended to give the Dominion jurisdiction.

Mr. PUGSLEY: And to take the jurisdiction out of the provinces.

Sir THOMAS WHITE: For the purposes of this Act.

Mr. PUGSLEY: Why not say so. I urge that after the word "Canada" in line 18, the words "for the purposes of this Act" should be inserted. If you do not do that you are sure to have litigation. The minister speaks of getting rid of litigation. But he is opening a wide door, and for years in the future the lawyers will rise up and call him blessed and say what a great man he has been for the profession, and how many trips he has given them across to the Privy Council.

Sir THOMAS WHITE: Well, they are a good lot.

Mr. PUGSLEY: Yes, they are good fellows. How is it possible to argue that this is not going to take jurisdiction out of the provincial legislatures? Here is a provincial company which comes and gets a license. There would be no objection to declaring that it is to become, for the purposes of this Act, subject to the jurisdiction of the Department of Finance and is not to be permitted to carry on business except under the terms of this license. That would be quite reasonable and possible, but for some occult reason hidden in the minds of the officers of the Justice Department that has not yet penetrated the mind of the Minister of Finance, this Parliament is declaring that the moment the company obtains its license it, ipso facto, becomes what it is not, and what nobody can pretend it is—in the words of the Act it "shall thereupon and thereby become and be deemed to be a company incorporated under the laws of Canada." I have asked the minister to put in the words "for the purpose of this Act." It appears he will not do it, because, for some mysterious reason, it may impair the validity of the section.

Sir THOMAS WHITE: I will say the same thing as I said before: if the sense of the House is that these words should be inserted, or if the Minister of Justice, after looking into the matter, is of the opinion that these words may be inserted without weakening the effect of the section, I will see that they are inserted.

Some hon. MEMBERS: Stands.

Sir THOMAS WHITE: No; I want it carried.

Mr. PUGSLEY: It strikes the minister's pride. He wants it carried.

Sir THOMAS WHITE: No. I told the hon. gentleman from St. John that this amendment had been inserted at my request in the Banking and Commerce Committee. I told him that after the words had been inserted, the deputy minister advised that they should be left out, and they were left out. It seems to me the onus, so to speak, is not upon me to insert those words, and then have them taken out afterwards, but I think we should pass the section as it stands, on the understanding that I will again consult the Minister of Justice, and draw his attention to the observations of the hon. gentleman from St. John, and, if necessary, the section can be amended at a later stage.

Mr. MONDOU: I have listened to the debate and the explanations given by the Minister of Finance in regard to these incorporated companies. A company incorporated in Quebec can go into Ontario and make a deposit and do business. A company incorporated in Ontario can go into the province of Quebec and make a deposit there. These companies, by taking out licenses, can operate in the different provinces of the Dominion. Supposing these companies want to take a Dominion license under this Bill, and apply to the Department of Insurance, will this legislation effect the companies which take out licenses from the Dominion, as far as inspection and everything provided in this Bill, or will it be done according to the local charter of that company? My opinion is that it will, and that it will not be affected by this Act, and I should like to know if my opinion is shared by the Department of Insurance. I take advantage of the presence of the Superintendent of Insurance to make the inquiry. I think that the companies that I have referred to will be governed by their charter, and their status will not be changed.

Sir THOMAS WHITE: I agree with my hon. friend.

Mr. MONDOU: As regards the internal laws of the administration of the department, they will be administered according to this Act, and those laws will govern. These companies will have to make their returns to the Department of Insurance in Ottawa, but that is the only matter in which the company will be interfered with by the department. Is that the opinion of the department?

Sir THOMAS WHITE: I would not like to express a definite opinion as to the precise effect of this provision, but that is my view.

Mr. MONDOU: That is the interpretation given by the department?

Sir THOMAS WHITE: Returns, assets and inspections.

Section agreed to.

On section 5—Deposit for license:

Sir THOMAS WHITE: In this section the word "may" is substituted for "shall." It is thought that the minister should not be under an absolute obligation, and that it should be made permissive. The word "may" has a well understood meaning, and it is practically the same thing.

Mr. PUGSLEY: Yes.

Section agreed to.

On section 8—License not granted to same company for life combined with other insurance:

Sir THOMAS WHITE: This section is the same as the old section, except in the 33rd line the words "in full settlement of the policy and as a substitute for all other benefits and privileges thereunder" are struck out.

Mr. PUGSLEY: They are not struck out in my copy.

Sir THOMAS WHITE: The Bill has not been reprinted. Therefore the hon. gentleman has not the amendment before him, and I am calling attention to the amendments as we proceed.

Section agreed to.

On subsection 2 of section 8—Six classes:

Mr. SINCLAIR: What is weather insurance?

Sir THOMAS WHITE: Insurance against hail and tornado, carried on to a large extent in the West. It is a very important branch.

Mr. SINCLAIR: The various other kinds of insurance are defined, but this is not.

Sir THOMAS WHITE: It is defined in the charter of the company carrying on the business.

On section 9—license not granted where charter authorizes excess of classes:

Sir THOMAS WHITE: I beg to move that the words "incorporated elsewhere than in Canada" in line 16 of this section be struck out, and that the words "British or foreign company" be inserted before the word "company." The provision will then read: "Provided, however, that any British or foreign company which has," etc. That is for the sake of uniformity. British and foreign companies are defined in the interpretation clause.

Mr. PUGSLEY: After foreign companies take out a license in Canada they cease to be incorporated elsewhere than in Canada; they are incorporated here.

Sir THOMAS WHITE: A company that is incorporated elsewhere than in Canada is either a British or a foreign company. It is thought better to substitute the words "British or foreign company" for "incorporated elsewhere than in Canada."

Amendment agreed to.

Section as amended agreed to.

On section 31—Life companies:

Mr. SINCLAIR: I see in the margin on page 15, opposite line 38, "Fire and inland marine companies," but there is no reference to inland marine companies in the section.

Sir THOMAS WHITE: I beg to move that the words "and inland marine" in the margin be struck out.

Amendment agreed to.

Section as amended agreed to.

On section 41 (a), subsection 4—Winding-up Act:

Mr. PUGSLEY: Will the minister explain?

Sir THOMAS WHITE: The reason is that if the provisions of the Dominion Winding-up Act are applied, a great deal of unnecessary expense is incurred in the event of re-insurance being effected as provided in this section. My hon. friend will observe the declaration that any section or sections of the winding-up Act shall not apply is to be made by the court. That is the safeguard upon the section.

On subsection 6—Deposits outside of Canada:

Mr. PUGSLEY: Why should not the provisions of this subsection apply to a provincial company licensed under this Act, as well as to a company incorporated by Parliament under the Companies Act?

Sir THOMAS WHITE: It would include a provincial company, because a Canadian company by the definition contained in section 2 (e) means a company incorporated under the laws of Canada.

Mr. PUGSLEY: Subsection 2 (e^1) defines a provincial company in an entirely different way.

Sir THOMAS WHITE: The point my hon. friend raised when we were discussing subsection 4 of section 4 is important here. A provincial company which makes application for and obtains a license becomes a company incorporated under the laws of Canada. If my hon. friend will look at section 2 (e) he will find a "Canadian Company" means a company incorporated under the laws of Canada, therefore a provincial company becoming by this statute a company incorporated under the laws of Canada, it becomes a Canadian company.

Mr. PUGSLEY: Does it?

Sir THOMAS WHITE: Within the meaning of the Act, yes.

Mr. PUGSLEY: What is meant by the words "provincial company" then? Section 2 (e^1) states:

"provincial company" means a company incorporated under the laws of any province of Canada for the purpose of carrying on the business of insurance.

Sir THOMAS WHITE: Before it takes the license.

Mr. PUGSLEY: Then it becomes a Canadian company, and is a company incorporated under the laws of Canada?

Sir THOMAS WHITE: Within the definition.

Mr. PUGSLEY: I asked my hon. friend as to why certain provisions should not apply to provincial companies as well. I understood the minister to admit that there was a distinction between a company incorporated under the laws of Canada and a provincial company which became licensed under this Act. It seems to me that you are going to have confusion. The courts will hold that a company incorporated by a province, and which is a provincial company, the moment it gets the license under this Act, becomes a Canadian company because you have given a special definition to "Canadian company" and "provincial company," as follows:

"Canadian Company" means a company incorporated under the laws of Canada for the purpose of carrying on the business of in-

surance, excluding however any British or foreign company which becomes incorporated under the provisions of this Act by reason merely of obtaining a license from the minister as herein authorized;

"Provincial company" means a company incorporated under the laws of any province of Canada for the purpose of carrying on the business of insurance.

Under these definitions, I should think the courts would consider the expression "provincial company" to mean a company incorporated under provincial legislation. However, if the minister is satisfied that the term "Canadian company" is broad enough to apply to a provincial company, I shall not pursue the matter.

Sir THOMAS WHITE: There is no doubt that in this insurance legislation, which purports to deal with provincially incorporated companies, there is room for a difference of opinion. That is inherent in the subject matter.

Mr. PUGSLEY: Why not have another definition to this effect: A Canadian company shall also include a provincial company after it obtains, and while it continues to hold, a license under this Act? Then there will be no doubt.

Subsection agreed to.

On section 42—Valuation of policies of life insurance in Canada.

Mr. PUGSLEY: The minister will see that a provincial company ceases to be a provincial company the moment it gets its license, and a foreign company ceases to be a foreign company.

Sir THOMAS WHITE: No, they become Canadian companies for the purposes of this Act. I do not believe that anything we can do will change the powers given them by the legislatures that incorporated them, nor change their provincial or foreign status —except to this extent, that they become subject to this Act as Canadian corporations while they are carrying on business in this country under license.

Mr. PUGSLEY: The minister has put forward the view that a provincial company, the moment it obtains a license, ceases to be a provincial company because, in the words of the section, it shall become and be deemed to be a company incorporated under the laws of Canada." If the words "Canadian company" applied to a provincial company then equally would a foreign company, the moment it has taken out a license, be and become a Canadian company. The same reason applies in one case as in the other. And yet, all the way through the statute apparently it is intended that the words "Canadian company" shall include provincial companies by reason of their obtaining a Dominion license while British and foreign companies shall still have a distinctive name and not be included under the words "Canadian company". I think there is going to be confusion in the interpretation of the Act.

Sir THOMAS WHITE: I think it is clear that for the purposes of this Act a foreign company taking out a license here, and a provincial company taking out a license, become Canadian companies subject to the definition as contained in paragraph (e) of section 2.

"Canadian Company" means a company incorporated under the laws of Canada for the purpose of carrying on the business of insurance, excluding however any British or foreign company which becomes incorporated under the provisions of this Act by reason merely of obtaining a license from the minister as herein authorized.

I will modify what I said to this extent that, while a provincial company taking out a license would become a Canadian company as defined, a British or foreign company would not.

On Section 53—Commissions to agents:

Mr. SINCLAIR: Does the Bill place no restriction on the amount of commission?

Sir THOMAS WHITE: We have not thought it necessary to restrict the amount. The time may come when we shall feel obliged to do so.

Mr. SINCLAIR: Why say at the end "unless it is determined in advance?"

Sir THOMAS WHITE: I do not see any object in these words. The superintendent informs me that the object of the section is to have an established rate of commission so that the rate will not vary unless determined in advance. This requires the company and its agents to enter into a contract.

Mr. MARCIL: Has any move been made to bring about uniformity in insurance legislation between the Dominion and the provinces in order to protect policyholders, so that, for instance, a company before undertaking business would be required to make a deposit sufficiently high to guarantee its policyholders?

Sir THOMAS WHITE: By the Act of 1910, the Dominion Parliament assumed to regulate provincially-incorporated fire and other insurance companies doing business

outside their own provinces. It has been held that the Dominion has no such power. We are now proposing to enable any provincially-incorporated insurance company to take out a license and subject itself to the provisions of this Act. But many companies will not do that, and they will still remain subject to provincial legislation and will carry on business subject only to the safeguard provided by the several provinces. We could not assume authority over such companies unless the British North America Act was amended or unless we could get the provinces to enact legislation similar to ours so as to bring about uniformity in insurance laws in the Dominion. Personally, I think that would be a highly desirable thing to do. We would be delighted if that were done, because protection would be afforded to the public, and that is what my hon. friend wants. Unfortunately, all the provinces would not take the same view of this matter as we do, and a considerable feeling of jealousy in regard to provincial rights enters into the question. A good way of dealing with it would be—if the time were opportune—for the Dominion to take the initiative—and get representatives of the several provinces to meet and take up the whole situation frankly. Public men generally look at public questions in the same way at a public conference, and I think a good deal might be done along that line. In the midst of the war it is difficult to find time for things like that, but I think my hon. friend's idea is a good one, and we might be able, at a conference, to agree upon uniform legislation, the object of which would be to protect the public. Of course, provincial legislatures are just as desirous, and the provinces are as anxious to protect the public as we are.

Section agreed to.

On section 56—Salary agreement for not more than five years:

Mr. SINCLAIR: I intended to ask the minister in regard to the policy of allowing directors to take commissions. The first provision of section 56 appears to imply that the directors of the company may be allowed to make a contract to secure business, and obtain a commission from the company on the business secured. Is it not rather unusual that that right should be extended to the directors who are representing the shareholders as well as the policyholders? If a director is allowed to decide the question of commissions for himself, he might be liberal. I want to know what the minister thinks of that section.

Sir THOMAS WHITE: I think my hon. friend has misread the section. I direct his attention to section 55, which says:

> No salary, compensation or emolument shall be paid to any director of a Canadian company carrying on the business of life insurance for his services as such director unless authorized by a vote of the members in the case of a mutual company, and by a vote of the shareholders and other members, if any, in the case of a company having capital stock.

Section 56 reads as follows:

> No such company shall make any agreement with any of its directors, trustees, officers or agents, to pay for any services rendered or to be rendered, any salary, compensation or emolument, extending beyond a period of five years.

That would prohibit a company making an arrangement with a director for emolument for a period of ten years. The principal reason for this is that it was drawn to our attention that some most improvident contracts had been entered into, notably one in the case of the Union Life. There was a company called the National Agency Company which acted as agent for the Union Life and had an agreement with the Union Life extending over three years, whereby the National Agency Company was to receive a commission upon all business obtained for the Union Life. When we threw the Union Life into liquidation the claim of the National Agency Company became a very heavy one, for they were prepared to set up this as a contract worth several hundred thousand or a million dollars, because for thirty years they would be entitled to take commission upon all the business of this company. A claim like that, of course, is not allowed by the courts, but no doubt the sum that would be allowed, if the contract were held to be valid, would be a serious matter, as far as the rights of policyholders and also of other creditors were concerned. It was a most improvident contract, and we have inserted a provision in the Insurance Act, which limits the contract to a period of five years, with this limitation:

> That the restriction shall not apply to agreements with agents in respect of insurance secured or to be secured by such agents, such insurance amounting in any year to less than twenty per cent of the total insurance secured in that year by the company.

That is the explanation of that provision.

Section agreed to.

On section 59—Investment of company's funds:

Sir THOMAS WHITE: There is an important feature introduced into section 59, lines 16 to 20, as follows:

Debentures secured by rates or taxes levied under the authority of the Government of any province of Canada on property situated in any such province and collectable by the municipalities in which such property is situated.

The object of that is to make available, as investments for insurance companies, debentures in the municipally owned telephone systems in Saskatchewan and the West. That matter has been before me for some time, and I promised at the first convenient opportunity to introduce the necessary legislation.

Mr. PUGSLEY: It seems very reasonable. This section reads, beginning at line 25:

(ii) The debentures or other evidences of indebtedness of any company which has paid regular dividends on its preferred or on its common stock for a term of at least five years immediately preceding the date of investment in such debentures or other evidences of indebtedness.

Sir THOMAS WHITE: That is a change. That also arose out of our experience with the Union Life. That company had at one time among its assets the debentures of its own agent, the National Agency company. We have made the eligibility of the debenture depend upon the standing of the company, which seems a sensible thing to do.

Mr. PUGSLEY: It is a question in my mind, whether, with regard to life insurance policies which are held for the benefit of widows and orphans, provision should be made for investing the money in the debentures of any private corporation or whether it should not be limited to Government and municipal debentures.

I am inclined to think it should be so limited. The regular payment of dividends for five years upon common or preferred stock is no assurance of the permanent success or prosperity of a private corporation. It is risky to allow the moneys of insurance companies or savings banks to be invested in any other public securities, municipal or government debentures. This is apparently a new provision; I have grave doubts as to its wisdom.

Sir THOMAS WHITE: The range of investment is greatly narrowed under this provision; it is a step towards what my hon. friend has in mind. Formerly they could invest in debentures; now we limit their powers of investment in debentures to debentures of the kind here described; that is to say, debentures that are more likely to be permanently good than those authorized under the existing Act as investments. I am disposed to agree with my hon. friend; I would narrow very considerably the powers of insurance companies to invest their funds. This, however, is the answer that has always been made to me when I have raised the question or when I have been considering it with the Superintendent of Insurance. Our companies are in competition with British and foreign companies carrying on business in Canada. My hon. friend knows that the extent of the advantage given under an insurance policy depends upon the rate of interest earned by the company. If we confine our insurance companies to Government and municipal securities yielding lower rates of interest than are obtained by other insurance companies upon another range of investment, we put our companies at a disadvantage in the matter of offering attractive policies and obtaining business. By reason of the war, the yield rate is so high upon the kind of securities that my hon. friend has in mind—Government and municipal securities—that there is not the same objection to the course which he has suggested as has obtained in the past. However, I should not be at all surprised if on the next revision of the Insurance Act, some few years from now, this question should be very carefully considered; it might be practicable to confine insurance companies to a range of investments which would be absolutely safe.

I should be glad if the committee would oblige me by rising and reporting progress. At eight o'clock we will take up the Public Works estimates, and, if there is no objection, the estimates of the Militia Department. I have to leave town at seven o'clock. We will allow this important section to stand.

Mr. PUGSLEY: Some members are away who desire to be present when the Militia estimates are taken up. There is no objection, however, to the Public Works estimates being taken up.

Section stands.

Mr. LEMIEUX: Has my hon. friend considered the suggestion I made the other day with reference to insurance policies held by men who are subject to the military service law?

Sir THOMAS WHITE: I do not believe that my hon. friend's suggestion is practicable. In the first place, hundreds of thousands of men have already enlisted and gone overseas; a question would rise at once with regard to their policies. Then you have some men who may be called to the colours under the Military Service Act who are insured for $10,000, $20,000, $50,000, even $100,000, while others have no insurance at all. There would be no means of establishing uniformity. The Superintendent of Insurance has been looking into the question of policies; in most cases I understand that the insurance involving war risk is allowed to run at an increased rate. If that rate is not paid, the face of the policy is, in some cases, cut down to the amount of the reserve.

Mr. NESBITT: To the extent that the amount of premium paid will permit, and in proportion to the increased rate demanded by the insurance company.

Sir THOMAS WHITE: My hon. friend referred me to the proposed action of the United States. I may point out that that action is proposed in lieu of pensions. The feature of our military service which has a bearing on this question is the pension system. When this Bill is under consideration further my hon. friend will raise the question and I shall be prepared to discuss it further with him. It does not appear to us, however, that his suggestions are practicable. It would not be fair to ask the insurance companies, as pointed out by the member for South Renfrew (Mr. Graham) to assume heavily increased risks without heavily increased premiums. When you consider whether the additional premium should be assumed, you are confronted with all the difficulties that I have mentioned, not only with regard to the men who are now to be called, but in regard also to the men who have already gone overseas.

Mr. NESBITT: Nearly all the policies provide that after two years no such question can be raised.

Sir THOMAS WHITE: I think that is true with regard to many policies. Policies taken out since the outbreak of the war contain a special clause with reference to military service. When you come to deal with the question of arranging to take care of the life insurance of thousands of men, having different amounts of insurance, some having no insurance at all, you are confronted with a very difficult question. One man puts his savings in life insurance; another man pays off the mortgage on his house; another places his savings in a bank. The only way to deal with them all uniformly is under a pension system, as we are now doing. That is all I can usefully say on the subject at this stage.

Progress reported.

REPORT PRESENTED.

Report of the Royal Commission appointed to inquire into the reports of Mr. Justice Galt of Manitoba.—Mr. Doherty.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

TORONTO, HAMILTON & BUFFALO RY. CO.

House again in committee on Bill No. 39, respecting the Toronto, Hamilton and Buffalo Railway Company.—Mr. Thomas J. Stewart.

Mr. Rainville in the Chair.

Mr. T. J. STEWART: When this Bill was before the Committee of the Whole it was referred to the Department of Justice for a report. I have the report now before me. It is a very lengthy document, and the greater part of it is a citation of the statutes, etc. I do not think it necessary that I should delay the House by reading it. If there is no objection I will simply have it published in Hansard.

The committee consenting:

July 16, 1917.

Sir,—I have the honour to reply to your letter of 5th instant submitting a draft Bill respecting the Toronto, Hamilton & Buffalo Railway Company, with a request for my opinion upon the question whether Parliament has power to amend or vary the agreement exhibited in the schedule to the Bill.

The parties to this agreement, which is dated November 15, 1897, are the Hamilton & Dundas Street Railway Company, a provincial company incorporated under a special Act of the Legislature of Ontario, Statutes of 1876, chapter 87, and the Toronto, Hamilton & Buffalo Railway Company, which, though originally incorporated by a special Act of the Legislature of Ontario, Statutes of 1847, chapter 75, became a Dominion corporation under chapter 86, Statutes of Canada, 1891, which declared its undertaking to be a work for the general advantage of Canada, and the company to be a company subject to the jurisdiction of Parliament.

By clause 8 of the agreement it is provided that the contract shall continue in force for the period of twenty-one years, and for a further period of twenty-nine years if the sanc-

tion of Parliament and the Legislature be obtained to legalize this extension. This provision, ex facie, suggests that neither of the contracting corporations had the capacity or power to bind itself by such an agreement for a period exceeding twenty-one years, and the railway legislation in force at the time the agreement was entered into (Revised Statutes of Ontario, 1897, chapter 207, section 77, and Statutes of Canada, 1888, chapter 29, section 238) indicates this to be the fact. The Legislature of Ontario, on the petition of the Hamilton & Dundas Street Railway Company and the town of Dundas, appears to have ratified the agreement by chapter 60, Statutes of Ontario, 1898, and now Parliament is asked to do likewise on behalf of the Toronto, Hamilton & Buffalo Railway Company.

I observe that upon representations made on behalf of the town of Dundas, the railway Committee of the House of Commons has recommended an amendment to the Bill which will have the effect of extending the agreement merely for four years, i.e., until 1922, instead of the period of twenty-nine years contemplated by the agreement; that the authority of Parliament to make such an alteration in the terms of the agreement has been questioned in the House, and that it is under these circumstances that the matter is referred.

The proposed amendment to the Bill obviously would effect a material change in the terms of the original agreement, and in my opinion this is incompetent to Parliament, seeing that the Hamilton & Dundas Street Railway company is a provincial corporation and consequently that its contract rights and obligations are not within the legislative authority of Parliament.

I have the honour to be, Sir,

Your obedient servant,

Deputy Minister of Justice.

E. P. Hartney, Esq.,
Examiner of Private Bills,
Room 308, House of Commons,
Ottawa.

I am pleased to inform the committee that since the Bill was up before the parties have come to an understanding, and I therefore move that sections 1 and 2 be stricken from the Bill. Sections 3 and 4 have already been struck out, which leaves the Bill composed of sections 5 and 6. Those two sections have already been passed by the committee and recommended to the House. I have been asked by the promoters of the Bill to correct a statement made by the hon. member for Kingston (Mr. Nickle) who said that the tracks of this railway ran on the main street of the town of Dundas. The main street runs north and south, and when it reaches King street, which is really the main street, it runs east and west. The railway crosses Main street about a quarter of a mile from King street, and runs at right angles to Main street. The promoters of the Bill thought it was unfair to have it understood that they were trying to run a railroad through one of the main streets of the town, when it is not so.

[Mr. Stewart.]

Bill reported.

SUPPLY.

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

Public Works—chargeable to income—Annapolis Royal—repairs to pier, $2,000.

Mr. PUGSLEY: There was $2,300 in the estimates last year and only $300 expended. Why was this kept in the estimates? I would suggest that this might very well be reduced.

Hon. ROBERT ROGERS (Minister of Public Works): It is the re-vote of the balance necessary for repairs, consisting of new covering, stringers and guards.

Mr. MURPHY: How comes it that only $300 was expended out of a vote of $2,300?

Mr. ROGERS: We did not get the covering and that is the principal item.

Mr. MURPHY: Timber?

Mr. ROGERS: Timber for covering.

Canning—repairs to wharf, $2,500.

Mr. KYTE: I would like to call attention of the hon. Minister of Public Works to the wharf at Port Malcolm in the county of Richmond. That wharf was purchased six or seven years ago, and it was put into a state of repair suitable for all public purposes. I am informed that during the last three or four years it has been very much neglected so that at the present time it is absolutely useless and as things now are the money that has been expended on it is wasted. Port Malcolm is the centre of a very important community in the county of Richmond. Several vessels are owned there and there are a number of fishermen's boats. Complaints have been made to me that owing to the way the wharf has been allowed to get into disrepair it is absolutely useless. Would the minister be good enough to look up his files in the department and ascertain whether there has been a report from the resident engineer asking that repairs be made to that wharf this year.

Mr. ROGERS: I have not in my mind any report that has reached the department but possibly there might be one. I shall be very glad to take note of the matter and supply the report to my hon. friend. I will also give attention to what he has

said respecting the necessity for some improvements.

East River—improvements, $140,000.

Mr. SINCLAIR: Will that finish the East river improvements? When will the work be completed?

Mr. ROGERS: We will have it completed this year, the chief engineer informs me.

Mr. KYTE: What is the total amount expended upon that work?

Mr. ROGERS: The contract was $398,000 and there have been expended on gates $124,000.

Mr. KYTE: Has the work been done by contract?

Mr. ROGERS: Yes.

Mr. KYTE: Who were the contractors?

Mr. ROGERS: Roger Miller & Sons were the contractors for the gates, and McDougall Bros. for the other part.

Mr. KYTE: Is any dredging being done there at the present time?

Mr. ROGERS: No.

Margaree—repairs to breakwater, $900.

Mr. A. W. CHISHOLM: For some time I have been trying to get some dredging done at Margaree harbour. Tenders have been asked for temporary dredging. The harbour is in a very bad state. Is it the intention of the department to have the dredging done this season?

Mr. ROGERS: Have tenders been asked for recently?

Mr. A. W. CHISHOLM: Yes. I was assured early in the season by the department that the dredging would be done before now, and I noticed the advertisement in some of the local papers down there a short time ago.

Mr. ROGERS: If we are asking for tenders we must be proposing to go ahead with it.

Mr. A. W. CHISHOLM: I am glad to know that it is the intention to go ahead.

Mr. ROGERS: I will be glad to have it looked up and give my hon. friend a memorandum of what we propose to do.

Mr. A. W. CHISHOLM: I do not know what can be done at Margaree harbour with this vote of $800, because the condition of the public works there is really a scandal. For the last five years the Government have absolutely neglected this place. I suppose that an expenditure of $20,000 would not properly repair the works that have been destroyed. If this $800 had been spent five years ago, and spent at a season of the year when work could be done successfully and the greatest amount of work possible done for the money spent, and if $200 had been spent every year since then, it might have saved the public works there, but $30,000 would not repair the works at Margaree Harbour now. All this destruction went on with the knowledge of the department, because at least every month brought an engineer down to Margaree Harbour to make a report. I have endeavoured to get the department to spend a little way to preserve the old piers, but they have disregarded my representations and nothing has been done. Last year there was a small amount in the estimates and I call the attention of the minister to the fact that these small amounts of $300 or $400 spent in the fall of the year, in September, October and November could not be of very much service in preserving the piers in view of the stormy weather conditions. Anybody acquainted with conditions on that coast must know that it is impossible to get a dollar's worth of work for a dollar during those months. That is just what occurred last fall. About a dozen men were at work putting in two or three hours a day and, I suppose, getting full pay for it. I do not find fault with them, for the reason that the men were doing the best they could because they had to fight the conditions on that stormy coast, but this Government seems to regard this as the proper season to spend the public moneys—the clearest evidence of business incompetence and dishonest handling of public funds. I protest against the absolute neglect of public works at Margaree Harbour. These works in their present condition stand as a monument to the utter incapacity of this Government; and are a scandal and a crime, and the minister should blush in shame for the way in which his department has treated the matter. When an effort is made to replace these works the country will have to pay sorely for this neglect. If ever there was a necessity for immediate action in this case, I want to put myself on record as protesting against the indefensible neglect of the public works at Margaree Harbour as well as all the public works in the county.

Mr. ROGERS: The harbour at Margaree is so situated that it suffers a great deal from storms and I quite agree with my hon. friend (Mr. Chisholm) that probably it

would have been much better to have, in the first place, spent a sufficient amount of money to have made it a permanency rather than to have gone on temporizing and spending small sums each year. But, my hon. friend can understand that it is necessary for me to follow the advice of the engineers. I will take it up and see if the engineers can bear out the statement my hon. friend has made in respect to the matter, because I can assure him that I shall be very glad indeed to correct it if it is possible to do so.

Mr. CHISHOLM: The engineers, of course, made their reports honestly, representing the conditions as they were. This is not the first time I have had occasion to bring this up. Five years ago a very small expenditure would have saved all the work now required, which will cost $20,000. The destruction is going on yearly and each time the work was damaged an engineer was sent down and made a report, but nothing was done, and the whole industrial conditions in a large portion of the county served by this harbour has been seriously wrecked and the lives of our fishermen greatly jeopardized. The neglect is almost criminal.

As to dredging, the present condition at Margaree Harbour, is the result, in part, of the destruction of the piers which protect the channel from the sand flow. The mouth of the harbour is being filled with sand, and no effort has been made to stop the drift. Formerly small vessels could enter with ease, but to-day fishing boats can hardly enter at any time, but particularly is this so when we have a north or northwest breeze, all on account of the shoal water. This is an important fishing station where the fishing establishments enjoy a prosperous business; and, besides, a population of 8,000 to 10,000 depend upon this post for transportation. It is therefore important to make the channel passable for boats, or else these large industries will be paralyzed. I wish the minister would rush the dredge there as rapidly as possible, as no company will undertake this work after September 15. The work should really have been done in June or July. The minister was good enough to promise me early this season that this work would be undertaken with as little delay as possible. Needless to say, I am disappointed.

Mr. ROGERS: We have already called for tenders for this work. I will see about the tenders at once, and see that the work is gone on with.

[Mr. Rogers.]

McKay's Point, repairs to breakwater, $600.

Mr. A. W. CHISHOLM: What repairs are being made there?

Mr. ROGERS: Raising the stone on the seaward side of the outer end of the breakwater for 300 feet up to high water. It is estimated that 420 cubic yards of stone will be required, costing $525, and superintendence, etc., $75.

McMair's Cove, repairs to breakwater, $900.

Mr. SINCLAIR: What is being done there?

Mr. ROGERS: The work consists of sheeting, re-balasting and protecting by stone a portion of the seaward basin and strengthening about 70 ft. to the inner basin.

Mr. SINCLAIR: Is it intended to go on with the work this year?

Mr. ROGERS: Yes.

Mr. SINCLAIR: Two or three other items in the county of Antigonish which were put in the estimates at the time of the by-election a few years ago, when it was important that the people there would be in a good humour, and which have appeared in the estimates each year since, have disappeared. Are they being abandoned altogether?

Mr. ROGERS: My hon. friend will find that we have abandoned practically all capital expenditure for new work in connection with public works of this kind that have been voted for one or two years and the work not carried out.

Mr. SINCLAIR: Does the minister intend to keep his full staff in Antigonish for the future? I understand there are quite a large number of men in his office at Antigonish. I should be obliged if the minister would read the names and state the salaries of the employees in that office.

Mr. ROGERS: I have not the names before me, but I can get them for to-morrow; I do not know exactly what staff we have there. We are cutting down in every place possible, and if we have the office at Antigonish over-manned we will reduce it immediately.

Mr. SINCLAIR: Has the minister made any reduction in Nova Scotia? Has he cut down the staff?

Mr. ROGERS: Of course, a number of our staff in Nova Scotia have gone to the war. There has been a reduction of thirty per cent on that account alone, and we propose,

if possible, to further reduce. My hon. friend will have seen by the press that we are trying to pare down as much as possible during the war.

Mr. SINCLAIR: There is another item which appeared in the estimates for a number of years, for a wharf at Cole Harbour in the county of Guysborough. The minister purchased the site, and has had several surveys since he took charge of the department, and I do not find any item in the estimates in the present year. Will the minister say what his plans are in regard to that wharf?

Mr. ROGERS: It is like many other items we were proposing to go on with when the war broke out, and we were delayed for the first year and second year, and now we have removed these items from the estimates, until war conditions have improved, at all events, and as soon as they improve we hope to restore these items, and carry out the work as quickly as possible. The hon. gentleman will agree with me that it is wise to take all those items out of the estimates, so that we may know exactly what our expenses are going to be.

Port Hillford—repairs to breakwater, $1,800.

Mr. SINCLAIR: Does the minister intend to go on with this work?

Mr. ROGERS: The district engineer there asks for $1,800, covering renewal and new stringers for the entire breakwater, and we propose doing the work this year.

Mr. SINCLAIR: The work will be done this season?

Mr. ROGERS: Yes, that is the report of the engineer.

Mr. SINCLAIR: There is very great need of some dredging at that point. There was a report from there a few days ago that the steamer which serves that coast was unable to call at Port Hilford, on account of the fact that the sand had filled up around the wharf. The steamer can only land at the outside of the wharf, and on stormy days it is found impossible to call there at all. It is an important fishing station, and this steamer service is the only communication with the outside world. As the fishermen are being asked now to produce all they can, and they are doing everything in their power in that direction, it is very disheartening for them not to be able to ship their fish. The main trouble is the want of a small amount of dredging. It has been required for a number of years, but the condition has now become so bad that the steamer cannot get inside of the wharf where the shelter is, so that on stormy days she has to pass Port Hillford without calling. If this dredging were done the steamer could make her call even in stormy weather. I wish the minister would have the matter looked into, and do something if possible in the way of dredging that harbour.

Mr. ROGERS: The engineer says that this matter has come to his notice, and there is apparently a necessity for some dredging there. We have the dredging facilities, and we hope to be able, in the very near future, to make the necessary repairs.

Shubenacadie River—To pay the Dominion Atlantic Railway Co. for the enlargement of draw span on railway bridge and construction of warping piers, $23,000.

Mr. PUGSLEY: What does the hon. minister say to that item?

Mr. ROGERS: The sum of $23,000 is required to pay the Dominion Atlantic Railway company a contribution for substituting a swing span for the lift span in the railway bridge over the Shubenacadie river, in accordance with the provisions of order in council dated January 15, 1917. The work consisted in the removal of the old western piers and replacing them by a pivot pier that supports a swing arch bridge, which gives a clear opening of 45 feet, to enable vessels to pass through without being lightened. An order in council was passed on 16th August, 1899, approving of the plans submitted by the Midland Railway company for the construction of a bridge having a lift span of 29 feet over the Shubenacadie river. This span was found to be too small, and an order in council was passed on the 14th March, 1911, authorizing that an agreement be entered into with the Dominion Atlantic Railway company and the Dominion Government for the substitution of a larger lift span having a length of 45 feet, and it was stipulated that an amount not to exceed $23,000 was to be paid the company on the satisfactory completion of the work.

West Arichat—repairs to wharf, $700.

Mr. KYTE: What repairs are to be effected by this vote?

Mr. ROGERS: Covering, three-inch plank, $196; stringers, $75.60; fenders, $42.24; sheathing, $52.80; guard rail, $40.32; round timber, $25; mooring posts, $60; labour, $140; stone for approach, $56.25.

Mr. KYTE: Was some of this work done during the past year?

Mr. ROGERS: No, not the work I have described. There was some other work done last year.

Yarmouth Harbour—repairs and improvements, $4,500.

Mr. PUGSLEY: Some years ago, when I was a minister, there was a well thought out plan for the improvement of Yarmouth harbour. We thought certain improvements were necessary to make it safe for the very considerable amount of shipping which was going through there. I should like to ask the minister if that work has been completed, and what are the plans, and what is to be done with this $4,500.

Mr. ROGERS: In 1916-17 we did have in the estimates an item of $64,000 for work in Yarmouth harbour. In view of the conditions, this item has been dropped for the present; the vote now asked for is simply to provide for the necessary repairs to keep the harbour in as good condition as possible until such time as we shall be able to restore the item. The harbour of Yarmouth is a very important one, upon which a considerable amount of money has been spent during the last few years. The expenditure of a large sum of money will be required in order properly to complete it.

Mr. KYTE: Is it intended to provide in the supplementary estimates for any further works of a similar character in Nova Scotia?

Mr. ROGERS: We have not anything in particular in mind. There may be some, but they will be very small.

Mr. KYTE: I understand, then, that it is not in contemplation to provide in the supplementary estimates for the construction of new wharves. The reason why I ask is that during the election in Nova Scotia last fall the Government engineers were very busy spying out sites for wharves and breakwaters, and the expectations of the public in many localities were aroused by the activities of the minister. I have in mind four or five sites for wharves that were located in the county of Richmond during the elections in November last, and I am sure that it will be a great disappointment to the friends of the minister in that constituency when they are told that no provision is to be made for the construction of those wharves. If our expectations are not altogether disappointed, there will be renewed activity on the part of the officers of the minister's department in Nova Scotia and elsewhere throughout Canada during the next few months. The minister ought to give an earnest of his good intentions by placing an amount in the supplementary estimates to make good the promises made during those elections in Nova Scotia.

Mr. A. W. CHISHOLM: What work is being done at Inverness harbour, and what work is in contemplation?

Mr. ROGERS: The chief engineer advises me that only work that is urgently necessary is being done. It does not amount to more than two or three hundred dollars.

Mr. A. W. CHISHOLM: The work is of urgent necessity; it is the opening up of a new harbour, upon which a large amount of money was spent five years ago. I cannot understand what work could be accomplished with two or three hundred dollars in the opening up of a new harbour.

Mr. ROGERS: I will look it up and let my hon. friend know to-morrow.

Mr. SINCLAIR: It is difficult for members on this side to understand how the minister spends so much money when he does so little work. For the last two or three years we have been told that it is only in cases of urgency that any work at all is done in his department. But I find upon looking at the public accounts for the last fiscal year, page 73, in a comparative statement of the expenditures in the Department of Public Works for a number of years past, it is set forth that in 1910-11, when the minister took office, the expenditure of his department was $8,621,431, while last year the expenditure was $12,039,252, an increase of $4,000,000. That is an extraordinary increase, especially in view of the fact that so little work is being done. I suppose there never was a time in the history of the Dominion when there was less activity in the Department of Public Works than there has been during the last two or three years; yet the expenditures of the department last year were over $12,000,000. I would like the minister to give some explanation of this increase.

Mr. ROGERS: My hon. friend is including in this amount very large works that we are carrying on in St. John and Halifax and at other points, in connection with which the expenditure has been very large for some years. I did not know that my estimates were coming up to-night, or I

would have had with me a statement giving the figures of the expenditure during the past few years.

Mr. SINCLAIR: I am not referring to the expenditures in St. John harbour or anywhere else in Canada; it is the expense of running the department that I am talking about. This item covers departmental expenses; it does not cover the expense of building wharves and opening up harbours.

Mr. ROGERS: I am afraid my hon. friend has not looked very closely into the figures. I do not know where he arrives at the amount of $12,000. However, I shall be glad to have it looked up and to supply him with any information that he may desire. He is mistaken in his statement regarding the increased expenditure. The general expenditure of the department has been reduced from year to year and will be further reduced this year. I will supply the figures when my estimates come up again.

Mr. PUGSLEY: May I make a slight correction in my right hon. friend's statement? In attempting to justify the large expenditure of his department, he refers to the expenditure in St. John and Halifax. My hon. friend has forgotten that all the expenditures on account of harbour improvements at Halifax are charged to the Department of Railways, and not to his department; so my hon. friend cannot account for the enormous increase in the expenditure in his department since he became minister, on that ground.

Mr. ROGERS: I quite agree that the large expenditures come under the Railway Department, but a considerable number of items in connection with the work at Halifax come under my department. For instance, we have purchased a dry dock site, and there are several other items running into a large sum of money.

Mr. COPP: What repairs are being made to the wharf at Amherst Point?

Mr. ROGERS: Sheathing corner of wharf, ten feet each way, $150; rebuilding corner, 5,600 cubic feet cribwork, at 8 cents a foot, $448; raising portion of the side 600 feet, at 8 cents a foot, $48; contingencies, $54; total of $700.

Mr. COPP: This wharf is just a few miles from my home. There is a tidal river there, and I understand that the river bed has become filled in to such an extent that it is impossible for vessels to get to the wharf. Has the department any report on that?

Mr. ROGERS: The chief engineer informs me that no such report has been received, so far as he remembers.

Prince Edward Island—Little Sands—wharf improvements, $1,600.

Mr. J. J. HUGHES: What improvements are to be made there?

Mr. ROGERS: The estimated cost is as follows: Sheathing, $1,050; ballast, $300; iron, $250; total, $1,600.

Souris—repairs to breakwater, $1,000.

Mr. J. J. HUGHES: What improvements are to be made to this breakwater?

Mr. ROGERS: The amount is made up as follows: Timber, $150; ballast, $600; plank, $90; iron, $60; contingencies, $100; total, $1,000.

Mr. J. J. HUGHES: What part of the breakwater needs repairing?

Mr. ROGERS: The chief engineer says that several very severe storms occurring between 13th and 16th December, 1916, displaced the four top tires of face timbers on the seaward side of the breakwater for a distance of 40 feet immediately inward of the outer block, together with a small portion of the covering, as also the sheathing on the sloping face of the old block.

Mr. J. J. HUGHES: Does the engineer state that $1,000 will be sufficient to make all the necessary repairs?

Mr. ROGERS: That is the estimate.

Mr. J. J. HUGHES: Will there be anything further in the supplementaries?

Mr. ROGERS: Not that I am aware of.

Mr. J. J. HUGHES: Notwithstanding the engineer's report, I know that $1,000 will not be sufficient to make the repairs that are necessary, as the damage done was very much greater than that. When was the addition to the breakwater made, and what was the cost?

Mr. ROGERS: I have not the details here, but the total expenditure on the Souris breakwater since 1875 amounts to $489,000. I could get the figures for my hon. friend if he requires them.

Mr. J. J. HUGHES: I should be glad to have them. I think the extension, which was built in 1913 or 1914, cost in the neighbourhood of $70,000. The work must have been very poorly done, because almost as soon as it was completed repairs had to be made, and repairs have had to be made

continually every year since. The old breakwater, which was completed many years ago, needs but very little repairing, which would look as if the extension had not been properly built. I think it would be very much cheaper to have the work done thoroughly at once, rather than to have these temporary repairs made from year to year. If the Government would spend enough money to put the breakwater in proper shape to stand the storms they would save money.

9 p.m.

Mr. ROGERS: My hon. friend is better acquainted with the local conditions than I am, but I understand that the chief damage to the Souris breakwater occurred during its construction, when very severe storms were experienced in that locality. In regard to the old breakwater, I am afraid my hon. friend is in error. We have to spend some money there almost every year.

Mr. J. J. HUGHES: That is natural, but they are only small repairs.

Mr. ROGERS: The principal damage to the new breakwater occurred as the result of heavy storms between the 13th and 16th December, 1916.

Mr. J. J. HUGHES: I may inform the minister that $1,000 will not be sufficient to make proper repairs.

Mr. ROGERS: I quite agree with my hon. friend.

Mr. J. J. HUGHES: The money will largely be wasted, and next year we will probably have to spend a much larger sum because of the repairs being of such a temporary character.

New Brunswick—Bathurst — Harbour improvements, $85,000.

Mr. TURGEON: Are the contractors still at work in Bathurst?

Mr. ROGERS: We are now calling for tenders. We thought we could continue the old contract, but found we could not do it without calling for tenders.

Mr. PUGSLEY: When I was Minister of Public Works I initiated the work in Bathurst harbour, and had some of the Government dredges employed there, as I thought that was the better way of doing it. I would like to know why the operations of the Government dredges were abandoned, and tenders called to have the work done by private parties.

Mr. ROGERS: We have Government dredges there now working in the outside harbour, but we let the contract for the work in the inner harbour. It was considered better that we should adopt that course, and it has worked out very satisfactorily. I think my hon. friend (Mr. Turgeon) will bear me out in the statement that we have done very good work and that satisfactory results have been accomplished.

Mr. PUGSLEY: What were the prices paid for dredging during the past year.

Mr. ROGERS: Thirty cents per cubic foot.

Mr. PUGSLEY: That is for work in the inner harbour

Mr. ROGERS: Yes.

Mr. PUGSLEY: Who were the contractors for that work?

Mr. ROGERS: The Northern Dredging company.

Mr. PUGSLEY: Who compose the Northern Dredging company?

Mr. ROGERS: I really could not say.

Mr. PUGSLEY: Who are the officers?

Mr. ROGERS: A man named Nagle.

Mr. PUGSLEY: The well-known Mr. Nagle? To say "a man named Nagle" would imply he is just an ordinary man, not very well known. I can assure my hon. friend that Mr. Nagle is a very prominent citizen of New Brunswick. Is Mr. Richard O'Leary also an officer of the company?

Mr. ROGERS: We have nothing to show that he is. We do not know.

Mr. PUGSLEY: Then, I judge Mr. Nagle is president of the company? The contract must be signed by the officers of the company?

Mr. ROGERS: The work has been carried out at the request of Mr. McLean. who is building a large pulp-mill there.

Mr. PUGSLEY: I was not asking my hon. friend as to the reason for carrying out the work. I am quite satisfied the work is very meritorious, and Bathurst harbour is deserving of development to any reasonable extent. That I believe this and that my hon. friend from Gloucester (Mr. Turgeon) believes it is evidenced by the fact that this work was undertaken several years ago when the Liberal Government was in power. The fact that the improvements were requested by Mr. McLean does not give us any information as to who the contractors are. I presume Mr. Nagle is president of the company?

Mr. ROGERS: I have not any idea.

Mr. PUGSLEY: Perhaps the deputy minister would know.

Mr. ROGERS: The deputy minister informs me that he has no definite knowledge as to whether Mr. Nagle is president, or secretary, of the company.

Mr. PUGSLEY: Then it is either one way or the other? Mr. Nagle is either president, or secretary, and Mr. O'Leary is either secretary, or president.

Mr. ROGERS: I do not know Mr. O'Leary in the matter.

Mr. PUGSLEY: Mr. O'Leary is a very respectable and a very prominent citizen.

Mr. ROGERS: I am glad to hear it. I must cultivate his acquaintance.

Mr. PUGSLEY: I do not think my hon. friend would have any difficulty in becoming acquainted with him. He is very prominent citizen. What amazes me is that the minister should have so little information as to those prominent gentlemen who are doing this work—gentlemen who are not in any way connected with Bathurst harbour, and who had nothing to do with dredging work, so far as I ever understood, until my hon. friend's Government came into office, when they apparently developed suddenly into dredging contractors. I should be under the impression that my hon. friend might have heard something in regard to those gentlemen. Perhaps the minister could tell me how much has been paid to this company already for dredging?

Mr. ROGERS: For 400,000 cubic yards at 25 cents per cubic yard, $100,000; 1,181,403 cubic yards at 30 cents, overtow one cent; and surveys and inspections, $20,000; total, $504,000.

Mr. TURGEON: Is the Government dredge still working on the outside harbour?

Mr. ROGERS: It is working in Bathurst harbour, I am not sure whether it is in the inside or the outside harbour.

Mr. TURGEON: Is it the suction dredge "Restigouche"?

Mr. ROGERS: No, it is a ladder dredge.

Mr. COPP: My hon. friend from St. John (Mr. Pugsley) has been trying to get some information with regard to the dredging company engaged on this work. He referred to two of the prominent gentlemen connected with the organization, but he overlooked one, Mr. W. B. Tenant of St. John, a very prominent gentleman, who occupied a very important position in the Methodist church, and who has since given up that admirable calling and become a stockbroker, and a promoter in different organizations. Probably the minister does not remember the gentleman. I would like to ask him whether this gentleman had anything to do with this organization?

Mr. ROGERS: This is a very large contract for dredging. It was let by public tender to the Northern Dredging company, and they have evidently carried on their work satisfactorily in view of the fact that they have not become better acquainted with the head of the department and are not making any trouble for the department. I have not had the pleasure of seeing the gentleman whom my hon. friend introduced as being a member of the church in good standing. I am sure that my hon. friend from Gloucester will bear me out in saying that good work has been done by the contractors there. I know of no complaint in respect to the way in which the work has been carried on there. I am very glad to know that we have had such satisfactory work from this firm who were the lowest tenderers.

Mr. COPP: I am very glad to know that in connection with a work of this kind the minister thought it necessary to have a chaplain in charge.

Cape Bald—repairs to breakwater, $1,500.
Dorchester—wharf improvement, $1,500.

Mr. COPP: Would my hon. friend explain what it is proposed to do at Cape Bald and Dorchester?

Mr. ROGERS: This re-vote of $1,500 for Cape Bald is asked for by the district engineer to continue construction of protective work along the outer face of approach and pier head, composed of reinforced concrete caissons filled with ballast and meagre concrete, and for general repairs. The estimated cost is as follows: 10 caissons at $40, $400; forms, labour and services of diver in placing, $200; concrete and stone filling in caissons and breakwater, $400; general repairs, $500. Total, $1,500.

Mr. COPP: Are those repairs necessary because of some damage to the pier during last year, or are there some additions that are being made?

Mr. ROGERS: This work is asked for by the district engineer, and it is to continue

the construction of protective work along the outer face of approach and pier head.

Mr. COPP: I see by the Auditor General's Report that last year some $4,000 was expended on the same work. This breakwater was built some years ago, and I was wondering whether it required these extra repairs because of damage by ice.

Mr. ROGERS: During the fiscal year 1915-16 the work done consisted of building 11 large and 26 small caissons, of which the large, together with four from the previous year, were placed in a length of 55 feet at the outer end of the approach and across the outside face of the pier head; also placing 22 of the smaller caissons on top of the large ones to protect the face of the work up to the level of low water, and building a scow 18 x 10 feet, and re-filling a section of the breakwater with ballast. That is what was done with the money spent last year.

Mr. COPP: Now, as to the Dorchester wharf.

Mr. ROGERS: This amount of $1,500 is asked for by the district engineer to rebuild a short section about 30 feet long and 10 feet wide at upper end of old railway wharf, so called, to remove the yearly accumulation of mud from vessel beds in front of both wharves, to continue the filling and surfacing of the departmental or lower wharf with mud and gravel, and to replace the old worn and decayed plank covering, as follows: To rebuild upper end of railway wharf, $600; to remove accumulation of mud from beds, $300; filling and surfacing departmental wharf, $600; total, $1,500.

Mr. COPP: This is also a new wharf completed in 1915-16 at a cost of $11,600 or thereabouts, and I presume that these repairs are also necessary because of some damage to the wharf.

Mr. ROGERS: During the present year the mud was excavated from the beds in a length of 150 feet, 14 feet wide and 2 feet in average depth, and a considerable section of the departmental wharf is being filled and surfaced with mud and gravel, in the course of which the old stringers are being removed for use in rebuilding the end of the old railway wharf. The expenditure will be about $800.

Mr. COPP: Of course, this work will be done this season, I presume? Does the minister know that the railway tracks and siding running down to the Intercolonial wharf have been removed and that this wharf is of no value to the people at the present time? The hon. Minister of Railways and Canals (Mr. Cochrane) is here and I am very glad that he is because his department took up the rails last spring. I have no objection to this proposed expenditure, as it is necessary, but the wharf is really of no use to the people unless the track is replaced so that they can get their freight to and from the wharf. I hope the Minister of Public Works will confer with the Minister of Railways and and Canals and see if it is not possible to get rails down again.

Mr. ROGERS: We have nothing to do with railways.

Mr. COPP: I know the minister has nothing to do with railways, but the Minister of Railways has and it is absolutely impossible for the people to get along with any degree of satisfaction in that locality because they cannot use this wharf for freight coming in and going out—coal, for instance. This wharf cost between $40,000 and $50,000, it is an important shipping point and I sincerely trust that the Minister of Railways will arrange to replace these rails. I think the Minister of Public Works will require the use of the rails to get his material down to the wharf.

Great Salmon River—Repairs and improvements to breakwater, $1,100.

Mr. PUGSLEY: Will the minister state what repairs are being made to this breakwater?

Mr. ROGERS: This amount of $1,100 is asked for to renew the covering on the western breakwater, and to construct an extension 240 feet long and 18 feet 6 inches wide to this breakwater. The estimated cost is as follows: 20,400 ft. B.M. covering 3-inch at $32, $652.80; 10,200 ft. B.M. break timbers at $35, $357; contingencies, $90.20; total, $1,100.

Mr. PUGSLEY: Is it intended to go on with the work this year?

Mr. ROGERS: Yes.

Mr. SINCLAIR: The minister should give some explanation of the large items for harbours and rivers generally. This vote is $60,000 for Nova Scotia, $14,000 for Prince Edward Island, and $50,000 for New Brunswick, making $114,000 altogether. What use does the minister intend to make of this vote?

Mr. ROGERS: This vote has been customary for many years. It is for the maintenance and repairs of wharves generally

all over the province for which the vote is taken. This enables the department to make repairs in case of damage by storms, and so on. I do not think my hon. friend can suggest that the vote is being abused.

Mr. PUGSLEY: I think it is regrettable that the minister has omitted from the items for New Brunswick the vote for the St. John river and its tributaries. Many years ago the entire burden of constructing wharves upon non-tidal waters was borne by the provinces, the Dominion Government refusing to contribute anything. Of recent years that policy has been departed from and wharves have been built on inland waters by this Government. About 20 years ago this Government adopted the policy in a number of cases of assisting the provincial governments in the construction of wharves. In more recent years still there has been a special vote for the building of these wharves. These have all been omitted from the present estimates. Upon the St. John river and other non-tidal waters in New Brunswick, there are a number of wharves in need of repairs and these repairs have been made from the vote to which I refer.

Mr. ROGERS: The policy of co-operating with the provincial governments was evidently found unsatisfactory. The provincial governments desired to withdraw from the arrangement and claimed that it was the duty of the Dominion to look after all wharves of this description. So, in place of this vote to cover this work by co-operation with the various provinces, we have adopted the usual practice of having a specific vote wherever there is necessity for a wharf on the St. John river or any place else. That plan has been adopted by the department and has worked satisfactorily. Then there is the general item in the estimates for general repairs of wharves throughout the province. My hon. friend will agree that the new plan will work as well as the old one, because, wherever a wharf is found to be necessary, we provide it and carry out its construction just as is done on tidal waters.

Mr. PUGSLEY: I cannot agree with my hon. friend. In last year's estimates he will find the same vote for harbours and rivers generally and then a vote of $10,000, not for any specific wharf, but for the river St. John and tributaries. This is the first year that item has been dropped. The vote to which I refer was $10,000 last year and $34,000 in the preceding year. There appears to have been $24,000 spent in the years 1915-16 on the general vote for the river St. John and tributaries. I am sorry that a course which was adopted after full consideration has been departed from, because it is always difficult to resume such a practice.

Could my hon. friend give me some information in regard to matters which I know would be of very great interest to the people of St. John, in regard to the work being done upon the western side of the harbour? I would like to know just what work is now being done. I do not want to go into past work, or the expenditure—because that would take considerable time, and he might not be prepared for such a discussion this evening—but only to refer to the work now under way. The wharf on the western side of the harbour, which was constructed by the Government, has sagged over sideways and I believe is in a very unsatisfactory condition. Under the original contract, for which tenders were called when I was minister, it was provided that the wharf and crib should be filled with stone, instead of being allowed to be filled with earth or mud excavated from the harbour, which my hon. friend will understand would not form nearly as good a support as stone, the tides might affect the construction, whereas stone would remain absolutely solid. The wharf has not exactly tumbled over, but very nearly. I do not know whether the filling caused the wharf to sag or not. It would save a great deal of difficulty if means were taken to restore it to its proper position, and keep it from tumbling over further into the river. I should like, also, to ask my hon. friend whether it is intended to proceed without delay with the extension of the breakwater to Partridge Island. That is a work which has been in contemplation for a considerable time. It is rumoured in St. John that the contract awarded some three years ago has been abandoned, and a new plan has been devised for the work, and tenders are to be called for.

Mr. ROGERS: In connection with the St. John River, the vote of $10,000, which was in contemplation, was in connection largely with the work carried on by the Government on the other end of the river, and now I understand the lumbermen are taking care of that, and it is not necessary for us to provide for it. However, there may be some reason why that matter should be further considered, and I will look it up. As to the work at West St. John, I may say that there has been some difficulty in regard to berth 16, owing to the fact that

we did not have very good bottom. The water was very deep and some difficulty was experienced, but nothing serious at all, and it is entirely satisfactory now. We built upon that particular wharf a large shed, which I understand turned out to be entirely satisfactory, and, in adition to that, we have a report from our engineers that there is immediate necessity for the completion of berth 17. The engineer says that it will cost about $150,000 to complete that berth, and there is necessity for it by reason of the fact that the shipping by way of St. John is growing very rapidly. An item will be brought down in the estimates to complete berth 17. With respect to the breakwater at Negro Point, we called for tenders some two or three years ago, but the tender price at that time seemed very high. I think it was something like $600,000 or $700,000; but the work they proposed was to be carried out by the use of granite instead of the ordinary stone, and a further plan has been prepared for the use of stone from Partridge Island, and we expect to be able to get the work done much cheaper by the use of granite. We are going to call for tenders in a few days. This work is absolutely necessary to protect the harbour on the west side of St. John, and I am going to propose, before Parliament closes, that we vote an amount sufficient to carry out the work of building the breakwater, on the recommendation of the engineers that it is necessary to preserve the berths that have already been constructed in the west harbour of St. John.

Mr. PUGSLEY: I suppose those estimates will be ready in a few days?

Mr. ROGERS: Yes.

Mr. PUGSLEY: With regard to the depth of the water at the berths, I noticed in the papers, either to-day or yesterday, that the United States authorities have been informed that if they would dredge out Portland harbour to a depth of 35 feet for the larger vessels, the Canadian Government, during the war at all events, would be very glad to avail themselves of Portland harbour in connection with the Canadian export trade. That is a matter in regard to which the people of the Maritime Provinces are naturally very jealous. After a long struggle, commencing thirty years ago, the people of the Maritime Provinces succeeded in getting St. John and Halifax recognized as the winter ports of Canada. I should be very sorry indeed to see any change in the policy in that regard. Of course the question which is raised as to deepening the harbour of Portland to 35 feet is an important one, if that depth is required for the safety of the largest vessels which come to Atlantic ports, and if St. John harbour is not deepened. Is it proposed to make the depth of water at the berths in St. John harbour 35 feet at low water?

Mr. ROGERS: The dredging of the harbour of Portland is, of course, entirely in the hands of the United States Government. I had no knowledge that there was any proposal to adopt Portland harbour as against the harbours of St. John or Halifax. No Canadian who has a knowledge of our harbours and of the amount that has been expended in their improvement and development would think of doing anything to disturb our programme of developing our own harbours and carrying our traffic through our own ports. That is the policy of the Government; everything will be done to develop the harbour of St. John, where a great increase of trade has taken place during the last couple of years. That policy, so far as I am aware, will be continued in the future, in order that we may develop these harbours as rapidly as possible to keep pace with the increasing trade.

Mr. PUGSLEY: In the very interesting statement which he has made—a statement which, I am sure, will be appreciated by the people of St. John, my hon. friend has omitted to answer my question whether it is proposed to have a depth of 35 feet at low water so as to afford sufficient accommodation for the larger ships. My hon. friend says that he has not seen any suggestion with regard to the use of Portland harbour for Canadian trade. If he will look at to-morrow morning's papers he will see that a very interesting situation has arisen in Congress in consequence of a letter which the British Ambassador wrote a few days ago to a member of the United States Senate approving of the proposed deepening of Portland harbour in order to accommodate Canadian export trade. A question has been raised in Congress as to the interference with the internal affairs of the United States by the ambassador of a foreign Government. Some senators have suggested that the British Ambassador ought not to express any opinion whatever as to the expenditure of any money in Portland harbour. In his letter, the British Ambassador —he is authorized by the Canadian Government to say so—says that if the harbour is deepened to 35 feet, the Canadian Government will use it for a large part of its

trade during the winter. It would be unfortunate if the Government by reason of stopping short of the depth which is necessary for the accommodation of the largest ocean vessels, should lose the trade which legitimately belongs to Canadian ports. I trust that my hon. friend will take that into his careful consideration in connection with the deepening of the present berths and also with regard to any new berths that may be constructed.

Mr. ROGERS: We are dredging to a depth of 32 feet at low tide at St. John. I did not know that there was any necessity for going deeper. Of course, if it is necessary to go deeper, we will have to make provision for it and dredge the other three feet. It has not been brought prominently to the notice of the department that the depth of 35 feet was necessary. As to the statement of the British Ambassador, I confess that I had not heard of it. I am glad, however, to be able to inform my hon. friend that the British Ambassador has not interfered with our programme of deepening and developing the harbour of St. John. My hon. friend can rest assured that all our energies will be bent to the development of our own harbours and to preventing the trade of our country from being diverted to any other than our own ports. When I was in England it was suggested that in the case of rush orders it might be more convenient that some of the trade of this country should be shipped through other ports than St. John and Halifax, especially in the winter months. I at once registered a strong objection to any such proposal, and I have not heard of it since. I believe the course that I adopted on that occasion had the effect of changing the minds of those who had that course in view. That is the only time that I ever heard any such proposal. As I have said, the country can depend upon it that the Government will do everything in their power to develop as rapidly as possible our own harbours in order that they may be able to take care of all Canadian trade.

Mr. PUGSLEY: The minister states that the matter of going below 32 feet had not been brought to his notice. I regret to learn that, because in 1911 when I was minister I determined upon sinking the crib sites to a depth of 40 feet. The object of that was to allow for the depth of water in the berths being 35 feet, my idea being that the crib sites should be at least five feet below the level of the berths. I did that because I was aware that the harbour of New York is dredged to a depth of either 40 or 45 feet—to 40 feet at least. Ships are getting bigger every year, and there are a large number of ships crossing the Atlantic to-day which would not come into a harbour where there was not 32 feet of water at the berths; it would not be safe for them to come, they want 35 feet to avoid the danger of the ship scraping along the bottom. There is always more or less filling in from the surrounding water; that is going on all the time at St. John harbour. So I concluded six years ago that in order to bring St. John harbour up to first-class standing it was necessary to provide in the very near future for a berth of 35 feet, and that is why I made provision for sinking the crib sites to a depth of 40 feet. I would like very much if the minister would consider making provision for a depth of 35 feet at the new berths. The very fact that the British Ambassador has put himself in writing in reference to the proposed deepening of the Portland harbour to a depth of 35 feet, stating that if that were done the Canadian Government would use that harbour for purposes of transport during the war, shows that the big shipping companies demand that depth of water for the safety of their large vessels. It is all very well to have an open harbour like St. John; it is all very well to have a large number of berths, which we are striving for, but unless we have them to the proper depth the big ships will not come, and our Maritime Province harbours will not be regarded as first class harbours to which the most important trade of the world can come. In my judgment—and I am speaking from information received from those most qualified to speak on the subject—we shall not be able to attract to our harbours the big ships trading on the Atlantic unless we have a depth of at least 35 feet at the berths.

Mr. ROGERS: There may be some force in what my hon. friend has said, but it is hardly likely that within the next few years there will be any larger ships on the Atlantic than there are to-day. It is probable that the ships will be smaller and more numerous. My hon. friend's remarks remind me that a couple of years ago, when we were considering the construction of a dry dock at Esquimalt and Halifax, the Admiralty stoutly stuck to their request that we have a depth of something like 40 feet. So I am inclined to think there may be some force in what my hon. friend has said, and the department will give his sug-

gestion careful consideration, and see whether it is necessary to have a depth of 35 feet of water at berths 16 and 17 at St. John.

Mr. COPP: May I impose on the good nature of the minister for a few moments to draw his attention to the unfortunate position in which the town of Sackville is placed through lack of wharf accommodation. A few years ago when 10 p.m. my hon. friend from St. John (Mr. Pugsley) was Minister of Public Works, we impressed upon him the necessity of giving us very much improved wharf accommodation, with the result that an appropriation was made and a contract let for a new wharf a little removed from the old location. This wharf, which cost something like $40,000, was partly completed when the present Minister of Public Works took office, and has been finally completed since. We had hoped, of course, that when the new wharf was completed the railway would run a spur down to it, which would give the people of Sackville proper wharf facilities. The Minister of Railways (Mr. Cochrane), however, for some reason or another,—if anybody in that locality advised him to act as he did, it was bad advice—refused to build the spur, and the people in that portion of the county of Westmorland are now in the unfortunate position of having no wharf accommodation at all. Those who do not know the Minister of Railways as well as I do, might think that this had been done purposely, but I would not for a moment charge the minister with discrimination against the people of Sackville. At all events the spur line was not constructed. Since then the Minister of Public Works has made a reasonably large expenditure for repairing the old wharf, where we had rail connection. I do not know the exact cost of that work, but the wharf was repaired, and while the accommodation was not sufficient it was better than none at all. Last spring, however, the Minister of Railways, apparently learning that the people of Sackville were getting some accommodation, tore up the rails from the old wharf and we are now absolutely without any rail connection to the public wharf at all. I am just in receipt of a letter today from Sackville which says that the ice has carried some portion of the old bed away, and a vessel which arrived there within the past week to discharge a cargo put out to sea again without discharging her cargo, because at that point there is a tidal river and when the tide dropped the vessel slid because of the condition of the bed. I think the minister should see to it that immediate attention is paid to the river bed near the wharf so that vessels may discharge their cargo in safety. It would need only a small appropriation, and could be made under the general heading of improvements to harbours and rivers, I suppose. It would hardly be necessary for the minister to send the engineer down there, because the caretaker of the wharf would be able to have the bed of the wharf attended to so that vessels could discharge their cargo. I think the new wharf was completed in 1912, at an expenditure of $40,000. I do not believe a vessel has ever tied up to it yet, and it would seem to me that unless the minister puts some one in charge of the wharf it will be falling into disrepair. I would therefore urge him to have his engineer in that section of the country keep his eye on the wharf, because I still have hopes that we may get rail communication with it yet.

I hope when that is done we shall have our new wharf in a proper state of repair, and will be able to use it. I only make the latter reference and suggestion in the interest of the department, because after that amount of money has been spent there the wharf should not be allowed to go into decay, or to get out of repair, for the sake of the small expenditure necessary to keep it in good condition.

Mr. ROGERS: My hon. friend will quite appreciate the fact that I am not very well acquainted with the local conditions of the two wharves he deals with, but I shall be very glad to have the matter looked into by the engineers and see if anything can be done tending to an improvement.

Harbours and Rivers—Maritime provinces generally, $5,000.

Mr. McKENZIE: Some years ago there were certain improvements made by dredging at a place called Little Bras d'Or, in the county of North Cape Breton. I would like to ask the minister if the work was completed? Little Bras d'Or is an arm of the sea, and was rather shallow for vessels to enter. A considerable amount of money was expended during the years 1909, 1910, 1911 and 1912, but I am informed the work was never really carried to completion, and a danger to navigation existed because of its unfinished condition. Can the minister say whether it has been fully carried out or not? At some places it was cut down to a depth of about twenty-two feet or more, but I am told some parts were left unfinished. Of

course, the capacity of an entrance of that kind is limited by the shallowest part. Was the original plan of dredging carried out, and if not has the minister any intention of finishing it? What is left undone would be comparatively small, but while it is left undone it spoils the effect of what has been finished.

Mr. ROGERS: I regret I have nothing before me that supplies the information my hon. friend asks for, but I have asked the deputy minister to take a note of it, and I will be glad to answer my hon. friend's question to-morrow.

Rivers and Harbours—Quebec—Cape Cove, repairs to pier, $1,200.

Mr. LEMIEUX: I wish to offer the same criticism as was offered by my hon. friend from Inverness (Mr. A. W. Chisholm). Last summer I spent some time in the counties of Gaspé and Bonaventure, and I travelled from one harbour to another. To my great surprise I found that practically all the piers and wharves which were solidly built years ago had been partially destroyed by the heavy seas of the Baie de Chaleur. The wharf at Cape Cove is no exception to the general rule. One of the wharves in that section which is especially interesting to me is the wharf at Percé, because Percé is a stopping place for the various steamers which ply between New Brunswick and Quebec and the Gaspé coast. That wharf there was built at a cost of about $80,000, and last year I saw it was cut in two, due to the lack of repairs. I would urge upon my hon. friend to give special instructions to his local engineer, and have a report made to the department giving an outline of what expenditure is necessary to put those piers and wharves in good condition. Having spent so much money it is a great pity that we should be now confronted with the situation that they are absolutely useless.

Mr. ROGERS: It is quite true the heavy seas down there do a great deal of damage to some of our smaller wharves. This is especially the case in regard to the Percé wharf mentioned by my hon. friend. The matter is under the consideration of the department, and a report is being made on it. It is very probable it will receive some attention in the supplementary estimates. In the opinion of the department there is a pressing need for improvement.

Rivers and Harbours—Clarke City—Reconstruction of wharf, $4,500.

Mr. LEMIEUX: Is the paper industry, which made Clarke City and gave it its name, still operating? I understand this wharf was built for the company which was carrying on business there. I believe it was a big concern, and employed a large number of hands.

Mr. ROGERS: The information before the deputy minister is that it is still operating. I understand it is the company which is pressing for these repairs.

Rivers and Harbours—Gaspe deep water wharf—Repairs, $17,000.

Mr. LEMIEUX: What is the nature of those repairs? That is the terminus of the Atlantic Quebec and Western railway.

Mr. ROGERS: This amount of $1,700 is required to effect necessary repairs to the wharf, and is made up as follows:

Removal and replacing of 12,750 cubic yards ballast inside of pier	$ 7,650.00
Iron rods and plates at $6 per 100 pounds	5,684.58
Timber—76,183′ B.M. at $40 per M. 14,500′ B.M. spruce at $30 per M.	3,842.32
Total	$16,816.90

Mr. LEMIEUX: I understood that the wharf was completed.

Mr. ROGERS: The district engineer has this to say:

From three feet below low water level to high water level the outside creosoted timber is bulging out and will have to be secured into place by a system of tie rods and fenders so as to prevent the same thing occurring in the future, and to prevent the bulging out of the double set of cribs which form the sides of the pier.

He adds that a double set of tie rods will have to be placed—utilizing the rods already placed by contractors—every 8 feet and held at each end by an iron strap over four pieces of hardwood. The iron straps will also be held in place by screw bolts and supported against the creosoted face work by four channel irons.

Harbours and rivers generally—Repairs and improvements, $75,000.

Mr. BUREAU: I see nothing here for the St. Maurice river. Dredging generally in rivers, I understand, is done by the Department of Marine and Fisheries. I have reference to the part of the St. Maurice which lies within the harbour of Three Rivers. This river is in a peculiar position. It has always been maintained and improved by the Department of Public Works because it is not used so much for navigation generally as for industrial purposes. There are big industries located on the St. Maurice. At the mouth of the river the Canada Foundries Limited have established

a plant, and they desire to bring in their iron ore by boat and up the mouth of the river for a short distance. It has become necessary, in the interest of these industries, that there shall be some dredging and some small improvements made. I do not think that the amount involved is very considerable, and I would ask the minister if out of this amount which is now being voted a certain sum could be appropriated to this purpose. I think an application has been made by these people and that they have explained the conditions and circumstances to the department. It is in the public interest that the work should be done.

Mr. ROGERS: If there is an urgent necessity for the work I suppose that an amount could be taken out of the general vote for dredging which applies to Quebec and Ontario. There is an amount covering work of this kind. We have not reached the estimate yet but work of this character would come under that head. I have not in mind the particular work that my hon. friend refers to, at least it has not been brought to my notice in such a way that I could explain the details of it, but I shall be very glad to have it looked into and see if a certain portion of the dredging money that is voted can be applied to that particular work.

Mr. BUREAU: My reason for asking the question is that, this being within the limits of the harbour of Three Rivers as defined by the Act, I was anxious to know whether the Department of Public Works would take charge of it. Part of the harbour is not used in any way for navigation purposes. There are no docks, except private docks which are used by barges that haul pulpwood and the produce of the mills. If it remains for the Department of Marine and Fisheries to do this work, I do not think there is much hope of having it done.

Mr. ROGERS: I understand that the harbour of Three Rivers comes under the commission. The Department of Public Works has been doing the dredging there and I presume if there is necessity for further dredging, we will have to carry it out.

Mr. E. LAPOINTE: How much of the $75,000 voted last year under the same general head has been expended?

Mr. ROGERS: Forty-seven thousand dollars was expended last year.

Laprairie—Protection works, $85,000.

Mr. MARTIN: What is the nature of the work at Laprairie?

[Mr. Bureau.]

Mr. ROGERS: Building a roadway.

Mr. MARTIN: Last spring I went across Victoria bridge and I found four or five feet of water on that road. In the early spring we find about fifty feet of ice on the road and it stops traffic there for six or seven days. It is the only way of reaching Montreal from the south side of the St. Lawrence. Is it the intention to spend this money during next summer?

Mr. ROGERS: We have had a good deal of trouble with this particular work. The work acts as a dyke and a protection and also as a road. A contract was recently let for its completion and the contractors are at work. They have promised to have 100 or 200 men at work every day from Monday next in order that they may get it completed as soon as possible.

Mr. LEMIEUX: Who are the contractors?

Mr. ROGERS: The Carleton Construction Company.

Mr. LEMIEUX: What is the amount of the contract?

Mr. ROGERS: Seventy-nine thousand dollars.

Mr. LEMIEUX: The minister expects the work will soon be through?

Mr. ROGERS: We want to try and get it through this fall.

Mr. LEMIEUX: It is an eyesore. People travelling out of Montreal are stopped immediately at the outlet of the city. I have been over that route on several occasions. If the minister completes that work at the earliest possible date he will render great service to the travelling public.

Mr. ROGERS: Last year we built a temporary length of road which gave good service for a time. We are pressing the contractors and urging them to get the work completed as rapidly as possible. A few days ago we made further representations to the contractors and they gave us very strong assurances that they were endeavouring to carry out the contract and to have it completed within the next three months. We are giving them this opportunity to go on on condition that they keep a certain number of men at work every day.

Mr. EDWARDS: Is this the Montreal end of King Edward island?

Mr. LEMIEUX: Yes. The ice washes away the land on this point on the river and it is work which properly appertains to the Federal Government.

Mr. EDWARDS: I do not wish to raise any objection, and I should like the hon. member for Rouville (Mr. Lemieux) and other hon. gentlemen from Quebec to remember that, if in the future I ask the Government to give some assistance towards building another piece of road that properly appertains to the Federal Government, and happens to be in the county of Frontenac.

Murray Bay—Repairs and improvements to wharf, $3,500.

Mr. LEMIEUX: How much was spent there last year?

Mr. ROGERS: The amount was $4,200.

Mr. LEMIEUX: It is a very creditable work. The wharf was too narrow.

Rimouski harbour improvements, $170,000.

Mr. E. LAPOINTE: How much was spent last year at Rimouski?

Mr. ROGERS: Eighty-five thousand dollars.

Rivière Ouelle—Repairs and improvements to wharf, $5,400.

Mr. LEMIEUX: Would the minister give instructions to his wharfinger at Rivière Ouelle to see that the railing on the wharf is strengthened? This is the terminus of a branch line from Rivière Ouelle station to Quaie St. Denis. The wharf is frequented by many people, and for the protection of the public the railing should be strengthened. I happen to pass there often, and I am surprised that there are not more accidents.

Ste. Anne des Monts—Landing pier, $6,650.

Mr. LEMIEUX: Was any work done here last year?

Mr. ROGERS: Yes. We spent $34,000. That is to complete the landing pier.

Mr. ROBB: I notice the minister has dropped from these estimates the item of $15,000 for deepening La Guerre river.

Mr. ROGERS: This was included in a large number of items dropped from the estimates this year, that is items that had been revoted a number of times.

Ontario public works, harbours and rivers, $333,850.

Mr. PUGSLEY: I do not think that Ontario members expected that Ontario public works would go on to-night. It is nearly 11 o'clock, and perhaps the minister would consent to the committee rising.

Mr. ROGERS: No objection at all. I quite appreciate the opportunity given me to-night of proceedings with my estimates instead of waiting till a later date.

Progress reported.

On the motion of Mr. Rogers, the House adjourned at 10.45 p.m.

Saturday, July 28, 1917.

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

WRECK OF DREDGE CAPE BRETON.

On the Orders of the Day:

Mr. KYTE: I desire to call the attention of the Minister of Public Works (Mr. Rogers) to a claim which has been made by the widows of the men who were drowned from the Government dredge Cape Breton in the month of January last. I have a letter from one of thos widows urging that whatever appropriation or gratuity the Government proposes making should be paid to them at once, as, speaking for herself, she and her family are in dire need. In the absence of the hon. minister during the present session, the matter was discussed in the House, and the Acting Minister of Public Works was good enough to intimate it was receiving the attention of the Government. I would urge that whatever action is to be taken be taken immediately.

Mr. ROGERS: Provision is being made for the widows of those who were drowned in the accident referred to, and the amount which it is proposed to pay will be brought down in the supplementary estimates, probably next week, and as soon as these are passed the amounts will be paid.

FORBIDDEN CIRCULATION IN CANADA.

Mr. OLIVER: I desire to ask if the Government is prepared to make a statement in regard to the suppression of the book, "The Fiddlers"?

Sir GEORGE FOSTER: The Government is not prepared at the present time, but probably will be at the beginning of the week.

Mr. OLIVER: May I be permitted to remind the Minister of Trade and Commerce (Sir George Foster) that at the end of last week the Prime Minister (Sir Robert Borden) promised to bring certain information before the House during this week. If the delay is simply because the Prime

Minister happens to be absent, possibly he may bring the matter forward when he comes in. The action of the Government has attracted a great deal of attention throughout the country, and in the interests of everybody I think the sooner the question is settled the better.

Sir GEORGE FOSTER: The Prime Minister will not be in the House to-day. The information the Prime Minister promised is being prepared, but it is not intended to lay a statement before the House until a complete statement can be made. No delay which it is possible to avoid is taking place in the securing and preparation of the information.

Mr. OLIVER: I do not wish to continue the discussion, but may I point out that I made a specific request for answers to two simple questions, and that is all I am pressing upon the Government. I think that in fair consideration to a member of the House those answers should be forthcoming.

Sir GEORGE FOSTER: There is no disposition to deprive my hon. friend of the information which is asked, but he can easily see that it is possible to answer two questions, and yet leave the case so uncompletely stated as to be unfair, to both sides.

PROHIBITION OF EXPORTATION OF WHEAT FROM CANADA.

On the Orders of the Day:

Mr. OLIVER: Can the Government make a statement to the House in regard to the announcement which appears in the morning paper to the effect that the Board of Grain Supervisors has prohibited the exportation of wheat from Canada? And will the Government explain the full meaning of the action announced some time ago in regard to the fixing of the price of wheat at $2.40 a bushel?

Sir GEORGE FOSTER: The information I have is that the Board of Grain Supervisors fixed the maximum price for this year's crop, to take effect after 1st August, at $2.40 per bushel. Since this price was fixed it has been ascertained that parties are taking wheat bought at, say, not more than that figure, and are proposing to export it to the United States. The Board of Grain Supervisors has therefore issued an order prohibiting the taking of grain from the elevators and sending it across the border, where the price has not yet been fixed. This order is issued by virtue of the ample powers given to the board to direct the destination of grain bought at the prices which it has fixed.

Mr. OLIVER: Do I understand that this applies to the crop harvested last year, or does it apply to the crop now growing?

Sir GEORGE FOSTER: What I have stated refers to last year's crop. This year's crop is still to be garnered.

Mr. OLIVER: I understand the order in regard to the fixed price only takes effect on 1st August, and therefore the wheat is not yet under that control as to price. Is that correct?

Sir GEORGE FOSTER: That is correct.

Mr. OLIVER: My right hon. friend did not answer the question we had under discussion the other night, as to whether this is merely a maximum over which wheat cannot rise, or does it mean that the owner of the wheat will get $2.40 a bushel for it?

Sir GEORGE FOSTER: I do not know what the owner will get but the price fixed is for last year's crop, now in store. The maximum price is $2.40.

Mr. OLIVER: There is no assurance that the owner of the wheat will get $2.40; he must take what he can get?

Sir GEORGE FOSTER: I do not know what the owner can get.

Mr. OLIVER: The owner must take what he can get but he cannot get more than $2.40?

Sir GEORGE FOSTER: That would be my rendering of it.

APPLICATION FOR RELEASE OF THOMAS KELLY.

On the Orders of the Day:

Mr. LEMIEUX: I would like to ask the hon. Minister of Justice (Mr. Doherty) if steps are being taken to secure the release of Kelly from the penitentiary?

Mr. DOHERTY: There have been petitions and applications at different times looking to the release of Thomas Kelly. These applications have not been finally disposed of.

SUPPLY.

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

Mr. MARCIL: Before the Minister of Public Works (Mr. Rogers) proceeds with the estimates for Ontario, as I was not present last evening, I would like to refer

to the item of $500 for repairs to wharf at Anse aux Gascons. There was a storm last spring which did considerable damage to this wharf. I put a question on the order paper and I think the minister replied that it would probably require an expenditure of $2,500 to put the wharf in good condition. I would like to know if this $500 is all that is to be expended this year or if an additional amount will be put in the supplementary estimates to make up the $2,500 which, according to the engineer's statement, is required.

Hon. ROBERT ROGERS (Minister of Public Works): I understand that the department is considering a proposition to put an additional sum in the supplementary estimates.

Public Works—chargeable to income—Harbours and Rivers — Ontario—Bowmanville—Repairs to pier, $10,000.

Mr. MURPHY: I observe that that sum has been placed in the estimates for two succeeding years but there does not seem to have been any expenditure. Why is the work not being done?

Mr. ROGERS: The item is to provide for the reconstruction of the superstructure of the pier for a length of 80 feet, and other repairs. It is regarded as a necessary work but it seems that arrangements have not been made to proceed with it. It is kept in the estimate because of the pressing necessity that appears to exist. It will be taken up at the earliest possible day.

Mr. MURPHY: Is it kept in the estimates in view of the pressing necessity that appears to exist or in view of election requirements?

Mr. ROGERS: No.

Mr. MURPHY: Is there any intention to proceed with it?

Mr. ROGERS: Yes.

Mr. MURPHY: When?

Mr. ROGERS: As soon as possible.

Mr. MURPHY: Is the work going to be done by contract or day labour?

Mr. ROGERS: It is a repair work, and, wherever it is possible we do work of this kind by contract in order to avoid day labour as much as possible. Nothing has been settled as yet as to how this particular work will be done.

Mr. MURPHY: The minister does not know whether it will be done by day labour or contract?

Mr. ROGERS: My opinion is that it will be done by contract.

Mr. MURPHY: Tenders will be invited?

Mr. ROGERS: Yes.

Mr. MURPHY: When will the tenders be advertised for?

Mr. ROGERS: The chief engineer is looking into the matter with a view to calling for tenders.

Bruce Mines—Repairs to and reconstruction of wharf, $1,000.

Mr. NESBITT: Is this supposed to finish the work?

Mr. ROGERS: Yes.

Cobourg—Repairs to east pier, $15,000.

Mr. MURPHY: I observe that this sum also appeared in the estimates last year and there does not seem to have been any expenditure. Why not?

Mr. ROGERS: We spent $11,000 last year.

Mr. MURPHY: Is this a revote in part?

Mr. ROGERS: Yes.

Mr. MURPHY: How much?

Mr. ROGERS: Four thousand dollars.

Mr. NESBITT: It shows in the estimates $15,000 last year and $15,000 this year. That is not quite correct?

Mr. ROGERS: No, these estimates were made up before the year closed.

French River Dams—Repairs and maintenance, $5,600.

Mr. NESBITT: Is this supposed to finish that work?

Mr. ROGERS: It is for maintenance and some small repairs.

Goderich—Repairs to harbour works, $3,000.

Mr. NESBITT: For Goderich $90,000 was voted in 1916-17; $3,000 is a re-vote. Will that finish the work?

Mr. ROGERS: The work is finished; this is simply some repairs.

Kingston—Harbour improvements, $52,000.

Mr. NESBITT: Will that finish the work?

Mr. ROGERS: The work is finished. This completes the payments.

Mr. MURPHY: Who had that contract?

Mr. ROGERS: The Thunder Bay Dredging company.

Newcastle—Repairs to east pier, $17,500.

Mr. MURPHY: That has been in the estimates for a couple of years, but apparently nothing has been done. Why is that?

Mr. ROGERS: The principal reason is that, as my hon. friend understands, we are economizing as much as we can.

Mr. MURPHY: I did not understand that.

Mr. ROGERS: Where it is possible to get on without doing any work, we adopt that course. According to the engineers, there is necessity for having the money available in case we should be obliged to go on with the work.

Mr. MURPHY: It is surely improper to put in votes year in and year out and do nothing. The minister does not know whether there is any necessity for that work being done or for keeping the item in the estimates. There are several other items in this block in the same position.

Mr. ROGERS: This item is for the construction of a new pier-head on the east pier, of solid crib-work, 36 feet wide and 112 feet long. This is needed because of damage caused by a storm. The harbour was constructed originally by the municipality about 60 years ago.

Mr. MURPHY: The place cannot be very important or the work very urgently needed, as nothing has been done although the item has been in the estimates for two years. If it has been possible to get along without it thus far, why not get on a little longer, and drop the item altogether?

Port Stanley—Harbour improvements, $96,000.

Mr. MURPHY: What is this?

Mr. ROGERS: A new breakwater. This is a very important shipping point and it is necessary to build a new breakwater to preserve the harbour.

Mr. NESBITT: Is this supposed to cover the cost?

Mr. ROGERS: No, the contract price is $120,000.

Mr. MURPHY: Who has the contract?

Mr. ROGERS: M. J. Hogan.

Saskatchewan and Alberta—Harbours and rivers generally—Repairs and improvements, $20,000.

Mr. McCRANEY: There is an amount of $9,500 which is carried forward. Would the minister be good enough to explain that?

[Mr. Rogers.]

Mr. ROGERS: This was a lapsed appropriation of last year. It was entered up by the Finance Department when our estimates went over there.

Mr. McCRANEY: Was there any expenditure made during the past year?

Mr. ROGERS: Not out of that amount. We had probably a similar vote to this last year, without that $9,500.

Mr. McCRANEY: What amount was expended last year?

Mr. ROGERS: For some reason or other the Finance Department added together various items which, were unexpended, amounting to $9,500. Those were dropped, and this amount has been transferred by the Finance Department.

Mr. McCRANEY: Was there any money expended under the item last year?

Mr. ROGERS: Not out of that sum, but we had the vote for harbours and rivers generally last year the same as this year.

Mr. McCRANEY: Did the department spend any money out of it?

Mr. ROGERS: Only about $900.

Mr. McCRANEY: Will the hon. minister tell me on what harbours and rivers that $900 was expended? My recollection is that only on the North Saskatchewan river are there any Dominion Government works on which such an expenditure could be made?

Mr. ROGERS: I do not appear to have a statement before me as to what expenditure was made. I will be glad to supply it to my hon. friend.

Mr. OLIVER: What has the Government in mind as to improvements to be made out of this vote?

Mr. ROGERS: This is a general vote that applies in the two provinces generally for harbours and rivers, that we may be prepared to take care of anything that may require to be cared for during the year. In the western provinces they do not appear to have the pressing need for expenditures that they have in the eastern provinces where the vote is pretty well used up.

Mr. OLIVER: I hope the certificate which the minister gives the western members, in regard to the moderation of their demands on the treasury in this time of stress, will be well recorded. Our friends from other parts of the country might follow our example.

Fraser River (lower)—Improvements, $20,000.

Harbours and rivers generally—Repairs and improvements, $75,000.

Mr. MURPHY: In connection with these two amounts, will the hon. minister say whether, in view of the fact that the same amounts appear in the estimates each year, there has been any expenditure last year under the vote, and if so how much under each of these heads?

Mr. ROGERS: Yes, I have a long list of the items expended last year. The items run from $125 up for the repairs of small wharves in British Columbia.

Mr. NESBITT: The first of these two items; must have been all for one work.

Mr. ROGERS: This amount of $20,000 is asked for by District Engineer Worsfold for the maintenance of the snagboat Samson. The snagboat is used for the purpose of removing snags from the channel of the Fraser river from Chilliwack to the gulf of Georgia, 75 miles, which greatly benefits the shipping and fishing industry on the Fraser. The amount asked for is based on a monthly estimated cost of $1,600.

Mr. NESBITT: The whole of this $20,000 was paid to this snagboat for keeping the Fraser river dear?

Mr. ROGERS: Yes.

Mr. NESBITT: Is not the entry in the estimates, "appropriations not required for 1917-18" a rather peculiar one? Should it not be "appropriations not required for 1916-17"?

Mr. ROGERS: That might be a better way of expressing it. These entries were put in by the Finance Department.

Mr. NESBITT: Does it not mean the amount not required for last year's vote?

Mr. ROGERS: It means the amount in last year's estimates that we have not spent. We are not continuing the items this year.

Mr. LEMIEUX: Some discussion has been taking place during the last few months in the Manitoba press concerning works in British Columbia. What progress has been made with the dry dock at Vancouver? I observe that there was some difficulty between the city of Vancouver and the Canadian Pacific Railway company with regard to the matter.

Mr. ROGERS: The difficulty between the Canadian Pacific Railway company and the city was with regard to other matters, so far as I recollect.

Mr. LEMIEUX: Is the work proceeding?

Mr. ROGERS: Not with the dry dock.

Mr. LEMIEUX: What is the policy of the Government in that regard?

Mr. ROGERS: The policy is set forth in our Dry Dock Subsidies Act. We have expressed willingness to give a subsidy to any company that will undertake to construct a dry dock.

Mr. LEMIEUX: The old subsidy?

Mr. ROGERS: Yes. I hope, before the session closes, to ask Parliament to adopt an amendment to the Dry Dock Subsidies Act, because it is almost impossible to get any company to build a dry dock under the provisions of that Act.

Mr. LEMIEUX: Was any contract entered into, or was the matter left in abeyance?

Mr. ROGERS: About two years ago a firm applied for the subsidy and we agreed to grant it, but they were unable to carry out the contract, owing to financial difficulties.

Mr. LEMIEUX: The Government now propose to amend the Dry Dock Subsidies Act; after that they will enter into a contract with any firm that will offer to build a dry dock at Vancouver.

Mr. ROGERS: Any firm at all.

Mr. OLIVER: The sum of $75,000 is made available for repairs and improvements in British Columbia, for distribution at the discretion of the department. In other provinces the distribution made is made by specific vote, in very much larger proportions. It does not seem justifiable that out of a comparatively small total vote a large proportion should be taken for distribution without the knowledge or authority of Parliament. It simply places $75,000 in the hands of the minister, which he can distribute wherever he thinks necessary or desirable.

Mr. ROGERS: The sum of $75,000 is voted for Quebec, just the same as for British Columbia. Conditions are rather different in British Columbia, in view of the fact that frequent expenditure is necessary, under the general vote, in connection with streams and freshets.

Mr. OLIVER: There are only fourteen items in the British Columbia list and there are over forty in the Quebec list, some of them running down as low as $600.

Harbours and rivers—generally, $40,000.

Mr. McKENZIE: An hon. gentleman who is not present to-day wanted one item of the British Columbia estimates left open for discussion.

Mr. ROGERS: Any member can discuss any item he likes, so long as the estimates are on. We will not hold him down to any rule.

Dredging—new dredging plant, Ontario and Quebec, $65,000.

Mr. NESBITT: Where are these dredging plants located?

Mr. ROGERS: This is to build a light-draft dipper dredge. It will be built in the shipyards at Ottawa.

Mr. MURPHY: Where is to to be used?

Mr. ROGERS: Anywhere in Quebec and Ontario. The two provinces work together in the matter of dredging.

Dredging—Ontario and Quebec, $500,000.

Mr. MARCIL: Has any plan been laid out with regard to dredging in the province of Quebec?

Mr. ROGERS: The dredges are all being operated now; this amount is to provide for their operation in various places.

Mr. MARCIL: Is any dredging being done in Baie de Chaleur?

Mr. ROGERS: No, we are not doing anything there at present.

Mr. NESBITT: Where are the larger dredging operations being carried on this year in Ontario?

Mr. ROGERS: At Port Burwell and Toronto—these are the largest items.

Mr. McKENZIE: How much of the appropriation for dredging in the Maritime Provinces goes to Nova Scotia?

Mr. ROGERS: I do not know that we would have a statement such as my hon. friend suggests, because the dredges are at work in the three provinces and go from one to another. We do not have the items separate for each province.

Mr. McKENZIE: Is any dredging of any importance to be done in Nova Scotia this year?

Mr. ROGERS: We are doing a considerable quantity at St. John, Liverpool, Lockeport and other places.

Mr. McKENZIE: Unfortunately for us, St. John is not in Nova Scotia.

[Mr. Oliver.]

Mr. ROGERS: It is in the Maritime Provinces.

Mr. McKENZIE: I asked about Nova Scotia.

Mr. ROGERS: We are doing some dredging at St. Peter's.

Mr. McKENZIE: That is in connection with the completion of the canal?

Mr. ROGERS: Yes.

Mr. McKENZIE: Last night I asked the minister for some information about dredging done in the entrance to the Little Bras d'Or harbour. He thought he would be able to give me information to-day. Has the work been completed, or in what condition is it?

Mr. ROGERS: I had a memorandum taken of the question asked by my hon. friend last night and this is the reply I have received from Mr. Dufresne:

Refering to your inquiry regarding dredging at Little Bras d'Or, N.S., I send you herewith a sketch showing the work remaining to be done on this channel to complete the work. I also attach the estimate sheet descriptive of the remaining work. The amount of material to be removed is 14,300 cubic yards and the location of this material is shown on the sketch in the contour lines within the channel upon which soundings are marked. Our records show that between 1911 and 1913, 42,330 cubic yards have been removed by our dredge No. 6. There is no record of any contract work having been done at this place, going back as far as 1906.

It was the intention to have placed No. 6 (Cape Breton) on this work, this being one of the reasons why the dredge was being returned to Cape Breton waters. Upon looking over our records, I also find that no one has been urging the completion of this work.

That is, apart from our own engineers.

Mr. McKENZIE: Possibly I was not urging it as strenuously as I should have done. This work was never under contract; it was always Government work, and when the Government thought proper to knock off work, of course, it being entirely under their own control, there was very little said about the matter. The reason why I would like to see the work finished is because one of our growing coal mines is on this harbour. It was on account of the work done during the years the minister speaks of that they are able to ship. Formerly they had to go in a roundabout way some forty miles to get to sea, going past the upper end of the island of Boularderie. The opening of this channel means that they have to go only a very short distance to get to sea. The mine is becoming more important since this opening was made, and my reason for urg-

ing the completion of the work is to enable the operators to ship more largely from that mine. It is important in these times that we should be able to produce as much coal as possible. If we could finish this work and thus enable larger vessels to come in, the production and shipment of coal from that place would be increased. If at all possible, a part of this appropriation should be applied to the completion of the channel. The difficult part was the commencement of the work, as a considerable quantity of rock had to be taken out. Certain strips have still to be cut out, but there is no great difficulty about completing the work, and it should be completed as early as possible. The full channel is not completed, and consequently there is no mariners record of the entrance for sea captains and owners of shipping and they cannot charter their vessels to go there until there is a complete record and they are sure that there is a proper entrance.

Mr. ROGERS: About four-fifths of the work has already been done, and as a result the channel is passable to most of the boats; at least any that we have heard of have been able to get in and out. Unfortunately, we lost the dredge mentioned in the memorandum which I read. Had it returned safely to Cape Breton, we should have had this work completed by this time, but we are temporarily delayed for lack of a dredge in that locality, because we have not one to replace the one that was lost. I do not think it will be long before we can find one, and this work will be completed as soon as possible.

4 p.m.

Mr. McKENZIE: There are two very capable dredging companies in Cape Breton and one at Guysborough. They have been accustomed to doing work around Cape Breton. If the minister undertakes to do the work, he will have no trouble in getting a dredge. The Guysborough dredge is controlled by Captain Wells, a friend of the minister's. I saw him here the other day, and I am sure he would be only too glad to undertake the completion of this little job if he was asked to do it.

Dredging—Manitoba, Saskatchewan and Alberta, $90,000.

Mr. OLIVER: Where is this dredging to be done?

Mr. ROGERS: This is for the maintenance of our plants in the three provinces.

Mr. OLIVER: There is no dredging contemplated?

Mr. ROGERS: Some dredging work is being done in the Red river at the present time. I do not know of any dredging going on in Saskatchewan just now.

Mr. OLIVER: What about Alberta?

Mr. ROGERS: No dredging is going on there at present. I do not think there has been any application for any. We had a dredge at Craven doing some work, but it is finished now.

Mr. OLIVER: There is no work to be done there now?

Mr. ROGERS: Not that we have application for.

Mr. OLIVER: Has the dredge been removed from there?

Mr. ROGERS: The dredge is there yet.

Mr. OLIVER: The only dredging going on is in the mouth of the Red river?

Mr. ROGERS: That is all.

Dredging—British Columbia, $550,000.

Mr. OLIVER: What dredging is that?

Mr. ROGERS: This is the general dredging appropriation for operating the Government plant and carrying on dredging.

Mr. LEMIEUX: Is any dredging being done at Vancouver harbour?

Mr. ROGERS: We have a good deal of dredging to do at Vancouver harbour.

Mr. LEMIEUX: To what extent?

Mr. ROGERS: Widening the entrance to the harbour. Splendid work is being done at Vancouver.

Mr. LEMIEUX: Is it being done by the department?

Mr. ROGERS: All this is being done by the department.

Mr. LEMIEUX: What is the area dredged?

Mr. ROGERS: Our dredge was doing the work of widening the approach to the harbour. The inside of the harbour is another thing, of course, and is let by contract.

Mr. LEMIEUX: Will my hon. friend state how many cubic feet were dredged to widen the harbour, and what was the cost?

Mr. ROGERS: I have not the information before me. I will look it up.

Mr. OLIVER: Is the work under this vote being done only in Vancouver Har-

bour, or is the work being done in other harbours as well?

Mr. ROGERS: All over British Columbia.

Mr. OLIVER: What is the work in contemplation under this particular vote? The Government must have some definite intention as to the expenditure.

Mr. ROGERS: We are dredging in Vancouver, in the Fraser river, in Victoria, in Nanaimo, and at certain other smaller points.

Mr. EDWARDS: Are there any dredges operating in the lower part of Lake Ontario, in the neighbourhood of Kingston, say, at present?

Mr. ROGERS: Not at present.

Mr. MURPHY: How is this British Columbia dredging done? Is it done by contract, or by dredges owned by the department?

Mr. ROGERS: Entirely by dredges owned by the departfent.

Slides and booms, $5,000.

Mr. NESBITT: Are we to understand that the Dominion Government maintains slides and booms? I was under the impression they were maintained by the lumbermen.

Mr. ROGERS: They are maintained by the Government and the Government collects tolls from the lumbermen.

Roads and bridges—Dominion roads and bridges generally, $5,000.

Mr. NESBITT: Where has the Government any roads or bridges?

Mr. ROGERS: We have several interprovincial bridges.

Mr. LEMIEUX: I certainly do not object to this item, and I think there should be interprovincial bridges in the East as well as in the West. I wish to refer particularly to the connection which should be made between the province of Quebec and the province of Ontario, at Vaudreuil. Those who travel from Ottawa to Montreal will have noticed that they have to cross either on the Canadian Pacific Railway bridge or on the Grand Trunk bridge from Vaudreuil to Ile Perrot, and then from Ile Perrot to Ste. Anne. There is no place in eastern Canada where there are more trains and more passengers than at this particular point. I have on two occasions called the attention of the Government to the necessity of transforming the four bridges between Vaudreuil and Ste. Anne so as to make them accessible to foot passengers. It seems to me it would be the easiest thing in the world to do as was done between Montreal and Charlemagne where the Canadian Northern crosses the Rivière des Prairies, and provide for the crossing of foot passengers over the two branches of the Ottawa river. At present motorists leaving Montreal for Ottawa have to cross on two ferries, one from St. Anne to Ile Perrot and one from Ile Perrot to Vaudreuil. This crossing usually takes an hour and a half, including the time spent in waiting for the ferry. It is an antiquated system and does not at all meet the requirements of the present day. I do not say the Government should build two bridges, considering the serious conditions with which our country is confronted and the heavy demands made on our finances, but I would suggest that the Minister of Public Works and the Minister of Railways and Canals should confer with the two railway companies and with the adjoining municipalities with a view to meeting the public needs in this matter. When I speak of the adjoining municipalities I do not mean only the rural municipalities, Vaudreuil, St. Anne and Ile Perrot, but I include the city of Montreal, which is very much interested in the construction of those bridges. I would see to it that the city of Montreal, the other municipalities, and the Government each pays its share. I have not consulted the engineers on the feasibility of the project, but it seems to me that it is quite possible to construct two pathways on those bridges, which would be of very great service to the public. I am spokesman of the electors of the county of Jacques Cartier, and of the city of Montreal, and I am sure I voice the sentiments of both provinces in advocating this improvement. It is really surprising that in that section of the country, which is so much frequented by the public, we still have to cross the two rivers on an out-of-date ferry.

Mr. ROGERS: I think my hon. friend's remarks would have been more in place if they were addressed to the Minister of Public Works for the province of Quebec.

Mr. LEMIEUX: This is an interprovincial matter.

Mr. ROGERS: The district is entirely within the borders of the province of Quebec. I grant you it is an important and a very necessary improvement. But it is not interprovincial and my hon. friend is probably aware that the Government have never undertaken the expenditure of any

money upon the construction of any bridge save and except an interprovincial bridge.

Mr. MARCIL: How about the bridges over the Rideau canal?

Mr. ROGERS: Those are canal bridges which are entirely different. When the Minister of Railways undertakes to construct a canal, of necessity he has to build bridges over it.

Mr. MARCIL: There is a canal at St. Anne.

Mr. ROGERS: That does not apply to this particular case. What my hon. friend has referred to is the construction of a bridge between Vaudreuil and Ile Perrot and Isle Perrot and Ste. Anne, which is not interprovincial in any sense. Nevertheless, this suggestion is a most deserving one. We discussed it last year, and during the past two or three years I have received deputations urging very strongly the necessity of some work of this kind being done. I was so impressed with the necessity of it that on more than one occasion I assured a delegation that if they would take the matter up with the province of Quebec, where it properly belongs, and if the Government of Quebec would say that they would adopt that policy and see it carried out, I would undertake to recommend to Parliament that certain assistance be granted in carrying out the work. The same condition holds good, so far as I am concerned, now. I quite agree that there is an absolute necessity for the construction of bridges between Vaudreuil and Ile Perrot and Isle Perrot and St. Anne. I hope the day is not far distant when the Quebec Government will undertake this work, which is so necessary, and which will supply an outlet between the provinces of Quebec and Ontario, and will save time and avoid inconvenience as spoken of by my hon. friend from Rouville in that it takes an hour and a half or two hours to get across by the ferry.

Mr. MURPHY: Does the minister suggest an entirely new bridge?

Mr. ROGERS: An entirely new bridge. There is no bridge at all except the railway bridges.

Mr. MURPHY: I was wondering whether he meant an extension of the railway bridges or the construction of a new bridge.

Mr. ROGERS: That will be a detail. I understand the engineer has worked it out in both ways.

Mr. LEMIEUX: I was suggesting the alteration of the present railway bridges so as to make them available for highway traffic. I think it is quite feasible. I do not know what the opinion of the engineer is, but I have heard it stated on good authority that these bridges could be transformed so as to make them suitable for highway traffic. My hon. friend is quite right when he says that the bridges are within the province of Quebec entirely but the boundary line of Ontario is only a few miles distant. While this work falls under the control of the provincial government, my hon. friend should not forget that when the Canadian Northern Railway company built their bridge at Rivier des Prairies, at the other extremity of Montreal Island, they had to build a bridge not only available for railway traffic, but also for highway traffic. Certain conditions were inserted in the Bill and they were subsidized accordingly. I have no doubt that when these bridges were built the companies received subsidies from the Ottawa Government, and it was then that the authorities should have seen to it that the bridges were made suitable for highway traffic. I will make a suggestion to my hon. friend. I understand that within a short time the Grand Trunk and Canadian Northern Railway companies will come before this Parliament for aid in the nature of loans or subsidies—I do not know which, but it is pretty certain that these two railways are making their annual visit to the Government and to Parliament to obtain aid. When they come we will examine their claims and pass upon them. But if the Government should perchance decide to give some additional aid, let us say, to the Grand Trunk Railway company, it seems to me it would be a small matter to induce the company under these circumstances to so alter the bridge between Vaudreuil and Isle Perrot and between Isle Perrot and St. Anne as to facilitate the use of the bridge by the public generally. It should be very easy, when the railway company comes before Parliament to ask for additional favours, to get them to remedy a grievance that has existed for so many years. I hope my hon. friend will take note of my suggestion.

Mr. ROGERS: I am afraid my hon. friend is somewhat in error as to the railway conditions. I am not aware that the Grand Trunk are making any application for aid to the Grand Trunk railway. There may be such an application for the Grand Trunk

Pacific, but the bridge referred to by my hon. friend is a Grand Trunk bridge entirely. As to the proposal to have a highway bridge attached to, or constructed in connection with, the railway bridges that are already built, that is probably the cheapest and best idea that could possibly be worked out, but it is difficult for the Dominion Government to take any lead in the matter by reason of the fact that they have never before contributed to any bridge under these particular circumstances. We have many times had applications for such assistance. We have an application for assistance to the construction of a bridge over the Peace river, and it is an application which I hope we shall be able to favourably consider, because the Government of Canada own and control all the land in the vicinity and the construction of this bridge as a highway bridge attached to the railway bridge being constructed there would be of inestimable value to the people of the Peace River district. I hope to urge on my colleagues and on Parliament that some assistance be given to the construction of a bridge under those circumstances in that particular locality.

Mr. LEMIEUX: Would my hon. friend, or the Minister of Railways, be kind enough to ask one of the engineers to prepare a little plan of the additional work which would be needed to have a passageway for traffic attached to both the Canadian Pacific and Grand Trunk bridges? It would cost very little to have a plan prepared. When we see the plan we shall know if it is feasible, and the approximate cost of the work. When we are in possession of the plan I will ask the Government of Quebec to do its share towards the construction of that additional passageway, and we can then ask the Ottawa Government and the municipalities to contribute to the cost of that addition.

Mr. ROGERS: I think we have had a plan prepared; at least there has been a report by the engineers. I think it was made in respect of a new bridge, but I am not sure whether the engineers have notice of the possibility of the bridge being attached to the railway bridge as my friend suggests.

Mr. LEMIEUX: A new bridge would, of course, solve the difficulty. I am not advocating that, in view of the financial situation, but, if the two bridges can be utilized, I should like to see a plan prepared by the department, without committing the department or the Government, that would show the approximate cost of the two bridges. This would be of assistance in getting financial aid from the province of Quebec and the city of Montreal.

Mr. ROGERS: I do not know that we could attach a bridge to the railway company's bridge wtihout the company's consent.

Mr. EDWARDS: If the Grand Trunk Railway is applying for financial assistance, they can perhaps judge of the extent to which they can count on my hon. friend's support by the degree of his eagerness to secure this bridge. I am entirely in sympathy with the idea of constructing a bridge at this point. The more my hon. friend considers it, the more he will regret the course taken by some hon. gentlemen in opposing the Dominion Highways Act, which might have met just such cases. The fact that the bridge would be altogether within the province of Quebec is merely an incident; it is in reality an interprovincial bridge, and the necessity for it requires no argument.

Mr. PROULX: Another interprovincial bridge, which was undertaken by the late Government whose policy was continued by this Government, is that between Hawkesbury and Grenville, across the Ottawa river. Only last year the vote for this bridge was dropped. The need for this bridge is becoming more urgent each day. The united counties of Prescott and Russell adopted a bylaw last October to improve over 200 miles of highways within the two counties. One of the main arteries is a road between the provincial boundary and the boundary between Russell and Carleton. The counties of Prescott and Russell are now building a road from Hawkesbury west towards Ottawa. The municipalities north of the Ottawa river, between Grenville and Montreal, have formed an association. They intend to improve the road from Grenville to Montreal and expect aid from the Government of Quebec. The road between Hawkesbury and Ottawa can be completed within a few years. It is the intention of the two counties to improve the road as rapidly as possible. They have the assistance of the Ontario Government. This will make a very beautiful road, following the river on both sides between Montreal and Ottawa. I hope the minister has not abandoned the project.

Mr. ROGERS: This bridge between Hawkesbury and Grenville is, of course, an interprovincial bridge. I can assure my hon. friend that I am very sorry, for

more reasons than one, that, in view of the policy of retrenchment, we have had to drop this item from the estimates. Sir George Perley feels very keenly on this. It was promoted by him in view of the fact that it affects his constituency to the degree it does, at Grenville, and he was most pressing for years to have this carried out. This year we felt it necessary to drop this in common with many other items, for the present year at all events. But we hope conditions will improve in the near future, and that this work will be gone on with. I quite agree as to the necessity of completing it at the earliest possible date.

Mr. PROULX: I am glad to hear the minister's statement because it will help the municipalities on the north of the Ottawa river to get assistance from the provincial government to improve the road if there is a possibility of the bridge being built.

Mr. MARCIL: I have been reading the debate of the 9th of May last year. I want to give the Minister of Public Works a little of my own experience with regard to interprovincial bridges. With the assistance of Mr. Blair and Mr. Fielding, it took us about seven years to bring New Brunswick, Quebec and the Dominion into line and to make provision for the construction of the interprovincial bridge on the Restigouche river at Matapedia. After seven years we finally succeeded, by using the pillars of the old Intercolonial railway bridge to support a highway bridge. The only way we succeeded was by having the Dominion take hold of the matter. As long as we had to rely on the provinces, we found that when Quebec was ready to proceed New Brunswick was not ready, and when New Brunswick was ready something held Quebec back; and nothing was done for seven years, until the Dominion took the lead, and we secured subsidies from both provinces. The bridge has been built and has given immense satisfaction to that district, and will continue to give satisfaction for many years to come. The same story may be told about the Ottawa river. The late Mr. Beemer undertook to erect the interprovincial bridge about thirty years ago. It was only when the Dominion took charge of the work that construction proceeded. The same thing may be said with regard to the bridge between Bonaventure and Campbellton, where both provinces are willing to do their share. Nothing will be accomplished at Vaudreuil and Ste. Anne unless the Public Works Department steps in. The provincial governments cannot touch these railway bridges, both of which are federal structures. No bridge can be placed in between the Canadian Pacific and Grand Trunk bridges except with the co-operation of the Dominion authorities and the permission of the Railway Board. Therefore, the Dominion must take the lead in this matter, as they did in the case of the bridge at Metapedia, and as I hope they will shortly do at Hawkesbury and at Campbellton. The Minister of Public Works has been heralded as a promoter of highways, and if we are to have good highways in these districts, we must have these bridges between the provinces. and wherever a railway bridge is affected, the lead must be taken by the Federal authorities. If the hon. minister will go to Montreal he will see the two bridges running parallel, and he will see that it would be the easiest thing in the world to put a highway bridge between them, and I am sure the province of Quebec would be pleased to contribute her share of the necessary expenditure, and I do not know if Ontario would not be willing to do its share. As the hon. gentleman from Frontenac well knows, these bridges are close to the borders of Ontario, and the people of eastern Ontario cannot reach Montreal by highway, except by passing over the bridges when they are erected. Therefore I think they are very much interested in the matter. If the minister wants something done in the matter, he will have to make up his mind to take the lead, because if he leaves this matter in the hands of the provinces, it will remain as it has remained for a long time.

Mr. ROGERS: I quite appreciate the importance of the construction of certain bridges, and of course in regard to important work of this kind, it is necessary for Parliament to take the lead; and I, as one member of this House, would be glad to urge upon the Minister of Railways and Canals, who has a Bill before Parliament for such works as these, to press that Bill to a conclusion. I am sure he will have the unanimous support of members on the other side of the House, and I am satisfied that the Upper Chamber will approve of the Bill when submitted to them, and the Government will be able to carry out their programme, notwithstanding the financial condition of to-day. If the project is car-

ried out, the service will be of great value to both provinces.

Edmonton—repairs to bridge, $3,500.

Mr. OLIVER: I wish to support the Minister of Public Works in his remarks in regard to the advisability of providing highway facilities in connection with the railroad bridge now being built across the Peace river. The bridge is one of the largest in Canada. I think the railroad bridge will be in the neighborhood of sixteen or seventeen hundred feet in length. The river has a normal depth, in low water, of sixteen feet, and in high water between fifteen and twenty feet higher. It is a mountain stream, and carries great quantities of driftwood in high water. Besides the ice, when broken by the rising water is still thick. Thus the conditions demand a strong bridge at that point. The railway company is building a bridge, and this is a most opportune time to secure permanent traffic facilities by some arrangement with the railway company, because the foundations, if strong enough to withstand the conditions I have indicated, are easily able to carry the additional weight of a highway. But of course the railway company cannot be expected to supply those highway facilities. The railroad which has been built from Edmonton to Peace river, 310 miles, has been built entirely on the guarantees and loans of the provincial government. So that as the Dominion Government owns all the natural resources of the country which are now in the process of development, and as the development will necessarily be helped by affording facilities for settlers to cross this great stream, I think that the Government would be well advised to take into favourable consideration such application as may be made for substantial assistance towards making this a traffic bridge as well as a railroad bridge.

For half cost of reconstruction of telegraph lines jointly owned by the Anglo-American Telegraph Company and the Dominion Government, $17,000.

Mr. MURPHY: What are the relations between the Government and the telegraph company, in relation to this line?

Mr. ROGERS: The Government subsidized the company.

Mr. MURPHY: Is it an American company?

Mr. ROGERS: It is called the Anglo-American, but it is an English company.

[Mr. Rogers.]

Mr. MURPHY: Where are its headquarters?

Mr. ROGERS: London, England.

Mr. MURPHY: How much of the line has been constructed?

Mr. ROGERS: I was going to proceed with this particular line this year, as soon as we got the money.

Mr. MURPHY: No work has been done.

Mr. ROGERS: Not particularly.

Mr. MURPHY: Where is it to extend?

Mr. ROGERS: Along the Prince Edward Island railway.

Mr. MURPHY: Is there no telegraph system there now?

Mr. ROGERS: Our own line there practically requires to be rebuilt. Originally the Government built it in conjunction with the Anglo-American Telegraph Company, the cost being about $35,000.

Mr. MURPHY: Is it not usual to have these telegraph lines form part of the railway system? If this telegraph line follows the route of the Prince Edward Island railway, why is this amount separated from the railway vote?

Mr. ROGERS: The only explanation I can give is that it was started this way many years ago, and the system has never been changed.

Telegraph and telephone lines, Saskatchewan and Alberta—Peace River line, office and dwelling at Dunvegan, $3,325.

Mr. OLIVER: Is it intended that the amounts voted this year for the Wood Mountain telegraph line and the other two on the Peace river shall be expended?

Mr. ROGERS: Yes, there is pressing need for these.

Mr. OLIVER: Is it intended to make the expenditure in all three cases?

Mr. ROGERS: Yes.

Mr. OLIVER: Where has the department decided to place the new office building at Dunvegan? Is it on the bank of the river, or is it on the upland?

Mr. ROGERS: I have not the information here.

Mr. OLIVER: There is a Dunvegan telegraph office on the upland, above the river. The valley is from 800 to 1,000 feet deep, and that office is of no serious value to the river navigation.

Steamers passing up and down the river cannot reach a telegraph office that is a thousand feet above the valley and back from the river a couple of miles. On the other hand, the settlement is on the upland, and an office in the valley is of very little advantage to the settlers of that community. The location of the present office building is not convenient for the settlers, because it was built with regard to a speculative townsite that was laid out there.

Mr. ROGERS: The deputy informs me that the lot which has been purchased is on the upland, not in the valley.

Mr. OLIVER: In view of the fact that the railroad now touches the river at Peace River town, and that there is considerable steamboat navigation up and down the river, as there was not before, there should be telegraph accommodation at the river crossing. The wire crosses there going from Dunvegan to Spirit river and Grande-Prairie, and I would suggest that there be an office in the river valley near the ferry crossing, where the Hudson Bay store is situated and where there is a stopping place. I would suggest also that a commission office be located at some point on the plateau where the wire passes through the settlement. An office so situated would be convenient for the use of the settlers. No one office can answer the convenience of both the river traffic and the settlers of the district.

Mr. ROGERS: How far would the offices be apart?

Mr. OLIVER: The Waterhole post office is about nine miles from Dunvegan. At that place there are a couple of stores, a stopping place and an agricultural hall. The agricultural fair of the district is held there. It is hardly what you would call a village, but there is a centering of business at that point, and a commission telegraph office would be a great convenience. It may be the intention of the department to put their permanent Government office in that settlement; that, of course, would be entirely satisfactory to the settlers, but it would not take care of the requirements of the river navigation.

Mr. ROGERS: It is evident from my hon. friend's description of the conditions there that we should have an office at both places.

Mr. OLIVER: Yes. I suggest that there be a permanent office in one place and a commission office in the other. Is the minister going on with the building at Grande-Prairie?

Mr. ROGERS: Yes.

Mr. OLIVER: I wish to call the attention of the minister to the desirability of extending the Lac la Biche telegraph branch to Lac la Biche railway station. At present the Lac la Biche telegraph branch leaves the line at the town of Athabaska. It runs to the station at Plamondonville, where there is an office run on a salary basis.

Then from Plamondonville to the Roman Catholic mission on the bank of Lac la Biche, there is, I believe, a telephone connection. Lac la Biche mission is about six or eight miles from Lac la Biche railway station, and you have the peculiar situation that you have a telegraph line which ends within a few miles of the business centre of the district, which is, therefore, at a great disadvantage in transacting business. I have urged on the minister that the line be extended from Plamondonville through the Roman Catholic mission to Lac la Biche station. The extra line that would have to be built would be about eight miles long. It would give Lac la Biche station the advantage of direct telegraphic communication with the city of Edmonton and with the world, and would give the Government telegraph line business that it does not get now.

British Columbia mainland telegraph and telephone lines—General repairs and improvements, $22,400.

Mr. MURPHY: What is the increase of $8,400 due to? The amount asked for last year was only $14,000.

Mr. ROGERS: These are new lines. They have nothing to do with the appropriation of $14,000 of last year at all.

Mr. MURPHY: This is new work?

Mr. ROGERS: Yes. It is largely rebuilding the lines. The old rotten poles have fallen down, and we have to rebuild the line.

Architectural branch—Salaries of architects, clerks of works, inspectors, draughtsmen, clerks and messengers of outside service, $60,000.

Mr. MURPHY: Are the different classes of employees covered by this item located at Ottawa or outside of Ottawa?

Mr. ROGERS: Some are in Ottawa and some are outside of Ottawa.

Mr. MURPHY: What does the item cover?

Mr. ROGERS: It provides for the salaries of our staff of the Outside Service.

Mr. MURPHY: Are these architects employed outside the city of Ottawa, and are they employed by the year to do certain work?

Mr. ROGERS: They are on the regular staff and are employed by the year. This appropriation is asked to make provision for salaries of architects, clerks of work, inspectors, draughtsmen, clerks, messengers, etc., of the Outside Service, in connection with repairs, renewals, improvements, etc., which have to be undertaken from time to time on the public buildings in the different provinces of the Dominion, in order that larger percentages than heretofore of the general appropriations made by Parliament for such work may remain available for use on the works proper, as they are increasing rapidly in number and extent from year to year in all the provinces. These employees are at Charlottetown, Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Calgary, Victoria and Vancouver.

Mr. MURPHY: This item is intended to be supplementary to the appropriation for specific work. There is a certain appropriation for a certain public work, and this item covers the salaries of the architects and others who may be engaged in connection with such work?

Mr. ROGERS: This represents the staff employed in carrying out the different work in each province.

Mr. MURPHY: This is only an estimate.

Mr. ROGERS: No. There are specific salaries for specific individuals.

Mr. MURPHY: Who is employed at Charlottetown?

Mr. ROGERS: Mr. J. J. McDuff.

Mr. MURPHY: Is he an architect?

Mr. ROGERS: He is clerk of works. He has a salary of $1,000 a year. We have Mr. Thomas A. Hastings at Toronto who looks after public buildings throughout Ontario. His salary is included in this appropriation.

Mr. MURPHY: What is his salary?

Mr. ROGERS: $2,100. Mr. H. E. Hamilton is a stenographer in Mr. Hastings' office.

Mr. MURPHY: Mr. Hastings is not an architect?

[Mr. Murphy.]

Mr. ROGERS: No, he is inspector of public buildings throughout Ontario.

Mr. MURPHY: Has the minister some architects permanently employed at Toronto? If so, who are they and what are their salaries?

Mr. ROGERS: We have no permanent architect there. We have an architect there at present looking after important work that is being carried on. I refer to Mr. Wright in the department here. He does not appear in this list because he is on the staff at Ottawa.

Mr. MURPHY: What work is Mr. Wright looking after?

Mr. ROGERS: The postal station that is being constructed at the station at Toronto. We have a share in that work, and we keep our own architect there looking after our interests. Mr. Wright, one of our best men, has been selected for that very important work.

Mr. MURPHY: This is an estimate really to provide for salaries for these different classes of employees in connection with work that may be undertaken outside?

Mr. ROGERS: No, this is in connection with work that is already being carried on. Mr. Hastings is our permanent officer at Toronto. He inspects all public buildings in Ontario to see that they are kept clean and in proper repair, and if any trouble arises, or if there is any demand for repairs on any public building in any part of Ontario, the department asks for a report from Mr. Hastings and he visits the place and makes a report.

5 p.m.

Mr. MURPHY: What about the draughtsmen?

Mr. ROGERS: We have none at Toronto. There is one in British Columbia and one in Quebec.

Mr. NESBITT: Does the minister have messengers in the outside service?

Mr. ROGERS: Yes, at some places. We have one at Montreal.

Mr. NESBITT: For whom does he work?

Mr. ROGERS: For the clerk of works, the superintendent of buildings, and so on.

Engineering branch salaries, $435,000.

Mr. MARCIL: May I ask the minister if the Government keeps the same staff of engineers when no work is being done as when the work is going on?

Mr. ROGERS: Over 30 of our engineers have gone to the front.

Mr. MARCIL: How many have not gone, and are still drawing pay?

Mr. ROGERS: We have 270, when they are all there.

Mr. MARCIL: Practically no work has been done in my district for three years. I do not know if every other district in the country is the same. This would permit of a reduction of at least 50 per cent in the engineering staff, but, as far as I can judge, the same staff is still engaged, and paid.

Mr. ROGERS: Almost every staff has been decreased recently.

Mr. MARCIL: But the amount mentioned here is the same as for 1916-17. I would recommend that the minister have a review of the condition of affairs in the Quebec district, and see the amount of money which is being wasted. Take, for instance, my own constituency; I think I am safe in saying that for every dollar spent repairing a wharf there, about $20 have been in salaries of engineers, inspectors and so on.

Mr. ROGERS: I should be very glad to check it over. We are trying to practise economy just now.

Mr. LEMIEUX: Has the minister appointed special inspectors for the West lately—for instance, Mr. Brydon Jack, and Mr. Gerry?

Mr. ROGERS: Mr. Brydon Jack is superintending engineer for the three provinces.

Mr. LEMIEUX: What is his salary?

Mr. ROGERS: It is not very large. I am not sure of the exact figures. Somewhere between $2,000 and $3,000 I think.

Mr. LEMIEUX: Has Mr. Brydon Jack been recommended by the commission? Was he appointed under the Civil Service Commission?

Mr. ROGERS: No.

Mr. LEMIEUX: And Mr. Gerry?

Mr. ROGERS: We have no Mr. Gerry.

Mr. LEMIEUX: Has not the minister appointed a superintendent of plumbing and heating in the West?

Mr. ROGERS: He is not appointed for plumbing and heating.

Mr. LEMIEUX: What is his appointment?

Mr. ROGERS: There is such a man in some branch of the service. I do not know what his appointment is.

Mr. LEMIEUX: I am better informed than the hon. gentleman.

Mr. ROGERS: There is such a man in the employ of the Government but I do not know what position he holds.

Mr. LEMIEUX: And my hon. friend does not know what salary he gets?

Mr. ROGERS: Not exactly.

Mr. LEMIEUX: How long ago was he appointed?

Mr. ROGERS: Quite a while ago—several years ago.

Mr. MURPHY: I did not quite understand what the minister said in regard to the appointment of Mr. Brydon Jack.

Mr. ROGERS: He is superintending engineer for the three provinces.

Mr. MURPHY: Is he an engineer?

Mr. ROGERS: Yes, he is a very highly qualified engineer.

Mr. MURPHY: When was he appointed?

Mr. ROGERS: Very recently.

Mr. MURPHY: How recently?

Mr. ROGERS: A month or two ago.

Mr. MURPHY: What did the minister say his salary was to be?

Mr. ROGERS: Between $2,000 and $3,000.

Mr. MURPHY: Who held the position previously?

Mr. ROGERS: We never had a superintendent in the western provinces, as we have here. This gentleman covers the three provinces. He is a very capable man and it is very desirable that we should have the benefit of his services.

Mr. LEMIEUX: How old is he?

Mr. ROGERS: About 45 years of age.

Mr. LEMIEUX: Has he had much experience?

Mr. ROGERS: He has had a long experience. He was in the university out there.

Mr. LEMIEUX: Was he practising in Winnipeg?

Mr. ROGERS: Yes, and he was in the university.

Mr. LEMIEUX: As a professor.

Mr. ROGERS: Yes.

Mr. MURPHY: Is he to devote all his time to his new position?

Mr. ROGERS: Absolutely.

Monument to His late Majesty King Edward VII, $10,000.

Mr. LEMIEUX: Has it been decided where this monument will be erected?

Mr. ROGERS: The most favourable location is the corner of the East Block overlooking Connaught Place.

Mr. LEMIEUX: May I ask if my hon. friend has recently received a request for a contribution towards the erection of the Hébert monument in Quebec? Hébert was the first settler, and a monument is to be erected in his honour in September. I understand the committee has made a request for a contribution, and I would like to know if any action has been taken.

Mr. ROGERS: I have no recollection of the matter being brought to my attention.

Mr. MURPHY: Will the minister inform the committee whether this monument to His late Majesty has been completed, and who the artist is?

Mr. ROGERS: The order was given to a man named Alward, but he work has not yet been completed.

Mr. MURPHY: What stage is it in?

Mr. ROGERS: I believe he has not made much headway. We have not been hurrying him.

Mr. MURPHY: There has been some expenditure, has there not?

Mr. ROGERS: Yes.

Mr. LEMIEUX: Did the department follow the usual custom in the way of having a competition before the order was given?

Mr. ROGERS: Yes, there was a competition, and the trustees of the National Gallery were appointed judges.

Mr. MARCIL: Do I understand that this monument is to be placed on the brow of the hill on Wellington street, and is that the only place that could be found for it? It seems to me the place there is very small.

Mr. ROGERS: That was selected as the most favourable location.

Mr. MARCIL: Why should it not be put on the main Parliament grounds, in front of the main Parliament Buildings? This is a monument to one of the greatest sovereigns that England has ever had, and I think it should not be relegated to one of the smaller buildings. Why should it not be put opposite the main building, or on the Senate side?

Mr. ROGERS: I am sure that was considered. Of course, in the placing of a monument one must have regard to the particular design. A design that would be suitable on the corner of the East Block overlooking Wellington street or overlooking Connaught Place might not be suitable up on the main Parliament grounds.

Mr. MARCIL: Seeing that the monument to Queen Victoria stands to the West, I should think the question of placing this monument to the East might have been considered, or some one consulted about it. I am sorry to say the opinion of artists I have spoken to is that the distribution of those monuments around the Parliament grounds has not been altogether in the very best taste; some of them show to advantage, and some do not show at all. I should think the most prominent place would be selected for a monument to a sovereign.

Mr. ROGERS: A location in the east end might be all right, but we already have two monuments there, one to Sir John A. Macdonald and one to Baldwin and Lafontaine. I presume those who have charge of the location of the monument have considered all the circumstances before deciding definitely. The position decided on was selected as being the most suitable one.

Mr. OLIVER: It seems to me that the location of the Baldwin-Lafontaine statue was anything but fortunate, having regard to the appearance of the grounds or the merit of the work. I give that opinion to the minister and he can use it or not as he pleases. I certainly think that the statue in that position does not add to the attractiveness of the grounds.

Mr. ROGERS: Where would you suggest as a location for it?

Mr. OLIVER: I would say in any other place than where it is.

Mr. McKENZIE: As to the location of the monument of his late Majesty, we have a monument of one distinguished sovereign already, and I think the place where the minister will locate the second ought to be correspondingly prominent, if possible. The monument to her late Majesty Queen Victoria is in a very good place, and that to the next sovereign for whom we shall erect

a monument should be equally prominent, if possible. I would protest against putting it in any secluded place.

Mr. ROGERS: I am advised that those who claim to have knowledge of such matters look upon the site at the corner of the East block as being by far the most suitable, desirable and prominent, and second only to the location of the monument of Queen Victoria.

Mr. MARCIL: I do not want to insist on this matter, but take the case of a stranger coming to Ottawa and visiting the Parliament buildings. He naturally visits the central building first, and what will attract his attention chiefly will be that which will be within the range of his vision as he approaches that building. On the one side you have Queen Victoria and on the other Edward VII. But if you have Queen Victoria on the one side and the visitor has to go around a departmental building to discover the monument of King Edward VII, he will naturally conclude that King Edward VII occupied, in our estimation, an inferior position.

Mr. ROGERS: I am afraid I cannot agree with my hon. friend. The first thing that he will do will be to visit the Chateau and when he gets filled up and feeling comfortable he will start out to make an inspection of the Hill, and the first thing he will meet will be the monument to King Edward VII. It is looked upon as a very desirable location.

Construction and operation of water storage dams on the Ottawa river and tributaries, surveys in connection therewith, and settlement of land damages, $115,000.

Mr. ROGERS: This amount of $115,000 is required for the construction and operation of dams and sluiceways at points on the Ottawa river and its tributaries. The object is to store spring floods and augment the low waterflow thus equalizing the run-off of the Ottawa valley throughout the year. This also necessitates the purchase of lands damaged by maintaining reservoir surfaces at high stage during summer and autumn.

Mr. MURPHY: Where is the work located?

Mr. ROGERS: Timiskaming.

Mr. MURPHY: What staff is employed?

Mr. ROGERS: Our regular staff in Ottawa carry on the work.

Mr. MURPHY: A special staff?

Mr. ROGERS: Some are special, but it is the Ottawa staff.

Mr. MURPHY: Who is the head of the staff here?

Mr. ROGERS: Mr. Coutlee.

Dry docks generally—inspection, etc., $10,000.

Mr. LEMIEUX: Is that in virtue of the statute?

Mr. ROGERS: This is for inspection, etc., on our work at Quebec.

Mr. LEMIEUX: What progress is being made with the new Quebec dry dock?

Mr. ROGERS: We are at work on the outer chamber and we expect it will be finished this fall.

Mr. LEMIEUX: Who is the contractor for the stone?

Mr. ROGERS: That is a subcontract with the Davis company; we nave nothing to do with it.

River gaugings and metering, $20,000.

Mr. MURPHY: What is that?

Mr. ROGERS: This amount of $20,000 is to provide for the collection and investigation of data as to the fluctuations of various rivers, and to pay salaries of gauge readers at various points; to purchase recording apparatus; to meet travelling expenses, etc. The work is necessary in order to collect data as to the fluctuations of various rivers so that information regarding all rivers will eventually be on record.

Mr. MARCIL: Who declares a river navigable or floatable? The question was put to me by a constituent who wanted to know whether the Matapedia river, running into the Restigouche, was a navigable or floatable river? I could not answer the question. He seemed to think that it rested with the federal authorities.

Mr. ROGERS: It is very largely a legal question. A difference of opinion arises very often as to whether a river is a navigable river or not. Sometimes one court decides in one way and another court decides in another way. Cases have been taken to the Privy Council for final decision. It would be very difficult to give my hon. friend any specific information.

Mr. MARCIL: Is there a list in the department of the rivers that have been declared to be navigable or floatable?

Mr. ROGERS: We have no such list, but we have a general and accepted knowledge of the navigable rivers in Canada by reason of our dealings with these rivers in connection with plans for the construction of bridges over them and that sort of thing.

Mr. MARCIL: If I should ask the minister to have a list prepared of the rivers declared to be navigable and floatable in the province of Quebec, could he oblige me with it so that I would be able to see whether the Matapedia has been included or not? I know it is a floatable river for lumber, but the question is as to whether it is navigable.

Mr. ROGERS: I am not quite clear that it would be possible to give my hon. friend any very correct list, because we have not in the department a list of that sort. We have a general knowledge of the rivers that are navigable and those that are not. If there is any particular river about which my hon. friend would like information, he can have anything we have in the department.

Mr. MARCIL: I would be satisfied if the minister would give anything he has in connection with the Matapedia river.

Mr. ROGERS: We shall be glad to get that.

Miscellaneous—National Gallery of Canada, $8,000.

Mr. ROGERS: This is simply to pay the salaries of the staff.

Mr. MURPHY: Do the purchases for the National Gallery include those works of art in which the former Minister of Militia (Sir Sam Hughes) appears, some of which are upstairs now?

Mr. ROGERS: No, they do not belong to the National Gallery.

Mr. MURPHY: Nor the lithographs?

Mr. ROGERS: No, they are not included in the Art Gallery, and that is the only thing I am responsible for.

Mr. OLIVER: Where is the National Gallery?

Mr. ROGERS: We have loaned many of our pictures to different art associations throughout Canada, largely for educative purposes. We hope in the near future to be able to provide a proper gallery.

Mr. MARCIL: Have any steps been taken to secure paintings commemorating the heroic deeds of Canadian soldiers in this war?

Mr. ROGERS: I know that that has been discussed, but that will come under the Militia Department. No action has been taken, so far as the Art Gallery is concerned.

[Mr. Rogers.]

Mr. PROULX: Where are "The Chords of Love" hanging now? Have they been loaned to anybody?

Mr. ROGERS: I do not know, have you missed them?

Mr. OLIVER: Has any arrangement been made in the conduct of the National Art Gallery for the punishment of the perpetrators of some of the atrocities that are up there now?

Mr. ROGERS: I am afraid that I shall have to consult Sir Byron Walker and Senator Boyer and those who have it in charge.

Mr. OLIVER: Surely the minister will not disclaim the doctrine of ministerial responsibility?

Mr. ROGERS: No, but I am unable at the moment to answer the hon. gentleman's question without consulting those responsible?

Mr. OLIVER: I hope he will consult them and be able to give an answer at a later date.

Mr. NESBITT: May I suggest to the minister that on Hallowe'en he lend those wooden things to the boys?

Mr. MURPHY: The totem poles?

Surveys and inspections, $130,000.

Mr. MURPHY: Are there any surveys in progress?

Mr. ROGERS: When we receive an application for any work we have to send some one out to make an inspection.

Mr. MURPHY: Is not this work of a permanent character?

Mr. ROGERS: This $130,000 is required for defraying the expenses of surveys and inspections to be made during the year 1917-18 in connection with harbour, river, slide, boom, and bridge works and other works under the Public Works Department. The expenditures last year were: Maritime Provinces, $17,000; Quebec, $17,000; Ontario, $13,000; Manitoba, $2,000; Saskatchewan, $2,000; British Columbia, $5,000; geodetic levelling, $2,605; miscellaneous, $2,000. I have given the amounts in round numbers, but $63,000 was spent.

Mr. SINCLAIR: I do not know how the minister can justify an expenditure of this kind, because he said last night that he did not intend to undertake any new work in connection with harbour and river improvements. And it would only be a foolish

waste of money, unless we took in every work of the Government in Canada. I hope the hon. minister will not spend the money in that way. If he does not project any new works on harbours and rivers in Canada during the coming fiscal year, we should not have a vote for such a large amount for making surveys. If it is not intended that anything should be done in regard to these surveys, the vote is not necessary.

Mr. ROGERS: The hon. gentleman is quite correct. This item is necessary to provide salaries for those employed making the survey, and carrying out the work I have just quoted to my hon. friend, in connection with harbours and rivers, slides, improvements, etc., under the control of the Public Works Department. The hon. gentleman is aware that we have a great many improvements to make and a great many repairs in all the provinces of Canada. This item covers all the provinces of the Dominion, and it is, therefore, not a very large item in view of the necessary work to be carried out.

Mr. SINCLAIR: I always understood that the minister took the cost of the survey out of each particular vote, where there was a vote, and this apparently is a general item for cases where there is no vote, and it must refer therefore, to new work. Because in any case where the minister has any improvements to make, and there is a vote in the estimate, he will charge the cost of the survey to that particular vote.

Mr. ROGERS: My hon. friend is rather in error. We do not take the cost of work of this kind out of the amount voted for the different works. For instance, an application is made for the building of a wharf at some point, or repairs to a wharf; the first thing we have to do is to send our men to make a survey for that work. That has been the practice for years. In 1910-11, $114,000 was spent on this work, and in 1911-12, $103,000, and in 1912-13 the amount was $138,000, and it ran up the following year to $157,000. Year before last it dropped to $117,000, and last year it was $63,000. My hon. friend will surely give me credit for economizing when I tell him the item has dropped to about half the former estimate.

Mr. SINCLAIR: Will the hon. gentleman reduce it more this year?

Mr. ROGERS: We will reduce it all we can.

Monument to memory of the late Hon. Thos. D'Arcy McGee, $8,000.

Mr. MARCIL: This item has been in the estimates for ten years, more or less.

Mr. LEMIEUX: It will be there for many years. This is not the proper time for it.

Mr. ROGERS: This monument has been lost. It was sent over to Belgium to be cast, and was destroyed by the Germans.

Mr. MARCIL: The model is lost?

Mr. LEMIEUX: I understood it was under cover behind the library.

Mr. ROGERS: That is the pedestal.

Mr. MARCIL: Can another model be made? It would not do for the Irish people to labour under a grievance. They have laboured under many grievances.

Mr. ROGERS: They never had a grievance.

Mr. MARCIL: I think it would be unfair to have one of the Fathers of Confederation set aside. There should be a means of getting another model.

Mr. ROGERS: No danger of an Irishman like me overlooking it.

Mr. MARCIL: Will anything be done this year?

Mr. ROGERS: I have not taken it up.

Mr. MARCIL: There is an Irish convention on the other side of the ocean to settle all their troubles, and this would be an appropriate year to settle this matter.

Mr. ROGERS: We have not any troubles in Canada.

Mr. MURPHY: Will the hon. minister state the particulars of the loss of the monument?

Mr. ROGERS: The sculptor made his model. These models are sent occasionally to a country where the best casting is done. This model was sent to Belgium, and, unfortunately, it was overtaken by the Germans and destroyed.

Mr. MURPHY: The model?

Mr. ROGERS: Yes, this model.

Mr. MURPHY: Is the artist at work on a new one, or has the matter been left in abeyance?

Mr. ROGERS: The artist was so discouraged over what happened that we have not heard from him, but we are in hopes he will revive and take up the work.

Mr. MURPHY: So that nothing has been done since the loss of the model?

Mr. ROGERS: No.

Mr. MURPHY: Was the sculptor paid for his work up to that point?

Mr. ROGERS: Yes, he had an advance of $2,500.

Mr. MURPHY: Is that all?

Mr. ROGERS: Yes.

Mr. MARCIL: Where is the monument to be placed?

Mr. ROGERS: Right behind the library. The pedestal is already there.

Mr. MURPHY: I regret that the memory of my hon. friend from Bonaventure (Mr. Marcil) is not better than it is in regard to the fixing of the site for this monument. The site was originally selected by the present leader of the Opposition (Sir Wilfrid Laurier) when he was Prime Minister, and by the then Minister of Public Works, the member for St. John (Mr. Pugsley). The monument was to be erected in the centre of the Plaza, or Connaught Place, but when the present Government came into power one of the little agitations started, which, when assiduously cultivated, sometimes spread, and when properly directed, sometimes have an effect. This agitation was started, and the site of the monument was changed from the position selected originally to an insignificant site in the rear of the Parliament buildings, and my hon. friend from Bonaventure will find an illuminating discussion on the subject which took place in the House, which was participated in by two gentlemen who have since gone to their reward. They have been promoted upwards. That is the explanation regarding the site.

Mr. ROGERS: I am afraid the hon. member is rather in error. I do not think any site was selected by the right hon. gentleman who leads the Opposition to-day, and the member for St. John who was then Minister of Public Works. I do not think there was any definite decision about it.

Mr. MURPHY: Oh, yes.

Mr. ROGERS: They might have looked at different sites but no site was selected, and if they had selected a site on Connaught Place, I would not hesitate to say that I would be very glad to change it, because I would not want to belittle the memory of D'Arcy McGee by putting his monument in such a place. The proposed site is one of the most beautiful that could be secured.

Mr. MURPHY: The hon. gentleman is mistaken. The site was selected. I could show the hon. member the discussion in Hansard, when an effort was made in the House, by some of his friends to induce the leader of the Opposition and the Minister of Public Works to change their decision with regard to the site. They refused to change the site, and that site was selected. That is where the monument would have been placed if the Liberals had remained in office. Since the Liberals went out a couple of agitators, one of whom has since been rewarded by a position in the public service, advocated a change in the site, and women's societies and historical societies used their influence and got the hon. gentleman's friends to change the site.

Mr. LEMIEUX: Hysterical societies.

Mr. MURPHY: It was prior to the time the hon. gentleman (Mr. Rogers) became Minister of Public Works.

Mr. LEMIEUX: The days are going by. We will have an election soon, and the Liberals will be back in office in a few months; Sir Wilfrid Laurier will be Prime Minister and he will unveil the monument to Thomas D'Arcy McGee.

Georgian Bay Ship Canal Royal Commission, $25,000.

Mr. NESBITT: What is the total expenditure to date?

Mr. ROGERS: About $40,000 altogether.

Mr. NESBITT: Is it not more than that? An item has been in the estimates in respect to this matter for years past.

Mr. ROGERS: We have spent only the amount of money that I have named.

Mr. NESBITT: You got $25,000 last year.

Mr. ROGERS: That was not all spent.

Mr. NESBITT: Your estimates are misleading; they have been misleading in several of the items.

Mr. ROGERS: The hon. gentleman is probably confusing the work of the Georgian Bay canal with that of the commission. Recently there has been no work except that done by the commission.

Mr. NESBITT: Is it not time that this item was struck out? In a time of war, the voting of $25,000 for such a purpose as this is simply wasting public money.

Mr. ROGERS: I would not like to say that it is a waste of money, because if my hon. friend will go to the office of Mr. Sanford Evans and make an examination of all the data that he has collected, he will agree that the money has been well expended and that full value has been received. I agree that we should not go on further with this work. We have already given notice to Mr. Evans and those connected with him that we will close up the office very shortly —temporarily, at all events, until the war is over. No further expenditure will be made.

Mr. MURPHY: I must express my admiration for the Minister. He says that he is going to give notice that this office will very shortly be closed. That must mean, then, that the Government have found another position for Mr. Sanford Evans, because this Commission was created to give him a job. The people of the Ottawa valley and those interested in the matter understand quite well, without any inspiration from the Government or any intimation from me, that this Commission was appointed for the purpose of killing the Georgian Bay canal project, and that that project, so far as the Government is concerned, is as extinct as the dodo and has been so for the last three or four years. Why Mr. Evans and the rest of his staff are kept at work, unless it be to provide them with jobs, nobody can understand; I am sure that nobody can justify it. The Minister said to the member for North Oxford (Mr. Nesbitt) that if a gentleman interested in the matter were to call at the office of the commission he would see that a great deal of data has been collected. It is true that much data has been collected, but no public benefit has resulted from its collection. The minister may think that he is getting away with this thing, but he is not deceiving anybody; everybody knows the purpose of this Commission; everybody knows that Mr. Evans and his staff do nothing but draw their salaries. They are not rendering any public service; their business was to kill the Georgian Bay canal project, and this they have accomplished, so far as the Government is concerned. Why continue this expenditure any longer? Surely my hon. friend is mistaken when he says that the total expenditure has been only $40,000.

Mr. ROGERS: That is what my deputy informs me.

Mr. MURPHY: This item has been in the estimates for several years. The commission has had a fairly large staff, and it is surprising to hear that only $40,000 has been expended. However, if the minister says that on inquiry he finds that that has been the total expenditure, I have no criticism to offer. I do submit, however, that this office ought to be closed at once. The gentlemen composing the commission cannot possibly be rendering any service for which the country should be called upon to pay. Everybody knows that the published documents emanating from the commission, and various addresses given by Mr. Evans at different times and in various parts of the country when he had nothing else to do, show that there is no further work to be done. I do urge upon the minister that he close up the office without delay and allow these gentlemen to seek other outlets for their energies.

Mr. NESBITT: If the minister is going to close this office shortly, why the necessity for this item of $25,000?

Mr. ROGERS: The fiscal year is fairly well advanced; this item covers part of the year that we are now in. These estimates were made up last October. The office is practically closed now. Sanford Evans is now drawing a salary as a member of this commission.

Mr. LEMIEUX: Has he not been appointed to another commission?

Mr. ROGERS: Yes, he has been doing some work on another commission; therefore he is not drawing a salary as a member of this commission. We told him that we were going to close the office, and the office is being closed. I am sure that my hon. friend (Mr. Murphy) does not desire to do Mr. Evans any injustice. When in 1914 we were pressed for the construction of the Georgian Bay canal, many people regarded the project as a very desirable national undertaking—and I believe that it is. Perhaps it was more desirable then than it is now, on account of financial conditions. We made an honest effort to secure men who would be able to get the most reliable information as to the practicability of undertaking this work. My hon. friend will agree that that was a sound principle upon which to start. Mr. Sanford Evans was selected as the man capable of doing that work. Any member of the House who will visit his office and examine his work will agree with me that the right man was selected for that position.

Now that conditions have changed and it is impossible to consider the idea of undertaking such national work at this particular

time, we are closing up the office; but we are preserving the information we have, because Mr. Evans is a strong believer in the possibilities and advantages of the Georgian Bay canal.

Mr. LEMIEUX: But the Government is not.

Mr. ROGERS: The Government is strong believer in the advantages of that project, but this is not a desirable time for the Government to undertake work of this kind, and I am sure my hon. friend, no matter how favourable he might be to it, would not recommend our doing so. I am glad the committee agree with me that we are taking the right course in cutting off expenditure in the meantime. The information will be preserved until the day arrives when this great national undertaking shall be carried out to completion.

Mr. NESBITT: Is the minister going to drop the item?

Mr. ROGERS: A certain amount will be required to pay the incidentals in connection with closing up the work.

Mr. LEMIEUX: I would move that the item be reduced by $10,000.

Mr. ROGERS: I do not know what amount will be required, but if my hon. friend wants the item to stand, we will have a statement made of the amount we require.

To pay Western Dry Dock and Shipbuilding Co., Ltd., of Port Arthur, a portion of the fourth payment of subsidy due them upon their completion of the work covered by the agreement ratified by Chap. 57, 3-4 George V, 1913, notwithstanding that the work is not completed, $35,641.50.

Mr. MURPHY: The wording of this item shows that it is contrary to the provisions of the statute.

Mr. ROGERS: There are three buildings that the company did not erect in accordance with the original agreement, but the cost of those buildings has been deducted, and the company are being paid a subsidy only upon the work they have already done.

Mr. MURPHY: Why is the item inserted in this way?

Mr. ROGERS: I do not know of any other way in which it could be inserted.

Progress reported.

On motion of Hon. Mr. Rogers the House adjourned at 6 p.m.

Monday, July 30, 1917.

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

COUNCIL FOR THE INDIAN TRIBES OF CANADA.

Mr. PORTER moved for leave to introduce Bill No. 119, to incorporate a Council for the Indian Tribes of Canada.

Mr. GRAHAM: Explain.

Mr. PORTER: Mr. Speaker, the object of the Bill is to incorporate a friendly society of the various tribes of Indians. A petition has been very largely signed by members of the bands throughout the different provinces asking for incorporation. The objects are numerous, but the principal ones are to promote education and morality and to facilitate the operation of their lands and the investment of their funds.

Motion agreed to, and Bill read the first time.

WIDENING OF PRINCE EDWARD ISLAND RAILWAY.

STEAMERS BETWEEN ISLAND AND MAINLAND.

On the Orders of the Day:

Mr. J. J. HUGHES (Kings, P.E.I.): I would like to ask the hon. the Minister of Railways and Canals (Mr. Cochrane) if the Government have come to a final determination in regard to the widening of the gauge of the Prince Edward Island railway, and, if so, what it is? I would like also to ask a question in regard to the running of the steamers between Pictou and Charlottetown and between Summerside and Point du Chêne for the balance of the year after the car ferry is put in operation. I would like to know whether they have come to a final determination in regard to that matter, and, if so, what it is?

Hon. FRANK COCHRANE (Minister of Railways): The Government has decided not to standardize the Prince Edward Island railway this year. In the first place, it will take a considerable time to make that change. The rails will have to be shifted over, the bridges will have to be widened, the road will have to be straightened and the rolling stock will have to be widened or newly built. Therefore, it is not desirable that we should go on with the work this year. Besides, the war is taking all the finances the Government has. In reference to the other question, it is not decided, but

the Government will endeavour to keep on all the boats that there is business for.

Mr. J. J. HUGHES: That there is business for?

Mr. COCHRANE: Yes.

Mr. J. J. HUGHES: There is no doubt about that.

Mr. COCHRANE: Well, I do not know, and I do not think that the hon. gentleman knows either.

Mr. J. J. HUGHES: I do.

Mr. COCHRANE: I hope the hon. gentleman is right. We will keep on all the steamers that are necessary.

FORBIDDEN CIRCULATION IN CANADA.

On the Orders of the Day:

Hon. FRANK OLIVER: Is the Government prepared to make a statement to-day in regard to the suppression of "The Fiddlers"?

Sir GEORGE FOSTER: I am afraid I will have to ask my hon. friend (Mr. Oliver) to allow me to report progress and ask leave to rise again to-morrow. There is no information that I have at the present time.

Mr. OLIVER: I will have to give notice that if I am not to get an answer to my question within a reasonable time I will have to ask leave to move the adjournment of the House for the purpose of discussing this matter which is one of urgent public importance.

THE TORONTO, HAMILTON AND BUFFALO RAILWAY.

Mr. W. H. BENNETT moved the third reading of Bill No. 39 respecting the Toronto, Hamilton and Buffalo Railway Company—Mr. T. J. Stewart.

Motion agreed to.

On the motion of Mr. W. H. Bennett that the Bill do now pass and that the title be as on the Order Paper:

Mr. NESBITT: There was some trouble about that Bill. Did they get it arranged?

Mr. J. E. ARMSTRONG: The promoter of this Bill (Mr. T. J. Stewart) is not here and I do not wish to take any responsibility about it. Still, it has been pretty well discussed. I did not happen to be here when the third reading was proposed.

Mr. SPEAKER: If no hon. gentleman seconds the motion the Bill will stand.

Mr. COCKSHUTT: I will second it.

Motion agreed to.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

MAIL CONTRACT AMQUI TO ST. LEONARD LE GRAND.

Sir WILFRID LAURIER:

1. Is it the intention of the Postmaster General to pay to Anthime LeBrun the balance claimed under his contract for the conveying of the mails from Amqui to St. Leonard le Grand?
2. If not, why not?

Mr. DOHERTY (Acting Postmaster General):

1. No.

2. The contract for the conveyance of mails between Amqui and St. Leonard le Grand was awarded to Anthime LeBrun on the 3rd November, 1916, after the invitation of tenders. Under this contract which was to expire 30th September, 1920, Mr. LeBrun took over the service on the 27th November, 1916, and performed it until the 25th April, 1917, for which period he was paid.

Representations were made to the department that LeBrun was a confirmed drunkard and had, in fact, been found lying intoxicated on the road while in charge of the mails. Inquiries were instituted and the charge of insobriety was confirmed The contract was immediately cancelled under the clause therein which empowers the Postmaster General to terminate it without notice in the event of failure to deliver the mails or violation by the contractor of any of the provisions or stipulations set forth in the contract.

REV. WARD WHITE.

Mr. NEELY:

1. Is Rev. Ward White, of Lunenburg, N.S., a recruiting officer?
2. If so, what remuneration does he receive per day?

Sir EDWARD KEMP:

1. Yes.
2. None

AUTOMOBILES—DEPARTMENT OF MILITIA AND DEFENCE.

Mr. PROULX:

1. How many automobiles are being used by the Department of Militia in the city of Ottawa?
2. How many chauffeurs are employed by the said department at the city of Ottawa?
3. What is the average salary of these chauffeurs?

What is the amount which was paid by the Department of Militia for the purchase of these automobiles?

5. Are officials of the department or officers of the militia permitted to use these automobiles for pleasure trips?

Sir EDWARD KEMP:

1. Three are used by the Department of Militia and Defence—one by the Parliamentary Secretary, Department of Militia and Defence; one by the Chairman of the Military Hospitals Commission and one by the Minister of Militia and Defence. Four are at the disposal of ministers of the Crown to assist in carrying on their official duties since the Parliament buildings were burned, the House of Commons being so far removed from their respective offices.

2. Automobiles are driven by men of the Permanent Army Service Corps, Mechanical Transport Section.

3. Receive pay of their rank.

4. $16,816.40.

5. No.

MR. S. C. RIOU.

Mr. GAUVREAU:

What is the amount of the costs paid by the Department of Justice, or any other department, to Mr. S. C. Riou, advocate of Fraserville, in the case of The King vs. Joseph Belanger of Cacouna, Temiscouata, both in the Exchequer Court and in the Supreme Court of Canada?

Mr. DOHERTY:

Mr. Riou has not been paid any sum by the Government. He did not act for the Crown but for the suppliant, whose costs were taxed and paid to him as follows:

Exchequer Court.. .. ..$376.81
Supreme Court.. .. .. 592.89

RECRUITS IN UNITED STATES.

Mr. MACDONALD:

1. Have any persons been authorized or directed to obtain recruits in the United States?

2. Have any Canadians been named for that or kindred purposes?

3. If so, what are their names and positions?

Sir EDWARD KEMP:

1. Yes.

2. Yes.

3. (a) List attached. These officers are attached to British Recruiting Mission and are working in conjunction with this mission at different points throughout the United States.

(b) Lt.-Col. P. Guthrie and band of the 236th Battalion, C.E.F., was authorized to recruit in Boston and New York, but have since returned to Canada.

(c) A detachment of 48th Highlanders was sent to New York and Chicago to assist the British Recruiting Mission in recruiting.

List of Canadian officers employed with British Recruiting Mission in the United States: Lt.-Col. Williams, G. H., Lt.-Col. Warren, C. A., Richardson, T. B., Lt.-Col. Dennis, J. S., Lt.-Col. Jamieson, F. C., Lt.-Col. Reed, LeGrand, Major Gingras, L. J. D., D.S.O., Major Purney, W. P., Major Keown, H. E., Major Manchester, C. S., Major Templeton, J. F., Captain Thompson, D. S., Captain Wright, W., Captain Tweedie, A. C., Captain Stephens, C., Captain Morrison, T., Captain Zimmerman, A. L., Captain Sheard, R. H., Captain Kilmer, C. E., D.S.O., Captain Marlatt, K., Captain Finn, Ivan, Captain Van Norman, K. H., Captain Doyn, C. V., Lieut. McPherson, D., Lieut. Chevalier, P., Lieut. Dolphin, C., Lieut. Williams, T. L. O., Lieut. Pepler, H. B., M.C.

QUESTION PASSED AS ORDER FOR RETURNS.

Mr. A. K. MACLEAN:

1. Have any sums of money been paid in connection with naval recruiting for Nova Scotia during the past two years?

2. If so, to whom and for what purposes were the said amounts paid?

UNOPPOSED MOTIONS FOR PAPERS.

Mr. A. K. Maclean: For a return showing copies of correspondence between the Department of Militia and Defence of Canada, the War Purchasing Commission of Canada, and the British War Office, concerning a target practice rod or the use of same by the Canadian Expeditionary Force.

Mr. Fortier: For a return showing copies of all correspondence, requests, telegrams and other documents in connection with the establishment of the distribution of rural mail in the parish of St. Jean Deschaillons, and also in the parish of Ste. Philomène, in the county of Lotbinière, Quebec.

Mr. Delisle: For a copy of all Orders in Council, letters, telegrams and correspondence concerning the appointment of G. A. Dillon in connection with the interned aliens camps. Also, a copy of the instructions given to said G. A. Dillon with a tabulated statement showing the purchases made through him, the amounts paid, his travelling expenses and the commissions received by him since appointment.

Sir Wilfrid Laurier: For a copy of all correspondence exchanged between the Board of Trade of the city of Quebec and the Prime Minister on the subject of the Report of the Special Commission on Railways.

Mr. E. Lapointe: For a copy of all documents, reports, letters, correspondence and plans, with reference to the difficulties between the Transcontinental Railway Commission, the Department of Railways and Canals and the city of Fraserville, on the subject of the lock or reservoir on Lake aux Loutres, in the county of Kamouraska, near the track of the Transcontinental Railway.

BOARDS OF TRADE ACT AMENDMENT.

Bill No. 65, to amend the Boards of Trade Act, Sir George Foster, considered in committee, and read the third time.

SCIENTIFIC AND INDUSTRIAL RESEARCH.

HONORARY ADVISORY COUNCIL INCORPORATION.

Sir GEORGE FOSTER moved the second reading of Bill No. 83, relating to the Honorary Advisory Council for Scientific and Industrial Research.

He said: The outbreak of the war brought very forcibly home to the attention of most great countries of the world, particularly those on the Allied side of the contest, the march in advance that Germany had made in industrial and economic matters, which had made her the happy possessor of the basic raw materials in a great many of the different quarters of the globe, and had also transferred to her, in the process of years, practical monopolies in many of the key industries and basic industries of the world. So it happened that, after the war broke out, Great Britain especially found herself deprived of many processes which had been initiated, so to speak, in Great Britain itself by way of invention and primary development, but which had afterwards been gradually taken over by the German people and, under their peculiar and thorough methods, had come to be, as I have said, virtual monopolies; that is, Germany practically controlled the supply of the world and became the purveyor of these much needed and very valuable processes to the rest of the world. These matters were brought practically to the attention of the different Governments, and from that time France, Great Britain, Italy, the United States of America, Australia and Canada to a certain extent, have been practically alive to the situation and have been developing measures by which in the future they shall not be dependent for those basic materials and basic processes upon alien or foreign countries. The British Government took the matter up and appointed, in July, 1915, a committee of the Privy Council, consisting of six official and three unofficial members, who should have, in general, charge of the encouragement and promotion of scientific and industrial research. This committee of the Privy Council appointed a Council on Scientific and Industrial Research, advisory to the committee of the Privy Council. Sir William McCormick presides over this council, and associated with him are seven other members, eminent practical scientists of Great Britain. That Advisory Council undertook to make certain examinations, to find out certain information, and to make practically available, so far as it was able to do so, the agencies and facilities for scientific and industrial research which already existed in Great Britain, and, to co-ordinate as far as possible, the efforts of these dislocated and independent agencies for research, and, in general, to stimulate the desire for and promote the development of industrial and scientific research. The committee of the Privy Council were responsible to the Treasury Board for any moneys which would be placed at their disposal, and they rely upon the Advisory Council for examination, information, advice and counsel. Within a late period, at the end of last year, I think, or near the end of last year, after the Advisory Council had been at work for nearly a year, and had made their preliminary survey, the British Government granted a charter to the subcommittee of the Council, forming it into an Imperial trust, and they have placed at the disposal of that subcommittee of the Privy Council about a million pounds sterling for the various purposes which they had in view. This Imperial Trust is also allowed to take bequests that may be made from any quarter whatsoever, and to manage the funds made up of appropriations by the Government and of bequests from individuals or corporations. This scheme was at first entirely confined to the United Kingdom, but it soon became apparent that it might, with advantage, be extended in the scope of its work, and as a consequence communications were had with the Overseas Dominions, and the proposal was made that in such way as might be deemed best by the Overseas Dominions, co-operation in such research work should be had, and as a result of such cooperation, agencies were appointed or arranged for in the Overseas Dominions, through which there might be communication between and co-operation of effort, and the distribution of the results gained in the United Kingdom or in the Overseas Dominions. There are many cases in which research might be better undertaken by the parent society, or the committee in Great Britain, even though they particularly affected the Overseas Dominions. Other matters of research which were initiated or desired by the home society might be better carried out in Australia, in Canada, in India, in

some other overseas dominion, and so the foundation would be laid for a generalization of the scope of this arrangement, and for concurrent action such as I have stated.

Since that time, Australia has appointed a committee and an advisory council, largely on the same lines, one has been established and in South Africa, and New Zealand is discussing and arranging for the appointment of an Advisory Council and a collaborating body. About a year ago the Canadian Government passed an order by which a subcommittee was appointed in Canada consisting of the Ministers of Agriculture of Labour, of Mines, of the Interior, of Trade and Commerce, and of Inland Revenue. These were appointed because each with the exception of the Department of Labour, has more or less work of that kind going on now. The Mines Department, for instance, has one of the best equipped laboratories on this continent, although not the largest by any means. The Department of the Interior has, in connection with McGill University, a laboratory at work chiefly upon woods, their tensile strength, and everything connected with them. The Committee of the Privy Council was appointed to take in and co-relate all the Government branches or departments which have some such agency at work at the present time. The Department of Labour was added as well, because labour forms a very important part in this matter, and the Minister of Labour was made a representative on that committee. Shortly after that subcommittee, following out the plan of Great Britain, appointed an Advisory Council of eleven members, consisting of three representatives of the industrial and business interests of the country, and eight scientists. Dr. Macallum of the University of Toronto, was appointed as the administrative chairman of this board. That Advisory Council was organized in December of last year, and has since been holding its meetings and going on with its work. I think it would be just as well for me to read an outline of the instructions sent by the Committee of the Privy Council to the Advisory Council. The memorandum reads:

> This Advisory Council, in a memorandum from the Chairman of the Committee of the Privy Council, has been charged with the following duties:
>
> (a) To ascertain and tabulate the various agencies in Canada which are now carrying on scientific and industrial research in the universities and colleges, in the various laboratories of the Government, in business organizations and industries, in scientific associations or by private or associated investigators.

> (b) To note and schedule the lines of research or investigation that are being pursued by each such agency, their facilities and equipment therefor, the possibilities of extension and expansion, and particularly to ascertain the scientific man power available for research and the necessity of adding thereto.
>
> (c) To co-ordinate these agencies so as to prevent overlapping of effort, to induce co-operation and team work, and to bring up a community of interest, knowledge and mutual helpfulness between each other.
>
> (d) To make themselves acquainted with the problems of a technical and scientific nature that are met with by our productive and industrial interests, and to bring them into contact with the proper research agencies for solving these problems, and thus link up the resources of science with the labour and capital employed in production so as to bring about the best possible economic results.
>
> (e) To make a scientific study of our common unused resources, the waste and by-products of our farms, forests, fisheries and industries, with a view to their utilization in new or subsidiary processes of manufacture and thus contributing to the wealth and employment of our people.
>
> (f) To study the ways and means by which the present small number of competent and trained research men can be added to from the students and graduates of science in our universities and colleges, and to bring about in the common interest a more complete co-operation between the industrial and productive interests of the country and the teaching centres and forces of science and research.
>
> (g) To inform and stimulate the public mind in regard to the importance and utility of applying the results of scientific and industrial research to the processes of production by means of addresses to business and industrial bodies, by the publication of bulletins and monographs, and such other methods as may seem advisable.

That sets out generally the plan and scope of the work of the Advisory Council, under the direction of the sub-committee of the Privy Council. These eleven gentlemen are all honorary members. They are men distinguished in business or in scientific and industrial research and knowledge. They give their time entirely free; their travelling and working expenses are paid. It was felt advisable that it should be the duty of one man to keep the machine in motion and to be the general director of its energies, giving all his time and effort thereto. He has been denominated the Administrative Chairman, taking exactly the same position with regard to our Advisory Council as Sir William McCormick takes on the British Advisory Council. A salary of $10,000 is paid to Dr. Macallum for this work. In this way we get the services of eleven men of distinguished attainments and of great capacity who give —I can very well attest that they have done so during the last six months—a great deal of their valuable services to the working out

of the purpose set forth in these instructions. It is not the intention of the sub-committee of the Privy Council, of this arrangement, or of the Advisory Council, to duplicate work which is already going on. The intention is rather to prevent overlapping and to co-ordinate the work. The first work that they have undertaken is, in line with the instructions, to tabulate the scientific and research facilities, agencies and equipment in Canadian educational institutions, and to communicate with and to tabulate in the same way those agencies and facilities, outside of the universities, which are possessed by private corporations, public bodies, or associations for scientific purposes. On the other hand, they are to find out from the industrial and productive workers of Canada what are the peculiar problems which meet them in their work, how far they are trying to solve those problems and what aid can be given them towards that solution. They are to distribute such of these problems as it is possible to the different industrial and research agencies which are already established and which are doing work in Canada. That has been carried on in a very effective way. I think it would be interesting to the House to have a very short digest of the methods they are pursuing to get that information. That information is very widely disseminated; it has to be sought in every part of Canada, and it must be fully and accurately obtained if it is to be available as a reliable basis. Five or six great societies or associations have voluntarily banded themselves together for the purpose of getting this information: the Manufacturers' Association of Canada, the Canadian Mining Institute, the Chemical Society, and the Society of Civil Engineers of Canada, and an association of technical organizations of different kinds in Canada.

Sir WILFRID LAURIER: Does this last technical organization already exist?

Sir GEORGE FOSTER: They are all in existence. The system they proceed upon is to prepare questionnaires which are sent out to all colleges and universities, scientific and research organizations, and are designed to secure in full the information to which I have referred. Questionnaires are sent also to the managers of industrial and productive interests in Canada, the questions being so arranged as to bring out what these respective bodies are doing in the way of research, what are the problems which cause them difficulty, how far they are solving or trying to solve those problems, and how far aid may be required. This inquiry spreads itself over a vast number of organizations, industries and productive associations. These bodies, united for that purpose, appointed a central committee of sixteen. This central committee appointed a general committee of five to see to the distribution and collection of these questionnaires. They establish headquarters in the different provinces through the members of their organizations in those provinces. To make a long story short, the questions get into the hands of the parties for whom they are intended, but they are not left there without assurance that they will be intelligently and fully answered, to the largest maximum percentages. So that field aides and helpers voluntarily working from the members of those five associations are enlisting in the field some seven or eight hundred men whose duty it is to explain what answers are required to the questionnaires — much valuable information can be given to facilitate the work of those who answer—to see that the questions are answered and that they are forwarded again to the central committee. These questionnaires have already been sent out, a large number of them are now coming in and the tabulation has been commenced. The House will see what a fund of wide, useful and accurate information will be in the hands of the Advisory Council when the questions come in and the information therein contained is placed at the service of the Advisory Council.

It is also of great moment that the man power which is eligible and available for research shall be multiplied in our Dominion. It is rather a sad thing that many young men who have come out from our different colleges and universities and who have developed strains of original research and scientific inquiry are later snapped up by concerns in other countries, particularly in the United States. Many of them are to-day doing yeoman service in the great industrial operations in the United States, some of them receiving princely salaries. On the other hand, we have had a very small number of such men, owing, I suppose, to our smaller development in rich industrial concerns and the lesser interest that has heretofore been taken therein. The result is that many of our young men have not been encouraged to remain and pursue their investigations and work in Canada.

One duty laid upon this Advisory Council is to endeavour to reinforce that staff in our own country, in the first place.

by creating an interest in industrial establishments. This interest is now rapidly being increased, the necessity for it being more and more seen and felt by our industrial operators. In this way there will be created a home, as it were, and a place for work and occupation in Canada. In the second place it is proposed to endeavour to reinforce that staff by taking hold of those young men before they have gone away, in so far as they have developed evidences of peculiar excellence in the way of research, and by a system of studentships and fellowships encouraging them for one or two years after they have come through their university or college, to take up and pursue lines of research. There are to be six hundred dollars studentships and twelve hundred dollars fellowships, and a limited number of those will be distributed, and the Advisory Council has for the last few months been trying to secure that class of young men in our different institutions who may be as it were pre-empted for that kind of work.

What I have said will indicate to the House what it is proposed to carry out under this system which has been inaugurated, which has its branches in all parts of the Overseas Dominions and which is being extended to India and to some of the protectorates as well. We have connection with the Advisory Council of Great Britain by assessors. One of the council is at present in Great Britain representing the Advisory Council as an assessor. He sits with the Advisory Council in Great Britain while he is present there during the summer; he gets to know all that they are doing; he gets all the information and knowledge possible; in turn, he gives them information as to what we in this country are doing, and he keeps up the connection between the two bodies. Similar connections are being kept up with other Overseas Dominions. Sufficient has been stated to show that in this arrangement there is the beginning of a very strong, active and useful organization which, in the ways that I have mentioned, will enforce the lesson of the necessity for science, industry and production marching hand in hand. If that has been necessary in preceding years, it probably has never been more necessary than at the present time, and it will probably be all the more necessary after the war has ended and the adjustments of peace are brought about. Then, more than at any previous stage of the world's history, there will be the necessity for knowledge and scientific help being given to the processes of industry and of production in order that the keen competition that is coming may be met, and that the utmost of productive output may be had. This is simply taking time by the forelock, but none too soon, to get this system into working order in Canada and in this way to prepare ourselves as far as possible for the productive and industrial work of the future.

This organization was created by order in council, and this legislation is simply to put in statutory form the mode of organization which was adopted and passed by order in council.

Sir WILFRID LAURIER: Who are the members of the Advisory Council?

Sir GEORGE FOSTER: The administrative chairman is A. B. Macallum, M.D., Ph.D., Sc.D., LL.D., F.R.S., Ottawa.

Sir WILFRID LAURIER: He is professor of what?

Sir GEORGE FOSTER: He was professor of Physics in Toronto University. The other members are:

F. D. Adams, Ph.D., Sc.D., LL.D., F.R.S. Dean, Faculty of Applied Science, McGill University, Montreal

T. Bienvenu, Esq., Vice-President and General Manager La Banque Provinciale du Canada, Montreal.

R. Hobson, Esq., President Steel Co., of Canada, Hamilton.

S. F. Kirkpatrick, M. Sc., Professor of Metallurgy, Queen's University, Kingston, Ontario.

J. C. McLennan, Ph.D., F.R.S., Professor of Physics and Director of the Physics Laboratory, University of Toronto, Toronto.

A. S. Mackenzie, Ph. D., D.C.L., President Dalhousie University, Halifax, N.S.

W. C. Murray, M.A., LL.D., President, University of Saskatchewan, Saskatoon, Saskatchewan.

R. A. Ross, Esq., E.E. (Tor.), M. Can. Soc. C.E., Consulting Engineer, Montreal.

R. F. Ruttan, M.A., M.D., Sc.D., Professor of Chemistry and Director of the Chemical Laboratories, McGill University, Montreal.

Arthur Surveyer, B.A. Sc., M. Can. Soc., C.E., Consulting Engineer, Montreal.

Sir WILFRID LAURIER: The project which has been elucidated by my right hon. friend is certainly well conceived, and the idea is a very commendable one. One feature which certainly merits my commenda-

tion is the fact that this council is to be connected with similar organizations in other parts of the British Empire, that is to say, the United Kingdom, Australia, New Zealand and South Africa. Undoubtedly, if all those associations work with a common purpose, the object must be very advantageous. If that object which this legislation has in view was inspired by the German example, we should, if it is not yet too late, pay far greater attention to technical education than we have done before. If there is one thing in which Germany has attained superiority, it is in the application of the discoveries of science to all the arts, not only of peace, but unfortunately of war. The Germans have attained this superiority by their technical schools and the special attention which they have given to technical education. I am sorry that more attention has not been paid to technical education in this country, and the sooner we take up that subject, the better it will be for the interests. my right hon. friend has in view at the present time.

Motion agreed to, Bill read the second time, and the House went into committee thereon, Mr. W. H. Bennett in the Chair.

On section 3—Appointment of Council.

Sir WILFRID LAURIER: The Chairman of the Board receives a salary. Are any other members of the Council paid?

Sir GEORGE FOSTER: No, but the Council have a secretary, Mr. Challies, of the Waterworks Branch of the Interior Department. He is giving his spare time free for the first year to the secretarial work of the Council. He is very efficient, and the Council find him most useful. I think the honorary work which these gentlemen have undertaken to do is one of the finest exhibitions we have had, amongst many fine exhibitions, of personal service devoted to the good of the state.

Mr. A. K. MACLEAN: Is this Council to be a permanent organization, or merely temporary?

Sir GEORGE FOSTER: It is not a temporary body at all. It is proposed to make it a permanent body and to have the benefits of its services in increasing degree from year to year. The Advisory Council are following out closely the same plan that has been adopted in Great Britain. There the Advisory Council get into communication with the great engineering, scientific and metallurgical societies, steel plants and industries of that kind, and subsidiary committees, working together under the supervision of the Council, are formed for the purpose of stimulating research and solving the various problems that come up. Three standing committees have already been set up in Great Britain, the Metallurgical Committee, the Mining Committee, and one other. Men eminent in these different lines have banded themselves together as committees and are working in co-operation with the Central Advisory Council.

Mr. A. K. MACLEAN: Although I am not opposed to the constitution of the Council at the present time—in fact, I think, perhaps, it is the best body that could be appointed to do this work during the period of the war—I have no faith whatever in the ability of such a body to perform the work of this nature that it is so desirable should be performed in this country. I do not think it is possible for a body of scientific men meeting at Ottawa only two or three times a year to accomplish any results, and I do not think any member of the Council thinks otherwise. I do not think any good results can be hoped for from similar bodies in the United States or in Great Britain, although I concede that practical results may possibly be expected in Great Britain, which is an older country. The distances there are shorter, and the men who are voluntarily giving their services can readily be brought together, and they may have a good deal of time to give to this sort of work. But in this country every member of the council is engaged in other work, and cannot do justice to his ordinary vocation and at the same time render any great service to the nation as a member of the council. I am not however opposing the constitution of the council for the time being. I think the idea is a very good one indeed, but I hope the Government and the country will not commit themselves to the policy of making the council a permanent body. It can, however, blaze a trail for work to be done in the future by men who shall belong to the Cival Service of Canada, and who will be able to give their whole time to this research work.

4 p.m.

Mr. STEELE: I am sure the House must appreciate very much indeed the splendid patriotic spirit that has actuated the members of the council in giving their services gratis for this work. I wonder, however, if any other motive played its part in the appointment of a council of an almost entirely honorary character. I fear that we in this country, and this Parliament espec-

ially, are actuated to a considerable extent by a desire not to spend money on such work as this. I quite agree with the hon. member for Halifax that at the present time it is perhaps all right to accept the services of these men on the terms on which they have been offered, but I do not believe that any permanent useful organization can be built up in that way. I hope the Minister of Trade and Commerce and this parliament will get away from the old time parsimonious habit and be generous to this body. We should be ready to spend even hundreds of thousands of dollars on an organization that will do work that is not only necessary to this country at the present time, but which will bring vast profits to the nation generally in the future, if the work is carried on in an aggressive manner. I am sure that the personnel of the council is beyond criticism, but as the hon. member for Halifax has said, these men are all engaged in other work and cannot be expected to give up a large part of their time and energy to gratuitous work. I hope that before the next meeting of parliament the Minister of Trade and Commerce will lay a proper foundation for carrying out what must be regarded as a most extensive programme for a body containing only two paid officials to carry out for the benefit of the nation. I trust that in the near future we shall have in this country under the control of the Government a vast institute for industrial and scientific research. There is plenty of work for such an institute to do, work that would be of vast advantage not only to the manufacturing and industrial interests of the country but to the nation at large.

Sir GEORGE FOSTER: Sufficient unto the day are the possibilities thereof. When I said that this was a permanent organization I simply meant that it was not for this year only, for no man can tell what such an organization will grow into or what changes will be made. I think, however, all hon. gentlemen in this House will agree with me that an excellent beginning has been made. The first thing to do is to get a foundation of information and facts, and that is what these gentlemen have set themselves to do. They have agreed to pursue that until they do get this information and they have agreed to do it without pay as an honorary work for the country's benefit. What that may develop into one cannot tell.

Mr. NESBITT: What arrangement will you make for transmitting to the colleges and schools any information they get?

[Mr. Steele.]

Sir GEORGE FOSTER: The information they get is chiefly, at the first, for their own working out. It is not so much information for the schools or colleges that is contained in the answers to these questionnaires that have been sent out, which answers are now coming in and being tabulated. But results as they do accrue will be published in various forms so that the information may become available to all who are interested in it and in so far as it is a matter of public interest to the public as well. Neither is it to be thought that these eleven, or nine, men are going to do all the research work themselves. I quite agree with my hon. friend that it is not possible for them to do that. They are chiefly the body which is to correlate and co-ordinate this information and form a plan which can afterwards be worked out. But, I think we were fortunate in getting gentlemen like these to undertake the preliminary work. A great deal more of this work will have to be done in the future than has been done in the past if Canada is to hold her own.

Mr. A. K. MACLEAN: Who are the representatives of industry on this council?

Sir GEORGE FOSTER: Mr. Hobson of Hamilton, Mr. Surveyor, Mr. Bienvenue and Mr. Ross, who is a practical engineer. My right hon. friend (Sir Wilfrid Laurier), spoke of the leaning which he rather had towards technical education; or he spoke of it as a matter that might be more generously and widely supported than it is at the present time. I think we all agree with him in that respect. But Germany itself has shown instance where immense expenditures have been made on scientific and industrial research which to a certain extent prepares the way for the better working out of technical education in the interest of the labourers, the artisans and the general working public. Numbers of these immense corporations in Germany have spent millions of marks themselves on scientific research, for solving problems the solution of which has given a tremendous impetus to all branches of industry in Germany. The same thing is taking place in the United States. Large industries in the United States are paying out millions and millions of dollars absolutely for this research and scientific work. We have done very little in that respect. We ought to do a great deal more but that does not preclude the substratum, the very important part, that my right hon. friend mentioned.

Sir WILFRID LAURIER: I do not at all condemn the idea which my right hon. friend (Sir George Foster) advocates—very far from it. In the United States and, indeed, in Canada, some of the large industrial corporations have special appropriations every year devoted to research and invention. I do not know how much they have spent in this way, but, especially in the United States, they have devoted very large amounts of money to these objects. In Canada large industrial corporations also have invention and research departments, but, I believe that the foundation of that work lies in technical education. That will afford the best basis for what you have now in mind.

Mr. NESBITT: As far as I understand, the German Government assisted private corporations in their researches, but the private corporations were the ones that really carried on the research work and established industries which spread throughout the world. I know that this work has been carried on by private corporations in the United States. My hon. friend the Minister of Trade and Commerce is quite right when he says that they have spent a large amount of money on their research department, but they are not going to tell you what they are doing. Is this council supposed to compile the information it gets from other people throughout the country? If a man has some secret in his business, he is not going to tell you what it is.

Sir GEORGE FOSTER: We do not ask him to do that. These big German corporations spent large amounts of their own money upon this work.

Mr. NESBITT: They did, but the Government assisted them.

Sir GEORGE FOSTER: The Government assisted them, but much less than we have believed. We have a somewhat exaggerated idea of the amount of assistance that the German Government has given to industry, trade and commerce. It has favoured them by legislation rather than by expenditures. It has really been by expenditures, combinations and co-operation amongst producers themselves in Germany that they have brought about the great results that have flowed to German industry.

Mr. A. K. MACLEAN: Except in transportation.

Sir GEORGE FOSTER: Even in transportation. They have a system whereby they all work together. With reference to raw material, wherever it may come from, outside or inside of Germany, or from foreign countries, it is manufactured and goes back to be sold to the consumers, and in all this process there is a close co-operation between the different corporations themselves, each feeding into and helping the other. It is that and not so much subventions either to industry or to steamships that has done the work for Germany, although as regards steamships, railways, canals and transportation the Government has done a great deal.

Mr. A. K. MACLEAN: Would the minister explain what is meant by industrial research? Do I understand that if an industrial concern encounters some difficulty in producing a product, some servant or employee of the council will be available for that industrial concern to investigate its particular business and point out to it the disadvantages under which it is operating, or the improper methods which it is employing and how, by the adoption of scientific methods, it can achieve different results. Is it the intention to loan the servants of the council to such a corporation or business body for such a purpose?

Sir GEORGE FOSTER: No, it is just the other way. For example, when I was in Cobalt last summer, I saw employed a process for separating ores, which had lately been put in operation in the United States, and which had just gone into operation in Cobalt, called the flotation process, by which oil and water forming globules absorb, or rather encase, the fine metallic portions and float them. They are now working over the old dumps in Cobalt, which could not have been worked by any other process.

There was an industrial problem. There was this reservoir of value, to a limited extent, which was unutilized. What is the method by which that ore, in fine and distributed parts, may be recovered? Scientific investigation went to work upon that problem and ultimately solved it, so that now it is patent that a very greatly improved and qualitative process has been brought into this sphere of the world's production.

Mr. A. K. MACLEAN: That process had existed for many years, although it has been much improved in the last five years. But a research council would not help that very much; that would depend upon the ability and tenacity of some inventor, who would probably receive but little reward for his labour and skill.

Sir GEORGE FOSTER: That is where some of the most important advances are

to be made in the work of development, in connection with what we may call those lame ducks. A process has been scented; it has been partly started, it has done a certain amount of good, but it has come to a point where nobody seems able to move it any further, and, while partly useful, it has not perfected its purpose. Then someone is needed to take hold of that and, by research and investigation, hit upon the thing that will make it a perfect rather than an imperfect process.

Mr. NESBITT: I agree that that is where great help can be given, where an inventor arrives at a "fault" and cannot get any further. But how will this help that?

Sir GEORGE FOSTER: I explained the advantage that would be derived if we had, at the close of the war, as a result of the establishment of this council, twenty, thirty, fifty, sixty or one hundred agencies of research. My hon. friend will see that the method is one of finding out and co-ordinating, of compiling information and disseminating it, so that the best possible use may be made of all the agencies which exist in the country.

Mr. A. K. MACLEAN: Would it not be better to employ a staff of highly trained scientific men to carry on the investigations? That would not mean a very large expenditure. Our industries in this country are largely in a very crude condition, although, of course, there are some exceptional industries that are well organized and very effectively and scientifically carried on. We will require more science in our industry after the war than ever before, and I agree with my hon. friend from South Perth (Mr. Steele) that we should not be niggardly in starting off this important body. I am not sure that even to-day, when we must carefully guard every dollar of expenditure, it would not be wise for us to appropriate quite a substantial sum for the establishment of a corps of highly skilled scientific men.

Sir GEORGE FOSTER: My hon. friend would find many difficulties. In the first place, he would find it absolutely impossible to get a dozen or twenty trained first class scientific men. You cannot find them in this country or any other, at the present time. They cannot be got. I doubt if we could find half a dozen, such as we would like to have. Then, in order to carry on their work, these men require extensive and very elaborate equipment. We have in this country some of the finest equipments, although not the most extensive, and in these places you have trained investigators who, to a certain extent, will carry on these lines of investigation. We are trying, in the first place, to reinforce that small regiment of scientific investigators—I speak of it in that way because of their very small number in this country—and every man who can be got is being taken up by the industrial corporations.

I believe that this is the best possible way of initiating the matter and I think that in the future there will be very large and beneficent results. Some men in this country say we want a great central institute where you will have all of these research operations carried on. That is very good, and that may come some time, but it would be tremendously expensive and difficult to man.

Mr. NESBITT: We are not big enough for that yet. When the minister takes action he should get hold of some man who has made a study of scientific organization and industry. That is one of the things where the United States have applied themselves for the last four or five years, with greater benefit towards the cheapening of the cost of goods than anything that has happened in many years.

Sir GEORGE FOSTER: No doubt about that.

Mr. MACDONALD: The minister has added another commission to the long list which this Government have appointed. Whenever there is anything to be thought out, instead of showing any initiative in grappling with problems by proper methods of organization, the Government have approached the matter by the creation of commissions. We are asked to stand round in admiring gaze and say to each other, "So and so, members of that commission, are working for nothing." That has been the case with several of these commissions. Somebody has been trusted with tremendous responsibility and willing to do the work for nothing, and the country is expected to believe some great work is to be achieved. What has become of the Economic Commission appointed last year, on which a large number of gentlemen were supposed to work for nothing except their expenses? Nobody has heard of anything they have done. Professor Macallum is a very worthy man indeed, and I have the highest personal regard for him. He would do good work, but there is no use asking a lot of college professors from one part of Canada

to another to make a trip to Ottawa at a time when their classes are in session and all their energies must be devoted to the task of teaching young men who pay the class fees, and expect to get the best results. You cannot expect anything of a practical nature from a combination of that kind. I quite agree with the hon. gentleman from Halifax and the hon. gentleman from North Oxford when they point out that there is only one way to deal with this matter, and that is on business lines alone. These dilettante organizations will produce no results. We will get tired of one commission after another, appointed to report upon matters, when the reports never come, and the business men of the country reach that point where they say there is no use bothering about it. Why should we not appoint two or three well-known scientists and retain their services, to work all the time, and then you will get good results. You will get no results from Professor Macallum and these worthy gentlemen who visit Ottawa and lunch together, and then go back home and attend to their ordinary duties. Nothing in the way of development of the industries of the nation will ever result from that.

Section agreed to.

On Section 4—Administrative Chairman.

Mr. NESBITT: Why is his salary not stated?

Sir GEORGE FOSTER: It is stated in the order in council.

Sir WILFRID LAURIER: Is Professor Macallum to reside in Ottawa?

Sir GEORGE FOSTER: Yes.

Mr. A. K. MACLEAN: Permanently?

Sir GEORGE FOSTER: Yes.

Mr. A. K. MACLEAN: How old a man is he?

Sir GEORGE FOSTER: 55 or 56.

Mr. STEELE: He is not old in years, but old in his knowledge of science. I do not think you could get a better man for the position within the bounds of Canada than Dr. Macallum.

Mr. A. K. MACLEAN: I do not doubt his capacity and experience as a scientists, but these very qualities may disqualify him absolutely for the position of head of a board of this kind.

Sir GEORGE FOSTER: As having too much knowledge?

Mr. A. K. MACLEAN: Not as having too much scientific knowledge, but it requires some business capacity. The mere fact that he has devoted all his life to scientific pursuits may unfit him for a position as administrator. Frequently it does. He may be a very good man to have as a member of the council.

Mr. NESBITT: Has he got the ginger and the pep?

Mr. A. K. MACLEAN: It seems to me a young man of some industrial and business experience would probably be more useful.

Sir GEORGE FOSTER: My hon. friend, unwittingly probably, does an injustice to Professor Macallum. The hon. gentleman might make an inquiry as to Professor Macallum's business ability as well as his scientific knowledge, his ginger and his pep, and then tell me what report he gets.

Mr. A. K. MACLEAN: How do you spell that word "pep"? However, I am glad to hear that statement by the Minister of Trade and Commerce, and I am not criticising.

Section agreed to.

On section 5—Duties of Council:

Sir WILFRID LAURIER: The duties are not very large—simply to advise the subcommittee on scientific questions.

Sir GEORGE FOSTER: There must be some co-ordinating body which connects it with the Government and with the expenditure, a subcommittee of the Privy Council. This advisory council carries on its work under the supervision and instruction of the subcommittee.

Mr. MARCIL: Will this body come into contact with the Conservation Commission?

Sir GEORGE FOSTER: Now, this body co-ordinates with these different agencies, and they are all working in harmony.

Mr. MARCIL: Will it be above the Conservation Commission or on an equal footing?

Sir GEORGE FOSTER: We will not say which. They co-operate.

Section agreed to.

On section 10—statement of expenditure and receipts and audit thereof.

Sir WILFRID LAURIER: This section provides that a statement of receipts and expenditure shall be laid before both Houses of Parliament. I would suggest that the time of submitting this statement be speci-

fied adding "during the first two weeks of the session" or words to that effect.

Sir GEORGE FOSTER: We might add after the words "Houses of Parliament" the words "within fifteen days after Parliament opens."

Amendment agreed to.

Section as amended agreed to.

Bill reported.

SUPPLY.

REPORT OF W. F. O'CONNOR, K.C.—DISCUSSION BY MR. KYTE.

On the motion of Right Hon. Sir George Foster for Committee of Supply:

Mr. G. W. KYTE (Richmond, N.S.): Mr. Speaker, before you leave the Chair I desire to discuss a report of great public interest which was laid on the table of the House on the 13th of this month. I refer to the report made by Commissioner Mr. W. F. O'Connor, K.C., which has been the subject of more or less discussion in the public press since the day it was made public.

I desire to congratulate the Minister of Labour upon having accomplished something in the direction upon which he set out when he passed the order in council authorizing inquiry into the cost of living in the month of November last. Several abortive attempts have been made during the past seven or eight months to deal with the cost of living, but the report of Mr. O'Connor is the first substantial benefit that has been derived from the activities of the Department of Labour since the war began. It had been called to the attention of this Government many times that the cost of living was bearing more and more upon the people and that in view of the extraordinary conditions arising out of the war, it was in the highest degree desirable that this Government should take action similar to that taken by all other belligerent countries. As early as the session of 1915 a motion was made in this House by the member for Brantford (Mr. Cockshutt), asking for the appointment of a food controller, or the taking of some other steps to prevent undue enhancement of the prices of the necessaries of life. No action was taken. Every session since then the matter has been discussed, but with the same result. In the month of May I had the privilege of moving the adjournment of the House for the purpose of discussing the extraordinary rise in the price of flour and other wheat products that was manifested in that day's market reports. The Minister of Finance (Sir Thomas White), speaking for the Government, intimated that as soon as the Government of the United States should take action along that line this Government would take similar action. Fortunately for this country, it did not take the Government of the United States as long to act after it had become a belligerent nation as it took the Government of Canada. Some three weeks after war was declared by the United States a food controller was appointed in that country and legislation was introduced into both Houses of Congress giving him ample power to deal with this question.

Sir GEORGE FOSTER: Does my hon. friend say that that legislation is yet passed?

Mr. KYTE: No, but a food controller has been very actively on the job in the United States for many months.

Sir GEORGE FOSTER: Who?

Mr. KYTE: Mr. Hoover.

Sir GEORGE FOSTER: Mr. Hoover has performed no single official act since he came back to the United States by virtue of any authority conferred upon him by Act of Congress.

Mr. KYTE: He has not had legislative authority to perform any official act, but his activities are manifest just the same, and the results of those activities have been reflected here in Canada.

Sir GEORGE FOSTER: So are the activities of my hon. friend, but they are not official.

Mr. KYTE: If the Minister of Trade and Commerce had directed the activities of his department into the channel in which we are all interested, perhaps better results would have been achieved.

What are the findings of Mr. O'Connor, the commissioner, in respect of the supply of foodstuffs? He investigated the operations of the principal cold storage companies, abattoirs and export houses in Canada and the effect of the operation of these companies upon the prices of bacon, eggs, cheese, beef, butter, pork, mutton and lamb are disclosed in the interesting report to which I have referred. On pages 3 and 4 of his report, Mr. O'Connor says:

> A few of the cold storage companies, however, have attained such dimensions and have so centralized the business in certain lines that as respects particular commodities particular companies are able to exercise a practical monopoly, especially of export business.

That is the very danger that members of the House of Commons anticipated immediately after the outbreak of war. War brings about unusual conditions. It brings about large aggregations; it brings about big business. The citizens of Canada have been congratulated many times upon the tremendous amount of money that has been expended in this country since 1914 in the manufacture of war munitions. The enormous profits which have been made in that branch of industry appear to have whetted the appetites of gentlemen engaged in the manufacture of supplies not necessarily applicable to war operations. Following the lead of the manufacturers of munitions who have been enjoying large profits, manufacturers of and dealers in foodstuffs have been able to tuck away snugly equally large profits and dividends. Discussing the question of bacon, Mr. O'Connor has given some startling figures. The total quantity of bacon handled by twelve of the largest cold storage houses in Canada during 1916 was no less than 150,000,000 pounds. Of that total amount, 140,259,202 pounds were handled, exported, and sold by two cold storage companies.

The names of these cold storage companies were not disclosed in the report of the commissioner, but since its publication two companies that profess to have been injuriously affected or unfairly represented in that report have come forward and disclosed their names. These are two of the largest dealers in food products in Canada, and, inasmuch as they have disclosed their names so far as the report of this commission is concerned, I shall have no hesitation in taking the House into my confidence and stating that the two companies are Matthews-Blackwell, Limited, and the William Davies Company, Limited, both, I understand, having headquarters in Toronto. Out of the total quantity of 151,000,000 pounds of bacon handled, sold and exported in Canada during 1916, no less than 140,259,202 pounds were handled by these two companies, or 93 per cent of the total. Of this quantity the William Davies Company handled about 64 per cent and Matthews-Blackwell, Limited, about 29 per cent. On the subject of bacon, Commissioner O'Connor says:

> With regard to bacon we find one company selling 97 millions of the total 1916 cold storage sales of 151 million pounds at a margin of 5.05 cents per pound. The margin of the same company the previous year was 3.67 cents on 57½ million pounds. There is no evidence of correspondingly increased storage or other costs. Ninety-four million pounds at least of the sales of 1916 were for export. The margin of 3.67 was sufficient, satisfactory and profitable in 1915. Why not in 1916? Company No. V it will be observed sold 42½ million pounds of bacon. Its margin was 3.56 cents per pound. The margin of its competitors was small. They were, however, feeding the home market. Its need was not so great. This bacon situation is in a class by itself and will stand some explaining.

We have heard it stated from time to time in justification of the creation of companies with large capital that by the operation of those large companies there would be a reduction of overhead charges and in the cost of operation, and that, therefore, the goods supplied by those large corporations would necessarily and properly be sold to the consuming public at a lower price. That has been the argument advanced every time the merging of companies engaged in the manufacture of foodstuffs or of other necessaries consumed by the people of this country was sought. But taking into account the immensely larger sales by the William Davies Company, Limited, and Matthews-Blackwell, Limited, in Canada in 1916 over preceding years, we are amazed to find that they were not content with the margin of profit earned in the years 1913, 1914 and 1915, but in 1916, when they did the largest business known in their history, they charged the highest prices that were ever paid by the consumers of this country.

At page 34, we have this statement from Commissioner O'Connor, referring to companies V and IX, which are the two companies I have mentioned:

> It will be observed that the sales of bacon of companies V and IX together cover 140,000,000 of the 151,000,000 pounds of bacon which were sold by all the cold storage companies of Canada during 1916. The total exports from all Canada according to the computations of the Trade and Commerce Department were for the same year 169,000,000 pounds. Possibly no more striking example of a monopoly of any one commodity can be cited from the trade records of any country supplying the Allies with food. These two companies are here mentioned together, but a distinction between their operations has already been clearly drawn with regard to their margins and the proportion of the quantity sold which was controlled by the respective companies. The cause which led to this unprecedented situation is not far to seek. The basis of a monopoly in this commodity existed before the war and the extraordinary conditions since have enabled its progressive development.

I turn to Table IV in this report, and I find that the margin of profit charged by twelve cold storage companies is given in one of the columns. Company No. 1 sold at a margin of 1.26; company No. 3 at a margin of 3.4; company No. 5—Matthews-Blackwell, Limited—at a margin of

3.65; company No. 7 at a margin of 1.6; company No. 9—the William Davies Company—at a margin of 5.05, and company No. 11 at a margin of 1.37. As I pointed out a moment ago, instead of large business and enormous turnover resulting in reducing the margin of profit and the cost to the consumer, we have here quite the reverse. The smaller cold storage companies that dealt in bacon during 1916 were content with a margin of profit varying from 1.26 to 3.65, but the largest dealer in bacon of all was not content with this margin of profit, but capped the climax by exacting a margin of 5.05 cents per pound.

The quantity of bacon sold by company No. 9, that is by the William Davies Company, was in 1913 approximately 85,000 pounds at a margin of 3.63 cents per pound; in 1914, 14,000,000 pounds at a margin of 3.6 cents per pound; in 1915, nearly 60,000,000 pounds at a margin of 3.67 cents per pound, and in 1916, nearly 100,000,000 pounds, at a margin of 5.05 cents per pound. The operations of company No. 5,—the Matthews-Blackwell, Limited—for the various years are as follows: In 1913, approximately 4,000,000 pounds of bacon were sold at a margin of 2.02 cents per pound. In 1914, more than 9,000,000 pounds were sold at a margin of 1.3 cents per pound. In 1915, nearly 30,000,000 pounds was sold at a margin of 1.2 cents per pound, and in 1916 more than 40,000,000 pounds at a margin of 3.5 cents per pound. The Matthews-Blackwell Limited following the lead given by the William Davies company increased its margin of profit from 1913 to 1916, notwithstanding that its turnover and the business transacted by that company in 1916 was far in excess of that of any other year of its history. The general margin for all the other cold storage companies of Canada has decreased from 1.06 cents per pound in 1913 to .7 cents per pound in 1916. With the exception of the two companies that I have mentioned, all the other cold storage companies doing business in Canada found their margin of profit was reduced. This illustrates the effect of active competition. The very reverse process has been exemplified in regard to bacon and the resulting higher margins. These are the two most striking examples shown in the records of the effect of competition in the one case and of practical monopoly in the other.

There are 110 cold storage warehouses in Canada operated by 67 companies. Forty per cent of the quantity of meat sold by the three largest companies is sold to the consumers through their retail stores. One company has 80 retail stores; another company has 40 retail stores. These large cold storage companies are in active competition with the smaller tradesmen and the butchers in the respective cities in which their branch establishments are located.

One would imagine that the advantage would be altogether in favour of the consumer in respect of the prices charged by these large companies, because they have greater facilities for handling their products; they can turn out their product at very much less cost, and can derive a larger profit from the by-products in respect of the goods which they handle. They have an advantage over the small butcher in respect of distribution facilities and the manufacture of by-products. The proceeds from these by-products alone should have enabled the abattoir companies to sell at a very much lower margin of profit than the small butcher. But that has not been the case. The larger the business, the larger the price charged the consumer, and the larger the profit; that is the experience the people of Canada have gone through, the very bitter experience, I am bound to say, during the last two or three years.

Take the matter of eggs. The William Davies Company sold 5,566,505 dozen eggs at a margin of 7.27 cents a dozen during 1916, whereas the other cold storage companies investigated were content with margins ranging from 1.74 to 5.38 per dozen. The total trade in eggs was centralized in a few of the largest cold storage companies. We have heard a great deal of complaint throughout the country, and particularly in the larger cities, as to the price of eggs during the last year. The investigation made by Mr. O'Connor has disclosed the fact that the greatest offender in respect of boosting the price of eggs is the large cold storage company, and not the retail dealer. Previous to 1916 the margin of profit on eggs charged by William Davies & Company and other companies under investigation was very much lower than the margin charged in 1916. Commissioner O'Connor finds:

> The disproportionate increase received by the cold storage companies as respects eggs and bacon would be justified if storage costs had correspondingly increased, but the figures submitted by the various companies for the last four years do not evidence a sufficient rise in storage costs to bridge this gap, so the cause must be looked for elsewhere and found. The rise in the price of bacon in 1916 was clearly a result of a practical monopoly brought

about by a huge and unprecedented export trade demand.

As regards cheese, two companies alone sold over 50,000,000 pounds out of the 72,000,000 pounds sold by all cold storage companies in Canada in 1916. The total sales of cheese by three companies cover 70,500,000 pounds out of a total of 72,500,000 pounds sold by all cold storage companies in Canada during last year.

5 p.m.

With respect to beef we have a similar condition of affairs. Of 170,000,000 pounds of beef that passed through cold storage last year, 124,000,000 pounds was controlled by the seven largest abattoirs; 99,500,000 was sold by three companies alone; 113,000,000 pounds was sold by four companies, and 60,000,000 was sold by American companies in Canada, for home consumption at a smaller margin than that of the Canadian companies. That, Sir, is another striking feature of the food supply of this country. Dealers in beef on the American side of the line are able to supply the Canadian consumer with beef at a lower price than the cold storage companies of Canada charged in the year 1916. Before I am through with my observations I shall be able to show that the Canadian dealer in other food products is selling more cheaply in England to-day than to the consumers in Canada, because in Canada he has the advantage of a tariff which enables him to boost the prices, whereas in England the products are sold in an open and free market.

With regard to fresh and salt pork, the commissioner finds:

> The concentration of this meat in the hands of a few companies is almost as striking as in the cases of the other commodities mentioned, the margin of the seven abattoirs for fresh pork being larger than the common average. The same holds true of the totals for fresh and smoked pork , the margin of the large abattoirs being 1.94 cents per pound, the common margin for cold storage being 1.85; this in spite of the fact that the large abattoir has a very real advantage over the smaller, because of the former's superiors facilities for developing by-products.

There is another instance that the smaller company sold more cheaply to the consumers in Canada in 1916 than did the larger companies. On page 5 of his report Mr. O'Connor says:

> I do not mean to be understood as stating that there have not been cases of undue profit taking. Quite the contrary, as will appear at a later stage of this report when I shall express an opinion concerning certain seemingly excessive charging, which in my judgment, is none the less open to criticism because, for the most part, the commodities affected were destined for export to Great Britain and the allies overseas.. .. ..A very small profit, per pound or per dozen, will produce quite an aggregate, all the same, when the operations of a company cover many millions of pounds or of dozens. For this reason it seems to me that such companies may well be content in such times as these with a very minute profit, per pound or per dozen, indeed.

That is a very severe indictment of the majority of these companies in respect of their dealings with the consumers not only of Canada but of the allied nations. We are all exerting our very best efforts in order that the Allies may win as speedy a victory as possible. We have heard it preached that during war time there should be no profits, or at all events, that profits should be reduced to a minimum. I think everybody in Canada will subscribe to that doctrine, but unfortunately those whom we would expect to be actuated by at least an equal degree of patriotism as regards a speedy and favourable determination of the war are not the first to put those doctrines into practice. Commissioner O'Connor finds that:

> Individual instances of profiteering occurred during the year 1916. If they had occurred in the present year since the provisions of the Order in Council under which I am making this investigation, I would consider it my duty to recommend that the facts be laid before the proper Attorney-General for his consideration.

There have been instances of profiteering which were of a criminal character, the commissioner says, having regard to the order in council passed by the Minister of Labour some months ago, and it is only because that order in council was not in force during the period covered by his investigation that criminal proceedings cannot be taken against these companies. The commissioner states on page 32:

> We have been paying more for most of our food for domestic consumption than the Allies to whom it is exported. This was not the result of patriotism, but something quite different. . . . . .The proces in the home market exceeded those in the export market in 1916, for butter, by 1.82 cents per pound; for cheese, by 2.14 cents per pounds; for beef, by 1.24 cents per pound; for ham, by 6.11 cents per pound. For eggs, pork, and bacon the prices for home consumption were less than for export; eggs, by 3.76 cents per dozen; pork, by 1.08 cents per pound; and bacon, by 0.48 cents per pound.

While I am on this subject I also desire to call attention to the price of other products of Canada, sold in Great Britain at the present time, as compared with the price of the same commodities in Canadian cities, as follows:

London, England.	Toronto, Ont.	Montreal, Que.
Bacon—		
Wholesale prices only { Canadian Wiltshire 27½.	Canadian Wiltshire 28 – 31	Canadian Wiltshire 31 – 32.
London Economist	Canadian Grocer	Canadian Grocer.
(Bacon sold wholesale in England is usually the Wiltshire side, which includes ham, shoulder and sides.)		
Ham—		
Wholesale prices only { Canadian 27 5·30.	Canadian 29½ – 31	Canadian 31 – 32.
London Economist	Canadian Grocer	Canadian Grocer.
Bread—		
Retail prices. 5¾c. per lb.	7½c. per lb.	8c. per lb.
(These figures were computed taking four lb. of bread and costing 11½d. Quotations state that bread is selling in London as low as 10½c for four lb. loaf)		
Flour—		
Wholeaale prices. { Strong Bakers 10.45.	Strong Bakers, 12.40	Strong Bakers, 12.50.
London Statist	Canadian Grocer	Canadian Grocer.

(War flour, called Government Railway Food controller's order of April 4th required that 81 per cent of wheat must be retained in the flour and a minimum of 10 per cent of flour from other grain, barley, corn, rice, etc., must be added, up to a maximum of 25 per cent.)

But, making all due allowance for that difference, the price of flour in England, made according to the prescribed formulae which I have read, is very much less than the price of flour in Toronto and Montreal.

I notice that the William Davies Co., in their statement, say the Commissioner has not been fair to them in stating that their margin on bacon was 5·05 cents per pound. There can be no misunderstanding on the part of the reading public as to what Mr. O'Connor meant. He stated very clearly that he was only specifying the margin and not the actual profit and he gave the reason why he was obliged to confine himself to the margin. The William Davies company in their statement, claimed that 4·01 cents per pound storage, freight and delivery charges, ought to be deducted from the 5.05 cent margin given by Mr. O'Connor. You will observe that bacon sold for .48 cents per pound more in England than in Canada in 1916 and this fact goes to show that the William Davies company were not giving the consumers of Canada a fair deal because the cost of transporting bacon from Canada to England would be represented by this .48 cents. The William Davies company have therefore been charging the Canadian consumer 4.57 cents per pound over and above what they have any right to charge and over and above what they are charging the English consumer. The monthly sales of bacon by the William Davies company amounted to 75,000,000 pounds during 1916. Mr. O'Connor figures out a profit of quarter of a cent a pound and that for the twelve months, would amount to $225,000 which would be available for the shareholders with respect to the article of bacon alone.

You will observe that the monthly turnover of bacon, according to the figures given by the William Davies company to Commissioner O'Connor justifies him in coming to the conclusion that upon the basis of the actual turn-over for twelve months of 7,500,000 pounds a month, they made an enormous profit considering the magnitude of the transaction. The Davies company, in their statement, deny that they had a margin of 5·05 cents per pound, which nobody contends they had, and say that their actual profit was ·68 cents per pound. A profit of ·68 cents per pound on a monthly turn-over of 7,500,000 pounds would represent a dividend to the company's stockholders of 17 per cent upon the total common stock and bond issue of $3,545,000. It may be stated that my figures as regards the company's capitalization are not correct. They are the only figures I have been

able to obtain, and as they were given a few days ago by a financial journal in Toronto, I assume they are correct. And if, as the William Davies company affirm, their profits only amount to .68 cents a pound, we still see what a tremendous income they had from bacon alone. When we take into account their enormous turnover in eggs, butter, cheese, beef, pork, both fresh and salted, and the different other products in which they deal in such tremendous quantities, we can understand what an enormous monopoly they maintain in this country and the tremendous dividends that must be shared by the fortunate stockholders of the company.

We will take the case of Swift & Company, dealing in similar products in Chicago.

In respect to the profits of the William Davies Company for the year 1916, as stated by themselves in the advertisement signed by the general manager of the company, an interesting comparison can be made with the profits derived from the business of Swift & Company of Chicago, one of the largest, if not the largest packing houses in the world. According to Swift & Company year book the certified net profit on cattle for 1916 was one-eighth of one per cent. per pound, live weight, or one-quarter of one per cent per pound dressed. The Davies Company's net profits according to the statement of the general manager amounted to .68 cents or two thirds of a cent per pound, or over half as much again as the Swift Company. And even this apparently slim margin gave the Chicago company in 1916 a net profit, after providing interest on bonds, of no less than $20,465,000. On its capital stock of $100,000,000 the Swift company pays eight per cent. per annum, with special dividends thrown in now and again to reduce surplus which is ever accumulating. For instance on Sept. 30th last, the surplus amounted to $60,000,000, while out of this surplus a special dividend of $33.33⅓ was paid the shareholders in November, 1916.

When we have a stated profit reduced to the decimal part of a cent, and when we take into account the enormous turn-over that is made by these companies, with an apparently small margin of profit on each individual pound of product handled, the profits and emoluments of these companies, taking into account the year's business, are tremendous.

There is another point which is worthy of note, and it is the enormous increase in the export business of the William Davies company as disclosed by Mr. O'Connor's report. Out of a total of some 112,000,000 pounds which the Davies Company dealt in during the year 1916, some 94,000,000 pounds were shipped to Great Britain.

The only other company that had a large export trade was the Matthews-Blackwell Company, but the export trade of the William Davies company was about five times greater than that of the Matthews-Blackwell company. This is a time when it is extremely difficult, as we know, to get shipping for the transport of our food supplies to the Allies. We all know that the crying demand of Great Britain and the other Allies is for food, and that the greatest menace which faces the Allies is the destruction of steamships and transport vessels by German submarines. Efforts are being made in every direction to speed up the construction of ships in order that the destruction of our carrying trade by German submarines may not cripple the ability of the Allies to keep themselves supplied with food. It is rather an extraordinary thing that, considering the tremendous difficulties that shippers of all kinds are experiencing in getting transport for supplies, the William Davies company were able to increase their export of foodstuffs to Great Britain enormously in 1916, as compared with 1914. I recognize that a member of this House, speaking on any public question, does so with a full responsibility, that anything he says may, by reason of his being a member of Parliament, be clothed with greater weight and effect than it otherwise might be. I shall, therefore, not go into details except to say that there is a general rumour—I do not know how well authenticated; if it is not true I will be the first to withdraw it—but the statement is made that facilities for the carrying of bacon from the William Davies company from Canada to England are afforded largely by the ships which are carrying munitions across to Great Britain.

Sir GEORGE FOSTER: Has my hon. friend any authority for that except rumour?

Mr. KYTE: I have stated my authority, and I shall be the first to withdraw it if it is not true.

Sir GEORGE FOSTER: Would it not be better that the statement should not have been made if you did not know it was true?

Mr. KYTE: I think there is rather too much of an inclination to pussyfoot with regard to matters in which the big interests are concerned.

Sir GEORGE FOSTER: Better to pussyfoot than to insinuate untruths, which are very damaging when put forth by a member of Parliament. If my hon. friend meant anything by his insinuation, it was that, in some wrongful way, the British Admiralty connived at the carrying of William Davies company stuff and discriminated against

others. I do not believe there is a word of truth in it.

Mr. KYTE: What I have said I have said.

Sir GEORGE FOSTER: I know you have.

Mr. KYTE: And I have stated that if it is not true the William Davies company have ample opportunity to deny it, and I shall be the first to accept their denial.

Sir GEORGE FOSTER: Does my hon. friend think that is fair—playing the game straight—to insinuate and then say: If that is not true let some one deny it. He has not measured up to the statement he made that a member of Parliament ought to weigh his words.

Mr. KYTE: I am not going to enter into competition with the Minister of Trade and Commerce as regards playing the game fair. The hon. member for St. John (Mr. Pugsley) gave an illustration of how fair the minister played the game with him in connection with the investigation of the New Brunswick Central railway.

As I stated a moment ago, the William Davies company have given a statement to the public. They hurriedly rushed to the public press a day or two after the report of Mr. O'Connor was published, and, quite indifferent to the fact that Mr. O'Connor is a public official in whom the public repose considerable trust and confidence, they have this to say of the author of that report:

> The author of this inquiry shows a strange lack of even a fundamental knowledge of simple book-keeping, and a dangerous inability to co-ordinate figures. The following are specific and outstanding errors in the report.

And they then proceed to discuss what were apparently errors. But there was no error because, as I have said, Mr. O'Connor made it perfectly clear that he did not wish to convey the impression that the 5.05 cents per pound was profit, but that it was margin only. And why was he obliged to resort to the statement? Questionnaires, as the Minister of Labour pointed out, were forwarded to all these companies at the time that Mr. O'Connor undertook to make these inquiries. Certain information was demanded of each company, upon which information the commissioner would subsequently make his report. The Minister of Labour, speaking of this report, after having referred to the questions sent out, said at page 3798 of Hansard:

> One or two firms said: We cannot answer these questions; we are not in a position to give you the particulars.

[Sir George Foster.]

These were the particulars as to cost of transportation, insurance, cold storage charges from the time the commodities entered into the cold storage warehouse until they reached the point of consumption in Great Britain. The minister continued:

> Hon. gentlemen will see that in the case of bacon that is sold in Liverpool the delivery charges would be a very important matter. No answer was given to that question by the firm about which there has been so much talk during the last few days.

The firm of William Davies and Company refused to give the information to Commissioner O'Connor, because as they said, they did not have the information, and yet they castigate and criticise Mr. O'Connor because he set down the marginal profit instead of the actual profit itself.

On page 63 of his report, Commissioner O'Connor says of the action of a certain company:

> Its action was not in my judgment illegal, but was it respectable? Likewise as to the more aggravated, because continuous, exaction of excessive profits by another firm, on bacon; aside from the matter of illegality, is this sort of thing to be considered respectable? Mine may be as the voice of one crying in the wilderness, but I have to register in the negative.

If it has been as the voice of one crying in the wilderness, it reached the ears of certain ministers of this Government who decided to appoint another inquiry to investigate the work of Commissioner O'Connor. What has Mr. O'Connor found in his report? He finds that as regards at least one or two of these companies there has been profiteering, monopoly, undue enhancement of prices to the consumer, and withholding of food for purposes of speculation. As regards the latter charge, a newspaper report says:

> The increased holding of butter, eggs and pork are justifiable on the basis of an equivalent increase of sales since 1916, but that the increase of holdings of beef, bacon, ham, mutton and lamb are not justifiable upon that basis, and are speculative. Accordingly, he says the prices of these commodities should forthwith drop. The stocks of cheese, he thinks, are running too low.

Certain commodities then, according to this statement, have been kept in larger quantities than usual in these cold storage warehouses for the purpose of speculation as to how much further charges can be exacted from the consumer in respect of these commodities.

We have, as I stated, another commission of inquiry that has been constituted for the purpose, I thought, of doing the work that Mr. O'Connor said in this report he

had not time to do. But that is not the case. The statement made by Chairman Henderson in Toronto this morning is that they are going to conduct an independent inquiry quite separate and apart from the work of Commissioner O'Connor. Mr. O'Connor realized and appreciated the difficulties he had in estimating the exact amount of profits earned by the William Davies company. He said:

> No specific data is given upon the point of storage costs, because it is believed that a special investigation is required into the value of the by-products of meat, and that some compulsorily applicable cost accounting system of storage and other costs on specific commodities should be established.

He says the means for providing such an expert examination is under way. From that I judge Mr. O'Connor was continuing his investigation for the purpose of ascertaining what was the exact margin of profit earned by the storage companies under investigation, and no one is better able to complete the inquiry than Mr. O'Connor himself. He has been in charge of this work for six months past. He conducted an enormous volume of correspondence. From his report I gather he was in correspondence with over a hundred cold storage companies, export dealers and abattoir companies in Canada. His work was not completed, inasmuch as I have said the actual margin of profit was not determined by him, but I cannot understand this Government, instead of supplying Mr. O'Connor with the accountants to enable him to get the proper information which was required, and which was called for under the circumstances, discarded Mr. O'Connor's services altogether, and called Mr. G. F. Henderson, K.C. I am bound to say that the selection of Mr. Henderson has not been a very happy one for the Government. His appointment was up for consideration a few days ago in this House, and while I have nothing to say as to the standing of Mr. Henderson at the bar of this province, or as to his ability and capacity to discharge any obligation that might properly be imposed upon him by this or any other Government. A few months ago Mr. O'Connor held an inquiry in the city of Ottawa as to the cost of certain food products, and the solicitor who appeared for the company upon trial was G. F. Henderson, K.C. He was retained several months ago by companies that were the subject of investigation by Mr. O'Connor, and I repeat, to say the least of it, the selection by the Government of Mr. Henderson as the chairman of that committee to revise the work done by Mr. O'Connor is a most unfortunate one, and I fear it will not have the confidence of that portion of the people of this country who are most interested in the results. I pointed out the other evening that Mr. Henderson appeared a year ago in the city of Ottawa as solicitor for interests that are, to a certain extent, allied with the interests which are on trial at the present time. He appeared for Colonel Allison before the Royal Commission appointed to inquire into certain contracts for the manufacture of fuses which Allison obtained for his confederates, from the then Shell Committee. The Shell Committee was disbanded, and the Munitions Board was appointed, and, to say the least of it, I think the Government should have guarded themselves against appointing Mr. Henderson, the solicitor for Colonel Allison, to act as chairman of the committee of the court of appeal, in which Sir Joseph Flavelle, the chairman of the Munitions Board, is more particularly interested than any other person, as against the interests of the consuming public of this country. The Government instead of taking immediate action to mend the matters complained of, as affecting injuriously the consuming public, both in Canada and the allied countries, appoint this new commission for the purpose of inquiring into a matter which is entirely subsidiary and quite apart from the main finding in Mr. O'Connor's report. Mr. O'Connor found there was monopoly, undue profiteering, improper withholding from the public certain foodstuffs, and that the food business in respect of certain lines in this country, had got into the hands of companies that were exacting larger prices than other companies of a similar character dealing in the same quality of goods. The question as to the actual profits made by the William Davies Company on the bacon sold by them is not the most important question. The important question is that there is a monopoly, that there is profiteering, that there is undue enhancement of prices, and while the consumers of this country are still suffering under the disabilities and disadvantages arising from those conditions, this new commission of which Mr. Henderson is the chairman, is leisurely whiling its time away in the city of Toronto, and nothing is being done to relieve the situation as it presents itself to the consumer at this moment. The commission met to-day in the city of Toronto, pursuant to notice. I have a report of the transactions as published in

the Ottawa Journal to-day. It reads as follows:

Mr. Walter L. Breckells has been appointed secretary of the Commission.

The Commission consists of of Mr. Henderson, as I stated, and Mr. Brodie, and Mr. Clarkson, two accountants. The report proceeds:

No evidence was taken this morning and an adjournment was made, probably for two weeks, pending reports on the examination of the packer's books.

There has been an adjournment of two weeks, and inasmuch as it took Mr. O'Connor six months to get the information which enabled him to present the report which he has forwarded to the Government, what guarantee have we that the present Commission will complete the work in a shorter time? We will have a whole year gone by and nothing done, no action taken to relieve the situation which Mr. O'Connor discloses. The report proceeds:

Mr. Louis Heyd, barrister, who said he represented the consumers, asked if Mr. Clarkson was a member of the firm of Clarkson, Gordon and Dilworth, paid auditors of the books of the Wm. Davies Company.

Mr. Clarkson replied in the negative. Mr. Heyd said that he knew that Mr. Bain had the ability to conduct the investigation if he only had the inclination. Mr. Bain promptly replied that he had the inclination and a little more.

Mr. Heyd announced his immediate retirement when the chairman stated that Mr. Clarkson's old firm in which was the latter's father, had audited the company's books ten years ago. He said he had no desire to take further part in the investigation if there was any connection between a member of the commission and the William Davies Co.

I submit that under those circumstances this is another incident which shows that another of the selections made by the Government in the matter of this Commission is not the most fortunate one that could have been made. It may be argued that although the Clarkson Company audited the books of the Davies Company some ten years ago, that a representative of that company ought not to be prevented from acting on that Board. But I say that if there is an accountant to be had who never had anything to do with the employment of the William Davies company, the Government should have sought him out and avoided this suspicion, which will go abroad when the circumstances surrounding this appointment are made known. Mr. Tilley, who acted for the Davies Company, said he wanted an opportunity to criticise Mr. O'Connor's report and the means by which he arrived at his conclusion. Fancy! They wanted to criticise the means by which Mr. O'Connor arrived at his conclusion. The consuming people of this country are not concerned as to the means by which he arrived at this conclusion. Is it true that there is monopoly, profiteering, undue prices charged to them and that cold storage products are being kept in the warehouses for the purposes of speculation? These are the matters in which the consumers of Canada are concerned, and upon that subject there is no controversy, and no denial. The report proceeds:

We would not have been here to-day, said Mr. Henderson, "if there had been more frankness." He, however, pointed out that they were not investigating Mr. O'Connor, but were making an inquiry independent of the report."

So that whatever credit the Minister of Labour is entitled to for having appointed Mr. O'Connor to make a report upon the food prices in Canada, that credit is immediately taken away from him by the appointment, by his colleagues in the Government, of Mr. Henderson and two accountants who are going to proceed to have another inquiry altogether. What are Mr. Henderson and his accountants going to inquire into, in which the public have any concern? They are not so much concerned in what was the actual amount of profits which this company obtained on the sale of products. That can as well be dealt with later as now. The order in council does not disclose any other purpose for which the Commission was appointed. I have a copy of the order in council appointing this latter board of inquiry. It reads, in part:

The minister represents that returns have been made to him under such regulations by the William Davies Company, Limited, and Matthews-Blackwell, Limited, the first-named company being No. IX mentioned at page 30 of said sessional paper, and the second-named company being No. V also mentioned at said page 30, and that the said companies have taken exception to the said report so far as it concerns them.

It is because these two companies have taken exception to the report that this new commission has been appointed; the public who are concerned in the disclosures which Mr. O'Connor has made are not to be considered in the matter at all. The order in council proceeds:

The minister considers that the circumstances disclosed by such returns and in said report which recommends further investigation of the dealings of the aforesaid companies justify such investigation and examination of the premises, books, papers and records of the said companies as is in and by said regulation No. 6 provided.

Then they proceed, under the terms of the order in council passed last November, to provide that the Commissioners shall investigate as follows:

(a) The amount of margin between the first cost to each of said dealers and the price ultimately realized on sale or disposal by each of said dealers; (b) the net profit; (c) the specific elements or factors which have conduced towards or which have operated to produce the difference found between such margin and such net profit, indicating the extent of the operation of each element or factor; also to recommend in writing to the Minister of Labour a standardized system of costs accounting applicable to the business of cold storage, from the operation of which system the net profits of cold storage companies within Canada may from time to time be readily ascertained.

Not a word of authority is issued to this commission by this order in council to inquire into or to verify Mr. O'Connor's assertion that there is monopoly, that there is profiteering, that there is undue profit, that there is undue withholding of food products from the public for purposes of speculation. All these considerations are thrown to the winds; the report which was prepared so laboriously and so completely by Commissioner O'Connor is thrown into the discard until another report shall have been made by a more favourable court, upon which the Government may or may not take action, according as the spirit may move them when the proper time comes.

This is not the first time, Mr. Speaker, that the people have been handed out a gold brick in respect to legislation, taxes, and conditions which bear unfairly upon the consuming public. Take for instance, the excess profits tax. A great deal of credit was claimed by the Finance Minister a couple of years ago when he imposed his business profits war tax. It was pointed out by members on this side that that tax would, in the final analysis, be paid not by the company, but by the consumer. We know that the dividends of these companies increased enormously in the years 1915 and 1916 after the business profits war tax had been levied. The companies, by reason of the increased prices which they have exacted from the Canadian consumers, are able to pay the business profits war tax without suffering any loss. As a matter of fact, their dividends, after they deduct the business profits war tax from their earnings, are greater now than they were before that tax was imposed. The same thing is true with regard to the imposition of the increased tariff of 7½ per cent in the session of 1915. It was pointed out that while a limited amount of revenue would be obtained from the imposition of this increased tariff, what the Government would receive would not be at all comparable with the increased profits which the manufacturers would exact from the consumers of Canada by reason of their ability to add 7½pc. to their prices. In that respect the consumer, no person else, pays the tax. The tax upon patent medicine, banks, the taxes levied upon railway corporations—all these have come down to the consumer. If a person goes into a drug store to-day to buy a bottle of proprietary medicine, in addition to the price which he otherwise would pay, he has to pay two cents war tax. So that the poor man who buys the proprietary medicine is the one who pays the war tax, not the merchant or any other person who handles that medicine from the point of manufacture to the point of retail distribution.

I will refer to page 35 of Mr. O'Connor's report. He says:

The quantity of bacon sold by company No. IX was approximately, in 1913, 85,000 pounds at a margin of 3.63 cents per pound; in 1914, 14,000,000 pounds at a margin of 3.6 cents per pound; in 1915 nearly 60,000,000 pounds at a margin of 3.67 cents per pound, and in 1916 nearly 100,000,000 pounds, at a margin of 5.05 cents per pound.

So that as the war taxes were increasing, the margin and the profits were increasing in the treasury of the William Davies company. That illustrates what I pointed out a few moments ago: that the operations of the war tax levied by the Finance Minister have the effect of increasing the cost of the commodity to the consumer and the result to the company is that they earn larger dividends than ever before.

Another matter in which that part of the country from which I come is interested is the matter of salt. I called the attention of the Finance Minister a week or so ago to the great necessity that existed in the fishing communities of Nova Scotia for an adequate supply of salt. The Minister of Trade and Commerce then made a statement to the House which went to show that the Government was unable to do anything. But the Government of Newfoundland was able to do something. From day to day the Government of Newfoundland are causing ships laden with salt to arrive in the fishing ports of Newfoundland, and the result is that the fishermen are able to cure their catch—a catch which has been larger and more profitable to the fisherman than at any time in the colony's history.

Sir GEORGE FOSTER: My hon. friend will find if he inquires—I think I stated so—that the Newfoundland people have got their salt because they have paid the rate of freight that was asked. The Government did not pay any part of it.

Mr. KYTE: The fact is that the Government of Newfoundland took the matter in hand, and their fishermen have salt; the Government of Canada took the matter in hand, and the fishermen of Nova Scotia have no salt.

Sir GEORGE FOSTER: The Government of Newfoundland took the matter in hand, but the British Admiralty proffered ships for this purpose and set the price of freight; no doubt the people paid that price, and got their salt. The Government of Canada took the matter up with the Admiralty. The Admiralty agreed to have the ships put at their disposal and placed a price upon the salt as to freight. As I understand it, the Canadian fishermen could not see their way clear to pay that freight; consequently they did not get their salt.

Mr. KYTE: The result is as I said: the Newfoundland Government got salt for their fishermen, but this Government failed to get salt for the Canadian fishermen. When I called the attention of the Minister of Trade and Commerce to the matter in the House, he ended his remarks by saying that the Government did not have a peck of salt. The obvious rejoinder to this facetious remark on the part of the minister would be to say that the lack of salt probably accounts for the advanced condition of decay in which the Government finds itself. If it had more salt, it would be better preserved.

Sir GEORGE FOSTER: My hon. friend would require all the salt that is in the ocean to keep him sweet.

Mr. KYTE: If the necessity on my part for salt is in proportion to the freshness of the Government, I shall require a great deal.

There is another matter in which the people of this country are taking a more or less languid interest. Leading members of the Government have been in favour of a coalition, that is to say, a coalition Government with the "coal" out of it, by which I mean the fire, glow, power and masterful energy of my right hon. leader (Sir Wilfrid Laurier). I said the leading members of the Government are in favour of a coalition, because it is well known that the stars of lesser magnitude, whose light would be extinguished by an equal number of Liberal members who would be brought in to take their places, are not wildly in favour of coalition. But, while the Prime Minister and the Minister of Finance are beating the bush to find Liberals who can be led or driven into the Government, they are preparing the way for a "Win-the-War" Government which shall comprise both political parties, by filling the vacancies in another branch of this Parliament out of Conservatives of the deepest dye, principally recruited from the ranks of the supporters of the Government in this House. The people of this country are beginning to wonder whether or not all this question of coalition is really honestly meant and seriously intended. It appears to me at this time when, at all events, some people in this country have an open mind on this question—and I had an open mind on it until it was absolutely closed by the conduct of the Government in appointing their partisan supporters to all the vacancies in the Senate a few days ago—if they wished actually to bring about a coalition of both political parties in order to form a Government to win the war, at least they would have shown their good faith by going "fifty-fifty" upon the appointments of senators instead of corralling all the appointments as they have done.

Sir GEORGE FOSTER: We had to get a "fifty-fifty" first.

Mr. KYTE: What is the Government going to do about the O'Connor report? They have appointed another commission, Mr. Henderson, Mr. Clarkson and Mr. Brodie. These gentlemen are not authorized to deal with the matters in which the people are most seriously concerned. They are not authorized to deal with the indictment which has been presented by Commissioner O'Connor against the cold storage companies of Canada. It is of no consequence to say, except as an incident, what the actual profit of the William Davies Company has been. That can be dealt with in another way and at another time. The interest and concern at the present time of the people of this country is how they are going to get rid of this monopoly; how they are going to get the necessaries of life at least at as low a rate as the Allies are paying for them, after shipping them 3,000 miles across the ocean. They want to know when this profiteering is going to cease. The O'Connor report as regards these matters stands as it was delivered in this House on the 13th of July, and the people of this country will demand instant action from

the Government in order to remove the disabilities and the hardships from which, as Mr. O'Connor has informed this House and the country, the consumers of Canada are suffering at the present time.

Hon. T. W. CROTHERS (Minister of Labour): Mr. Speaker, an officer of my department having made a report on cold storage commodities, which report was laid on the Table, and two of the largest cold storage companies in Canada, with whose products he dealt, having taken strong objections to his report, at his suggestion—contained in his report—and pursuant to clause 6 of the order in council passed last November, expert accountants have been appointed to inquire into the whole matter. Therefore, it is scarcely fair or proper to discuss this matter at this time, as it is really sub judice.

Mr. McKENZIE: Another commission will be right on the heels of this one. When are we going to discuss the question?

Mr. CROTHERS: My hon. friend referred to that the other day, and I pointed out to him the provisions of clause 6 of the order in council. He knows better than to speak about another commission; he knows that clause 6 of the order in council provides for this further investigation, and the order in council, as read by my hon. friend from Richmond (Mr. Kyte) provided for it, so that it is in vain to speak about more commissions inquiring into what the present further investigation may find.

I am very much surprised to see my hon. friend from Richmond, who is a lawyer, finding fault with the appointment of Mr. Henderson as one of these examiners. The only objection my hon. friend gives is that Mr. Henderson, last winter, when a similar investigation was being held by Mr. O'Connor in Ottawa, acted for one of the merchants interested. If that came from a man who never saw a lawyer or knew nothing about them, I should not be surprised, but my hon. friend knows as every lawyer knows, that the best lawyers of the country are on one side of a case to-day and the next day are taking up the other side of a similar transaction. He will find one of the best lawyers in Toronto defending a notorious thief to-day and to-morrow he will find him prosecuting a notorious thief. For a lawyer to find fault with the appointment of Mr. Henderson as a member of this commission because he appeared before Mr. O'Connor last winter to see to it that a merchant of this city had an opportunity of getting all his evidence before him, is to say the least of it, most extraordinary. My hon. friend's argument will have no weight with the intelligent people, lawyers and others, of this country.

My hon. friend said on more than one occasion that Mr. O'Connor had found that there was hoarding and excessive accumulation on the part of those cold storage companies for the purpose of holding cold storage commodities until they should rise in price. If he will look at page 62 of the report from which he has been reading, he will find these words:

> I find that the operations of cold storage companies generally have been fairly conducted. There has been no illegal combination nor any excessive accumulation on the part of any company.

Notwithstanding the fact that my hon. friend had that statement before him, he repeated several times in this House this afternoon that Mr. O'Connor found that there was hoarding and excessive accumulation with a view to getting an enhanced price in the future. I need only refer to that to show how unreliable and untrustworthy many of the statements made by my hon. friend this afternoon really are,

His statements in many respects were not a fair representation of what Mr. O'Connor says in his report. He says that Mr. O'Connor found that there was a combination. The truth is that Mr. O'Connor on the very first page says that "there is nothing like combination among the various companies. There is a very lively competition instead." He found that there was no combination, no hoarding and no excessive accumulation.

Mr. McKENZIE: If it is such an excellent report, why did the packers find fault with it.

Mr. CROTHERS: I am not speaking for the Davies Company. Again on page 5 Mr. O'Connor said:

> On the whole the operation of the cold storage companies have stood the test of investigation well. The profits per pound or per dozen of most of these companies have been small, and have not to any degree contributed to produce the very high prices prevailing.

The mistake my hon. friend from Richmond made, and it has been made by many, was in confusing margin and profits. This afternoon my hon. friend used the two words indiscriminately. Mr. O'Connor is very particular in his report to point out that he is not dealing with profits at all, but with margins.

Mr. McKENZIE: Is there any difference made in the report between gross profits and margins?

Mr. CROTHERS: In works on economics, and by expert accountants the word "margin" means the difference between the cost price of an article and its selling price. In this particular case it would include the cost of cold storage, cost of delivery, overhead charges, etc. In the case of bacon delivered in Liverpool, for instance, the cost of delivery would be a very large item, especially at the present time when tonnage is so scarce. Mr. O'Connor points out in his report:

> It is desirable that the precise meaning attached to the word "margin" in this report should be very carefully noted. It represents gross, not net, profit on the commodity from the time it is laid down, all costs and expenses paid, in the storage warehouse. The questionnaires sent out to the various companies to secure specific information on margins demanded sworn testimony as to (a) the quantity of each commodity purchased during the year; (b) the cost of such laid down in warehouses, including freight and unloading charges; and (c) the total quantity sold during the year and the total amount for which sold. The average cost prices and average selling prices were computed. The difference between these is the margin referred to. The margin represents, therefore, the cost of storing, losses, interest on investment, overhead charges, any other expenses incurred by the cold storage company from the time the commodity enters the warehouse until it reaches the persons to whom they sell and the cold storage company's profit. It is the total charge imposed on the food from the time it enters the cold storage house until it passes into the hands of grocers or wholesale dealers.

He therefore made it perfectly clear that he was not dealing with net profits at all.

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. CROTHERS: Mr. Speaker, when the House rose at six o'clock, I was pointing out that Mr. O'Connor distinctly stated that he found no evidence of a combine in all his investigation of the 110 cold storage plants in Canada; that he found no evidence of hoarding or excessive accumulation, and that the management of the various cold storage plants in Canada had not materially contributed to the enhanced prices of cold storage commodities. He, himself, had in this report recommended that an expert accountant should be employed to make a further investigation to get the details of what he calls "margins."

He pointed out distinctly in his report that he was unable to ascertain what the net profits were until he had particulars of the margin, the margin including, in the case of a cold storage plant, overhead charges, cost of delivery and cost of selling the goods. In the case of bacon, about which there has been so much said, the margin includes the cost of delivery in Liverpool, a very important item. In reading Mr. O'Connor's report, you must bear in mind that he is not speaking of net profits; that it will be necessary to ascertain the particulars of these margins in order to find what the net profits were; and that he recommends the appointment of an expert accountant for the purpose of ascertaining the details which he did not have to enable him to come to a fair conclusion.

Mr. MACDONALD: Did not Mr. O'Connor have appointed what is known as a cost accountant purely for the purpose of ascertaining cost? There is a very great difference between a cost accountant and an auditing accountant.

Mr. CROTHERS: The accountants we have are not going to confine their operations to ascertaining the cost of these materials. The order in council requires them to ascertain the net profits amongst other things.

Mr. MACDONALD: That is impossible.

Mr. CROTHERS: The net profits involve the particulars of the margin.

Mr. A. K. MACLEAN: Why has not the department, when the question of foodstuffs is so vital to the public, one or more cost accounts so that the commissioner would have their services at any time to investigate any one particular thing?

Mr. CROTHERS: The commissioner does not really need an expert accountant in his daily work. He is a man who earned his own livelihood at one time as an accountant.

Mr. A. K. MACLEAN: That is, only as an accountant.

Mr. CROTHERS: I did not say as an expert accountant, but he knows a great deal about accounting. The order in council, clause 6, provides for a further investigation when we receive the answers to our questionnaires. When advisable it confers power to authorize a man in writing to make a detailed investigation on the ground, to examine witnesses under oath, if necessary, and to examine the books and so on. Mr. O'Connor, in this very report under dis-

cussion, recommended that expert accountants should be employed to complete the information which he had not received from the firms.

Mr. A. K. MACLEAN: Did they refuse it?

Mr. CROTHERS: They either refused or failed to give the particulars. I think I stated that a few days ago. I am prepared to repeat what I said a few days ago. The first question of these questionnaires that was submitted to these men—

Mr. A. K. MACLEAN: Is the information verified by affidavit?

Mr. CROTHERS: Yes, verified by affidavit. Supposing it was bacon, ham, butter, eggs or any of those commodities, the first question required them to give the quantities they had on hand at a certain date, beginning with 1913 and then coming down through 1914, 1915 and 1916; the quantities bought and sold and the price at which they were bought and sold during the year. That brings us down to the end of 1916, and from that time forward we have been getting a monthly report from each, as well as from the dealers of anthracite coal, sugar, cold storage commodities, canned goods and so on. The question requires them to state the quantities they had at the beginning of the month of each one of these commodities, and there is a column in which they are required to set down the cost of the material laid down in the cold storage warehouse including freight and unloading charges. The next question requires them to give the cold storage cost, the cost of delivery and overhead charges. In answer to the next question they are required to give the quantities sold for home consumption and the price, and the quantities exported and the price. They failed to answer that particular question as to cost in cold storage, overhead and delivery charges. They said they could not do it. As a matter of fact, they did it two or three days after this report was laid on the Table, as those who read the statement in the Citizen and other papers know.

Mr. SINCLAIR: Is the minister satisfied they could not give that information?

Mr. CROTHERS: Well, they gave it two or three days afterwards in the newspapers. You will have noticed that they gave particulars of the margin—the margin being the difference in the cost of buying and selling.

Mr. SINCLAIR: What is the explanation? Why did they refuse this information to your officer?

Mr. CROTHERS: I am not prepared to say why but they did not give it. Mr. O'Connor recommended in his report that an expert accountant be appointed to ascertain what the net profits really were. We have appointed for that purpose Mr. Brodie, the leading member of the firm of Price, Waterhouse and Company, and Mr. Clarkson, the senior member of the firm of Clarkson, Dilworth and Company, accountants of Toronto. They are both firms of national reputation. I have no doubt they will make a thorough investigation and give a report which will command the confidence of the whole people. I am not here for the purpose of defending the William Davies Company but I am here for the purpose of seeing in so far as possible that the report made by Mr. O'Connor is not misrepresented. I am anxious that the whole of the evidence should go in. I had in my mind, when the order in council was passed last November, the idea that if we got these statements under oath for the four years and from month to month afterwards it would be a great check on business and would go a long distance to prevent any undue enhancing of prices. I have great confidence in publicity. I believe the work of the department has done a great deal in that direction already. This report will do a great deal to keep profits down to where they ought to be. We are continuing to get reports every month and we expect to continue on that line.

The hon. member for Richmond pointed out that according to Mr. O'Connor, with the smaller dealers, the margin did not rise as rapidly as it did with the William Davies Company for instance. That is very easily explained. The small dealers were not exporting their stuff to Liverpool. Any one who knows anything about the condition of trade knows that ocean freight rates have gone up by leaps and bounds during the last year or two.

It costs eight times as much to transport sugar from Cuba to Montreal as it did before the war. I do not know what the proportion is for the carrying of bacon across the Atlantic, but it is reasonable to suppose that the ocean freight has risen very rapidly, and that would tend to widen the spread or margin between cost and delivery price in Liverpool.

It was said that some statements which I made on the 4th June were in conflict with Mr. O'Connor's report. Nothing can be further from the fact than such a statement. I was then combatting an argument made by the hon. member for Kent (Mr. McCoig) that because this company—as was stated in a telegram which the hon.

member had received, which was subsequently denied by the president of the company—had endeavoured to insure $2,000,000 worth of commodities in their cold storage warehouse, therefore there was excessive storage and hoarding. I then gave the figures for several months back and demonstrated that the company were buying and selling $3,000,000 worth per month, so that, even if the statement contained in the telegram had been true, the quantity mentioned would have represented the buying and selling of that company for only half a month. I did not deal with margins, profits or prices. Mr. O'Connor, in the last words of his report, said that he found no evidence of a combine or of hoarding or of excessive accumulation. Thus there was no conflict between my statements and Mr. O'Connor's findings.

Mr. MACDONALD: Would the minister tell me where Mr. O'Connor makes that recommendation of further investigation?

Mr. CROTHERS: On page 4. He there says:

> Nor have I omitted to check the returns as to exports by the customs figures, nor to check those given from time to time as to domestic sales by examination of the actual invoices of purchasers, extraneously obtained. Further, in response to many suggestions from such companies that I personally attend and examine their books, I have caused it to be known that in due course an expert accountant will in all likelihood attend for this purpose. You will be aware that I have already recommended such action, for the purpose of verification and especially of securing an accurate computation of the profits upon by-products. I make the preceding statements to justify the claim that the figures hereinafter appearing may be accepted as highly reliable.

Mr. D. D. McKENZIE (Cape Breton North and Victoria): Mr. Speaker, the real purpose of this discussion is to ascertain whether or not the Government took the proper action on the O'Connor report. The contents of that report were of such a character that the Government should have taken action on it at once. What was the O'Connor report for? It was the report of a commission appointed by this Government, not for the purpose of amusement or of juggling with figures, but, surely, with a view to bringing about improvement in existing conditions. Shortly after this Government came into power I heard the Minister of Finance (Sir Thomas White) inform a delegation that the Government was the physician of the nation. I did not think it was a very bad thing for the nation to have a physician, provided they had the right kind, a man who was capable of making a proper diagnosis and afterwards applying the proper remedies. Shortly after this I said in the House that this Borden Government physician should never have passed an examining board and should never have been licensed to practise in this country; that it had never shown any evidence of ability to prescribe for the nation.

If this O'Connor Commission had any purpose whatever it was to diagnose the condition of the country in relation to prices. The patient whom the Government was called upon to diagnose and treat was the ordinary consuming public who have to live on what little earnings they can make. After a great deal of bombardment from this side of the House, without any action by the ministers, after it had been stated by them that the investigation would be perfectly senseless—that it would be like trying to stop the tide in the Bay of Fundy to try to do anything to regulate prices—they at last went through the formality of appointing a commission. One of the commissioners was Mr. O'Connor, who was sent to make a diagnosis of the poor people who were very sick because prices were so high that they were not able to purchase proper food. Dr. O'Connor brings in a diagnosis and prescribes to his druggist, the Minister of Labour, that certain things should be done, certain medicines should be given to these profiteers that would make them give more reasonable prices. The ordinary person, having received such a prescription from his physician would use it in the hope that some remedy would avail.

Mr. McKENZIE: Yes, just as if a diagnostician recommends a further diagnosis to get further information.

Mr. MACKENZIE: Yes, just as if a diagnostician or a doctor had said: You will give the patient this medicine just now, and on the third day you can give him something else. Instead of going on with the prescription and doing something to relieve the patient, whose fever was up to 103 or 104, whose condition was likely to call, not for a doctor but for an undertaker unless something was done, what did the great physician at the head of the department say? He said, "Dr. O'Connor, we must not act upon your prescription."

Mr. CROTHERS: But we did act upon it.

Mr. McKENZIE: He said, "Doctor, we called you in, you have passed the board, and you are part of the machinery we are

providing as physicians for the nation; nevertheless, although I am not a doctor, and I did not do anything to prescribe for the people, we must not act upon your diagnosis, and your prescription must not be carried out".

Mr. CROTHERS: But we did act.

Mr. McKENZIE: The learned doctor at the head of the Government said to the patient, whose condition was as I have described, "My dear fellow, you are very bad, Doctor O'Connor has prescribed for you, it is true, but I understand that within three months there is going to be a gathering in Toronto of the medical fraternity for the whole of the people of Canada, we will wait until we submit Dr. O'Connor's diagnosis and prescription to the gathering of the medical association. They may possibly tell us whether or not you will be benefited by his prescription. You may die in the meantime, but nevertheless, that is the course we are going to take". That is exactly the position in which they find themselves. Mr. O'Connor is called in, and makes a report. He says that certain things shall be done for the alleviating of the present conditions, so that the fishermen, or lumbermen, or farmers will be able to make a hundred cents earn as much as possible. All that suggestion is thrown to the winds, and we are to wait until it suits the heads of those great concerns such as Sir Joseph Flavelle, to come down from their mighty positions and give us the evidence which he thinks will bear out his contention, and let the poor men and women, who are looking for something to feed their children, go to the dogs. Who cares? They do not count for much. They may not have votes, and we are going to bring in a new Franchise Bill which will put them all through the mill, and if they are doubtful, they will be thrown in the waste, and make effective any opinion they may have about our conduct. Sir Joseph is an important factor, although the Minister of Labour may not care very much about him; but there is a "Minister of Elections," and he requires certain funds, and it must not be forgotten that when Sir Joseph Flavelle is called upon for a contribution, it can be put to him that he had things pretty much his own way. A moment ago we were told by the Minister of Labour that certain questions were put to Sir Joseph Flavelle as the head of the Davies Company. I do not know whether the "Davies," whose name is mentioned, cuts any figure or not. I do not know whether he is alive or not. It may be the name of an old firm. However, we know that Sir Joseph Flavelle is the head and front of the whole business, and with him we have to reckon. The hon. Minister of Labour is a lawyer of distinction, in practice for many years; and he knows, as well as he knows anything about the practice of the Court, that interrogatories are sent out to the defendant, or to a witness in the ordinary lawsuit, which are exactly the same thing as those questionnaires the Government are sending out. If a witness answers an interrogatory under oath in a certain way, that is the end of it as far as that trial is concerned. That witness will never be permitted to change that answer. In this matter a question was sent to Sir Joseph Flavelle, asking: What are your overhead expenses? What is the difference between your gross cost and your net cost, or your gross profit and net profit? According to the minister, he answered: I do not know; I cannot tell. According to every rule, in every proper court of inquiry in the country, Sir Joseph Flavelle is held to answer that he does not know. He cannot change it.

Mr. CROTHERS: Perhaps it would not be quite fair to deal with Sir Joseph Flavelle personally. These questionnaires were sent to the limited liability companies, and the affidavit in this case was made by the manager of the company and not by Sir Joseph Flavelle.

Mr. McKENZIE: The manager is the spokesman for the company and swears for the company, and, according to the minister, he swears that they cannot answer those questions. Mr. O'Connor went on without this information. He did everything he could to obtain it, but never got it. I am told he compared their overhead expenses with the everyday expenses of others, the only thing he could do. They refused to give him the information, and he used the information of other people in the same business, in the same locality, dealing in provisions similar to those which Sir Joseph Flavelle dealt in; and, basing his calculations upon this information, he reaches a certain conclusion. I submit to you, Mr. Speaker, and to the people of this country, that if ever any action was to be taken upon this report that would be beneficial to the masses of the people, it should be taken without the slightest hesitation, or without the slightest further consideration for any company which refuses to give the information when requested to do so. The minister, speaking in this House on the 20th July, said that it was only a day

or two after the report of Mr. O'Connor was laid upon the Table that abundance of information was sent broadcast in the press. If this company, through their medium, swears that they had no information and could not get it on one day, and the next day give us abundance of information, in the ordinary case that would be perjury. If a man one day swears he has not the information, and refuses to give it, and gives it abundantly the next day, in ordinary parlance that is perjury.

Mr. CROTHERS: I do not think the hon. gentleman wants to be unfair to anybody, but I do not think he is quite fair in this matter. I am not concerned with anything except to get out the facts, but it is hardly fair to the company to say that in a day or two the information was sent broadcast. I think it was some weeks between the time they failed to give this information and the time it was published broadcast, as the hon. gentleman states.

Mr. McKENZIE: I meant a day or two between the time the O'Connor report was laid on the Table and made public and the furnishing of the information in the newspapers. I think that is what the hon. gentleman said.

Mr. CROTHERS: I thought you said, from the time they refused to give it.

Mr. McKENZIE: There was a few days between the time the report was laid on the Table and the time this information appearing in abundance in the press.

Mr. CROTHERS: I think that is right.

Mr. McKENZIE: If I were addressing a jury upon evidence of that kind I would tell them, if it was in my interests to do so, that those people had suppressed the evidence for improper purposes, and that when they did give it, no attention should be paid to it—that they were liars from the beginning; they were not to be believed; no weight should be given to their evidence.

Mr. CROTHERS: As a judge, my hon. friend would not, I am sure, put it that way to the jury.

Mr. McKENZIE: A judge would have to tell the jury this: This witness has sworn that he does not know anything, and he has already sworn that he knows something. It is for you to say, gentlemen; it is a question of fact; the credibility of the witness is a question for you, and I leave it to you. When my hon. friend goes on the bench that is what he will have to tell the jury in a case of that kind, and I assure him that his ruling and direction will be sustained by the Supreme Court.

Mr. CROTHERS: My hon. friend has had some experience; I am sure that when he was on the bench he never put it to the jury in that way.

Mr. McKENZIE: If I put it in any other way I should be misdirecting them and their verdict would not stand. No litigant who behaved as the Flavelle Company behaved in Mr. O'Connor's investigation would ever be allowed to come forward with fresh evidence. They had their opportunity; they were given these questionaires to answer; they swore that they had given all the information they had. Then they sat back to see what the commissioner would do. They hoped that he would say: I cannot make out a full report as far as these people are concerned; I have not the necessary data. But Mr. O'Connor is a keen lawyer. He did the very best he could. He took parallel cases, and, using the evidence that he gathered in these parallel cases, he made a final report as to what the profits were. Then the howl came; then came the rush, like that of the Gadarene swine, to the Government. They said: "We have nothing to do with this man; away with him; crucify him! Give us an absolutely new court; this objection which may be clearly urged against us will not apply to a new court. We have no right to come into Mr. O'Connor's court; we have barred ourselves from it; there is no law of evidence or practice by which we can come in. Give us a new court, and we will come in with the new evidence." Whatever may be said about judges and lawyers, they have the best and clearest system of making inquiries or investigations of this kind. I repeat that once a litigant refuses to give certain evidence he cannot come into court and make use of that information. But even if the company had thrown up their hands and said: We do possess the information; we are willing to give you the evidence to complete Mr. O'Connor's report—what should have been done? The minister should have told Mr. O'Connor: Open your court; take in these witnesses; withhold the report that you are about to make or make a supplementary report; take this evidence down, and then make your report accordingly. Surely that is what would have been done in any inquiry being carried on in a judicial way. Evidence was required on only one point, as to the difference between the gross profits

and the net profits. Surely that is a matter of only very short inquiry. Mr. O'Connor says, pages 31 and 32:

> No specific data is given upon the point of storage costs, because it is believed that a special investigation is required into the value of the by-products of meat, and that some compulsorily applicable cost accounting system of storage and other costs on specific commodities should be established. The present storage charges are such as are arbitrarily fixed by the different companies and levied against their commodities. The existing intricate system of storage charging can best be investigated at the same time, and possibly a legal scale of charges can thereafter be established. The project of providing such an expert examination is under way.

That does not mean that a new court is necessary under a new order in council, and a new investigation beginning at the very foundation of things. The minister tells us that Mr. O'Connor suggests the constituting of this new commission. I do not think that Mr. O'Connor's words can be understood in that way. He simply says that an inquiry should be made into one single phase of the question and that the project of providing such expert examination is under way; that is, an examiner is being appointed by his own department. When that portion of evidence was furnished, the whole thing was complete; that was an end of it. I cannot agree with the course now taken by the Government. They are throwing away entirely the six months' labour of this faithful servant of the Labour Department. They are discrediting his report, saying that it cannot be accepted as arriving at a true conclusion. Accordingly, a new court is established, which will start all over again. The minister objected strongly this afternoon to my even suggesting that the matter would be kept indeterminately in the air by the holding of one investigation on top of another. I must confess that that is what it looks like. If the person who is affected by an investigation howls somewhat loudly when the report comes in, a new commission is appointed and from six to nine months' respite is given to the offender, who can go about without even seeking one dollar of bail.

I suppose the Minister of Labour did not know that a judicial inquiry had been promised in this matter. We discussed this subject on the night of July 20, and the next morning a dispatch was published over the signature of the Prime Minister promising a judicial investigation.

Ordinarily speaking, one would expect a judicial investigation to be an investigation held by a judge. It may not be that. The minister shakes his head as much as to say that it does not require a judge. That is just what I wanted him to do. Mr. O'Connor is just as good a lawyer as Mr. Henderson every day in the week, and, in making that statement, I do not detract in the slightest degree from Mr. Henderson's ability as a lawyer. I know nothing about his ability, but it does not disrespectfully compare or diminish the ability of any lawyer in Ontario to compare his ability with that of Mr. O'Connor as a practising barrister. If Mr. Henderson's investigation is a judicial inquiry simply because a lawyer is presiding over it, what sort of an inquiry is that held by Mr. O'Connor? Is not the one just as judicial as the other?

Mr. CROTHERS: The word "judicial" is not confined to a judge or a lawyer. The broader meaning of the word "judicial" is thorough, impartial, discriminating.

Mr. McKENZIE: Therefore, an officer appointed by my hon. friend was indiscriminating, partial and unfair? Is that the testimonial that the minister gives his officer, Mr. O'Connor?—

Mr. CROTHERS: That does not follow at all.

Mr. McKENZIE: —he was not fair; he was not impartial; he was not discriminating—

Mr. CROTHERS: That will not go down at all.

Mr. McKENZIE: —therefore, we will get Mr. Henderson who will be fair, who will be discriminating, who will be judicious,— I am sorry that the Minister of Labour cannot possibly keep my good friend Mr. O'Connor in the service, according to the testimonial that he gives him to-night, and that the minister must go outside for that excellent quality of fairness which he requires in officials. If we are having a judicial inquiry now, we had a judicial inquiry before, and if the only evidence of termination of this matter is that we are having a judicial inquiry now, that termination is not a particle closer than it was when Mr. O'Connor started out on his investigation six months ago. The Henderson commission adjourned to-day for two weeks. I fear that the young ones amongst the thousands of poor people in this country who are looking for more bacon, more flour, more of the good things of this earth to eat, will be in their little coffins before we get any remedy or relief from the Department of Labour.

Mr. CROTHERS: Does my hon. friend think it quite fair simply to say that there was an adjournment for two weeks without telling the whole of the matter, namely, that the adjournment was to permit the two expert accountants to examine the books? Does not my hon. friend think, in fairness, he should have added that?

Mr. McKENZIE: What is the good of the questionnaires? What is the good of the sworn testimony of those men? That is where the trick comes in; that is how this thing can go on interminably. There is no trouble in the world to send men to examine the books if further delay is required. The minister, a month or so ago, told us at great length about the extreme care that he took in getting replies by means of those questionnaires, and explained that people were obliged to swear to their answers. If I were in the minister's place and were looking for remedy and relief for the suffering masses of this country whom I was representing, I would draw the line at the information I received in reply to those questionnaires, and I would act upon the information I received in that way and the decision based upon it by my officer, to the relief of my people. If the other side was not satisfied, I would leave it for them to propound and work out their remedy against my action the best way they could, and I would not let my people suffer and give those men carte blanche to go on as long as they liked, and, with the outfit they have chosen themselves, to prolong this investigation indefinitely until perhaps the war is over and conditions have changed altogether. There is no justification for the course the minister has taken. The O'Connor report should have been acted upon. The people expect the minister to act upon it. And there is something the Government could do to better the conditions of things if they wanted to do so. If anyone reads the discussion that took place in this House on the 20th of July, as appears on pages 3798, 3799 and 3800 of Hansard, between the Minister of Labour, the hon. member for Halifax (Mr. A. K. Maclean), the hon. member for St. John (Mr. Pugsley) and myself, he will see that everything that has been stated here to-night as to the reasons for Mr. O'Connor's report being delayed, etc., is absolutely clear and fair, and that not a word is added to what was said at that time by the minister.

The Minister of Labour, in his remarks before six o'clock, wanted the House and the country to understand that Mr. O'Connor found things all right and that he found fault with nothing. In one place the minister finds Mr. O'Connor judicious and fair, and in other places he finds himself under the necessity of constituting another court because Mr. O'Connor was not judicious nor fair. Perhaps he was not judicious and fair when he said, in the second paragraph of his conclusions:

> Individual instances of profiteering occurred during the year 1916. These I have already identified. If they had occurred during the present year, since the provision of the Order in Council under which I am acting in the making of these investigations, I would consider it my duty to recommend that the facts be laid before the proper attorney general for his consideration as to their criminality.

That is a very sweeping statement from an officer appointed by the Department of Labour to make a fair report, and I am sure he made a fair report. What was Mr. O'Connor looking for? He was not looking for the ordinary class of thefts; he was looking for dealings in the commodities of life in this country, and he finds that bacon, flour and butter were sold in Canada at such prices that the transactions were of a criminal character, and he hands that report to the Minister of Labour, who is the guardian angel of the labouring classes. This guardian angel, instead of acting on that report, calls in another tribunal, and he is waiting to take action until, so to say, the medical association passes judgment on the diagnosis of Dr. O'Connor, who has told him that the conditio is desperate, and that immediate action is necessary. If there ever was a case of the doctors differing and the patient dying, it is the case before the minister, and in this case he refuses to take any action.

The report is a public document and the people know all about it, but everybody except the minister is willing to take action upon it. If the minister had a free hand I believe he would do something, but there are people higher up to whom he has to submit his conduct, and the Prime Minister—to whom I refer as the party higher up—without, I venture to think, consulting the minister, sends a telegram that another investigation will take place.

That investigation, of course, has to come about before the minister is permitted to do anything. Following his usual go-as-you-please plan, the Minister of Labour will not go to them unless they come to him. So we shall have a condition of "stand easy" between the report of the committee and the taking of action upon it. I suppose the minister will say when they come

to him with a report, "I will do nothing at all. This is my turn for sulks. I had a report before you and you would not let me do anything upon it. Now, if you are ready to work, I am not. You can go ahead and see this thing carried through the best way you know how now." The minister may say that we on this side of the House are unfair and unreasonable and have no business to ask that anything should be done. Let that be so. But there is some evidence which I shall give to the minister to which that criticism will not apply. I have here in my hand clippings from newspapers in the province of Ontario. The first is from the Toronto Telegram, which says:

Ontario Conservatives will either see to it that Sir Robert Borden divorces his party from the very appearance of sympathy with the heaping up of war-time profits from the traffic in food products, OR an outraged people will divorce these Ontario Conservatives from their seats in Parliament.

I believe the Telegram was baptized in the same church and has taken the same sacraments, politically, as my hon. friend the Minister of Labour. He therefore cannot find fault with the orthodoxy of the evidence. Now comes a still better and more orthodox witness, the Toronto Mail and Empire, and I am sure the minister will accept this witness without his being sworn. The Toronto Mail and Empire says:

Each instalment of Commissioner O'Connor's report strengthens the case for official control of cold-storage in Canada. There is no evidence of a combine, as the charges made by different companies for the same service vary greatly. But the business is in so few hands that combination could easily be effected. As a matter of fact two or three companies handle so much of the trade in certain products that the Commissioner uses the word monopoly. The proportion of the meats, butter, eggs, and cheese exported or sold for domestic consumption that goes through the cold-storage process is so great as to surprise the public. Coming at a time when the cost of foodstuffs is pinching all but the wealthy, the O'Connor report has touched a sore spot, and raised an outcry which the Government cannot fail to hear.

People are in no mood to tolerate the making of fortunes or excessive profits out of the sale of the necessaries of life. They are disposed, with reason, to make less allowance for middlemen than for actual producers of food. The excess profits tax is designed to take for public use a large portion of any business earnings above the normal rate, but it does not, at the best, prevent a flourishing business from making wealth for its owners. This ought not to be possible in the handling or preparing of foodstuffs in this time of scarcity and privation. A Canadian policy of food control should be fearless, and should compel cold-storage companies and similar agencies to subordinate private to public interest during the crisis of the war. The cold-storage companies should regard themselves for the present as stewards of the people, performing the national and patriotic service which it is in their power to render. They should be part of the war organization of the country.

Another Conservative paper, the Toronto News, says:

The Daily News is strongly opposed to that form of unregulated competition which makes the plundering of the common people a possibility. Monopoly has been curbed in the past. It can be curbed again. Speculation in food products has been stopped in the past. It can be stopped again.

The News says a great deal more than that, but that is the sum and substance of it. These are all strong Conservative papers, and surely the minister will believe they are talking in the best interests of the people and in the best interests of the Government when they say that this thing has gone as far as it should go, and that action should now be taken on behalf of the people. When action is taken, if the profiteers and monopolists and trusts and combines have any answer to put up, they should go before the courts of the country; that is the time, and that is the only further opportunity that should be given them.

I submit that action should be taken on the O'Connor report at once, or at least as soon as the only evidence which Mr. O'Connor says was necessary to enable him to complete his report is available. Immediately upon that, proper action should be taken for the relief of the people, if relief is to be given at all. The minister may say, and it has been said by different ministers, that nothing can be done. If they had stuck all the time to that, people might have believed them; but, taking newsprint as a case in point, it is no more difficult to cut down the price of potatoes or pork than of newsprint; it is simply a matter of arriving at a figure and saying that that shall be the price and nothing higher, as was done in the case of newsprint. The only difference is that the thousands of poor women and children who are going to the grocery stores in this country have no pull, have no newspaper, have no lash over the head of the Government, and consequently they have to take the little they can get for their money. The newspapers had a lash over the Governmen
9 p.m. and when they applied for relief the Government with fear and trembling did quickly exactly what the newspapers wanted them to do. But the Government must not forget that a day of reckoning is coming, a day when the labouring man, the miner, the lumberman, the

fisherman, the farmer and everybody else in the country, will have his say just as much as the newspaper barons had their say when they came and fixed the price where they wanted it to be fixed. The day is coming when the Government must account to the people for the way in which they have dealt with these matters, and therefore they should take the earliest opportunity of making their peace with the powers that be, before it be proclaimed too late. I fear, indeed, it is too late now. I fear that the Government have committed such manner and variety of sins that there is no remedy, no balm of Gilead that can relieve them from the fearful condition in which they find themselves to-day. They must go not only through the Jordan, but beyond, before the people of this country can put any confidence or trust in them

There was one matter about which the Minister of Trade and Commerce took the hon. member for Richmond (Mr. Kyte) to task for having mentioned—it was something about transportation to the old land, possibly in connection with the transport of munitions. We have a right, as the Minister of Labour to whom I am particularly addressing myself to-night well knows, to draw inferences from certain facts, and sometimes there is no stronger evidence than circumstantial evidence. Circumstances cannot lie, but persons can, as is evidenced by the manager of the William Davies Company who swore that he had no information, and now is thundering into the courts that he has abundance of information to swear to. The hon. member for Richmond pointed out that of the 169,000,000 pounds of bacon shipped out of this country during the year 1916, 108,000,000 pounds was shipped by the William Davies Company.

Another company, No. 5, which is the Matthews-Blackwell Company, found transportation out of the country for 43,000,000 pounds out of 169,000,000 pounds. The cry has been that transportation was not available, that people could not get shipping. This enormous proportion of the whole transportation of the country finds its way into the hands of this one company. Out of 169,000,000 pounds, transportation for 108,000,000 pounds gets into the hands of one man. This deduction may be absolutely wrong, but I submit it is the deduction that ordinarily we can draw from a certain set of facts. Sir Joseph Flavelle is the direct agent of the Imperial Government in this country as far as munitions are concerned. Sir Joseph Flavelle is in direct communication with the home Government. Sir Joseph Flavelle has monopolized to an enormous degree the contracts for bacon made with the home Government. What is the reason? The reason is that he was their agent, he was in touch with the Government on the other side of the Atlantic, and when he is dealing with them as their agent, giving them their munitions, the inference is that he might have let them know that he had pork to sell. That is the most natural thing in the world—"Here are the excellent munitions I have made for you and when you are going home with them, would it not be a nice thing to take some bacon along for the men? It is a proper thing to make room for this bacon in your ship and take it across."

Mr. OLIVER: It is just as necessary as munitions.

Mr. McKENZIE: It is just as necessary as munitions and it is a splendid thing that it is sent, but it is not fair to the rest of the community who are in this business. There are about one hundred concerns in this business. Ninety-nine of them cannot get ships while one out of the hundred, because of the accident of being chairman of this Munitions Board, finds an abundance of ships and has his goods carried to the other side. Perhaps there is nothing wrong about it but to the ordinary man it looks superlatively suspicious. That is all that my hon. friend from Richmond says. The air is full of that sort of thing. The right hon. Minister of Trade and Commerce tells us that we must not touch the ark, that we must not touch the holy thing,—Sir Joseph Flavelle—and, with his sanctimonious air and his canonical garb of righteousness, he tells us that they have appointed a commission to push this inquiry very much further. I would remind the minister again that out of 169,000,000 pounds, 108,000,000 pounds was sent by one man, that the lion's share was sold to the home Government and that the agent of the home government on this side of the Atlantic was the man who had the stuff to sell and who did sell it. The ships that took it across were Government ships, and it would be interesting to know if he sent this pork in a ship right alongside of that in which he sent the shells or did he send them altogether in the same ship? Everybody else who wanted a ship could not get it. For that reason he had a monopoly of the whole business. That should not exist in this country. This is a place where the Minister of Labour professes to give fairplay to everybody. Everybody in

this country ought to be on the same footing, but unfortunately we have a Government that is not self-possessed, a Government that is possessed by the trusts, and combines, that cannot do that good which they would desire to do but with whom evil is present as with Paul of old. They are struggling in the net and nothing will free them, until the people have a chance of passing judgment on these hon. gentlemen who are to-day misruling this country.

Mr. E. A. MACDONALD (Pictou): Mr. Speaker, I think the House and country will agree that we owe a debt of gratitude to my hon. friend from Richmond (Mr. Kyte) for the very clear analysis which he made of the report of Mr. O'Connor and for the facts gathered from that report, which he placed before us in such a clear and succinct manner. We sometimes forget the perspective of the man who is earning his living and with whom the burden of existence is ever present. With respect to the item of bacon, which enters into the home life of every man in this country, we have to-day the fact that in the city of Toronto a person who buys a piece of bacon must pay 52 cents a pound. I make that statement in accordance with what we were told in this House last Wednesday by the hon. member for South York (Mr. Maclean). For over six months, and ever since this Parliament assembled, hon. gentlemen on this side have been pressing on the Government their duty to take up in a most drastic way this question of the cost of living. The hon. Minister of Labour (Mr. Crothers) told us about these wonderful questions which were sent out and about this wonderful order in council, under which no prosecution ever has been suggested or initiated, although we have the statement here by his own Commissioner that illegal conditions have arisen under which the criminal laws should be enforced.

Mr. CROTHERS: I do not think the commissioner says that.

Mr. MACDONALD: Well, he says something pretty near that.

Mr. CROTHERS: He says that if this had occurred since the passage of the order he would have referred it to the Attorney General.

Mr. MACDONALD: He says that individual instances of profiteering occurred during 1916, and he goes on to say that if the order in council had been in force then criminal proceedings would have been taken. Within his report there is evidence which goes to show that there were transactions in regard to which prosecutions should have been initiated. My hon. friend kept on talking about this order in council and about this commissioner, whom he has had at work for the past six months and whose report he proposed getting some day, while every statement that he issued to the public indicated that the cost of living was going up. While orders in council were being passed but were not enforced, and while investigations were going on which were not concluded, prices continued to soar. Finally my hon. friend comes down to the House with a report by his commissioner in which certain definite findings are made. Without going into the details with regard to every article, let us take what he says in regard to the question of bacon. My hon. friend gives to this report his own imprimatur when he declares that this report comes from him, and that it has been submitted to Parliament as containing statements which are true. We find on page 30 of this report that a certain firm bought 65,000,000 pounds of bacon and sold 97,000,000 pounds, in round figures, at a margin of 5·05 cents per pound. The commissioner, in order to get this information, asked those engaged in the business to tell, first, the quantity of each commodity purchased during the year; second, the cost of such commodity laid down in warehouse, including freight and unloading charge, and, third, the total quantity sold during the year and the total amount for which sold. We gathered from the report that the William Davies Company, mentioned as No. 9 in this report, gave him the information called for by questions A and C, but declined to answer question B. I ask my hon. friend if the Matthews-Blackwell company gave that information.

Mr. CROTHERS: Speaking from memory, I think they did.

Mr. MACDONALD: Did the other firms give the information?

Mr. CROTHERS: I think, generally speaking, they did.

Mr. MACDONALD: As a matter of fact, did not every firm except the William Davies company answer these questions?

Mr. CROTHERS: I am not prepared to answer that.

Mr. MACDONALD: Will the minister give us to-morrow the Matthews-Blackwell company's statement in answer to question B, which the William Davies company did not answer?

Mr. CROTHERS: I think likely it is in this report; if it is not I will give it to you.

Mr. MACDONALD: I want to point out the extreme importance of the point I am endeavouring to make. The William Davies company gave to the minister, through his commissioner, this information, which is found on page 30 of this report, but they did not give him the information which would have enabled the country to have obtained all of this information without the second commission. They refused to give him the information which the minister says the Matthews-Blackwell and other people furnished. If the Davies company had given this information in answer to question B we would have had all the facts, and Mr. O'Connor could have given us, beyond the shadow of a doubt, exactly the amount which the William Davies company made, because he has given to us the amount which Matthews-Blackwell made, as he had the information relating to their case. Matthews-Blackwell's statement is given as No. 5 on page 30. Their margin was 3.65, whereas by the application of the same figures that were applied in Matthews-Blackwell case, where you add the cost of storage and the cost of delivery, which the Davies Company did not give, we find that the William Davies company made 5.05 cents profit, or nearly 2 cents a pound more than than Matthews-Blackwell did on their sales. Mr. O'Connor goes on to tell us what the margin is.

> The just character of a margin on any commodity is dependent upon (1) the expenses incurred in storing, handling and selling such commodity, (2) the demand for the commodity for export and for home consumption, and (3) the general condition of the market, so far as it affects replacement values. Storage handling and selling costs have risen somewhat but they are comparatively a fixed non-fluctuating charge.

Mr. O'Connor was able to make that statement because Matthews-Blackwell and several others of the storage people had given him the figures. He goes on to say:

> No specific data is given upon the point of storage costs, because it is believed that a special investigation is required into the value of the by-products of meat, and that some compulsorily applicable cost accounting system of storage and other costs on specific commodities should be established.

What is the significance of that statement? It is that Mr. O'Connor tells us that, applying the Matthews-Blackwell figures, the William Davies company charged over 1½ cents or nearly 2 cents a pound more for the same thing than Matthews-Blackwell charge, and which are included in their figures, 3.65. We have further this fact, that what Mr. O'Connor recommended was not a commission such as this Government has appointed, but a cost accountant who could go to the William Davies company and, by reason of his experience in cost accounting, get the exact figures which they had refused to give, although Mr. O'Connor had received them from these other people. What is the difference between an auditing accountant and a cost accountant? Every one having experience in business knows that an auditing accountant is one who examines the books kept by the accountant or secretary of a company to see whether the proper charges are made, whether the accounting is done properly and whether the profit and loss account has been correctly worked out. He never gets behind what is on the books. But the function of a cost accountant is to go into every detail connected with the cost of production. That is entirely apart from the question whether the William Davies company's books were properly carried on by their clerks. The man who is paying 52 cents for bacon is not interested in that problem, but he is interested in what their pork cost them and what price he is called on to pay for it in the finished state. Mr. O'Connor has given us what they paid for it, and what they got for it. He has received information, according to the minister—who has promised to give it us to-morrow—of what Matthews-Blackwell had to pay for cost of storing and for the intermediate handling, which would enter into the difference between the price they paid and the price they received.

The William Davies company had it but they did not give it. Why did not the minister, under the plenary powers which, if he did not possess them, could have been conferred upon him under the War Measures Act, before Mr. O'Connor's report was given to the public, exercise those rights, and why did not he demand from Davies, and compel him to furnish the information which Matthews-Blackwell and the other men furnished? But the minister did not do that. He employs a cost accountant to get the information they would not give, but which the other people did give. Mr. O'Connor says:

> Likewise as to the more aggravated, because continuous, exaction of excessive profits by an-

other firm, on bacon; aside from the matter of legality, is this sort of thing to be considered respectable?

My hon. friend the Minister of Labour, without going to the trouble of sending for the cost accountant to get the information which he ought to have got, gives this country the report of Mr. O'Connor. He seems to be excusing Mr. O'Connor, and yet he puts his imprimatur on Mr. O'Connor's report. Either Mr. O'Connor has told us what is true, or he has told us what is not true. If he has told us what is not true, he should be dismissed; and if he has told what is true, then the minister has been derelict in his duty because he did not apply the cost accountant and get the missing data which Davies did not give him, and which Matthews-Blackwell and the others gave. If he had got that information the country would have known whether there was profiteering or abnormal profits in the storage of bacon or not. But the minister gives this report to the public, which the public are bound to accept as correct, and which, I am sure, the minister does not question, even now. I asked the Prime Minister (Sir Robert Borden) the other day in regard to this matter, whether in dealing with this proposition and the appointment of this commission, he intended to reflect in any way upon Mr. O'Connor. The minister (Mr. Crothers) shakes his head, and agrees with that position. If that is so, where do we stand? We stand in this position; that bacon from the retail stores of this country costs 52 cents a pound; that Mr. O'Connor has reported, replying to the intermediate question, the data which he had from Matthews-Blackwell, as to the cost; and he tells us that this concern is making 5.05 a pound upon every pound of bacon which they sold.

Mr. WRIGHT: Does the Matthews-Blackwell admit the margin of 3.65?

Mr. MACDONALD: I think so.

Mr. WRIGHT: I do not think so.

Mr. MACDONALD: My hon. friend has not seen the report.

Mr. WRIGHT: The statement published in the newspapers disparaged that statement of 3.65 on bacon, just as much as the statement that Davies made 5.05 is disparaged.

Mr. MACDONALD: My hon. friend has not followed the point.

Mr. WRIGHT: The hon. gentleman has been making accusations against the Davies company, basing it on the assumption that Matthews-Blackwell made a profit of 3.65. Matthews-Blackwell repudiate that.

Mr. MACDONALD: They cannot repudiate it in view of the statement of the minister.

Mr. WRIGHT: They have repudiated it in the newspapers.

Mr. MACDONALD: This was under oath. Look at page 30 of the report.

Mr. WRIGHT: I have studied it as much as the hon. gentleman has.

Mr. MACDONALD: If Matthews-Blackwell swore to a falsehood, the hon. gentleman will stand by them, but the minister, who knows more about this than my hon. friend will agree with me that I am not stating what is incorrect when I say that these figures on page 30, under the head of "bacon," show that Matthews-Blackwell bought 49,000,000 pounds of bacon and sold 42,000,000 pounds; and paid out $7,128,476, and received $7,665,571. The average price paid by them was 14.47 cents a pound, and they received 18.03 cents a pound, and the 3.65 margin is absolutely correct. The hon. gentleman will agree with that.

Mr. CROTHERS: Yes. I think you will find in his report that Matthews-Blackwell reported two cents as the margin, and Mr. O'Connor expressed the opinion that they made a mistake, and that it must be more than that. Does that not appear in the report?

Mr. MACDONALD: Yes. If Matthews-Blackwell were correct in the figures which they gave to Mr. O'Connor, it is only a question of computation.

Mr. CROTHERS: He says it is not enough.

Mr. MACDONALD: It is only a question of ordinary arithmetic. If these figures in the report are correct, then 3.65 was the margin. Then there is the question of the intermediate point upon which the William Davies company did not give the information. That is the only thing, with the exception of the by-products, that O'Connor wanted further information upon. He had it from all the others. He applied to the William Davies company, and said, "According to those statements: you make 5.05 cents, and let us have a cost accountant." And the minister, instead of having a cost accountant and ascertaining the whole matter, as

he could in a week, proceeded, unquestionably for political purposes, to appoint a commission, which will go peregrinating around the country two or three months, as the other commissions have done. In the meantime the price of bacon is 52 cents a pound, and these exorbitant profits are being obtained on the goods sold to the Allies. That is the situation. No remedy is being provided by the Government, and it is not attempted to be provided. My hon. friend does not question or discredit Mr. O'Connor's figures, or declare that they are open to suspicion; he puts upon them the impress of reliability and of truth. If those figures were questioned by the William Davies company, why was not the matter determined? Instead of grappling with this matter, and dealing with it on the basis of a report of a commissioner in whom the Government has confidence, they appoint a commission—we have probably 110 commissions appointed by this Government—and send them upon a long investigation from which perhaps they will never return—and in the meantime 52 cents is the price of bacon for the people of this country.

Mr. OLIVER: I want to discuss this question as something which is very much bigger than the William Davies company. It goes a great deal further, and calls for attention on very much more important ground. This country is face to face with a very serious condition in the matter of the cost of living. From the monthly reports issued by the Labour Department, it is clear that the cost of living in Canada has increased at least fifty per cent within the past five years. Some little time ago I made a calculation and offered it to the House, to the effect that the burden of the cost of food upon the people of Canada had increased by an amount of approximately $250,000,000 a year, as compared with five or six years ago. This is a burden on industry that can only be carried by increasing the values, or the price, of the product of industry; it is putting Canada absolutely out of the race as a country of industrial production.

Unless the cost of living to the man who depends on his industry for his living can be brought down, his wages must go up, and Canada cannot compete in the markets of the world with her industrial products.

Mr. CROTHERS: Where will the hon. gentleman go to find the cost of living less?

Mr. OLIVER: That is what we have put our friends in power for, and that, particularly, is what we maintain the Department of Labour for—to find some solution of this problem, which, I think, is very much bigger and very much wider than the William Davies company.

Mr. CROTHERS: How does my hon. friend reach the conclusion that if the cost of living in Canada is not reduced, Canada will be put out of business? Can he point to any other place where the cost of living is lower than it is here?

Mr. OLIVER: I think I can. The member for Richmond (Mr. Kyte) told the House to-day, on what I believe to be good authority, that the cost of living was less to-day in blockaded England than it was in producing Canada.

Some hon. MEMBERS: No.

Mr. OLIVER: And less in blockaded France than it is in producing Canada.

Mr. CROTHERS: No, the percentage of increase in those countries is double what it has been in Canada.

Mr. OLIVER: My hon. friend placed the figures before the House to-day. My belief is that they were correct, and that a condition exists in Canada for which there is no shadow of excuse. In years gone by the condition was not so serious, but within the past five years, as shown by the minister's own reports, the cost of living has gone up every month until it has reached a pitch that absolutely closes Canada out as an industrial country when she undertakes to compete with the rest of the world.

Mr. CROTHERS: The cost has gone up in the rest of the world just the same.

Mr. OLIVER: I say most emphatically that it has not; that Canada is to-day an example of a country more thoroughly and completely under the control of monopoly, trust and combine than any other country in the world, and more under that control in the matter of its food products than it is in regard to any other product.

Mr. CROTHERS: That is not the question at all. The question is whether the rise has been as rapid in other countries since the beginning of the war as it has been in Canada. In the great majority of cases—especially in the belligerent countries, but also in some neutral countries—the rise elsewhere has been more rapid than it has been in Canada.

Mr. OLIVER: That would be no excuse for the condition in Canada, even if it

were the fact. Let us admit for the sake of argument, that it is the fact. Canada is an export producer; these countries are import consumers. In normal times, there is absolutely no parallel between the conditions in Canada, a country which is an export producer of food, and those in a country which is an import consumer of food.

Mr. CROTHERS: What about the United States?

Mr. OLIVER: Everybody knows that the cost of living is less in the United States than it is in Canada.

Mr. CROTHERS: Yet my hon. friend wanted our products to go in there free because they would get a better price.

Mr. OLIVER: Precisely, because Canada, as I say, is in the hands of the little ring of combines and monopolies, centering in Toronto and Montreal, who stand between the producer and the consumer. As a matter of fact, the producer in Canada gets less and the consumer in Canada pays more in all staple lines than is the case with the producer and the consumer on the other side of the line. About that there is no argument.

Mr. WRIGHT: Surely the hon. gentleman is aware that the difference between what the producer gets and what the consumer pays is greater in the United States than it is or ever has been in Canada?

Mr. OLIVER: There is no use in my discussing the matter with my hon. friend, because my information is absolutely to the contrary. My hon. friend can verify the facts by visiting the United States at any point along the boundary line. He will find that the staple necessaries of life are cheaper in the United States than they are in Canada, and he will find that the producer receives a better price than the producer in Canada.

Mr. WRIGHT: I may inform the hon. gentleman that I have studied the question, both in the United States and in Canada, to as great an extent as he has.

Mr. OLIVER: Then there is no use in our discussing the matter any further. I am compelled to maintain the position that I have stated; it is absolutely in accordance with my knowledge of the facts.

The minister has seen fit, and very properly, to make an investigation of the cost of food, particularly those classes of food which pass through the cold storage establishments. Such a large proportion of the food of the people does pass through these establishments that necessarily the question of the handling of the food and the profits made during the process of its passing from the producer to the consumer is an important consideration in settling the question of the high cost of living. The minister is to be commended for having appointed a commissioner as the first step in the effort of the Government, assuming it to be making that effort to reduce or secure a reduction in the cost of living and to put the Canadian consumer in the position in which he ought to be, but in which he is not, because of the existence of this combine amongst those who handle the production, preparation and distribution of food.

Mr. CROTHERS: In his report Mr. O'Connor finds that there is no evidence whatever of a combine amongst the 110 cold storage plants in Canada.

Mr. OLIVER: I do not wish to discuss Mr. O'Connor or his merits or his report; I am commending the minister for having appointed an investigator. I shall not discuss the question whether Mr. O'Connor is an efficient investigator. But it is a fact that Canada, a country of export production, has paid more for the necessaries of life under normal conditions than a consumer of the same necessaries of life three thousand miles away on the other side of the ocean.

Mr. MORPHY: Was that not true long before the war?

Mr. OLIVER: Yes. I do not know what the condition is at present. I would hope that what I have said is not true of the present, but I am afraid that it is. The member for Richmond has given figures to the House to show that it is true to-day; that notwithstanding the abnormal cost of transport across the ocean, we pay as much in Canada to-day for the products that we export as the consumer in Great Britain does. That is a condition for which there is no justification. It is not a condition which arises out of the law of supply and demand. Mr. O'Connor may find that there is no combine amongst the food handlers in Canada. I do not care what he finds in that regard. If it is a fact that the home consumer in Canada pays as much as the foreign consumer after the cost of transportation has been added, that is a condition that should not exist; it is not

in accordance with the law of supply and demand, and it should be made the subject of Government regulation and control in some way. It is not for me to dictate or suggest how that control should be exercised.

But it is not a fair proposition that the Canadian consumer of a Canadian product which is produced for export should have to pay, not the same price, but a higher price than the consumer at the other end of the market across the ocean has to pay. Such a condition of things is plain highway robbery. It could not take place unless there was a combine, no matter what Mr. O'Connor says, and it is the business of the Government and of the Minister of Labour to ensure that that condition shall not continue to exist.

I commend the minister for his appointment of Mr. O'Connor, but I protest to the minister against the delay of further investigations. Mr. O'Connor was an official of the minister's department. He took long enough, in all conscience, to make his investigation. He has made his report. His report in some particulars is not very definite. He sets out a certain condition of facts which absolutely bears out what I have said in this House to-night. It is up to the Government and to the minister to take action in this matter to-day—not to-morrow, or next month, or six months hence—and to tell the House and the country what action they purpose taking.

Mr. CROTHERS: It is admitted by every one that a very important part of the expenses has not been given. The cost of cold storage, the cost of delivering the goods in Liverpool, the marine insurance and the cost of selling have not been given. Would my hon. friend have us take action before we get those particulars and know exactly what the net profits are? Those accountants have been appointed to get all those particulars so that we may have complete information.

Mr. OLIVER: If Mr. O'Connor is entitled to all the bouquets that he has been handed, having been six months on the job, he should have had complete information for the minister.

Mr. CROTHERS: He has recommended that an expert accountant be appointed.

Mr. OLIVER: I am not concerned with Mr. O'Connor; I am concerned with the minister and with the Government. Here is a report which makes a certain statement of facts in regard to a certain matter. I imagine there is no necessity for a further investigation in regard to some of those facts.

Mr. CROTHERS: The report does not pretend to be complete.

Mr. OLIVER: It ought to be complete. I hold the minister and the Government responsible for its not being complete enough to enable the Government to take action. After the report of the commission which was composed of an employee of the Government appointed by the minister, the other commission appointed is, to my mind, not a commission for the purpose of carrying out an investigation; it is a commission along the same lines as the Sir Charles Davidson Commission.

Mr. CROTHERS: My hon. friend is familiar with the order in council passed last November and with clause 6, which says, in substance, that when a return is made to me, I may appoint an examiner and authorize him to examine the books of the party and take evidence from witnesses under oath and so on. If he reads the order in council appointing these accountants, he will see that it is recited in that order that this is being done pursuant to the order in council of November last, so that this is simply carrying out the instructions we have under that order in council.

Mr. MACDONALD: Why did not the minister make the companies give the information in the first place?

Mr. CROTHERS: We might have sent an expert accountant at that time.

Mr. OLIVER: I do not wish to enter into a criticism of the details.

Mr. CROTHERS: I would like my hon. friend to go into the details.

Mr. OLIVER: The statement made by the minister is subject to the interpretation that when the first order in council was drawn it was drawn with a view to enabling a further postponement of action to take place. That is the only possible conclusion to place upon it.

To summarize what I have said, we are dealing with the biggest question that Canada has to face to-day. We have before the House a report, the result of six months' work under the direction of the minister himself, and, instead of our getting action under that report, all we get is another commission of inquiry. That is not what this country needs at the present time, and it is not what this country de-

mands. It is not in line with the action that the same Government takes in regard to other matters. For instance, let us take the action of the Government in regard to the control of the distribution of wheat. We have appointed a Board of Grain Supervisors to control the wheat trade of Canada. They can take possession of all the wheat in all the elevators of all Canada at any time. They can sell it to whom they please, when they please, at what price they please, and they can do more than that; they can prevent the export of grain from Canada. Is that the result of an investigation by a special commissioner such as Mr. O'Connor in regard to the cold storage business? I do not know whether it is or not, but I know that this authority has been placed in the hands of the Board of Grain Supervisors and that they have taken action under that authority. There is as much money involved in the action that they take as there could be involved in dealing with those cold storage estblishments. On the 27th of July the Board of Grain Supervisors fixed a maximum price at which the wheat of the crop of 1916 could be sold after the 1st of August. Why is it not just as competent for a commissioner appointed by the Minister of Labour or by the Government to fix a price at which Sir Joseph Flavelle shall sell his bacon after the 1st of August? What is the difference? There has been much more investigation in the case of Sir Joseph Flavelle than there has been in the case of the wheat, but in the latter case the Government have taken action and in the former they have handed us a commission which simply means that they are not going to take action. Let us have action in both cases. At the moment, I am not complaining about the action in the case of the wheat, but if we are to have the greatest industry of all Canada placed under mandatory control, such as the wheat trade is placed under, then there is no reason why this other article of food should not be placed under equally mandatory control. The Board of Grain Supervisors have gone further than to fix a maximum price for wheat after the 1st of August. It seems that the price of wheat is higher in the United States than it is in Canada. My hon. friend from Muskoka (Mr. Wright) will, I hope, not challenge that statement.

I find from the Ottawa Citizen of this morning that on July 28 No. 1 Northern cash wheat was worth $2.39 in Winnipeg, which is 1 cent below the maximum price as it will be after the 1st of August. In Minneapolis cash wheat was $2.90, and in Duluth $2.93. There was a difference of 50 cents a bushel between Winnipeg and Minneapolis and Duluth on Saturday last. Now, remember that the maximum price in Canada only was to take effect after the 1st of August, but the fixing of that maximum price depressed the price in Canada to 1 cent below the maximum figure, namely, to $2.39 instead of $2.40. Naturally, the owners of wheat in Canada would want to ship to the United States and get the benefit of that 50 cents a bushel. Now you can ship at least 1,000,000 bushels a day, and at 50 cents a bushel that would mean half a million dollars a day that the wheat traders could have made by shipping wheat from Canada to the United States.

Mr. CROTHERS: What would it cost to ship the wheat from Winnipeg to Minneapolis?

Mr. OLIVER: I could not tell my hon. friend, but it is just the same rate—

Mr. CROTHERS: It would not be 50 cents a bushel.

Mr. HANNA: What does my hon. friend understand by No. 1 Northern Minneapolis?

Mr. OLIVER: I understand wheat of No. 1 grade.

Mr. HANNA: Is it our Canadian Northern?

Mr. OLIVER: It is an American Northern.

Mr. HANNA: That is a different thing. Kansas wheat is coming in just now. That is the reason.

Mr. OLIVER: I think that would be a reason the other way. If Kansas wheat is coming in now it would depress the price at Minneapolis, but at Minneapolis the price was 50 cents higher than at Winnipeg for an inferior class of wheat, because their No. 1 Northern is not equal to ours.

Mr. CROTHERS: There is probably an error in the quotation from Minneapolis.

Mr. OLIVER: There is no error, because the quotation is about the same for Minneapolis and Duluth.

Mr. CROTHERS: There never was a spread of 50 cents before.

Mr. WRIGHT: Why do not our farmers simply send their wheat down there?

Mr. OLIVER: That is exactly what I was coming to. The reason is that this same Board of Supervisors have put on a prohibition against shipping wheat to the United States.

10 p.m.

Mr. HANNA: That prohibition is not in effect yet.

Mr. OLIVER: It is in effect.

Mr. HANNA: Not until the first of August.

Mr. OLIVER: It is in effect now. It was put into effect before the 1st of August to prevent this wheat going to the United States and taking that 50 cents premium in price.

Mr. MORPHY: That would be for the benefit of the working man in Canada, who would be getting food cheaper.

Mr. OLIVER: Not necessarily so. Unfortunately, the miller has the same call on the wheat that Sir Joseph Flavelle has on the hogs, and as between the price of the wheat that goes into the mill and the price of flour that reaches the consumer that is where the 25 per cent dividends of the Ogilvie Milling Company comes in. The farmer does not get the price for the wheat that the consumer pays for the flour, any more than the farmer gets the price for the hog that the consumer pays for the bacon.

Mr. WRIGHT: Flour is free.

Mr. OLIVER: No.

Mr. CROTHERS: Yes, it is.

Mr. OLIVER: Admitting that flour is free, bran and shorts are not free, anyhow. As a matter of fact the Government has taken authority, and has exercised that authority, in regard to the most important product that Canada has, absolutely to control the price, and not only the price but the sale also. It is not simply that they have taken the power, but they have exercised that power, and it is costing the holders of wheat in the West at the rate of half a million dollars a day from the time it was put into effect up to the 1st of August. I am not arguing at the moment whether that was wise or unwise, right or wrong. Although I hold that it was wrong as wrong could be, yet, for the purpose of my present argument, all I say is that the Government that could put its hand on the product of a western farm, first to fix a maximum price and next to prevent its export, when it was not prepared to handle the wheat or to protect the Canadian consumer in the milling of that wheat, has no warrant for saying that it cannot regulate the price of bacon just as it could regulate the price of wheat.

Mr. MORPHY: Would the hon. gentleman be in favour of the Government fixing an arbitrary price of $1.50 a bushel for Canadian wheat instead of $2.40? That would be for the benefit of the working man.

Mr. OLIVER: I am not discussing that at the moment.

Mr. MORPHY: Would you advocate that?

Mr. OLIVER: I shall have to allow my hon. friend to make his own speech, and ask him to allow me to make mine. What I want to say is that the Government cannot shelter itself behind all kinds of commissions from dealing with this question of the high cost of living, as it is affected by the abattoirs and the cold storage establishments, when the Government had taken means to control the price of that other great food product, the wheat of the western farmer. What they can do in the one case they can do in the other, and if they were wrong to do it in the one case, they should not do it in the other.

My hon. friend asked me about the cost of wheat and flour to the eastern consumer. Does he suppose that the eastern consumer gets that flour at the price the farmer gets for his wheat, any more than the eastern consumer gets his bacon at the price the farmer gets for his hogs? No, he knows that standing between the producer and the consumer is the miller in the case of wheat, and the pork packer in the case of bacon. Does he not know that the price the farmer gets for his wheat or hogs has no relation to the price the consumer pays for his flour or bacon?

Mr. MORPHY: My idea is that in view of the high cost of living the Government has been far too generous in fixing the maximum price for wheat at $2.40 a bushel. I think if the price had been fixed at $2 or $1.75 or $1.60, it would have been a very very advantageous price for any farmer to get for wheat for which he had only been getting $1 or $1.10 a bushel. If any one should complain, it is not the farmer in the West, but the working man. In my opinion the price is altogether in favour of the farmer.

Mr. OLIVER: That is not the point I was discussing.

Mr. MORPHY: That was the point I was discussing.

Mr. OLIVER: It is quite competent for my hon. friend to say what the western farmer should get for his product.

Mr. MORPHY: The high cost of living does not matter?

Mr. OLIVER: The point I make is that no matter what the farmer gets it is not what the consumer pays, and that the eastern consumer pays without regard to what the western farmer obtains.

Mr. MORPHY: You say so.

Mr. OLIVER: It is the fact. Where do these pork-packing establishments and these milling companies get their dividends if they do not get them out of the producer on the one hand or the consumer on the other? What this Government should do is not to prevent the producer from getting a fair price for his product, but they should prevent the middleman, the miller, the pork packer and the cold-storage man, from stealing from the producer on the one hand and from the consumer on the other. That is the duty of the Government, and the Government would be well advised to take that position. I must say to my hon. friend that, in my humble judgment, he is very unfortunate in making the suggestion as to a limitation with regard to the price that the producer of the West should receive for his wheat. In this particular season, it is to be regretted, but I am afraid it is likely to be true, the western farmer will receive a very small return on the amount of his crop. If he gets $2 or $2.50 for his wheat, it will not give him a return such as he could get a few years ago at a much less price. That is unfortunately the condition, and why should not the western farmer, with that unfortunate condition looming up this year, get the price that the markets of the world will afford him? You ask the western farmer to increase his production, but the only way you can get him to increase it is to give him a profit on the production he has. It is a short-sighted and most unfortunate policy on the part of the Government that they should exercise that power which is placed in their hands for the purpose of deliberately depressing the price of the farmer's product below the price that the markets of the world properly afford. Such action cannot be justified under any circumstances, and particularly it cannot be justified under the circumstances of this present year. I am perfectly satisfied for the Government to have the control that it has under the War Measures Act. I am perfectly satisfied that it should exercise that control under certain circumstances. But I say that when it exercises that control under the circumstances which, unfortunately for the country, exist this year, it is not justified and should not exercise it at the present time. But having exercised that control as they have, it is utterly and absolutely without excuse that they allow the pork barons to go on heaping up profits as they have done and taking them out of the producer and the consumer, one or the other. It is not only in the case of wheat that my hon. friends have seen fit to act. They fixed the price of newsprint paper. I am sorry that my hon. friend from Sherbrooke (Mr. McCrea) is not here, because if he had been he would have enlightened the House on that matter. But the Government fixed the price of newsprint and then they held an investigation. In the case of pork they neither fixed the price nor held an investigation that has any termination to it. There is only one answer to all that, and it is that the Government is part of that combine, which to-day is putting Canada out of business as an industrial country, is making the rich richer and the poor poorer, and notwithstanding the flood of war money is leaving the country worse off than it was before.

Mr. A. K. MACLEAN (Halifax): What are the powers of the Food Controller? Has he the power to fix the prices of food commodities?

Mr. CROTHERS: I would not like to undertake to say offhand. His powers are very fully defined in the order in council appointing him. I think he has power under certain circumstances to fix prices, but I would not like to state it without having the order before me. It is a rather lengthy document.

Mr. A. K. MACLEAN: I would suggest that the minister acquaint himself with the powers granted the Food Controller because the investigation of Mr. O'Connor will be for nothing unless there is somebody to enforce the recommendations of his report. Mr. O'Connor, on page 62, states that:

> Now that a Food Controller has been appointed and very close co-operation established between that official and this branch of this department, I consider myself relieved from the making of any suggestions as to the amelioration of conditions as I may find and disclose them, deeming that the function of action concerning food prices and food conditions, as distinguished from that of investigation, is now his to perform, and that any recommendations of mine, even though valueless, or because so, might prove embarrassing. He will be furnished with a copy of this report, and all data secured on the investigation or to be secured will be (as he has requested, and

as you as minister have directed) will be at his disposal.

I assume that when Mr. O'Connor made this report he felt that he was not in a position to make recommendations for the amelioration of the conditions which he was investigating for the reason that immediately before making his report a food controller had been appointed who would have absolute authority to regulate prices. If the minister does not know whether the food controller has these powers, and if this report has not been transmitted to him, the work of the commissioner is absolutely valueless. I would like to ask the minister what he proposes doing in this regard? Surely he does not mean that his commissioner shall do work that is unproductive and useless to the nation? The report has been before Parliament for some weeks, and surely that report has come into the hands of the food controller for action.

Mr. SPEAKER: I would like to remind the hon. gentleman (Mr. A. K. Maclean) that the minister (Mr. Crothers) has exhausted his right to speak.

Mr. A. K. MACLEAN: My hon. friend, the Minister of Labour may speak with the consent of the House, and I am sure there will be no objection to his again having an opportunity to speak. I have one other word to say before the minister rises to make any reply. This report has made it abundantly clear that this second investigation is absolutely unnecessary and purposeless. Mr. O'Connor has made it very clear in his report that he did not attempt to find what were the net profits of those engaged in connection with the food products which he has had under investigation. He makes it much clearer than I thought he had—my information was largely from the newspaper summaries of the report that he was dealing merely with the margin between the buying and selling prices. He recommends that to ascertain what were the actual net profits an accountant be employed. That is a very fair recommendation, and with the assistance which in this particular case the William Davies Company could render the accountant the whole matter could be closed up, I would imagine, in the course of a few days. Therefore, as the hon. member for Pictou (Mr. Macdonald) and the hon. member for Edmonton (Mr. Oliver) pointed out, a commission seems to be absolutely unnecessary and serves no good purpose; it means an expenditure of money by the country and delays action on the part of the

minister or the food controller. I think the minister should rescind the appointment of the commission by the Government. It is not too late for him to recall the appointment. All the information could have been secured by the appointment of one cost accountant. I submit that the minister has not justified the appointment of this commission. It seems to have been appointed to suit the purposes of one of the manufacturing concerns whose business operations were the subject of investigation by Mr. O'Connor. They seem to have demanded it and the Government seem to have acceded to their request, but I say that there was no reason or purpose in doing so.

Mr. CROTHERS: Mr. Speaker—

Mr. SPEAKER: By the unanimous consent of the House there can be no objection to the courtesy being extended to the minister of a reply; but if there is any objection it is not competent for him to speak again.

Mr. CROTHERS: I do not desire to take up any time, especially at this late hour. The hon. member for Halifax (Mr. A. K. Maclean) is labouring under a misunderstanding. I do not think he was here when I spoke about clause 6 of the order in council passed last year which authorizes a further examination by an examiner or examiners under oath, the production of books, and so on. My hon. friend will find that the men whom he calls the commission were appointed by reason of clause 6 of the order in council.

Mr. A. K. MACLEAN: That is the authority for the appointment. I ask, why was not the matter further investigated by Mr. O'Connor?

Mr. CROTHERS: Mr. O'Connor recommended that an expert accountant be got for the purpose.

Mr. A. K. MACLEAN: But not a commission.

Mr. CROTHERS: We do not call these commissioners; they are examiners. Messrs. Brodie and Clarkson are two of as expensive men as you can find in Canada. They, like Mr. Henderson, are working for nothing, as a contribution. Does my hon. friend suggest that these three men will waste time in order to delay the report? No, they will go through the books as expeditiously as possible, and they are doing so now.

Mr. ROSS: May I ask a question?

Mr. SPEAKER: The minister has exhausted his right to reply, but by courtesy he has been allowed to continue. That courtesy cannot be extended indefinitely because the rules are quite specific.

Mr. ROSS: I want only to ask a question.

Mr. SPEAKER: The hon. member is quite within his rights in asking a question, but the minister is not permitted to answer it.

Mr. ROSS: He was still speaking when I arose.

Mr. SPEAKER: He was not speaking, he arose to reply to a question by courtesy. The minister spoke this afternoon.

Mr. ROSS: I can speak with the minister on another occasion.

Mr. CROTHERS: Any time.

WIDENING OF PRINCE EDWARD ISLAND RAILWAY.

STEAMERS BETWEEN ISLAND AND MAINLAND.

Mr. J. J. HUGHES (Kings, P.E.I.): Mr. Speaker, I was very much disappointed this afternoon at the answers of the Minister of Railways and Canals (Mr. Cochrane) to the questions I asked him. I feel satisfied that the people of Prince Edward Island will also be much disappointed. The minister seems to lack knowledge in regard to transportation conditions between Prince Edward Island and the mainland, and in regard to the quantity of produce that should be moved from that province to the mainland, and the very short period of time, under present conditions, given to the people to move it. Previous to 1911 we were making some progress in the improvement of our transportation facilities. A company having a small subsidy of $12,000 a year had supplied two very efficient steamers to carry on the trade in the summer season, and the Government had provided two very capable ice-breaking steamers to do the work in the winter season. Shortly after the present Government came into power they undertook to change these conditions and to improve the system, which had not been giving entire satisfaction. They decided to establish the car-ferry system, that is to provide a steamer to carry loaded cars between the island and the mainland. We were told that this could be finished in two years, and that then the Prince Edward Island Railway would be standardized to conform with the gauge of railways on the mainland so that cars could be loaded at the point of shipment and carried right through, loaded to the point of destination. This would avoid the heavy charges and delay caused by the double transfer of freight between car and boat. This promise of standardizing the gauge was repeated by the Government year after year. Considerable delay was experienced in the building of the terminals, but we were looking forward to improvement when they should be completed. In this expectation the people of the island submitted without protest to the sale of the two winter steamers to the Russian Government. It was pointed out too that it was for war purposes, and we were willing to submit to a good deal if it was to the advantage of the Allies in the great conflict. We were thus asked to make a greater sacrifice than any other province was asked to make, and we submitted without a murmur.

When the contract with the company to which I have referred terminated, the Government did not renew it, and they allowed one of the steamers, the better one, owned by the company, to be sold and to leave the service altogether. The Government bought the inferior one and kept her in the service. We are told by the Minister of Railways that the Government has no intention whatever of proceeding with the standardizing of the Prince Edward Island railway. He has not even stated that it would be undertaken at some time in the future, he held out no hope whatever. The car ferry will be of little or no use to the people of that province, until the gauge on the Island railway is widened, made to correspond with the gauge of the railways on the mainland. We will still have to transfer from car to car, and again from car to car, which will be no improvement over the former system, when we had to transfer from car to steamer, and from steamer to car. The minister intimated that we might not even have the use of the steamers now plying between Summerside and Point du Chêne, and the small steamer plying between Charlottetown and Pictou, once the car ferry comes into operation. If these steamers are taken off, and if we have to depend entirely on the car ferry under the conditions I have pointed out, transportation will be practically tied up altogether, and the people of Prince Edward Island will not be able to market their produce this fall. One of the great advantages of having the gauge of the Prince Edward Island railway widened would be that we could get refrigerator cars in which to load our perishable products, and therefore they would be comparatively safe during the month of Novem-

ber, thus extending the period of shipment. With the narrow gauge railway, we shall be obliged to ship to the terminal points in the ordinary cars, subject to frost and rot, but chiefly subject to frost, and subject to all the conditions that may be occasioned in that way. Last season a very large quantity of potatoes were frozen in transit, just because of the conditions that I have pointed out, and these potatoes were a total loss, to the shipper in most cases. And it was an ordinary season. The railway protects itself, because it provides on the bill of lading that it will not be responsible for frost, and the shipper has to take all the risks. The minister this afternoon stated that one of the objections to widening the gauge of the railway was that the bridges would have to be strengthened. Surely that objection could have been raised at any time during the last five or six years, just as well as it can be raised now. The minister must have known that the bridges would have to be strengthened when he gave the promise time and again that the gauge of the Prince Edward Island railway would be widened. If the steamer plying between Summerside and Point du Chêne and the small steamer plying between Charlottetown and Pictou be taken out of the service, it will be simply impossible to handle the freight at any one particular point. Last year we had two steamers working at Charlottetown, the car ferry and the Stanley.

We had also the Northumberland at Summerside and yet the congestion of freight was so great, and these perishable products were kept waiting so long, that they were destroyed. They were in bad condition even before the frost arrived. They were weeks on the road. The steamers could not take them across to the mainland, and finally when they were taken over it was so late they were caught by the frost and lost completely. Last spring the Minister of Trade and Commerce and the Minister of Finance advised the people in every way they could to increase production, that it was very important under the conditions in which we find ourselves to-day that the food production of the country should be increased by every possible means. The farmers of Prince Edward Island took that advice to heart, and this year the acreage under roots is much larger than it has been for many years. The crop looks well; the prospects are good, but what is the use of producing if you cannot get to market? Under these circumstances, the widening of the gauge of the Prince Edward Island railway might be fairly classed as a war measure. Food is essentially necessary for the European countries now at war with Germany. Therefore production is most important in this country. The farmers of Prince Edward Island have done their share, but if the service is to be tied up and our produce is not to be carried across the Northumberland straits, what excuse can the Government give? I know the time is short. Not much can be done this year, but at least an effort can be made to do something, and the Government should give a definite promise that the steamers the Northumberland and Arranmore will be kept in the service between Prince Edward Island and the mainland, and that all the assistance which the Government can give will be given to the people of that province to move their products this year. The Government, however, will not, and the Minister of Railways does not, give that promise; they hold out no hope whatever. The Minister of Railways seems to take the attitude, when you speak to him on a business question in the ordinary affairs of parliamentary life, that you are offending him. He gives that impression. He has an irritable disposition and becomes apparently offended right off, and almost offensive in his remarks. Perhaps he does not feel that way, but it is unfortunate when we have business to transact with him in this House. The Prime Minister and the Minister of Railways have given the excuse that money is scarce in these serious times, and when we are at war we must economize, and that is given as a reason why the standardizing of the Prince Edward Island Railway has not been undertaken. But only a few days ago $3,000,000 was voted for some work on the Hudson Bay railway and for terminals at Port Nelson. That is not an urgent matter. I doubt very much if the terminals at Port Nelson will ever be any good. My firm conviction is that all the millions which have been spent and the millions which will be spent at Port Nelson will be thrown away. At any rate, that project can wait for a little while, but the matter to which I have drawn attention is very pressing and cannot wait, without inflicting great injury and great loss upon the people of the province from which I come, and to some extent loss upon all the other provinces as well. I think this question is of greater importance and advantage to the people of Canada as a whole than the question of purchasing the Quebec and Saguenay railway.

Mr. GRAHAM: I guess you are right about that.

Mr. HUGHES: I do not know that there is any particular work for the Government to do once they take possession of the Quebec and Saguenay railway. It is certainly not going to carry any produce from Quebec to the Labrador coast or to the more settled portions of Canada. If we are short of money, as no doubt we are, that is a railway that might very well wait while we proceed with things that are of far greater importance and far greater urgency, and, at the same time, carry out the promise of the Government. The Minister of Railways does not seem to be much exercised over the fact that the Government repeatedly made promises in regard to this matter. Now he deliberately throws the project to one side. The large expenditure that has already been made in the building of a car ferry steamer and of the expensive terminals at Cape Tormentine and at Point Borden, will be of little use unless the whole work is completed. I make this statement to-night in the hope that it will reach other members of the Government, the Prime Minister and the Minister of Trade and Commerce (Sir George Foster) who, I think, would possibly take a little more interest in this matter than the Minister of Railways appears to take. This is one of the things that the members supporting the Government and the senators and all representatives from Prince Edward Island should take up with the Government; they should not allow it to go on in this way. The matter is so important to the whole of the people of that province that the Minister of Railways should not dismiss it in the cavalier manner in which he put it to one side this afternoon.

I see the senior member for Queen's county (Mr. A. A. McLean) in his seat. I know that he took a deep interest in this matter some years ago. I remember his stating at a meeting that the whole work would be completed within two years from the time that it was commenced. The hon. member may have honestly thought so at the time, but now five years have passed, and the work is not yet finished. The members from Prince Edward Island should not allow this matter to rest where it is at present. We shall have at least 3,000,000 bushels of potatoes to dispose of this fall, to say nothing of cereals and other products of various kinds. We have very valuable fisheries but we cannot develop them properly until we are able to ship in cold storage, or in refrigerator cars; and this we cannot do until the gauge of the Prince Edward Island railway is widened. What has already been done is of no use whatever until the whole project is completed. The transportation facilities that we formerly had have been upset; communication is not as good now as it was some years ago, in consequence of the disarrangement that has taken place. It will remain that way until the gauge of the railway is made to correspond with the gauge of the line on the mainland, and until we can ship right through from the point of production to the point of destination. I shall be pleased to hear from the snior member for Queens county on this subject; perhaps he knows something about it which he would wish to state to the House.

Mr. A. A. McLEAN (Queens, P.E.I.): I have listened with interest to the remarks of the member for Kings county (Mr. J. J. Hughes) in this matter. I find that he disagrees with the member for Pictou (Mr. Macdonald). The member for Pictou a day or two ago expressed the view that it was not necessary to have the gauge of the Prince Edward Island railway widened; he thought that the matter should be left over until after the conclusion of the war. So that two hon. gentlemen who were supporting the Liberal Government for many years and who never did anything in the matter, differ on this subject. Now that the work has been initiated by the present Government, the member for Kings comes before this House and finds fault. I regret as much as any man that the war has come on and that this work has been stopped. I did all I could to induce the Minister of Railways and the Government to proceed with this work. I am told, however, that the cost of the war is so great and the money stringency so pressing that it is impossible to go on with these large public works. Since 1912, when the Government initiated this work, a terminal has been built at Cape Tormentine for this car ferry. The Government purchased the New Brunswick and Prince Edward Island railway, at great expense. They built on the Prince Edward Island side of the Straits of Northumberland a great public work to receive the traffic between Cape Tormentine and Prince Edward Island. They purchased a car-ferry steamer, the Prince Edward Island, at an expense of between $800,000 and $900,-

000. This boat has done great service to Prince Edward Island; she has kept up communication better than any boat we ever had. It is true that the communication was between Pictou and Charlottetown. I do not cast any reflection upon the port of Pictou, but I think that when the terminals are completed between Cape Traverse and Carleton Point and Cape Tormentine, we shall have a better service than has been had between Pictou and Prince Edward Island.

The hon. member states that the work which has been done is of no practical value, owing to the fact that the gauge of the railway has not been standardized. I do not agree with him in that. I believe that the promise made by the present Government in 1912 that they would finish this great public work will be carried out. But we must take into consideration the present money stringency; we must take into consideration the fact that a war is on, and that every cent that Canada can obtain from all the various resources at her disposal is being used for war purposes. We must remember, also, that great public works have been stopped. The works on the Welland canal and on various other undertakings throughout Canada have not been proceeded with actively. I understand that a very small sum of money is being used to keep up the work on the Hudson Bay line. The amount now being devoted to that work is infinitesimal compared with the total amount necessary to complete it. I have urged on the Government right along the necessity of at least partially completing this work by standardizing the road between Charlottetown and Carleton Point and between Summerside and Carleton Point. I think that that is all that is necessary at the present time. Different boards of trade in Prince Edward Island have made representations to the Government to standardize the gauge of this portion of the road. I understand the amount to be expended in that work would be only about $250,000. If we can show the Government that the gauge of those portions of the road can be standardized for that comparatively small amount of money, the Government would probably go on with the work. Neither I nor my colleagues have been idle in making representations to the Government to undertake that work. I can, of course, see that if an election comes on, the hon. member for Kings, P.E.I. (Mr. J. J. Hughes) will have a great big flag to

[Mr. A. A. McLean.]

wave; that he will say that the work which the Government has undertaken has fallen through, and that it will never be proceeded with. That will be his cry.

Mr. J. J. HUGHES: The hon. member is obsessed with the nightmare of an election.

Mr. A. A. McLEAN: There is no justification for a contention of that kind. Considering all the circumstances, this Government have done very well by Prince Edward Island in this respect, and I do not find any fault with them. But if a small amount would complete that work in order to move the great crop which is in the province this year, and which I understand will be double the crop that was produced last year—and that was a great crop—the Government would be justified in spending the small sum of $250,000. I will ask the Minister of Militia (Sir Edward Kemp) to report to the Minister of Railways that this work should be done and to use his influence with the Government in order that this small expenditure be made so that the business of the province may be facilitated. The business there is almost equal to that of New Brunswick and equal, so far as many products are concerned, to that of Nova Scotia.

Mr. J. J. HUGHES: Why does not the hon. member go to the Minister of Railways instead of sending the Minister of Militia to him? The Minister of Militia is a very busy man and, not knowing the circumstances, he could not present the case as well as my hon. friend, who knows all the local conditions.

Mr. McKENZIE: The Minister of Militia could take the local force with him.

Mr. J. J. HUGHES: Why does my hon. friend send a deputy?

Sir EDWARD KEMP: I think my hon. friend, when speaking, intimated that he had already impressed upon the Minister of Railways—

Mr. J. J. HUGHES: And he gets nothing.

Sir EDWARD KEMP—the importance of the project, and I will draw the attention of the minister to the very important debate that has taken place regarding this matter.

Mr. McKENZIE: The hon. member for Queens, P.E.I. (Mr. A. A. McLean) wants the point of the bayonet to be used.

Motion agreed to.

SUPPLY.

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

Militia and Defence — Allowances, active militia corps, $80,000.

Mr. MACDONALD: While many orders for returns have been issued during the last three months in regard to this important department of Militia, the minister has not brought down any of those returns except the one that he brought down to-day relating to the expenditure on a site in British Columbia. It is usual, before Supply is obtained, that information of that kind should be given, and I am rather surprised and disappointed at not receiving it. While no one on this side of the House desires to obstruct the passage of the minister's estimates, the minister owes it to the House to bring down those returns. Time after time, there have been placed on the Order Paper questions that might easily be answered by the department through the minister, and the minister has said: "Stand as order for return," and that is the last we see of the information. That is hardly a courteous way in which to treat hon. members of this House in regard to matters concerning an important department.

Sir EDWARD KEMP: Will my hon. friend let me know, if he can, any particular return he desires in reference to the militia estimates?

Mr. MACDONALD: The minister has sufficient officials in his department to look after these returns. Some time ago, I started to make up a list of them, and I found many that had been entirely disregarded. The secretary of the department is, I assume, the official to whom these matters go. Is the House to understand that when orders for returns are issued, they are not to be obeyed at all, and that when the question is brought up, we are to be asked what particular one we want before the others. We want them all, and that is what we are entitled to have.

Sir EDWARD KEMP: The questions that have been asked of the Department of Militia and Defence are perhaps as numerous as those asked of all the other departments put together, and the information asked for has been forthcoming with the greatest possible celerity. There are a few returns that are not yet ready but that will be ready shortly. I placed a return on the table of the House to-day, and I shall be able to place several more on the Table to-morrow. My hon. friend is not right in stating that no returns that have been asked for have been laid upon the Table.

Mr. MACDONALD: Will the minister give the dates?

Sir EDWARD KEMP: I cannot give the exact day or month, any more than my hon. friend is able to give the information asked of him; but there have been returns laid on the table of the House.

Mr. MACDONALD: Not since we met after the adjournment in February.

Sir EDWARD KEMP: I am under the impression that not a single return which has any reference to the militia estimates and which has been asked for, has not been laid on the table of the House.

Mr. MACDONALD: The minister will recall that it was distinctly understood that, in order to facilitate the departure of the Prime Minister in February, when the militia estimates came up, any matters in reference to the appropriations for the war could be discussed. I assume that the minister is aware of that. How many officers in uniform are employed in and around the Militia Department on staff and other duties?

Sir EDWARD KEMP: The officers on the Headquarters Staff are the Inspector General of Canada, Quartermaster General, Chief of General Staff, Adjutant General, Master General of Ordnance, Judge Advocate General, Director General Engineer Services, Director General of Mobilization, a Director General Medical Services, Director General Supplies and Transport, Director General Clothing and Equipment, Director General of Musketry, Assistant Adjutant General (2), Assistant Adjutant General (1), Military Secretary, Director of Artillery, Director of Stores, Chief Inspector of Small Arms, Director General Works and Buildings, Director of Military Training, Assistant Paymaster General, Director of Military Operations, Assistant Director of Supplies and Transport, Officer for Imperial Staff at War Officer, a/Officer i/c Stores Audit, Deputy Assistant Adjutant General, Assistant Director Engineers Services, Assistant Director Military Intelligence, Assistant Director Military Surveys, Assistant Director of Signalling, Chief Instructor of Musketry, Staff Office to Inspector General.

Mr. MACDONALD: And the non-commissioned officers?

Sir EDWARD KEMP: About 175 military clerks and 75 orderly clerks.

Mr. MACDONALD: Are these men on service pay?

Sir EDWARD KEMP: They are paid according to their rank in the militia. They form part of the Permanent Force and receive the allowance paid to members of the Permanent Force.

Mr. MACDONALD: They are not really in the Civil Service, but are treated as on active service and are paid accordingly?

Sir EDWARD KEMP: Yes.

Mr. MACDONALD: How many of them are returned soldiers?

Sir EDWARD KEMP: I cannot give the exact number, but it has been our policy to employ as many returned soldiers as possible. Whenever a vacancy occurs we seek out a returned soldier. A great many of the men on the staff are not physically fit for overseas service.

Mr. MACDONALD: Perhaps the minister would let me know how many of them are returned soldiers when his estimates are up again.

Sir EDWARD KEMP: I shall be glad to.

Mr. A. K. MACLEAN: Will the minister also inform me when next his estimates are up, how many men are employed at Halifax on the Headquarters Medical Staff, and everything of that nature?

Sir EDWARD KEMP: I shall get that information for my hon. friend.

Mr. McKENZIE: In the county of Cape Breton we have very large coal, iron and steel industries, all contributing essentially to the production of munitions in this country. Right at the coal mines is the landing place of one of the Atlantic cables, and on account of that it has been necessary to have a home guard regiment right in the town of North Sydney and at Sydney Mines. It has done excellent work, and has been instrumental in maintaining good order in that vicinity. A large number of foreigners are employed at these mines and steel works, and I have reason to believe that we might have difficulty with these men if the regiment were not stationed there all the time. That is one of the chief reasons why the 94th Regiment has been kept there. That regiment has also been an excellent medium for sending men to the front, over 600 men and some excellent officers having gone forward from time to time. There is quite a large number of this regiment left, some at Louisburg, some at Glace Bay, some at North Sydney and some at Sydney Mines, defending the Marconi towers and other works. What I wish to bring particularly to the attention of the minister is that these men are complaining of the pay they receive. Many of them are heads of families and are getting only $1.10 a day. These men are doing a good service for their country, although they are not at the front, and it is almost impossible for a man to support his family on $1.10 a day. in view of the present cost of foodstuffs. I think the minister should take this into consideration and endeavour to get better pay for these men, who are rendering excellent service to their country.

11 p.m.

Mr. EDWARDS: All they get is $1.10 a day?

Mr. McKENZIE: That is all they get.

Mr. NICKLE: They get subsistence allowance as well.

Sir EDWARD KEMP: Married men get $1.10 a day and 45 cents subsistence allowance.

Mr. McKENZIE: Even that is small pay under present conditions.

Sir EDWARD KEMP: Yes, it is.

Mr. DOUGLAS: I wish to draw the attention of the minister to a matter concerning the pay of the men enlisted in the Forestry battalions. I understand that special pay has been given to men with special qualifications in these battalions, such as sawyers, millwrights, saw filers and so on. They enlist as privates, but if they are doing sawmill work or expert forestry work they receive extra pay. I believe the rates of pay are as follows:

	Per Day.
Sawyers	$3.00
Millwrights	3.00
Saw filers	2.25
Edger men	2.25
Engineers	2.25
Log setters	1.75
Cooks	1.75

They are promised this pay when they enlist in these Forestry battalions, but once they draw this pay the Patriotic Fund is cut off from their wives and families. Is that action taken by the Militia Department or is it by the local organization of the Patriotic Fund.

Sir EDWARD KEMP: I cannot speak as to the correctness of my hon. friend's

figures, but I have no doubt that what he says is right. Extra pay is given to certain classes of experts who join the Forestry battalions such as saw filers and those whom my hon. friend has named. He states that for that reason the administration of the Patriotic Fund withhold the allowance and give it to those who do not get that extra pay. The Government have nothing to do with the administration of the Patriotic Fund. It is a voluntary organization and I could not speak with authority as to what the Patriotic Fund Association do with regard to withholding the allowance from the few men who get extra wages.

Mr. DOUGLAS: The minister must recognize that some action must be taken by the Militia Department or the Patriotic Fund administration would not know that these men get this extra pay.

Sir EDWARD KEMP: Any information in regard to the families of soldiers is readily given to the Patriotic Association by the department and vice versa.

Mr. DOUGLAS: The claim made in regard to this special work of the Forestry battalions is that these men have more arduous duties than the ordinary private or non-commissioned officer. Their hours are longer and they are called upon to do much more expert and arduous work than the private soldier getting $1.10 a day with separation and Patriotic Fund allowances. Quite a number of complaints have come from men who have been induced to enter these Forestry battalions on the understanding that, on account of the expert nature of the work, they would get added pay. When they found that the Patriotic Fund allowance was withheld from their wives and families they naturally felt aggrieved. I quite understand that the department has nothing to do with the administration of the Patriotic Fund but if these men were induced to enlist under false pretenses I do not think the department can shirk the responsibility.

Mr. NICKLE: I am one of the Central Executive of the Patriotic Fund and the proceedings are along this line: various standard allowances in different parts of Canada were determined upon as being such as to meet the requirements for reasonable subsistence. The men who received special pay in Forestry battalions were required to show what this amount was and if the total amount that they were receiving with respect to the work they were doing did not exceed what was considered a reasonable subsistence allowance the Patriotic Fund supplemented the money that the men were receiving, but if they were earning in connection with their work an amount which equalled a reasonable subsistence allowance the Patriotic Fund did not contribute. Whether or not there was any misrepresentation I cannot say, but it has been well understood for some time that no Patriotic Fund money would be paid where men were receiving more than what was reasonably necessary for subsistence.

Mr. OLIVER: I would like to point out in this connection that there is quite clearly a misrepresentation to the men. A man is engaged as a sawyer. He is to get extra pay but if the patriotic allowance upon which he depended for his family is cut off then there is misrepresentation to him for which the Militia Department will have to be held responsible. I hope this Parliament will not agree to a juggling between the Patriotic Fund and the Militia Department to deprive a man who has enlisted in good faith to render special services of the allowance that he had every reason to believe he would get upon his joining. If he renders the service he is entitled to the pay. This is an agreement between the man who enlists and the authorities and that agreement should be carried out.

Mr. EDWARDS: How much was each man promised by the Patriotic Fund?

Mr. OLIVER: I do not know.

Mr. EDWARDS: Of course not; it would be impossible to answer that.

Mr. OLIVER: It is not impossible to answer but I do not happen to be familiar with the grant. Unless the Patriotic Fund is considered to be an established grant supplementing the separation allowance there is a misunderstanding in regard to the rights of those who enlist. That being the case, the man enlists on the understanding that his family is going to get so much separation allowance and so much from the Patriotic Fund.

Mr. EDWARDS: No.

Mr. OLIVER: My hon. friend has not enlisted. That is the understanding of those who enlist, and they have the right when they enlist to have that understanding. If those who control the Patriotic Fund say that is not the understanding then I say they are juggling with the men and are not treating them fairly. If the Militia Department is a party to that transaction

it is not doing its duty towards these men and it is not doing the country any credit.

Mr. DOUGLAS: For special service, such as forestry work, inducements are held out to expert men to join on the understanding that they will get this added pay and their separation allowance as well as participation in the Patriotic Fund. I have seen dozen of appeals made to men in Edmonton asking them to join and holding out this inducement to them. These men leave expecting that their wives and families will benefit by this fund but after they get to England they find that the allowance is cut off. Sometimes they do not know it for months. I quite concur in what my hon. friend from Edmonton (Mr. Oliver) says—these men are enlisted under false pretenses. I do not know whether the Militia Department is to blame, but I think there has been a misunderstanding and if so the matter should be righted.

Sir EDWARD KEMP: I do not recollect having seen any complaints from any of the thousands of men enlisted in the forestry battalions in regard to this matter. My officers do not remember having received a complaint. I do not doubt that my hon. friend is correct in his statement, but no complaint has come to the attention of the department, so far as I know. The assigned pay, separation allowance and pay of a soldier are matters for which the Government is responsible. The Patriotic Fund is a voluntary organization whose practice is to supplement the pay and allowance given to the families. I am informed it is extended only to those who need a supplementary allowance, and in proportion to their needs. No soldier's family that did not need this extra allowance would make a claim upon the Patriotic Association. If they did, they should not get an allowance.

Mr. DOUGLAS: The minister knows that a complaint is not likely to be made by a private soldier, under military rules. The position of the Patriotic Fund is, of course, as the minister states, but the fact remains that these recruiting officers induced men to join under false pretenses by giving them to understand that if they joined the Forestry battalions as experts they were to get $2.25 per day, and their wives and children were to receive the allowance from the Patriotic Fund in addition.

Mr. OLIVER: Who is to judge of the needs of the man and his family?

[Mr. Oliver.]

Sir EDWARD KEMP: The local branch of the Patriotic Fund Association who are in a position to ascertain the condition of each family.

Mr. OLIVER: Surely the best judge of the needs of the family is the man himself, and if he enlists on the understand ing that he is to receive certain extra pay, surely that understanding should be lived up to. It is not creditable to either the Patriotic Association or the Government that there should be any juggling between the Government and the Patriotic Association to mislead a man and deprive him of what he believed was to be given to him.

Sir EDWARD KEMP: So far as my knowledge goes, there has never been any attempt to juggle in respect to the Patriotic Fund. It was organized by public-spirited citizens to take care of the families of men who enlisted, and money was contributed liberally. The representatives of the association have kept in close touch with the families, their homes have been visited, their children have been cared for. The association has stood to them in the relation of a guardian. There has been no attempt to juggle, and there has been very little complaint respecting the administration of the Fund.

Mr. EDWARDS: The only attempted juggling in connection with this matter has been on the part of the hon. member for Edmonton (Mr. Oliver). Although he has kept himself in splendid practice along that line for some weeks or months past, he has made a mighty poor fist of his attempt at it to-night. He knows and the people know that the Government has nothing whatever to do with the Patriotic Fund. A recruiting agent asks a man to enlist. He has a right to tell that man that he will get certain pay from the Government and a certain separation allowance, a definite amount. He may tell the man that, even though he might be in a forestry battalion, he would have a claim on the Patriotic Fund if his necessities required it. That was all. But in regard to that, or any other statement of the kind, the Government is not responsible. The fund is administered through the local boards in the different counties. In my county of Frontenac the reeve of each township is the man who will best know the rights of any case where a call is made on the fund. Some families will get a certain amount per month, others in the same township will

get twice as much, because their need is twice as great. The fund has been long enough in existence to have people understand that it is administered quite independently of the Government. The Department of Militia has nothing whatever to do with it. I think it is entirely useless for the hon. gentleman from Edmonton to try to make out that the department is responsible for it.

Mr. OLIVER: I will make another attempt. It is a fact that the agent of the department secures the enlistment of the men. It is on the representations made by the agent of the department that the man enlists. This man enlists, not as a matter of charity, but as a matter of business. These men are experts and enlist for pay, as well as for the benefit of their country. They are given definitely to understand that they are to receive pay because of their expert ability, and after they have enlisted, according to the statement made by the hon. gentleman from Kingston, the Patriotic Fund Association goes into the matter and if this man's extra pay is greater than the allowance his family would receive from the Patriotic Fund, his family does not get anything from the Patriotic Fund, and he, therefore, does not get any allowance whatever for his expert ability which the Government is getting the benefit of, and which they hired him for the purpose of getting the benefit of.

Mr. NICKLE: I made myself anything but clear, if my hon. friend so understood me. What I endeavoured to say was this: in each district throughout Canada there is a determination by the Patriotic Fund as to what amount is reasonably necessary to meet living expenses. If a man enters into a contract with the Government for special pay from the Government, in addition to his military pay and allowances, he gets that special pay. The contract with the Government is respected in every detail, but if the amount he receives from the Government, as special pay or otherwise, is in excess of the amount that is decided throughout Canada as being reasonable by the Patriotic Fund for subsistence in each district, then the Patriotic Fund does not supplement in any way what the Government gives, but it has no power to take, nor does it intend to take, anything from what the Government has directed to give the man.

Mr. OLIVER: It comes exactly to what I said.

Mr. NICKLE: Not at all.

Mr. OLIVER: That the expert man in a Forestry battalion in the end gets no more than the man who is not an expert.

Mr. NICKLE: Not at all.

Mr. OLIVER: That is absolutely the hon. gentleman's calculation, and that is the complaint my hon. friend (Mr. Douglas) makes.

Mr. NICKLE: The Patriotic Fund might give to a wife and family $10 a month in excess of ordinary pay. Take a private getting $1.10 a day and $20 separation allowance, if the man got $3 a day extra, that would be $90 a month; the Patriotic Fund could not deprive him of any part of that $90. He would still get his military pay and allowance, and the extra $3. I am taking that as an illustration. They can in no way take from him what the Government directs that he should receive. They would simply say, "You are getting more than the Patriotic Fund was granting to those similarly situated," but the Patriotic Fund will not supplement the amount. The man might get more from the Patriotic Fund in certain circumstances than the other man.

Mr. OLIVER: He might and might not.

Mr. NICKLE: It depends on the obligations.

Mr. OLIVER: But the principle is that the man who enlists for special pay, so far as the Dominion Government is concerned, is deprived of that extra pay by reason of the withdrawal of the Patriotic Fund, and the man who has no expert knowledge, as far as that is concerned, stands on an equality with the man who has expert knowledge. If the Government had no knowledge of that before, they have knowledge of it now, and if they have no co-operation with the Patriotic Fund, I say, for the sake of their own good faith, they should co-operate with it in that matter, and the authorities of the Patriotic Fund should know that they did make such and such a bargain with this man, and that the necessities of a family are to be governed by that bargain, and not by the views of the officers of the Patriotic Fund, who apparently pay no regard to the direction that has been made.

Mr. DOUGLAS: I know a case in point, bearing out what the hon. gentleman has said, of a man who enlisted, who had a wife and two children. Before he became a log setter he was getting $1.10 a day,

which is $34.10 a month, $22 a month from the Patriotic Fund, and $20 separation allowance, making $76.10 a month. With the extra pay he got at the rate of $1.75 a day, his pay came to $54.25, separation allowance $20, which gave him $74.25 per month, and he actually was getting less as an expert than he was getting as a private soldier drawing pay from the Patriotic Fund.

Sir EDWARD KEMP: I think it will be very desirable if any member with knowledge of such facts would draw the attention of the Patriotic Fund Association to them. That is an immense organization which does a great deal of good, and they are not trying to shirk their responsibility at all. They desire to act fairly with every family. I would ask my hon. friend, if at any time he has a family in mind, who, he thinks, are not being paid, to bring the matter to the attention of the hon. secretary of the association, Sir Herbert Ames, who sits in this House, or any officer of the association, and they will be very sympathetic in the matter.

Mr. DOUGLAS: Sometimes men do not care to go to the Patriotic Fund and state that their family requires the money. Here is a man who left a wife and two children and they are drawing $74.25. That is pretty fair remuneration, but that is not the point. He joined on the understanding that, as an expert log setter, he would get $1.75 a day and $20 a month separation allowance, and that his wife would participate in the Patriotic Fund, which he does not look upon as a charity at all, but simply as a part of his pay—he has been given to understand that in our province at least, I do not know what has happened in other sections. In our province, the Patriotic Fund money has been held out as an inducement, just in the same way as the pay and separation allowance has been held out, and he has been induced to enlist on that understanding, and he does not consider he is getting any charity when he is drawing $22 a month for his wife and two children from the Patriotic Fund.

Mr. McKENZIE: I wish to call to the notice of the minister, in view of the discussion we had about those different allowances, that in the case which I brought to his notice the man does not get anything from the Patriotic Fund or from the Red Cross for separation allowance.

Sir EDWARD KEMP: They get an allowance in lieu of separation allowance.

[M. Douglas.]

Mr. McKENZIE: I was not aware of that. The minister did not answer my request on behalf of these men, and I hope that, either now or when the matter comes up again, he will promise to give some consideration to it. It has been brought to my notice, and I should have brought it up in the House long ago, but was waiting for this opportunity to do so. I wish to impress upon the minister that the moneys these men get are not enough to support their family and themselves under present conditions.

Mr. MACDONALD: If the minister would pass all but one item on this page with which we are now dealing, and adjourn—

Sir EDWARD KEMP: I sympathize with my hon. friend in his request. I may say we tried to proceed on Friday last, and my hon. friend from Pictou asked to let the Estimates stand, and we got on late this evening. We could leave one item open, so that we could discuss any matter.

Mr. MACDONALD: I was assuming my hon. friend is coming back to-morrow.

Sir EDWARD KEMP: Yes.

Mr. MACDONALD: There are certain explanations we must get to-morrow. I was only suggesting we should adjourn.

Sir EDWARD KEMP: My suggestion is that we leave one item on page 49 upon which we may later discuss anything.

Mr. GRAHAM: How many officers have we now in Canada in charge of the work of securing recruits for home defence, how much money is that work costing per day, and how many recruits have been secured through the efforts of those officers during the past month? A gentleman placed a case before me the other day; whether it was imaginary or real I should not like to say, but I think that there was some realism in it. He said that a widow came to him who had $100 which she wished to invest in a war savings certificate. She asked this gentleman, who was a friend of hers, what the Government would do with her $100. Well, he said, Colonel So-and-So will get $12 of it, Major So-and-So gets $8, Captain So-and-So a further amount—he gave a list of the names. He found that without going outside a radius of about five miles, the old lady's entire $100 would be taken up in allowances to officers who, to all appearances, were not doing any work; they were attending to their ordinary business every day. If that be the

case, my hon. friend has a chance to effect a great economy in that direction.

The Kingston Whig charges that two officers in Kingston—their names, if I remember correctly, were Brown and Wilson—are being retired to make way for political friends of the Government. Will the minister be prepared to give us a statement tomorrow with regard to this? I think the suggestion is reasonable that we pass one or two items and leave the rest. We will pass the first two items.

Sir EDWARD KEMP: The officers of the Canadian Defence Force are also employed for the purpose of recruiting in the Canadian Expeditionary Force, and have done a good service. Some men who enlisted in the Canadian Defence Force have gone over to the Canadian Expeditionary Force. These officers are being gradually let out. After to-morrow none of them will be getting pay.

Mr. GRAHAM: This gentleman was probably right, then.

Sir EDWARD KEMP: Sometimes there is an impression that because a man in uniform does not work with his hands, he is not doing anything. As to the officers at Kingston, I saw that item in the paper. There is absolutely no politics in the matter at all; the article is incorrect in more ways than one. A number of officers throughout the country are being let out now. Both officers to whom my hon. friend refers are employees of the Inland Revenue Department and have been drawing their full salaries from that department with military pay since the early days of the war. The services of quite a few officers in different parts of the country are not needed now as much as they have been hitherto in the work of recruiting. We are trying to economize, and at the same time we are trying to act fairly to those men. They have done what the country has asked them to do, and if those whose profession was not that of soldier before the war began can secure employment now—they have better opportunity of doing that at the present time than they would be likely to have when demobilization is taking place after peace is declared—it is just as well for them to take that into consideration.

Mr. GRAHAM: These officers in Kingston are not going to be replaced by other officers to do the same work?

Sir EDWARD KEMP: It is a matter of reducing the staff; we are doing it all over the country.

Mr. MACDONALD: Will the minister let me know to-morrow whether the contracts for certain supplies for the Langara and Braemar Military Hospitals in British Columbia, tenders for which closed on June 6, have been awarded?

Sir EDWARD KEMP: That comes under the Military Hospitals Commission, of which Sir James Lougheed is the chairman.

Mr. MACDONALD: If it has relation to a military hospital attached to some unit, it will come under the Department of Militia.

Sir EDWARD KEMP: I shall be very glad to look it up, in any case.

Progress reported.

TORONTO, HAMILTON AND BUFFALO RAILWAY COMPANY.

THIRD READING OF BILL RESCINDED.

Mr. T. J. STEWART (Hamilton): Mr. Speaker, with the leave of the House, I beg to move·

That the Order of the House for the third reading and passing of Bill No. 39, respecting the Toronto, Hamilton and Buffalo Railway Company, adopted this day, be rescinded, and the said Bill replaced on the Order Paper amongst Private Bills for further consideration in Committee of the Whole at the next sitting of the House.

Motion agreed to.

On motion of Sir Edward Kemp, the House adjourned at 11.53 p.m.

Tuesday, July 31, 1917.

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

REPORT PRESENTED.

Annual Report of the Department of Public Printing and Stationery, for the fiscal year ended March 31, 1916.

FORBIDDEN CIRCULATION IN CANADA.

On the Orders of the Day:

Sir ROBERT BORDEN: In my absence yesterday the hon. member for Edmonton (Mr. Oliver) made allusion to a book called "The Fiddlers," which he has mentioned on two or three occasions. I did expect that some statement would have been made before this date and I so intimated to my hon. friend. It was thought desirable, however, to obtain pretty definite information with regard to one or two statements in

the book in so far as they concern the Canadian Expeditionary Force. That is in progress. We are anticipating a report from Surgeon-General Fotheringham, who has had experience both on this side and the other side, and we have also asked for certain information to be sent here from Great Britain. I shall try to see that there is no unreasonable delay in the matter.

THE WILLIAM DAVIES COMPANY.

MR. SPEAKER RULES OUT OF ORDER LETTER COMMENTING ON SPEECH OF AN HONOURABLE MEMBER.

On the Orders of the Day:

Right Hon. Sir GEORGE FOSTER: I have been asked by Sir Joseph Flavelle to read a letter apropos of a statement made by the hon. member for Richmond (Mr. Kyte) yesterday, a statement whose accuracy my hon. friend may remember I challenged. The letter is as follows:

And Sir George Foster having read the letter.

Mr. SPEAKER: The Minister of Trade and Commerce (Sir George Foster) has read a letter from Sir Joseph Flavelle referring to certain statements made in this House by the hon. member for Richmond (Mr. Kyte). When the minister started to read the letter, I was of opinion that it was questionable whether, in accordance with the rule he could do so. I sent for a copy of Bourinot, and by the time I had been able to place my finger upon the rule in question, the letter had been read. The rule is:

> Nor is it in order to read articles in newspapers, letters or other communications, whether printed or written, emanating from persons outside of the House, and referring to, or commenting on, or denying anything said by a member, or expressing any opinion reflecting on proceedings within the House.

It is evident, therefore, that the hon. minister was not in order in reading the letter. Under the circumstances, the letter ought to be regarded as not having been read, and should be expunged from Hansard.

Mr. KYTE: Withdraw.

Sir GEORGE FOSTER: Peccavi; I acknowledge the corn. But, Mr. Speaker, you will not attribute it to my desire to break the rules of the House. I should have known the rule very well; I am sure that I would have recalled it if I had thought for a moment. The letter was put in my hand just as I came to my desk, and I read it. I hope, however, that the constitution will still survive, even though it has been so badly punctured in this respect. I am extremely sorry to have offended against the rules of the House.

Sir WILFRID LAURIER: I doubt whether the letter comes within the rule, because it confirmed the statement of the member for Richmond.

Mr. SPEAKER: The rule refers to letters "referring to or commenting on or denying anything said by a member."

In accordance with the direction of Mr. Speaker the letter is not printed.

PRIVILEGE—MR. MACDONALD.

On the Orders of the Day.

Mr. E. M. MACDONALD (Pictou): Mr. Speaker, I rise to a question of privilege. Yesterday afternoon the hon. the senior member for Queens, P.E.I. (Mr. A. A. McLean), said:

> The member for Pictou a day or two ago expressed the view that it was not necessary to have the gauge of the P.E.I. Railway widened; he thought that the matter should be left over until after the conclusion of the war.

I desire to say I have not made any such statement as the hon. member attributed to me.

SYDNEY, N.S., INDUSTRIAL SITES.

On the Orders of the Day.

Mr. G. W. KYTE (Richmond, N.S.): Mr. Speaker, I desire to call the attention of the Minister of Finance to the following telegram, which I received yesterday from Sydney:

> Have information that Sydney Post proposes advertising scheme calling for four issues of forty thousand advertising local advantages as sites for industries that Americans are supposed to be looking for. Price per page $320. Solicitor pulling off scheme here assures advertisers that Finance Minister guarantees that Government will help the good work by giving dollar for every dollar collected. Understand that Halifax Herald and St. John Standard also in scheme. Find out if this is so.

I would ask the Finance Minister if he knows of any such scheme as it is said in this telegram has received his support.

Sir THOMAS WHITE: I never heard of any such scheme until my hon. friend read this telegram, and I know nothing whatever about it.

SCIENTIFIC AND INDUSTRIAL RESEARCH.

THIRD READING OF BILL.

On the motion of Sir George Foster for the third reading of Bill No. 83, relating to the Honorary Advisory Council for Scientific and Industrial Research.

Mr. A. K. MACLEAN (Halifax): Mr. Speaker, I wish to repeat what I said yesterday when I expressed doubt as to the wisdom of constituting the board at this time and with its present personnel. I do not think this country can expect any practical or useful results from a commission constituted as this is. It is true that the services of most of the members are rendered gratis to the country, but some are being paid, and I wish to say that those who are being paid are not, in my judgment, competent to carry on the work which is to be assigned to them under this Bill. I trust that the Minister of Commerce will reconsider his decision. This is a very important work which the Government has in mind. Most valuable work may be done for the country by a commission of this kind if its membership is composed of men who will devote their entire time and energy to the work, and if they are men of competency and energy. I do not wish to make personal reference to any members of this board. I said yesterday that you could not hope for any results from a board composed of representatives from the large universities, who can only come here three or four times a year, and give a very transitory consideration to these matters. I think the head of the board should be a young man with administrative and executive experience. Any good that could possibly be hoped for from the commission will be lost if the work is left in the hands in which it is proposed to leave it.

Mr. H. BOULAY (Rimouski) (translation): Mr. Speaker, I wish to add a few words to what has been said by my hon. friend from Halifax (Mr. Maclean) in connection with this Bill No. 83. It seems to me that the expenditure resulting from this war—which we are called upon to meet—is so heavy that we should refrain from appointing further commissions of practically no use, for the time being at any rate. I am unaware of the reasons that may have caused the introducing of this Bill, but we are going through such a crisis that it seems to me to be altogether untimely to impose new burdens upon the people of this country, especially when we already have a rather costly commission—I mean the Conservation Commission—which, strictly speaking, might attend to this work, and I wonder what that commission will have to look after when this new measure is put into force. If there is one thing that may well be put off until peace has been concluded, I think it is this Honorary Advisory Council for Scientific and Industrial Research. It seems to me, moreover, that instead of striving hard to impose new obligations upon this country, the Government should bend all their energies to the task of lightening the burdens now lying heavy upon our population.

Sir GEORGE FOSTER: The hon. member from Halifax (Mr. Maclean) has simply repeated what he said yesterday, and what I answered yesterday, as I thought, fairly well. If he sought to create the impression that these gentlemen were being paid for their services I can assure him that only the administrative chairman is paid. The others give their services free. The amount that can be done, taken year in and year out, is a matter of opinion, and will best be proved by actual results. My hon. friend starts off with the assumption they can only meet two or three times a year; they are to meet once a month. He says that they can only give an hour or two at each meeting, or something of that kind. I think that each meeting they have already held has continued for three or four days. That is a record of work quite different from the suggestion made by my hon. friend. I am between two fires. My hon. friend to my right is against this Bill because it creates a new charge in war time, while the hon. gentleman from Halifax is against the Bill because it does not create charge enough.

Hon. CHARLES MURPHY: The hon. gentleman from Rimouski (Mr. Boulay) advanced another very cogent argument, when he said the work which it is proposed that this Commission shall do can be done by the Conservation Commission, which already exists.

Sir GEORGE FOSTER: I do not think it could be done by that Commission.

Mr. MURPHY: Did I understand the hon. minister to say that all these gentlemen gave their services free?

Sir GEORGE FOSTER: Except the chairman. I stated yesterday and to-day that the only member of the Commission who was paid anything was the administrative chairman. All the rest give their services free.

Mr. MURPHY: What does the chairman do?

Sir GEORGE FOSTER: If the hon. member had been here yesterday he would probably have known.

Mr. MURPHY: I was here.

Sir GEORGE FOSTER: If the hon. gentleman will read the report of my remarks, he will see what the work of the committee is.

Motion agreed to and Bill read the third time.

SUPPLY.

PARCELS TO PRISONERS OF WAR IN GERMANY.

On motion of Sir Thomas White for Committee of Supply:

Mr. J. G. TURRIFF (Assiniboia): Before the Speaker leaves the Chair I wish to bring up a matter which is of very considerable importance to the people of Canada, in connection with preventing the sending of parcels to the Canadian soldiers who are now prisoners of war in Germany. I gave notice to the Minister of Militia that I would bring up the matter to-day. As hon. gentlemen are well aware, prior to last Christmas Canadians who had relatives who are prisoners in Germany were allowed to send parcels of food, clothing and comforts of all kinds. Suddenly, about last Christmas, a change was made, and our people were prevented from sending parcels to their relatives who unfortunately were prisoners in Germany, unless they were officers, there being no change made in connection with the sending of parcels to officers. That is the ground of my complaint. In this democratic country, where one brother may be an officer and a prisoner in one city in Germany, and another brother, a private, may be prisoner in another German city, the relatives can send parcels to the officer, who does not need parcels to the same extent that the private does, but they are not allowed to send anything to the private. To my mind, that is a most unfair and unreasonable discrimination. I presume this policy is dictated by the War Office in England, and if so, it seems to me that the Department of Militia should not assent to such an arrangement. One of the reasons given why parcels should not be sent to private soldier prisoners is that contraband goods were being sent. When we consider that there are some three hundered officers prisoners in Germany, if persons wanted to send contraband goods they could send them to those officers. There is no question that if anything contraband, or any information were being sent to a private, that information would never get to him because it would be taken by the German military authorities as soon as the parcel arrived in Germany. But what is to prevent the German authorities from taking the contraband goods or the information enclosed in a parcel addressed to a Canadian officer, who happens to be a prisoner in Germany? To my mind it is a most unfair and unreasonable law that makes fish of one and flesh of another. The Canadian officers who are prisoners are not in the same need of parcels from home, for the simple reason that, in a military country like Germany, the officers who are prisoners are treated very much better than the privates who are prisoners, no matter what their nationality or from what country they may come. There is a great deal of feeling throughout the country in regard to this matter. When the change was made, the whole matter of dealing with parcels to soldiers was handed over to the Red Cross authorities in London, England. While a great many people working in connection with the Red Cross are doing good work, yet, judging from the results that have attended the efforts of the Red Cross in handling the parcels for Canadian prisoners in Germany, I must say that their work in this respect has been anything but satisfactory. That is not to be wondered at. The branch of the Red Cross that is attending to this matter in London is in charge of persons who are giving their services voluntarily; who can come and go just as they please; nobody is there to see that the work is done thoroughly. As a matter of fact, the work has not been done thoroughly, with the result that our Canadian soldiers for months after the change was made were left practically without a satisfactory parcel service. In many cases the parcels sent to them by relatives in Canada were sent back. In cases where money was sent to the Red Cross branch in London for the purpose of supplying parcels, very inferior parcels reached our Canadian soldiers. I have a great deal of evidence here from different persons throughout the country—parents, brothers and sisters of these unfortunate Canadians who are prisoners in Germany—complaining that they have difficulty in sending parcels to their relatives overseas, and that the parcels sent by the

Red Cross authorities are not satisfactory and are irregularly sent. I do not know just what change can be made to remedy this matter, but I bring it to the attention of the Government, and particularly to the attention of the Minister of Militia, in the hope that some further effort will be made to see that the authorities across the water change this regulation and go back to the old system. No more harm can be done by a change than is done under the present arrangement, under which anybody who wishes to do so may send parcels to the officers who are now prisoners in Germany.

I do not know that I ought to take up the time of the House in reading the complaints which I have here from people in Canada in connection with the suffering of these men at the front. There are letters and postcards here from men at the front complaining of the manner in which this change in the regulations has affected them. Conditions may be somewhat better now, but at the beginning of the year many of our Canadian soldiers who are prisoners in Germany were more or less on the verge of starvation, and they were kept in health largely by the parcels of food that they got from Canada. That supply was suddenly cut off, and the parcels which they received did not amount to very much. It was proposed that the unfortunate Canadian prisoners of war in Germany should assign a further amount of their pay to the Red Cross in London in order that they might get more food. Imagine a soldier who has been fighting for Canada and who has been taken prisoner being asked to subscribe out of his pittance of $1.10 a day to the Red Cross Fund in order that food may be sent to him in Germany, while at the same time the authorities refuse to allow his parents and friends in Canada to send him the necessary food and clothing to afford him some degree of comfort!

I bring this matter to the attention of the minister, knowing that tens of thousands of people throughout Canada are interested in it. A large number of people have sent me information on this subject, letters and postcards. I sincerely hope that the Minister of Militia will make a change in the regulations. This matter is of too much importance to our boys who are prisoners in Germany to be allowed to remain as it is; something ought to be done, and done quickly.

Hon. Sir EDWARD KEMP (Minister of Militia): No one will question the importance of the subject which the hon. member for Assiniboia (Mr. Turriff) has brought to the attention of the House, namely, the matter of the food supplies, clothing, etc., contained in parcels for Canadian prisoners of war interned in Germany.

The member for Assiniboia referred, I take it, to a condition which may have existed not recently, but some months ago, or early in this year. On April 24 last I put on Hansard the regulations which were made effective at that time. Since then further regulations have been made, and I will read to the House a statement which I have gathered from different sources concerning the whole subject. No one who is intimately acquainted with the magnificent work which the Canadian Red Cross Society has been doing for our prisoners in Germany can find any reason for criticism. The Canadian Red Cross Society through its London agency is responsible for keeping our soldiers who are prisoners in Germany supplied with food and clothing. Through the generosity of the Canadian public, they have ample funds thus far for doing that work, which they are carrying on in a systematic way.

My hon. friend refers to certain privileges being extended to officers which are not extended to the men. That may have been the case to some extent in the past, but conditions are now remedied. I will supplement the statements which were made in the House on April 24 last in respect to this matter by reading a memorandum which I have had prepared.

I have gathered the information from different sources, and I have thought it wise to have it embodied in a statement so as to cover all the points. This is the statement:

Re despatch of parcels from Canada to British and Allied prisoners of war. Before November, 1916, the system in force did not impose any restrictions on parcels being sent to prisoners of war by any individual or organization. Each parcel, of course, had to be examined by the Censor before it was despatched from England. This involved an enormous amount of labour and frequently injured the contents of the parcel. Under this system it was found also that while the amount of comforts in the form of food sent to Germany was more than sufficient in the aggregate for all the known British prisoners of war, it was very unevenly distributed. Some prisoners were being sent an inadequate supply, while other prisoners got more than they could consume. To remedy these conditions a scheme was brought into effect by the British authorities on December 1, 1916, to apply to all British prisoners of war, Naval, Military, and civilian, except officers.

The new scheme was as follows:—

1. No parcel was to be sent to a prisoner of war unless it had been examined or packed by the Central Prisoners of War Committee, or by an organization authorized by that commit-

tee in accordance with the regulations issued by the British Government.

2. Every prisoner to be sent parcels through one and only one authorized organization, or "packing association."

3. Adequate supplies but not excessive quantities of food to be sent through the authorized organizations to every prisoner. As it is difficult to censor bread, cakes, and tinned foods without spoiling them, no person other than the authorized organization to be permitted to send such articles to prisoners. Wholesale gifts of foodstuffs or money to purchase food might be sent to authorized organizations for prisoners of war.

4. Parcels despatched by an authorized organization to be distinguished by a special label which would be regarded as a guarantee on the part of the organization that the parcel does not contravene the regulations. Any parcels bearing this label would not ordinarily be opened by the censors, and it was hoped that enemy censors would find it unneccessary to delay such parcels for the purpose of censorship.

This scheme was included in the regulations governing communication with prisoners of war interned abroad which were issued by the General Post Office, London, in December, 1916. On January 9, 1917, Mr. Walter Long, Secretary of State for the Colonies, addressed a despatch to the Governor General, asking for co-operation by the Canadian Government in this scheme stating that the objects were to ensure censorship, and to prevent waste and overlapping, and suggesting that the Canadian Red Cross Society, which have an office in London be named as the authorized organization or "packing association" for Canada. Sir George Perley, the Acting High Commissioner for Canada, also cabled to the Prime Minister stating that the Director of the Central Prisoners of War Committee advised that no more parcels containing foodstuffs, tinned goods or clothing should be sent from Canada, but that instead remittances of money should be sent to the Canadian Red Cross Society in London for the purpose of purchasing such supplies and sending them to prisoners. It was pointed out by Sir George Perley that war conditions preemtorily imposed such action, and that it was only by adopting this procedure that it would be possible to get parcels satisfactorily through to prisoners with any regularity and equality of distribution. Sir George Perley strongly advised complying with the request of the British Authorities and stated that Australia was taking similar action.

In view of the above, regulations were issued in Canada by the Postmaster General dated January 29, which were based on those formulated by the British Authorities. These regulations were laid on the Table of the House of Commons by the Minister of Militia on April 24, 1917, and were printed in Hansard for that date.

Regarding the work of the Canadian Red Cross Society the following statement has been made to the Minister of Militia by Colonel Noel Marshall, President of the Society, (July 10, 1917):—

The Canadian Red Cross Society is sending by mail to each prisoner of war three parcels each fortnight. Each parcel contains food to the value of ten shillings and weighs not more than ten pounds. We have also been sending thirteen pounds of bread each fortnight, but this has been in the last month reduced to eight and one half pounds owing to shortage of flour. These parcels of food are in addition to tobacco and cigarettes sent fortnightly. A "capture parcel" is first sent upon the receipt of a soldier's name as a prisoner of war and the other parcels follow. The "capture parcel" contains overcoat, jacket, trousers, cap, pair of boots, two shirts, two pairs of socks, canvas shoes, two suits underwear, cardigan, gloves, kit bag, three handkerchiefs and two towels. The above outfit, overcoat excepted, is repeated every six months. Every prisoner of war is sent parcels as above stated regardless of adoption by friends. The Canadian Red Cross Society undertook the above duties at the request of the War Office and Sir George Perley during months of February and March, 1917. Serious interruptions in delivery have at times taken place owing to various causes for which the Society was not in any way responsible. Late reports are that parcels, which are all being sent by mail, are being satisfactorily delivered. Neither the Government nor the Canadian Red Cross Society should be held responsible for non-delivery. We do ship the articles, but cannot guarantee delivery in an enemy's country.

No changes have been made in the regulations since the date of issue except in certain minor details with reference to prisoners of war interned in Switzerland, (see Post Office Department circular, July 3, 1917).

An important change will, however, shortly come into effect regarding parcels for officer prisoners. Sir George Perley, on July 11, cabled that the Imperial Government have decided to make new regulations, which will come into force on the 1st of August to provide that parcels for officer prisoners shall come under the same rules as parcels for prisoners of other ranks. These new regulations have been approved by the Canadian Government. The weight and number of parcels of foodstuffs to be sent fortnightly will hereafter be the same for officers as for other ranks, and will be similarly forwarded by the Canadian Red Cross Society, but the contents of officers' parcels will be selected with special regard for their requirements. In addition, officers may be sent not more than two extra parcels of foodstuffs per month up to a total gross weight of 22 pounds, if their friends so desire and provide the necessary funds to the Canadian Red Cross Society. These new regulations will not extend to officers interned in neutral countries, regarding whom the regulations are unchanged.

I do not think I need take up the time of the House in reading the "Circular to Postmasters" of the 3rd of July, 1917. It ought to be printed in Hansard. As it consists of a page and a half, with the consent of the House, I will hand it with this statement to Hansard.

Sir WILFRID LAURIER: I wish it to be read.

Sir EDWARD KEMP (Reading):

Circular to Postmasters.

Communication with prisoners of war interned in Switzerland.

The Postmaster is informed that the regulations governing the communication with prisoners of war interned abroad which were contained in departmental circular of January 29,

1917, and which were published in February, 1917, supplement to the Canada Official Postal Guide, are now modified to comply with the new regulations introduced by the Swiss authorities restricting in part the privilege of free postage and exemption from customs duty hitherto accorded to parcels addressed to prisoners of war and civilians interned in Switzerland.

1. Parcels, except those containing beverages, for prisoners of war and interned needy civilians will be exempted from postal and customs charges only if they do not exceed 1 lb. in weight or if, while exceeding 1 lb. but not exceeding 11 lb., they contain nothing but articles for the personal use of the addressee, such as clothing, bed-linen, articles necessary for the care of the body, etc., but parcels containing food, and articles such as scent, scented soap, etc., can only be sent free of charge if they do not exceed 1 lb. in weight. Parcels containing beverages are without exception liable to the ordinary postal and customs charges.

2. Exemption from postal and customs charges will not in future be accorded to any parcel addressed to an interned civilian who is capable of supporting himself.

3. In future, therefore, only parcels for prisoners of war and needy civilians which weigh not more than 1 lb. and parcels over 1 lb. but not over 11 lb. in weight which contain only articles necessary for the personal use of the addressee (not including food, beverages, etc.) will be accepted free of postage and will be delivered in Switzerland free of customs duty. All other parcels (which must not exceed 11 lb. in weight) will be accepted only on payment of the ordinary postage and under the ordinary regulations governing the transmission of parcels to Switzerland, and for these parcels the senders must prepare customs declaration and despatch notes.

4. The foregoing regulations do not affect the existing regulations under which parcels for prisoners of war, other than officers, must not contain food, clothing, or any other article prohibited from despatch, and must be addressed to the care of an appropriate association. (N.B. Such parcels intended for Canadian prisoners of war are to be addressed c/o Prisoners of War Department, Canadian Red Cross Society, London, England.)

The foregoing restrictions do not affect parcels for prisoners of war interned in any other country except Switzerland.

There may have been irregularities, but as pointed out by the president of the Canadian Red Cross Society, Mr. Noel Marshall, any irregularities there may have been have been entirely beyond the power of the Red Cross Society through its London agent to prevent. Experience has shown the system to which I have referred to be the most practical one and in the best interests of the prisoners themselves. There must always be some difficulty about guaranteeing absolutely that parcels will reach the prisoners, but according to the statement I have just read, the general feeling is that the parcels which are put up according to the regulations are pretty sure of reaching the prisoners in Germany.

Hon. CHARLES MARCIL: I notice that a statement was made in the British House of Commons the other day in regard to a new arrangement that was being made between England and Germany for the exchange of prisoners of war and interned civilians, Under this arrangement some are to be sent to Switzerland, some to Holland, and others are to be exchanged. It is practically on the same lines as the agreement already in existence between Germany and France. Will Canada be included in this arrangement, and have any Canadian prisoners been exchanged up to the present time? I do not want to mention the case of one hon. member of this House in particular, because his name has been mentioned so often, but I should like the minister to make a statement in regard to this new arrangement, as I am sure it would be of interest to the public.

Sir EDWARD KEMP: I saw the article to which my hon. friend refers, and I am getting further information on the subject. I have no reason to doubt that the arrangement will include Canadian soldiers. As soon as I have received further information, I shall communicate it to my hon. friend.

Mr. MARCIL: Have any Canadian prisoners been exchanged since the war began?

Sir EDWARD KEMP: Some Canadian prisoners of war have reached Canada from Germany, and I will find out the exact number and let my hon. friend know later.

Mr. MARCIL: The minister might have a statement prepared on that subject.

Sir EDWARD KEMP: Yes.

Mr. TURRIFF: Do I understand from the minister that the Canadian prisoner of war in Germany will not be asked to contribute out of his pay for the sending of these parcels?

Sir EDWARD KEMP: I overlooked that point. I do not think that the report can be correct, as I never heard of a Canadian soldier being asked to subscribe money for that purpose. I should like to repeat that the funds that have been placed at the disposal of the Red Cross Society through the generosity of the Canadian public are ample for carrying out the programme to which I have referred, and the Canadian prisoners of war are receiving the amount of food and clothing mentioned in the memorandum This is all being done through voluntary subscriptions by the Canadian public.

Sir ROBERT BORDEN: I should like to say in that connection that during the first year of the war, Sir George Perley received instructions to provide anything that might be necessary for the comfort and sustenance of Canadians interned in Germany. I am not sure whether there were any Canadian prisoners of war there at that time, but naturally the instructions would apply equally to them. I am bound to say that I never heard, until my hon. friend mentioned it to-day, that Canadian prisoners in Germany had been asked to assign any portion of their pay. I should hope that that report will not prove to be well founded, or that it may have reference only to some isolated case. I entirely agree that there should be no such practice.

With regard to the Canadian Red Cross Society in London, I have had opportunity on two occasions, once in 1915 and again this year, of inspecting the system in London, and I think that any hon. gentleman of this House who could see the work they are carrying out would agree that it is being performed with a great deal of thoroughness. The work is divided up into different departments, and it is thoroughly systematized. I do not know as to the method of inspection of the different departments. This year I had no opportunity for visiting the society's offices and seeing the work that was being carried on until the day I left England, and for that reason I was obliged to go very early in the morning. I found the ladies in every department at work at that early hour, and I am quite confident that the splendid spirit which animates them all would prevent any laxness or lack of thoroughness such as has been suggested. They are very proud of their success in carrying on their work; they are devoted to duty, and are very much interested in the results they are accomplishing. I really do think that the thanks of the people of this country and of the men for whom these ladies are labouring so zealously are due to them for the good work they are carrying on and which is being carried on with great thoroughness, and with most perfect devotion to duty.

Sir EDWARD KEMP: I should like to emphasize the importance of some such society as the Canadian Red Cross being in charge of this work. If parcels were allowed to be sent promiscuously, all sorts of things would be sent, and the German censor would be more suspicious than if the parcels came through one organization which could be depended upon not to send anything which from the German standpoint would be of a questionable nature.

Motion agreed to.

SUPPLY.

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

Department of Militia and Defence—contingencies, $60,000.

Mr. MACDONALD: It was understood at the time of the passing of this vote that we would discuss the medical treatment of the men overseas. I desire to call the attention of the committee to the matter disclosed by the documents and reports of Dr. Bruce so far to hand, because we have not yet had a final report from him.

On September 20, 1916, Dr. Bruce, of Toronto, was deputed by the then Minister of Militia to make inquiry into the medical treatment of the boys overseas, and as to what improvement could be made in that treatment. The way in which our wounded boys may have been treated is a matter of the greatest importance and solicitude to every one in this country who has friends at the front. And Dr. Bruce's report must be regarded with the very greatest concern. The following are the facts he found:

1. Many soldiers are arriving in England from Canada medically unfit, who should never have been enlisted.

2. The system of disposing of casualties from the front to Imperial hospitals in England, Wales, Scotland, and Ireland is extremely unsatisfactory.

3. The present method of having Canadian hospitals scattered over a large area is very objectionable.

4. There is unnecessary detention in hospitals. There has been no medical inspection by the Canadian Medical Service of Canadian soldiers in Imperial hospitals, and there has been no efficient medical inspection of Canadian hospitals, in consequence of which Canadian soldiers are retained in hospitals in Great Britain, many of whom should have been returned to duty, and others should have been returned to Canada, where they could have been more economically and efficiently treated. The lack of system permits of the aimless moving of patients from hospital to hospital.

5. The use by the Canadian service of Voluntary Aid Hospitals is very undesirable, as they are inefficient, expensive, and unsatisfactory.

6. The administration of the group of 57 Voluntary Aid Hospitals under Shorncliffe Military Hospital by the Canadian Medical Service is unsatisfactory and expensive.

7. The present method of operating, jointly with the Red Cross, certain hospitals built and equipped by them is unsatisfactory. Such dual control is undesirable.

8. Impropriety of detailing Canadian Army Medical corps personnel to Imperial hospitals and still retaining them on Canadian pay-roll.

9. Unsatisfactory situation at Shorncliffe owing to our Canadian A.D.M.S. acting in a

similar capacity over a large area for the Imperial authorities.

10. No attempt has been made to restrict surgical operations which produce no increased military efficiency.

11. The installation of an expensive plant at Ramsgate was inadvisable, as a large number of the cases treated there should be sent to Canada for treatment.

12. The establishment at Buxton of a special hospital for the treatment of rheumatics was ill-advised, as the majority of rheumatics will not be fit again for active service, and could be better and more cheaply treated in Canada.

13. The present system of handling Canadian venereal patients is very strongly condemned.

14. The method of handling infectious diseases is most unsatisfactory.

15. Medical boards which regulate the classification of casualties when convalescent have not been adequately provided for.

16. Satisfactory records regarding individual casualties are not available.

17. The exceedingly important question of pensions, which will involve the expenditure of large sums of money by Canada annually, has been neglected by the Canadian Medical Service.

18. Lack of co-ordination in the Canadian Medical Service between Canada, England and the front.

19. The medical personnel is not being used to the best advantage.

20. The policy of the department has been opposed to the use of experienced medical and surgical consulting specialists.

21. Discontent concerning promotions, especially in regard to Regimental Medical Officers serving at the front.

22. The Canadian Army Medical Corps Training School in England has never been properly organized, although of the greatest importance to the Canadian Medical Service.

23. In the operation of the Medical Service sufficient regard has not been paid to economy in management.

This indictment by Dr. Bruce was of a very serious character, and created the greatest possible concern among the people of this country as to the condition of affairs in England; and the unfortunate position in which this inquiry has been permitted to remain up to the present leaves the whole matter of the medical treatment of the overseas troops completely in the air. Without going into too much detail in regard to the matters referred to by Dr. Bruce, let us deal with the question of the soldiers who arrived in England from Canada medically unfit, and who should never have been enlisted. Manifestly the enlisting and passing by medical men of recruits who are not in a position to go on active service involves, in the first place, a tremendous unnecessary expense upon the country, creates conditions under which discipline is interfered with, and altogether disturbs the service and prevents its proper performance by the men who ought to carry it out. When we find this statement, which has not been questioned but which has been confirmed by the later report of Dr. Bruce, we have further food for thought:

4 p.m.

Many hundreds of soldiers obviously medically unfit for service overseas have been sent from Canada to England.

This serious blunder has been more noticeable in Battalions and drafts arriving from Canada in the second year of war, and led to an order (A.D.M.S. Order No. 394) being issued on March 9, 1916, for the medical inspection of all drafts immediately on their arrival in the Shorncliffe area. This medical examination of newly arrived drafts showed that they included from 5 to 15 per cent of unfit men in their ranks—the Canadian Pioneer Draft, arriving June 29th, was found to have 57 unfits out of 254 all ranks.

Dr. Bruce goes on to say:

Fifty per cent of department base duty men, and 56 per cent of discharges from the Army have never been at the front.

Just imagine conditions such as this, men being taken from their homes and sent across the sea to England, and, after they have been discharged and all the expense has been gone to in connection with them, we have the authoritative statement that 56 per cent of them were never at the front at all. Dr. Bruce says:

Of 2,670 soldiers, regarded by the Medical Boards from June 12 to August 22, 1916, as only fit for Permanent Base Duty, 1,340 had never been at the front, while 816 of the total 1,452 discharges from the Army for the period had similarly never got beyond England.

That statement has never been questioned either in the Babtie report or in the statement made by General Jones. General Jones, who was head of the medical service, prepared a report dated September 28, 1916, in answer to the Bruce report, in which he says:

There is no question of doubt that a large number of men have been sent over from Canada who must have been medically unfit when they were enlisted.

This has resulted in an unnecessary burden being thrown upon the medical and other services in England that deal with the weeding out of these men and their disposal.

He goes on to say:

It is strongly recommended that a most rigid medical examination be made in Canada, and that the adopted standards be closely followed.

Then we find the following in the Babtie report, dealing with the fact that so great a percentage of medically unfit men had been sent to England:

This it believed to have been due partly to inexperience on the part of examining medical officers, partly to hurry, partly to carelessness,

and lastly, in some instances, to the opinion of the examining medical officer being overridden or ignored by commanding officers. . . . The Board has come to the conclusion that this important matter has not received the attention it deserves, and that the authorities have failed to make adequate representations regarding a condition of affairs that must severely handicap the Canadian Expeditionary Force both as regards organization and training in the United Kingdom, and efficiency in the field.

What occurred was that General Jones made a report, what is called "An Interim Report of Surgeon-General Jones, in reply to the Report on the Canadian Army Medical Service by Colonel Herbert A. Bruce." Then what occurred was that Sir George Perley proceeded to appoint a board to deal with both these reports, a board headed by Sir William Babtie, and the curious thing about this Babtie board was that while Colonel Bruce was asked to go before it to give evidence he was not permitted to remain during the sessions of the board, and although he represented to that board that he had evidence of irregularities of the gravest character that had occurred since he presented his report, the Babtie board would not permit any of that evidence to be given.

If one goes through the Jones' report he will find that out of the fourteen recommendations made by Dr. Herbert Bruce, twelve are absolutely concurred in by Colonel Jones, and yet the Babtie report proceeds to condemn the recommendations made by Colonel Bruce in the first instance. One begins to wonder what was the object of this Babtie report and board, and as to the board's efficiency, and its competency for dealing with these questions. It must be remembered that the report of Colonel Bruce was not a report in which he alone concurred and for which he alone was responsible. The following gentlemen were associated with him in connection with the matter and concurred in every word he uttered in the published report, Colonel Reid, Colonel Wallace Scott, Lieut.-Col. Walter McKeown, Lieut.-Col. Wilson, and Captain Charles Hunter. These men all concurred in the statements and recommendations made by Colonel Bruce, with which the Babtie report found fault. There is some evidence, of a character which cannot be disregarded, tending to show that Sir William Babtie, whose report we in Canada were asked to accept absolutely without reservation as being a complete clearing up of all questions raised by Colonel Bruce, has, as the ex-Minister of Militia (Sir Sam Hughes) said the other day, gone through a very strange experience himself where he had responsibility in regard to matters affecting the war. No less a man than Austin Chamberlain, speaking upon the debate on the Mesopotamia report, in the House of Commons in England, declared that there was a most horrible breakdown of the Medical Service in connection with the Mesopotamia campaign—and the man in charge was Sir William Babtie, this gentleman who undertook to declare that, notwithstanding what Colonel Bruce had recommended and what he had found, his report was not to be regarded seriously. Here is what a newspaper report in England said in regard to Sir William Babtie:

Dealing with the medical breakdown, the Commissioners seriously criticise the administration of Surgeon General Sir William Babtie. . . They say: the gravamen of the criticism which we feel bound to pass on Sir William Babtie is that, knowing the Army Medical Service in India to be organized only for frontier warfare, knowing the provision of the field ambulances and hospitals to be deficient, and knowing the medical personnel to be insufficient, he yet made no adequate efforts to improve these defects so as to equip the Mesopotamian expedition in a manner suitable for campaigning in an unhealthy, tropical climate, against an enemy who was in alliance and supported by the foremost exponents of modern warfare.

They go on to deal with the absolute failure, or as Austin Chamberlain said, the horrible breakdown of the whole Medical Service in Mesopotamia, so far as the treatment of the men engaged in that unfortunate campaign is concerned. That is the gentleman whose opinion the people of Canada have been asked to take in contradistinction to that of Colonel Bruce. Colonel Bruce made an answer to the Babtie report some three months ago, yet it has been impossible for us in this House, representing the people of Canad, to find out what Colonel Bruce said in answer to that report. We have asked the Minister of Militia (Sir Edward Kemp) and the Premier (Sir Robert Borden) for that report. We were told two months ago that it had been sent to the Minister of Militia overseas. I have it on the very best authority that the Minister of Militia Overseas, Sir George Perley, made the statement early in this month of July that he never saw the report prepared by Colonel Bruce, which was in the hands of the Minister of Militia. The people of this country and the members of this House want to know exactly why that report has not been brought down and what the real facts are in regard to this matter.

Take another situation which is referred to by Dr. Bruce. We have heard a great

deal about the policy of concentration of Canadian soldiers in hospitals, and how it was of Imperial importance that they should not be concentrated. It was said that the men from all over the Empire who have fought together should be allowed to mingle in the hospitals. It seems to me, eliminating anything but the practical organization for dealing with the sick and wounded of our forces, that the money of the Canadian people ought to be applied primarily to looking after the treatment of the Canadian wounded. With that proposition no serious issue can be taken. Dr. Bruce dealt with this question of looking after the Canadians who were on the other side in Canadian hospitals. He says:

> The system of disposition of casualties from the front to Imperial hospitals in England, Wales, Scotland and Ireland is extremely unsatisfactory.

He made the following recommendation in regard to that:

> That there be a concentration of Canadian hospitals and that the use of Voluntary Hospitals for Canadians be discontinued.

That is a very definite recommendation. He goes into details which I need not discuss now, showing the reasons why that should be done. That position is questioned by Sir William Babtie. It is not questioned, strange to say, by General Jones. General Jones explained how it was that he agreed entirely with Colonel Bruce in regard to that question, that he thought that Canadians had better be treated by Canadian nurses and Canadian doctors in Canadian hospitals, and he tells us why it was that his views upon that question was overridden.

The theory has always been in this country that Colonel Bruce had made certain reports and recommendations reflecting on Colonel Jones, particularly in reference to dealing with the Canadian wounded in Canadian hospitals. But a perusal of the report shows that Colonel Jones was not responsible for that. He says, at page 4 of his report:

> The policy of segregating Canadians was changed in February of this year, owing chiefly to the strong hand of the Acting High Commissioner, Sir George Perley, who held that Canadians should mix with the other soldiers of the Empire, in hospital. I was further informed by Sir George Perley that persons in very high positions thought strongly on this matter, and considered that in the interests of the Empire there should be no segregation of Canadians in hospital. My policy of segregation was therefore receded from. This was known to the High Commissioner, and if it was not considered the right thing, then it would appear that I should have been informed, but up to the present I have not been.

On this question of the treatment of Canadians in Canadian hospitals, of our own boys being given the preference with our own doctors and nurses, there is no issue between Colonel Bruce and Colonel Jones. They agree absolutely with one another. But, on the other hand, you have Sir George Perley, who intimated that some very high people officially—such as he probably wanted to be—had some notions on the subject, and notwithstanding the report of responsible Canadian men on the subject, he under took to override their views, and induce Colonel Jones to take the other course. That is shown by the report. In addition to that, let me point out to hon. gentlemen of the committee what occurred when Sir William Babtie held the investigation. He declared that Colonel Bruce and Colonel Jones were both wrong, that the advice of Sir George Perley, who knew nothing of the treatment of wounded soldiers, should be followed, and he over-ruled Colonel Bruce and Colonel Jones. With what result? I wish to refer to the question of the administration of Shorncliffe, the V. A. D. hospital, which our friend, the ex-Minister of Militia, has been condemning so vigorously on the various occasions on which he spoke in this House. In regard to that there is no issue between Colonel Jones and Colonel Bruce, but Sir William Babtie, the hero of the Mesopotamia breakdown, takes another view, and Sir George Perley takes another view, and because they take the other view, therefore the opinion and judgment of these Canadian medical officers of repute is of no value.

Let me give you an illustration. There has obtained, in what is known as the Shorncliffe area, a group of V. A. D. hospitals, which have been costing this country $160,000 a year unnecessarily. Colonel Bruce last November gave directions to close them up as far as Canada was concerned, and hand them over to the Imperial authorities, but that paragon of military knowledge and judgment in regard to matters of war and matters of medical treatment, Sir George Perley comes along and says, "You pay no attention to Colonel Bruce, or his judgment in regard to that matter, run these things as they have been run, keep them going." And it has cost this country from November down to the present time over $100,000, according to General Bruce's statement in regard to this matter, for the purpose of keeping these

hospitals going unnecessarily. Does it not strike hon. members, in regard to this matter alone, where you have these facts which are unquestionable, without going into details in reference to all these twenty-three findings which General Bruce has made upon the conditions that exist over there, that it is time this Parliament took some interest in this matter, and made an effort to ascertain what the real facts are in regard to it? Mark you, at the conclusion of all these facts that were found by Colonel Bruce, he makes 14 distinct recommendations as to improvements that should be made, and in 12 of these recommendations, as a perusal of Colonel Jones' report will show, he agrees absolutely with Colonel Jones. In regard to one he says the recommendation is all right, but it might cost too much to put it into effect, and in regard to another he says he does not seriously question it. Then we get Sir William Babtie's report, and he disregards Colonel Bruce and Colonel Jones, and declares that they do not know what they are talking about. That is the man whom this commission appointed by the Imperial Parliament, so unequivocally and solemnly condemned for the breakdown that occurred in Mesopotamia. There is the situation. I am not going into the details of the report, nor into the facts at any greater length. I have instanced these two things, and the evidence is indisputable that there is no manner of doubt that Colonel Bruce's finding and his recommendations were in the interest of the boys who were wounded and brought there for treatment. What the people of this country want to know is why these recommendations have not been carried out? Why was it? Simply because Sir George Perley stands in the way. Sir William Babtie was detached for the moment from his duties at Mesopotamia and elsewhere to conduct this commission. My hon. friend the Minister of Militia received from Colonel Bruce, if I recollect correctly, in the month of April, his answer to the Babtie report, and he has not given it to the Canadian Parliament, or to the Canadian people up to this moment.

I leave it to the reasonable intelligence and fairness of every hon. gentleman in this House, as to why we in Canada, as the representatives of the people whose sons have gone forth, have not received that report of Colonel Bruce, and why we have not an authoritative statement from some quarter as to why his original recommendations were not put into effect. Let me call attention to what occurred. We were told, after we had repeatedly asked the minister to bring down the report, that it was being sent over to Sir George Perley. I make the statement in this House, as coming from a responsible party on the other side, that Sir George Perley stated early this month that he had not seen this report of Colonel Bruce? Why did he not see it? Did my hon. friend the minister send it over, or did he not, or was it lost in transit? Was there only one copy? Were there any copies of it printed when it came to the minister, and if he has a copy of it now will he lay it on the table of the House? Why is it Sir George Perley took that position? Why is it that we in this Parliament have not the full knowledge in regard to it? What right has Sir George Perley to override this Parliament or this Government? He has not conferred on him any plenary or express powers which enable him to disregard this Government and Parliament, although there is standing on the Order Paper a resolution providing for the appointment of an Overseas Minister, and it has been standing there all through the session. If the Government intended to confer special rights and powers upon Sir George Perley, a Bill should have been submitted to Parliament long ago, which would show the authority he had over there. The Government have not moved in the matter. An order in council was passed some time ago by which he was given certain powers, but is Sir George Perley bigger than the Government and the Canadian people that he can keep these reports and not have them sent here? Have we not a right to know whether or not the recommendations of Colonel Bruce are being carried out? Have we not a right to know the contents of this report in which he answers the Babtie report? The fact that the Government have not given us this is evidence of an intention to suppress it, unless we have the full explanation which will enable us to take some other view.

No matter what the conditions are, it is of no use for persons interested to make inquiry of the Militia Department about some poor fellow who, having been at the front ever since 1914, has been wounded two or three times and has gone back to duty. My hon. friend issues a circular, tells us about this and about that, and says that Sir George Perley is the man who will allow this wounded soldier to come back. Some time ago we were told that in cases of this kind the British authorities stood in the way. We are told to-day that the British authorities have

nothing whatever to do with the internal economy, the arrangement and the disposition of the Canadian troops on the other side. When our men take up a certain portion of the line, though they are, for fighting purposes, under the control of General Haig or whoever happens to be in charge of that part of the line, in the matter of internal economy they are under the direction of their officers, who are responsible not to the Canadian people or to the Canadian Government, but to Sir George Perley. Unless that gentleman chooses to nod his head, nobody in Canada can get any satisfaction about anything. He has imposed his will in regard to the V. A. D. hospitals, contrary to the view of Colonel Bruce and General Jones. Why did he do so? Will the minister tell us why? Did Sir George Perley know more about the matter than these two specialists, one the medical head of the Militia Department in this country, and the other a specialist selected for the purpose of inquiring into this matter? It is useless to quote the Babtie report, in view of the disclosures made in Mesopotamia, either in regard to the treatment of the medically unfit who go over or in regard to the methods employed in dealing with the boys who return wounded to England. According to the evidence that we have, these wounded soldiers are scattered all over the islands, from the Orkneys to Land's End. Why should that be so? Colonel Sullivan, who had to do with the transportation of these wounded soldiers back to England, says that there is no reason why they should not all be treated in Canadian hospitals. The remedies suggested by the reports of Colonel Bruce and General Jones have not been applied—Sir George Perley stands in the way. He stands in the way of the Canadian people and the Canadian Parliament knowing the answer which Colonel Bruce made to the Baptie report. In view of the destruction of the prestige of Sir William Baptie in connection with the expedition in Mesopotamia, certainly the Canadian people should know what Colonel Bruce had to say in answer to that report.

Sir EDWARD KEMP: Hon. gentlemen of the committee will hardly say that the enlistment of upwards of 400,000 men and the organization of medical services in connection with them in Canada and in England would be accomplished without a jar. Having regard to the inexperience of our country in war and the inexperience of our medical men in connection with such matters, it is reasonable to suppose that things would occur which would not have occurred if there had been greater experience.

Reference has been made to the examining by medical officers of our recruits in Canada; it has been suggested that in some cases there was evidence of carelessness. I do not doubt that for a moment. In view of the hurry and of the competition that took place between the battalions, and in view of the inexperience of some of the medical officers, that was bound to occur to some extent. I do not think it is as serious as it has been represented; as time has gone on, regulations regarding the examination have been bettered in the light of the experience that has been gained. In that connection permit me to read to the committee a report, dated July 9, 1917, addressed to me by Colonel J. L. Potter, Director-General of Medical Services in Canada:

Medical Inspection of drafts and units arriving from Canada.

1. A report received from overseas, dated 30th May, gives the following information on the subject marginally noted:—

Units.	Strength.	Unfits.
190th Battalion	392	0
225th Battalion	507	0
200th Battalion	478	0
216th Battalion	87	0
177th Battalion	25	0
256th Battalion	137	0
2nd Reinf.	—	—
5th R.H.C.	54	5
Total	1,680	5

2. Of those pronounced unfit, it is noted two had disabilities which, possibly, did not render them absolutely unfit for some duty in England, viz., flat foot and over riding of little toes.

3. One man was suspected of being tubercular but it is not definitely stated that he is suffering from tuberculosis.

4. One man was reported as being addicted to the use of drugs. It is possible that circumstances were such that, after arrival overseas, he was unable to secure the drug and the disability immediately became apparent.

5. One case was that of a man suffering from stiffened thumb of left hand and debility.

6. In this case it should be noted that, of the numbers involved, viz., 1,680, only five were reported as unfit; two of them at least (one suffering from flat foot and over riding of the little toes) possibly may be of service.

The errors reported in the case of suspicious tuberculosis, drug habit and stiffened thumb of the left hand and debility, are errors which, possibly, may be excused. In any case, the report indicates that the medical examination of the men before they proceeded overseas was carefully carried out.

So that the remarks which the member for Pictou has made with regard to men going overseas who were not properly exam-

ined in Canada apply to the earlier, not to the later, stages of the war.

Mr. MACDONALD: What I say applies to 1916, I am anxious to learn from Colonel Bruce's report what the conditions were this year.

Sir EDWARD KEMP: Colonel Bruce's report, I take it, does not deal particularly with what has happened within the last year or so.

Mr. MACDONALD: His first report deals with conditions in September, 1916. The report of the Babtie Board deals with conditions in December, 1916.

Sir EDWARD KEMP: Various reports have been made by medical men overseas with regard to the question which my hon. friend has discussed here to-day. I sincerely hope that out of all these reports better conditions have arisen. My hon. friend has referred to something that happened in Mesopotamia. That goes to show that the British Government has had trouble, even with their greater experience in military matters, in the medical administration of their forces. It could hardly be expected, therefore, that some such incidents as my hon. friend has referred to should not happen in a country like Canada, where we have enlisted so many men. It is not quite fair for my hon. friend to say that Sir George Perley has overridden this medical man or that medical man or the other medical man.

Mr. MACDONALD: The evidence shows that.

Sir EDWARD KEMP: Sir George Perley is endeavouring to carry out to the best of his ability the very responsible duties with which he is charged. I have every confidence that the medical service in England is being well administered at the present time, and with all the difficulties with which it has been confronted, it would be surprising had a better condition of affairs arisen. My hon. friend has referred to many matters connected with these reports. I am not so familiar as he is with the reports. I have not had time to study them on account of the many duties with which I am charged, but out of all the differences of opinion on the part of the doctors, we have arrived at a very satisfactory state of affairs in regard to our medical service in the British Isles. I do not know anything about the reference made by my hon. friend about Sir George Perley overriding Dr. Jones. So far as the question of Sir George Perley's appointment is concerned, I understood my hon. friend to say that he had never been appointed, and he did not quite know what his status was. Sir George Perley was appointed by order in council in October last.

Mr. MACDONALD: I said that.

Sir EDWARD KEMP: The hon. member referred to something that was on the Order Paper. The notice on the Order Paper to which my hon. friend refers does not constitute the appointment of Sir George Perley; it constitutes something else altogether. Sir George Perley was appointed; he is a colleague of mine; he does not take instructions from me, but reports direct to the Prime Minister the same as any other colleague of mine does, and he is responsible to the Prime Minister and to the Government of this country. There is no confusion about the matter. My hon. friend has brought up this point many times in this House. It is necessary to have on the spot a minister of the Crown responsible in the way Sir George Perley is responsible for the new condition that has arisen owing to the large number of troops whom we have sent overseas, and to have him report direct to the Prime Minister in respect to these matters.

Mr. MACDONALD: The minister said that I was hardly correct in stating that Sir George Perley had overriden Dr. Jones. If my hon. friend will look at Dr. Jones' report, he will see this statement which I did not read before:

> As to the change in policy in February, 1916, in the matter of distribution of Canadians in British hospitals, it is submitted that strong representations had been made to me for some time by prominent Canadians, including the High Commissioner, that in the interests of the Empire, Canadian soldiers should be distributed in English hospitals, where they could fraternize with British soldiers, and soldiers from the other Dominions. And, finally, owing to the very strong position which Sir George Perley took in favour of this, I receded from my former position.

That shows that he did override Dr. Jones. The minister has failed to tell us when we are going to get a copy of the last report of Dr. Bruce.

Mr. SINCLAIR: I wish to refer for a moment to the fact that the Government deserted their own officer, although, so far as any one could see, he appeared to be doing an important duty well. Will the minister explain why the Government abandoned Dr. Bruce? Why did they not permit him to go on with the work they asked him to undertake? We cannot expect a public official to do honest and ef-

ficient work if, whenever he gets into trouble and makes a report that is not satisfactory to everybody, the Government is to go back on him and abandon him and appoint some other commission to criticise what he has done and to defeat the work he has been attempting to do. It looks as if this Government was getting into the habit of investigating the investigator. Last night we had a discussion in regard to a similar matter. A man was commissioned to discharge an important duty and apparently he did it well and energetically, and made his report to the Government, but his report was thrown aside by the Government and a new commission was appointed to carry on an investigation for the purpose of befogging the issue and of destroying the report made by an officer of the Government. In the present case, Dr. Bruce was either an honest and capable official or he was not. I think every one in Canada who knows him will say that he was honest and capable, and if he was the Government should have stood by him, and if there was any further investigating to be done it should have been done by Dr. Bruce. As he undertook the work, I can see no reason why he was not continued in his position until a result was arrived at. Dr. Bruce acted very promptly. He was appointed on the 31st day of July, 1916, and he was commissioned to make an inspection of all the Canadian hospitals under the control of and paid for by the Canadian Government. He proceeded to do that work, and he reported on the 20th day of September, six or seven weeks after his appointment. He must have carried on his work with energy, and, so far as we can see, with efficiency. When his report was received what would be the duty of the Government? A man not in military life would say that the first duty of the Government was to institute the reforms suggested by Dr. Bruce in his report, but instead of doing that they appointed Dr. Babtie ,who now turns out to be a discredited person himself on account of his conduct in Mesopotamia, to investigate what Dr. Bruce has already investigated. We have not had any explanation from the minister as to why that step was taken, and it is a mystery to the people of Canada. If Dr. Bruce was an honest and capable man the Government should not have abandoned him. If he was not, of course they should have dismissed him. The Babtie Commission, so far as I understand these reports, does not prove that Dr. Bruce was wrong.

Take, for example, two questions that are dealt with. The first one that I will refer to is the Voluntary Aid Hospitals. My hon. friend from Pictou (Mr. Macdonald) has already spoken of that subject. These hospitals were all right at the inception of the war. They were mostly under the management of patriotic and well-meaning women, who were willing to do something in a volunteer way to help on the war, and when the war started we have no doubt those hospitals rendered valuable aid in looking after the wounded. But after the regular hospitals were organized and there was ample accommodation for the wounded, the use for those Voluntary Aid Hospitals seemed to have disappeared. It will be admitted by the minister that we might as well dispense with them, and Dr. Babtie, in his report, does not show that Dr. Bruce was wrong in that particular.

The second question is the unfit medical men. Dr. Bruce pointed out that there were cases in which men were serving in hospitals who were unfit for that duty, and that soldiers were suffering on that account. Dr. Babtie first makes the statement that that charge is not borne out by the facts. A little later on in his report, however, he admits the truth of Dr. Bruce's statement that there were incompetent doctors in the service, but he says that they were as good as the men in any other branch of the service; that is about the explanation he gives. Dr. Bruce, of course, wanted the very best doctors that could be obtained, and there was no necessity, so far as I can see, for keeping unfit or incompetent doctors in the service at that stage. I was greatly impressed by a letter published in the Toronto Globe recently from Adelaide R. Poole, R.N., who had been a nurse for a year and a half in military hospitals in France and England. I do not know the lady, but I should like to read one paragraph of her letter:

> But the whole thing goes deeper than mere details of rival reports. The offence for which Col. Bruce is being punished is that he, being a doctor, dared to criticise other doctors. He dared, as a man acting in the interests of the public, to do his duty, even although it involved his sinning against medical etiquette, and consequently, no matter whether he be right or wrong, he has, and will have, almost the whole medical profession against him. This is the root of the whole matter, and the short-sighted public, instead of standing by the man who, for their sakes, broke one of the strongest fetishes of our day, join in the cry against him.
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> This decision, this disqualification of a man who did his duty as he saw it, will have a far deeper effect than most people realize. Even at the present time, medical etiquette is so strong in military hospitals, that a Colonel, an old and

experienced doctor, will hesitate before interfering with the youngest medical officer's treatment of a case, even when he feels in his heart it is mistaken, and will shut his eyes to habits and incompetence, in a way that could happen in no other corps in the army. Thinking people feel there is a danger to the community, even in civil life, in the way one doctor stands by another, no matter how inefficient or unworthy of confidence he be. No one but another member of the profession can say a doctor has made a mistake, or done wrong, no matter how flagrant the case may be. The patient is generally dead, the friends and relatives are ignorant, and the nurse, even when she knows, is trained not to speak. But after this lesson, an efficient, conscientious doctor, when he knows things are wrong in a hospital, knows lives are imperiled or lost by the habits of incompetence of other men, sometimes inferior to him in rank, though he break his heart over it, will keep quiet lest worse befall him—lest he himself be deprived of his chance of being useful. He will do his own work, and shut his eyes to what goes on around him. And he will be wise.

If a man appointed and paid to inspect is punished and dismissed for making a real report on what he finds, instead of patting every one on the back, as is usually the case, what would happen to just an ordinary officer if he dared to speak? If the public stand for it, they deserve what will come to them. But what of the helpless soldiers?

That is written by an experienced nurse who knows what is going on in some of these hospitals. I have no desire to make things seem worse than they are, but I should like some explanation from the minister as to why the department deserted Dr. Bruce when he was attempting to perform a very important public duty.

Sir ROBERT BORDEN: I do not think it is correct to say that the department deserted Dr. Bruce. Dr. Bruce made a certain report which aroused a good deal of controversy. The subject was investigated by another board, and the hon. gentleman (Mr. Sinclair) seems to be under the impression that that board was composed of one British officer, and that Canada was not represented on it at all; at least, if he is not under that impression himself, he conveyed that impression to the committee. The board was composed of Surgeon-General Sir William Babtie, K.C.M.G., C.B., V.C.; Colonel E. C. Ashton, G.O.C., C.T.D., Shorncliffe; Colonel J. T. Fotheringham, C.M.G., A.D.M.S., 2nd Canadian Division, B.E.F.; Colonel A. E. Ross, C.M.G., A.D.M.S., 1st Canadian Division, B.E.F.; Lieutenant-Colonel J. M. Elder, No. 3 Canadian Hospital, Boulogne. I do not believe you could find four names in the medical profession in Canada that would command greater respect than those.

Mr. SINCLAIR: Dr. Bruce was not a member of the second board?

[Mr. Sinclair.]

Sir ROBERT BORDEN: No, but I understand he was present and had the opportunity of making representations.

Mr. MACDONALD: He says not. He says he was called to give evidence, but was not permitted to attend the sittings of the board.

Sir ROBERT BORDEN: I understand he was permitted to make his representations to the board. He may not have been permitted to attend their deliberations, but that is a somewhat different thing from what I stated.

So far as the medical service overseas is concerned, it is under the direction of a gentleman whom I believe to be a very competent officer. I saw something of him and heard a good deal about him when I was there this year. Surgeon-General Foster is a gentleman who has had considerable experience in the Canadian permanent service. He went across the Atlantic early in the war, and has had the advantage of a wide experience over there, and when new arrangements were made nearly a year ago, he was selected for the position which he now holds, namely, head of the Canadian Medical Services overseas. I believe he is discharging his duties efficiently and well, and that the services are being efficiently conducted. Of course, the experience of a person who visits hospitals and sees the patients is not by any means conclusive, but in justice to the management of the Canadian hospitals overseas, and in justice to the management of the British hospitals which I visited—and I visited a great many—I am bound to say this: although I inquired very frequently, indeed of almost every man whom I saw in the hospitals, whether they had any cause for complaint or any suggestion or representation to make, I never heard from first to last in the thirty or forty hospitals I visited in March and April of this year, a single complaint from a Canadian patient, or for that matter, from any patient, and I never saw anything in any one of these hospitals that would call for a critical remark. The men all seemed to be well cared for, comfortable and contented. As far as I could judge everything that could be devised for their care and comfort had been done.

As far as the V.A.D. hospitals are concerned, there are none of these at present under the Canadian system. There are some, however, under the British system and I visited some of these, but I saw

nothing to excite criticism or comment on their management. I should be very sorry to believe that the Canadians who have gone overseas and have been wounded in this war or are suffering from illness are not being properly cared for; I believe that they are.

The work of the Canadian Army Medical Corps in the fight at Vimy Ridge has been described to me and it indicated a remarkable degree of efficiency. The arrangements for moving back the wounded and caring for them at once were remarkably thorough, and there was nothing left undone that one could suggest. I remember reading a letter quite recently from a Canadian physician who went overseas about two years ago. Dr. Andrew McPhail, of McGill University. The letter was not written to me, but to a friend who showed it to me. I am sorry I have not it here to read to the committee because it would impress upon the committee the splendid efficiency of the arrangements that were carried out by the Canadian Army Medical Service in that battle. Those arrangements reflect the highest credit upon every one concerned in them. The arrangements were thought out just as carefully, so far as they concerned the care of the wounded, as any of the other operations. When, in the midst of the fight, through sudden change in weather conditions, it became necessary to have 600 or 800 additional blankets brought up immediately, although that call was absolutely unexpected, those blankets were provided within less than one hour. The arrangements from first to last struck me as indicating the highest degree of efficiency in the care of our wounded at the front, as disclosed by what took place during and after that battle. With the profound conviction I have that the Army Medical Service in the Canadian Expeditionary Force is thoroughly efficient, I would deeply regret that the impression should get abroad through this country from anything said in this committee that the reverse is the case. I am convinced that the men who are serving in the Army Medical Service of the Canadian Expeditionary Force are not only men of excellent knowledge and wide experiences, but that they are men animated by the highest devotion to duty. They have not spared themselves in this war. They have gone to the very firing line whenever necessary. There have been many casualties among them. I have seen their ambulances with scores of shrapnel and bullet marks on them. Those men are right out in the very midst of the fighting, whenever it is necessary that they should be there. They do not stay behind. They and the orderlies under them go forward to where the wounded men are lying. I believe these men are doing as good service for Canada and the Empire to-day as any men in the Expeditionary Force, and that too much credit cannot be given to them for the splendid spirit by which they are inspired and the splendid work they have done.

Mr. PARDEE: I fully appreciate the remarks the Prime Minister has made. It is not in the mind of any one here to question the fact that the Army Service Corps is one of the best in the world. We all know they are doing splendid work. As the Premier has said, they are performing the most wonderful service. They take their chances along with the rest of the soldiers. But, if I understand it, the Bruce and the Babtie reports which are now under discussion do not refer in any way to this. The only thing those reports refer to is the treatment of the wounded in the hospitals in England, and the point is, is that right or is it wrong? The Premier says that he should be very sorry to see any doubt cast upon the service in this committee. But when we come to consider the Bruce and the Babtie reports, I ask this committee if it would not be well to set the whole matter before the people, and have the reports placed on the Table so that we may know where we are. It has appeared to me for some weeks, as it must have struck many members of this committee, that there is an air of mystery which should not exist concerning this affair. It should not be so, as a matter of right to the Canadian people, who are entitled to know what is being done so far as their relatives and their wounded are concerned. And the reason why the matter should be cleared up is that if this state of mystery continues it will not help recruiting. As I understand it, Dr. Bruce is one of the most eminent men of his profession, not only on this continent, but probably one of the most eminent to be found anywhere. On account of the alleged existence of certain conditions in England, he was sent to make a report. In one of the paragraphs of his report he says:

5 p.m.

> In view of the unanimity of my confreres who contributed in so important a measure to my report, may I briefly outline their eminent qualifications for the unpleasant but necessary task which they so cheerfully and ably performed.

Then he gives the names: Col. Reid, Col. Wallace Scott, Col. Wilson and Col. Walter McKeown. I do not know any of these men, and I have not the faintest idea who they may be; but, knowing the reputation Dr. Bruce holds in this country, and knowing the class of man he is, I am perfectly satisfied he did not take these men with him for the sake of making a biased report. He took them for the purpose of helping him to do the work he was sent to do. He consulted them, and they brought in a report finding, as my hon. friend from Pictou (Mr. Macdonald) has shown, 23 grounds upon which the Canadian hospitals are not being properly administered, and making 23 recommendations as to how these wrongs may be righted. In their report they say: Do these things, in order that conditions may be bettered. Then what happens? Col. Babtie goes over, taking certain eminent medical men with him, and he makes a report in contradistinction to the Bruce report, and says that in certain things Bruce is all wrong, and Babtie is all right. You have it on the Prime Minister's own admission that Col. Babtie is a most eminent medical man. You have not only the admission of the Prime Minister that he is an eminent medical man, but the English Government has said so, because they put him in charge of one of the most difficult medical transport services they had; and, eminent though he was, he so entirely failed that the English Government have practically had to take the matter in hand and censure him. We have the Bruce report, and we have the Babtie report, and in connection with this Babtie report, the man who made it has come to grief through want of real medical knowledge along the lines he took.

Then, Sir, we have the Jones report, and with that I shall not deal. But we have this fact, that Dr. Bruce, in all fairness, considering his reputation, whether as a medical man or as a citizen, having been criticized in the Babtie report, should have had the human right to reply and say wherein he was right and wherein General Babtie was wrong. Again the mystery—why, I know not—but for weeks we have been endeavouring to get that reply from Dr. Bruce so that we might argue the question out and find, at least to our own satisfaction, whether we are right or wrong. As I understand it, this second Bruce report seems to have vanished into thin air. The Minister of Militia says he sent it to the minister overseas. The minister overseas says he never got it.

Sir EDWARD KEMP: What authority has my hon. friend for that statement?

Mr. PARDEE: I have a letter here, written in the early part of this month by a man who had seen the overseas minister and the overseas minister says he never got that report. That, I submit, is fairly good evidence. May I now ask if the minister has a copy of that report, and if he has, whether he will lay it on the table of the House? May I expect an answer?

Sir ROBERT BORDEN: I have already given the answer. As far back as the 31st May I said:

> It is not the intention of the Government to lay it on the Table without first submitting it to the overseas Minister of Militia to whom in the ordinary course it should be presented, as it relates to matters under his immediate jurisdiction. Whether or not the report will afterwards be laid upon the Table, I am not for the moment prepared to say. I speak not of my own knowledge when I refer to the contents of the report, because it is voluminous and I have not had time to read it, but I understand that a portion of it is not responsive to anything in the report of the Commission over which General Babtie presided and that it is not made in respect of any matter upon which Colonel Bruce was asked to report. Whether that is the case I am not now prepared to say, owing to lack of time to make the necessary examination. I am thoroughly of opinion, however, that the report should first be submitted to the Overseas Minister of Militia.

That is what I said on the 31st May, and that is the position to which I still adhere. If the minister of the overseas forces has not received it, I do not understand the reason for that, because the Minister of Militia and Defence forwarded it to him. It is possible that it may have gone down in some vessel sunk by a submarine, but we have no reason to suppose that such is the case. It is a proper suggestion that we should ascertain by cabling whether he has received it, and we shall do that.

Mr. PARDEE: I have never been a member of a Government and so I am not familiar with the procedure of Governments, but I cannot understand, when the second Bruce report came, even although as the Prime Minister has said, it refers to matters that are within the knowledge of the minister overseas, why Sir George Perley should have to revise that report before it was given to the members of this House.

Sir ROBERT BORDEN: I did not say he should revise it.

Mr. PARDEE: Practically, the Prime Minister agrees with me, because he says that, as the minister overseas has to do with matters that are contained in the report, it ought to be submitted to him. Am I right in that?

Sir ROBERT BORDEN: I say it should have been submitted to him in the first place.

Mr. PARDEE: Dr. Bruce was appointed by this Government to report on certain things. He was not appointed by the minister overseas, but by order in council here, to report and give his findings. I submit that if he were to give an unbiased report he would go over there to report and without having reference, near or remote, to Sir George Perley, he would come back with that report, and the Government should lay that report upon the table of the House.

Sir ROBERT BORDEN: I do not think my hon. friend quite understands the situation. Colonel Bruce was not appointed by order in council. He was appointed by the then Minister of Militia and Defence to make inquiry and report. His report would naturally go to the Minister of Militia and Defence. It would not be sent to the Minister of Public Works or the Minister of the Naval Service; it would be sent to the minister who appointed him. After that report had been made, or about the time it was made, a change took place by which the duties that had up to that time been discharged by the Minister of Militia and Defence were divided, and in the future a portion of those duties were to be discharged by the Minister of Militia and Defence, and a portion of the duties were to be discharged by the minister of the overseas service. The particular matters to which the report related came under the jurisdiction conferred upon the minister of the overseas service, and therefore, for that purpose, he ocupied the position which the Minister of Militia and Defence occupied in the first instance. That is the reason why I say the report should have been presented to Sir George Perley in the first instance. I should like to make this plain further to my hon. friend—we are speaking of this document as a report. It is not a report in the ordinary sense. It is rather the criticisms or observations of Colonel Bruce in respect of the report made by the board of which General Babtie was the president. It was not ask for by any minister or by the Government; but he exercised his right, as he understood it, of making a reply to the conclusions that had been formulated in the report made by the board to which I have just alluded. So that, in the strict, technical sense, it is not a report but rather his reply to or observations upon the report made by that board.

Mr. PARDEE: Along that same line of reasoning, may I submit to the minister that, as it was only comment upon the Babtie report, if it should not be submitted to this House, and if it was not a report proper, why should it be submitted to the Minister of Militia overseas? But the Prime Minister says that it was. As I understand, it is then in this position, that the second Bruce commentary or report, whatever we may desire to call it, was made in answer to the Babtie report, that that commentary upon the Babtie report was sent here, I suppose, to this Government, to the Minister of Militia, or to my right hon. friend.

Sir ROBERT BORDEN: It did not come to me.

Mr. PARDEE: Then the Minister of Militia no doubt got it. It got to the Government somehow. Then, after it gets to the Government, the Government says that this is of such importance and it is such an integral part of the Babtie and Bruce reports, that, in order that the matter may be kept perfectly straight, and as the minister overseas has to deal with these matters, and as these matters must not be submitted to the House of Commons or laid on the Table in the form of a commentary or report, we must send this to the minister overseas in order that it may have his "O.K."

Am I right up to that point?

Sir ROBERT BORDEN: I would not say absolutely right. I will explain the position as I understand it. We say it should be sent to the minister overseas, as it related to questions under his jurisdiction and as to which he takes the place of the Minister of Militia. It should go to him in the regular course, but it should go to him for another purpose. I have already pointed out that it was not in response to any request of the Government, or of the Minister of Militia and Defence, or of the minister of the overseas service that it was sent. It contains some matters perhaps relating to the Babtie report, and a good deal of matter, which as I understand, does not relate either to that, or any other report. I am so informed

by the Deputy Minister of Militia and Defence, who made a study of it, and made a report upon it to the Government. I say it should go to the minister of the overseas service in order that he might consult his officers in regard to it. It might be necessary to make some explanation or statement. I should suppose the minister of the overseas service would submit that commentary or criticism to Surgeon General Foster, who is at the head of the service over there, and ask him whether any of these criticisms, whatever they may be, are well founded, and if they are well founded what he proposes with regard to them. All that would seem to me to be a very proper and fair way of dealing with it. So, it was really sent to the minister of the overseas service, not to obtain his O.K., but for the two reasons: First, because he is the proper minister to whom it should be addressed, and, second, because the matters to which it relates are under the supervision and direction of himself and his officers, and it ought to be submitted to his officers, if it contains any matter of a serious character, in order that we may learn what they have to say about it.

Mr. PARDEE: I will concede what the Prime Minister has said, for the sake of argument—that it ought to be submitted to the overseas minister, and to Surgeon General Foster, that it might go through the proper channel to be O.K.'d and sent back here. The great point is that it should be here, or we should have a copy. It is now two months since it was sent. I think my request a reasonable one when I ask that the report, commentary, or whatever name the Government might like to give it, be wired for at once, that it be brought back, and placed upon the table of the House.

Of course this question has nothing to do with the treatment of the wounded men in France or Flanders; their initial treatment in those countries is the very best; the Army Medical Service Corps is one of the best in the world. But this deals with the treatment of the wounded in England. We should have the Bruce report with its recommendations, and the Babtie report with its counter recommendations, and the Jones' report, and the final analysis—if it may be taken to be the final analysis—of Colonel Bruce. That report ought to be before us, and if it is not before us, we should find out why it is now in the hands of the minister overseas. We might have a day to discuss it, because I think it is of the utmost consequence. The effects may be very far-reaching. The relatives of those wounded soldiers are interested, and in order that their minds may be set at rest, and in order that recruiting may not have the least set back whatever, the question whether the Babtie report or the Bruce report is right should be settled.

Sir ROBERT BORDEN: We will telegraph to Sir George Perley and find out whether the document has reached him. We will also telegraph him with respect to his view in regard to laying the document upon the table of the House, with or without any observations which his officers may desire to make with regard to it.

Mr. GRAHAM: The Prime Minister has said that the second report, or commentary, made by Dr. Bruce was not asked for by the Government. It is the unofficial report of an official investigation. If the Government did not ask for it—and the Government does not seem to want it—would there be any impropriety in Dr. Bruce making his reply public himself?

Sir ROBERT BORDEN: I am really not in a position to answer that, because it might relate to matters that it would be undesirable for Colonel Bruce to make public. It might be an advantage to the enemy to know these things; it might be a detriment to the public interest, and I should not like to answer my hon. friend.

Mr. PARDEE: Can the hon. Minister of Militia inform me if he has received a cable from Dr. Bruce within the last few days, in regard to the second report, and the publication of it?

Sir EDWARD KEMP: I received a cable from Dr. Bruce about a week or ten days ago, merely saying that he wished to have the report laid on the Table, or to have it made public, or something of that kind.

Mr. SINCLAIR: The question as to the contest between Dr. Bruce and Dr. Babtie is not of very much importance to the people of this country, but I should like to know whether any reforms have been introduced by the department to right the abuses referred to in Dr. Bruce's report. He has spoken of some very vital questions. I have the highest regard for the Canadian Medical Service. I know of a great many men from my own province who volunteered to take part in that service, and I know that many of them are among the pick of the medical men of that province. I am not aware that we sent any incompetent doctors from the province of Nova Scotia, but it appears from Dr. Bruce's report, if

we can rely on it, that men have found their way into the service that were unfit for the position. The question is of vital importance. The civilian can choose his own doctor. If any of the hon. gentlemen around me require a doctor they select the best they can find, if they are able to pay for the service; but the soldier has to take what is given him; he is under the direction of a certain doctor who is looking after the ward, and his life is involved in the competence of that doctor. He has no choice, and therefore it is a question of the most vital importance that the Government should not have doctors in the service who are not fit for the duties devolving upon them. This is what Dr. Bruce says in regard to that matter:

> The personnel of the Canadian Army Medical Corps has been greatly hampered by the granting of commissions to medical men whose ability in civil life, and, in some cases, whose well-known habits were such as to reasonably preclude them from being honoured with a commission in the C.A.M.C.
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> It has been found on investigation that many of the officers who have been given commissions have been failures as medical men at home, or are over age, or are drug fiends, or addicted to alcoholism, and these officers are not only of little or no use as C.A.M.C. officers, but their presence on an overseas unit is a detriment to the efficiency of that corps.

That is very strong language. If that statement is true, we have men in the service who are drug fiends or who are addicted to alcohol—men who should not be in the service at all. Did the Government take any action with a view to getting rid of these incompetent doctors?

Sir EDWARD KEMP: The member for Guysborough (Mr. Sinclair) opened his remarks by stating that none of these doctors, so far as he knew, came from the part of the country which he represents. I can say the same thing with regard to the part of the country that I represent. So far as my knowledge goes, the same remark applies to the whole of Canada, with some few exceptions. No doubt some of these doctors who were addicted to drugs got overseas—I cannot speak definitely on that point. A few doctors, however, were sent back from the front out of the very large number that went over. The very best medical men in the country are overseas. In Toronto there are scarcely enough doctors to do the work required in the ordinary practice of medicine. The very pick of our doctors went overseas; I am confident that no reflection can be made in general upon the medical profession in that regard.

Mr. SINCLAIR: Dr. Bruce does not reflect generally upon the doctors who went overseas; he says that certain doctors have been given commissions who are unfit for the service. The minister has not answered my question, which was: Has the department got rid of these doctors, or are they still in the service? It is not necessary to say that we have good doctors over there; we all know that some of the most eminent medical men in Canada are in the service. But we cannot assume that Dr. Bruce made up this report out of whole cloth; we cannot assume that there is no truth in his statement. Will the minister answer my question as to whether these men are still in the service?

Sir EDWARD KEMP: I thought I had made myself perfectly clear; I intended to, at any rate. Courts of inquiry were held in respect to certain doctors, and those doctors who were found incompetent to carry on their work were sent back to Canada.

Mr. SINCLAIR: After Dr. Bruce's report was put in?

Sir EDWARD KEMP: That has nothing to do with Dr. Bruce's report.

Mr. OLIVER: This is a matter of very deep concern to the people of Canada. There have been between 75,000 and 100,000 casualties in our Canadian forces, spread from the Atlantic to the Pacific. There is not a settlement, town or village in Canada in which some member of the community has not suffered casualty at the front. When a discussion such as this is brought forward at this time, it is very unsatisfactory to the people of Canada who are interested to find that, instead of the Government standing up and saying what they have done specifically to cure the conditions set forth in Dr. Bruce's report, the minister makes a general statement that things were not good, but that now they are better; that they are not good in the service of other countries, and that we cannot expect to have them any better in Canada. That, I submit, is not a satisfactory answer, and it is not made any better by the defence of the Prime Minister that the medical service at the front is beyond question. The medical service at the front is not under consideration. Dr. Bruce has not reported on the medical service at the front; a defence of that service brought into a discussion of Dr. Bruce's report is, if it was intentional, made for the purpose of drawing attention from the matter under discussion. The situation is not improved by the known facts of the

case as set out in cold type in the reports that have been placed on the Table. After two years of war, the then Minister of Militia, on the evidence gathered by him by personal observation, came to the conclusion that a reorganization or improvement of the medical service in England was necessary or advisable. He selected, for the purpose of making inquiry, and for the purpose of reorganizing that medical service if inquiry should develop that it needed reorganization, one of the most eminent surgeons in Canada. Evidently, whatever other mistakes the then Minister of Militia may have made, he made no mistake in that appointment. The report of Dr. Bruce, dated September 20, is a most complete review of the medical or the hospital situation in the British Isles so far as it concerns the Canadian forces. It is evidently undertaken by a man who has the confidence of experience and reputation. He sets out in good plain English the conditions as he finds them and makes specific recommendations for the improvement of those conditions. Did the Government act on that report? They did not. As soon as the report was made public, there was a noise throughout England, from one end of the country to the other. Bruce's report was discussed in the English papers. What was the trouble with Bruce's report? In some portion of his report he had declared that it was more advisable that Canadian wounded should be cared for in Canadian hospitals by Canadian surgeons and physicians than that they should be scattered indiscriminately throughout the hospitals in the British Islands. Because he reported that, his report was criticised from one end of England to the other. For what reason? On the question of the medical treatment received by the Canadians? Not at all; but on the question whether it was desirable or not to educate them in Imperialism, if you please, by spreading them around amongst their Imperial fellow-soldiers.

Mr. HANNA: Have you any objection to that?

Mr. OLIVER: Dr. Bruce makes this objection to it, that as these are Canadian soldiers and Canada is providing Canadian hospitals and, as has already been said in this House, she has sent over some of the best of her medical men and surgeons who have volunteered into that service for the purpose of doing the best they could for their fellow-citizens who have served the cause in the war, our men should have the benefit of those special services. There could be nothing more reasonable than the contention of Dr. Bruce in regard to that matter, but because it did not suit some of the people of influence in the Old Country, there was a campaign started in the newspapers against Dr. Bruce. It was taken up by the Overseas Minister of Militia; it was supported by the minister on this side of the water, and forthwith Dr. Bruce had to be submitted to the indignity of an investigation by a commission headed by Dr. Babtie, who now, as a consequence of the revelations of what has occurred in Mesopotamia, is a discredited member of the medical and surgical service of the British army. Is that how we are going to get more efficient treatment for our suffering citizens in England? It has been said here that Dr. Bruce is the best surgeon in Canada, and any one who reads his report will see that he certainly is a man who is prepared to back up his opinion with his recommendations; that he is prepared to stand by what he says. Having read his report, I am, as a layman, bound to come to the conclusion that whether there is good medical or surgical knowledge in it or not, there is a great deal of sound common sense. But this man, who represents the best element of, at any rate, one of the highest professions in the Dominion of Canada, who was rendering service only because of patriotic enthusiasm, and who did render good service, was, because he ran foul of the social circle in England, at once put under the indignity of being investigated by another commission, and his work was thrown to one side. I am not concerned with Dr. Bruce; I do not belong to the profession of which he is an honoured member; but I am one of the plain citizens of the Dominion of Canada, and with many thousands of those citizens I have some interest in the hospitals in England, and such treatment does not appeal to me as being fair or right, or in the best interest of Canada's service in the war. This matter was brought up months ago in this House, but there is no answer except the statement made by the Prime Minister to-day, that he does not think it advisable to let the facts be known because it might injure recruiting in Canada. The Prime Minister has injured recruiting in Canada.

Sir EDWARD KEMP: Did my hon. friend say that the Prime Minister stated he did not want this done because it might injure recruiting?

Mr. OLIVER: I understood that.

Sir EDWARD KEMP: I did not hear him say that.

Mr. OLIVER: He said it would not be wise to have too much said about the facts.

Mr. HANNA: He said it was contrary to the national interest.

Mr. OLIVER: He said it was contrary to the national interest that confidential information contained in the report should be made public.

Sir EDWARD KEMP: It might give information to the enemy.

Mr. OLIVER: We shall have to say this, that so far as the Government are concerned in connection with this report, they certainly have been careful to give information neither to friends nor to enemies. This report, which was published in England as soon as it was made, which was printed in England for public distribution, which was published in the newspapers in England and spread from end to end of the United Kingdom within a day or two after it appeared, has never yet been printed in Canada for the information of the people of this country, and even the English reprint that is here would never have been laid on the table of the House had a demand not been made on the Government for that measure of publicity. Yet, that being the case, when the question is raised again, and Dr. Bruce's reply to the Babtie investigation is asked for by this House, we are told in effect that the Government have this report in their hands and they will make it public or not as they please.

Dr. Bruce is at the present time in the British service. He is not in civilian life. He is in a position in which he may be condemned to the limit and he has not the privilege of reply. The abuse of the power of the Government to prevent Dr. Bruce from making a public statement in justification of his own position cannot have my support. As a member of this House of Commons, this free Parliament of the people of Canada, speaking for the people who are interested in this matter even more than Dr. Bruce or the Government is, I for one demand the publication of Dr. Bruce's statement at the earliest possible date, and if it is not published I will hold the Government as condemned, as not daring to publish the truth, as unwilling to justify or permit to be justified one of the Canadians who have suffered and are suffering in this war, and whose service has been a credit to Canada, as it is to-day admitted to be a benefit to the British military service.

Mr. MACDONALD: In view of the minister's statement that he received a cablegram from Dr. Bruce asking him for the publication of the report, does the minister intend to comply with the request of Dr. Bruce or not? I take it that the minister has a copy of the report in his possession.

Sir EDWARD KEMP: My hon. friend was in the House when the Prime Minister made his very full statement. He stated that he intended to cable Sir George Perley in regard to the matter. I asked him whether he intended to cable himself or whether I should, and he said that he would cable. He stated over and over again that he did not want to lay the report on the Table until he had heard from Sir George Perley. That is what I understood him to say; I do not know whether my hon. friend understood him differently.

Mr. MACDONALD: What the Prime Minister said was this. He read the statement he made on the 31st of May, when we asked him to bring down the report, in which he said he was sending it to Sir George Perley for his examination. Dr. Bruce communicated ten days ago with the Minister of Militia to whom he had sent the report; the report was not sent to Parliament. What answer did my hon. friend make to Dr. Bruce's cable?

Sir EDWARD KEMP: I did not reply to it, as it called for no reply.

Mr. MACDONALD: Does the minister say that at no time since the 31st of May has he had any communication with Sir George Perley as to whether he received the report, and what he had to say about it?

Sir EDWARD KEMP: The report was sent to Sir George Perley, as stated by the Prime Minister.

Mr. MACDONALD: Did he acknowledge receipt of it?

Sir EDWARD KEMP: He has it in his possession.

Mr. MACDONALD: The facts, then, are these. My hon. friend has a copy of Dr. Bruce's report, and Sir George Perley has a copy, but Sir George Perley has not communicated his views on the report to the minister. Why, therefore, does not the minister lay on the Table the report which he has in his possession?

Sir EDWARD KEMP: Because I am not going to override the Prime Minister's wishes. I am subject to the Prime Min-

ister; he is not subject to me. He has stated what he intends to do about it, and I am not going to do anything different.

Mr. MACDONALD: Then there is this confusion between my hon. friend and his leader. His leader stated that he was going to cable Sir George Perley to find out whether he had received the report. My hon. friend says that he knows Sir George Perley has had the report for some time, and has taken no exception to it. There is therefore no reason why the report should not be published. The minister's explanation of the situation is quite different from the Prime Minister's.

Sir EDWARD KEMP: There is no difference so far as I can see.

Mr. GRAHAM: The Prime Minister thought the report might have been sunk.

Mr. MURPHY: My hon. friend the Minister of Militia is in a position at all events to relieve the mind of the Prime Minister as to the fate of the report, because as the hon. member for South Renfrew remarked the Prime Minister expressed some fear that it might have gone down in a ship that had been torpedoed. The Minister of Militia is able to reassure the Prime Minister that that fate did not befall the report but that it is now in the hands of his colleague the Overseas Minister of Militia. The Minister of Militia here has also a copy of it. This discussion as it proceeds becomes increasingly valuable, because almost every other minute it elicits a new admission—an admission which the time of the committee should not have been taken up in eliciting at all. Why all this mystery, all this desire for delay in this connection? Why is it that this committee and this House and this Parliament are treated in this way? As I recall the statement made by the Minister of Militia, who, I must say, is usually very, very frank indeed with the committee and with the House, he stated first of all that he had not received the original report. He was questioned several times about the Bruce report and said that it had not reached him. Then he admitted receiving some mysterious letter from an unnamed place from some one.

Sir EDWARD KEMP: I have all the letters in my possession, too.

Mr. MURPHY: He kept up the mystery in that way—

Sir EDWARD KEMP: Who kept up the mystery? I did not.

[Sir Edward Kemp.]

Mr. MURPHY: The mystery was kept up. My hon. friend has been very unfortunate in the mails. Some perverse fate seems to be pursuing him in connection with this supplementary report.

Sir EDWARD KEMP: Would my hon. friend be good enough to state plainly what he means. Does he mean to insinuate that I have given information to the House in connection with this matter which was not true?

Mr. MURPHY: I am not making any insinuations, but endeavouring to recall what the minister said. My memory may be at fault in some immaterial particulars. I was merely pointing out that from the inception of this discussion an atmosphere of fog has been thrown around this whole thing which the committee and the members of the Opposition have been unable to penetrate. I was pointing out that the Minister of Militia stated some months ago, when inquiry was made about this report, that it had not reached him, and he repeated that statement over and over again when questioned in the House. Then he admitted that he had received a letter later on, but that it was undated or unsigned or did not contain the sender's address.

Sir EDWARD KEMP: That is absolutely correct.

Mr. MURPHY: And because of that he could not tell us about the report. I am only recalling these things to show what a long process was gone through before we finally nailed down somebody to something about this report. To-day, again, the same performance goes on, and the Overseas Minister of Militia is conveniently brought in at different stages. At one stage it is uncertain whether he received the report. At another, we are told that he has received it. The Prime Minister reads a statement he made in the House two months ago, when he said that he was going to communicate with the Overseas Minister of Militia. Two months have elapsed, and apparently he has not done that yet.

Remember, Dr. Bruce is naturally solicitous about his own reputation and anxious to have the veracity of his statements established. Dr. Bruce, it seems, has cabled the minister asking that the report be laid on the Table. That reminds me that my hon. friend was not just as candid as I gave him credit for a few moments ago, for he made that admission only upon being questioned from this side of the House. He

did not volunteer that statement; it was dragged out of him.

Sir EDWARD KEMP: I answered the question when it was asked. The information was not dragged out of me; I had quite forgotten about it.

Mr. MURPHY: So the standard set up by my hon. friend the Minister of Militia is this. He, as Minister of Militia, as a servant of the people of this country, does not consider himself under any obligation to place the facts concerning any matter in his department before this committee, unless it should happen that some member on this side of the House has personal knowledge regarding it and asks the minister a question about it. I submit that this is a most improper position for a minister to take. He should give the committee all the information at his disposal, and so save the time of the committee and the time of the House.

What was the position assumed by the Prime Minister? The Prime Minister must have been in possession of the information that is in the possession of the Minister of Militia. The Minister of Militia says that a copy of this report is in the hands of the Overseas Minister of Militia. The Prime Minister gets up and professes not to have any knowledge of that, and intimates as a reason for not having any knowledge of it that the report may have gone down in some ship that was torpedoed. He was going to cable to-day to ascertain what the man sitting in the next chair to him knew, and could have told him if he had only turned in his direction. I submit that that is not treating this committee and this House and this country properly. This is too serious a matter to be trifled with in this way. "Trifled" is the only parliamentary term that I am permitted to apply to it, but I would apply a much stronger term if the rules of the House permitted me to do so.

My hon. friend from Edmonton (Mr. Oliver) has properly drawn the attention of the committee and of the Government to the responsibility of the Government in this matter. That responsibility is so grave, and this is a matter that comes so intimately home to so many people in this country, that I submit to the Minister of Militia that in justice to himself, in justice to the Government of which he is a member, in justice to the committee and to the House of Commons and the people of this country, and quite irrespective of what his leader has said, it is his duty to see that the cable is sent to Sir George Perley this evening and that no more delay takes place.

I submit we should have this matter cleared up by to-morrow at the very latest and that this committee should not sit from day to day passing the estimates of my hon. friend while this air of mystery surrounds such an important question. A cablegram from Sir George Perley will let us know what his position is, and what objection he has, if any, to the production of this report. Candidly I am sick and tired of this fable which is spun from the other side of the House to the effect that this, that, and the other thing cannot be produced because it may give information to the enemy. To use a vernacular expression, that should be about played out. My hon. friend will remember that I made a motion for the production of a mobilization scheme of the Canadian forces which I understand was drawn up in 1913. This was a scheme with which everybody in and around Ottawa was perfectly familiar and which was a matter of common gossip. Instead of being carried out it was ignored, and this Government by reason of ignoring it has lost for the country tens of millions of dollars. I asked for the production of a copy of that mobilization scheme and the minister requested that the matter should not be pressed, that it was undesirable in the public interest that the documents should be produced. This scheme was four years old, yet it was supposed it might give information to the enemy. I recall this only to show my hon. friend the Minister of Militia that he is the victim of a system, and for the sake of his own good reputation and the honour and benefit of the country that system should be got rid of as quickly as possible. He can make a beginning in that direction by seeing that a cable is sent to Sir George Perley this evening, so that we may have a reply by to-morrow at the latest, and may know exactly where we stand with regard to this supplementary report of Dr. Bruce. I may remind my hon. friend that his ex-colleague asked a very pointed question about this matter, and received very little satisfaction. From the question I should infer that the contents of this mysterious report are not, after all, so mysterious or so hard to get at as my right hon. friend the Prime Minister and my hon. friend the Minister of Militia would have this committee believe. I again press upon the minister the absolute necessity, in the public interest as well as in his own interest, of having a cablegram sent to-night.

At six o'clock the committee took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

TORONTO, HAMILTON AND BUFFALO RAILWAY COMPANY.

The House again in Committee on Bill No. 39, respecting the Toronto, Hamilton and Buffalo Railway Company.—Mr. T. J. Stewart.

Mr. Rainville in the Chair.

Mr. T. J. STEWART: Mr. Chairman, I regret that the other evening an error was made in connection with the striking out of sections 1 and 2, which related to the town of Dundas. The schedule, which contains the agreement between the town of Dundas and the Toronto, Hamilton and Buffalo Railway company, should have been struck out at the same time, and I now move that the schedule be struck out.

Mr. GRAHAM: The other night some of us questioned the propriety of passing the measure, as no one seemed to know whether or not it was right. But if the Government, the member for Wentworth (Mr. G. C. Wilson), and the chairman of the committee, have all agreed, I suppose it will have to go through.

Mr. T. J. STEWART: I think I am safe in promising the hon. member that he will not be troubled with this Bill any more. It has been agreed between the town of Dundas and the Toronto, Hamilton and Buffalo Railway company that the clauses be withdrawn. There will be no more controversy.

Motion agreed to.

Bill reported and read the third time and passed.

SUPPLY.

The House resumed in Committee of Supply, Mr. Rainville in the Chair.

Mr. OLIVER: While greater attention has been paid to that portion of Dr. Bruce's report which deals with the distribution of the Canadian wounded in hospitals in Great Britain, really the most important feature of his report and the one upon which he lays the greatest stress is the condition that results in the landing and maintaining in England of large numbers of men unfit for service at the front. It is with this point that Dr. Bruce deals most fully in his report on that question. He shows there is a condition in England that is detrimental to the efficiency of the military forces of Canada and is seriously burdensome upon the treasury of Canada without any resulting benefit. In fact the result, as circumstances are now, is a double loss, because the men who are not of military value in England would be of industrial value in Canada, and Canada is deprived of their services in industrial life, while we are receiving no benefit from them in military service. That at least is the evidence of Dr. Bruce, Dr. Jones and Dr. Babtie.

It is necessary that the people of Canada should understand to what extent this condition has prevailed and what it means to the people of Canada that it does prevail, and who is responsible for its existence. Some weeks ago the member for Parry Sound (Mr. Arthurs) stated from his place in the House that there were 12,900 medically unfit men in service in England, and he recommended, very properly, that these men be brought back to Canada for industrial employment. I have asked for a statement of the number of medically unfit men who have been brought back to Canada.

Sir EDWARD KEMP: I am not sure whether those statistics have been given to the House. A great number of statistics have been furnished. All of those statistics which will be available are now available, and if these figures have not been given and if we have them I shall bring them down.

Mr. OLIVER: These figures were not contained in the statement made by the minister on a previous occasion. I have, however, a statement on that point that I shall take the liberty of placing before the House, and that is sufficiently startling. I have here a statement in regard to sixteen battalions going overseas during 1916. They are as follows: The 96th, Saskatchewan; the 111th, London, Ontario; the 113th, Lethbridge, Alberta; the 130th, Perth, Ontario; the 136th, Port Hope, Ontario; the 140th, St. John, New Brunswick; the 145th, St. John, New Brunswick; the 146th, Kingston, Ontario; the 151st, Edmonton, Alberta; the 152nd, Weyburn, Saskatchewan; the 179th, Winnipeg, Manitoba; the 189th, Fraserville, Quebec; the 142nd, London, Ontario; the 160th, Walkerton, Ontario; the 161st, Clinton, Ontario; the 168th, Woodstock, Ontario. Of these battalions, the 96th arrived in England with a strength of 770. Of these 111 were unfit for service, being a percentage of 14.43. The strength of the 111th of London, Ontario, was 635; the number

unfit for service was 185, the percentage of unfits being 29.13.

Mr. EDWARDS: Does my hon. friend mean unfit for active military service at the front?

Mr. OLIVER. Yes.

Mr. EDWARDS: Or entirely unfit? Some men are passed as unfit for service in France, or at the front, but are still retained in the reserve battalions. Does my hon. friend mean that these men are relegated back to civil life, out of the service entirely, or has he figured on that?

Mr. OLIVER: I have been asking the minister for these figures. I am giving the figures of the men listed as unfit for service at the front, the men who will never go to France.

Sir EDWARD KEMP: Not necessarily. They may not at the moment be fit for service. They may not be ready to be classed in Category A, but they may be fit for service after a while. There are several categories in the table which I presented. It does not follow that all these men are not fit for service ultimately.

Mr. OLIVER: I do not know that they will all be unfit finally, but they were unfit on their arrival in England, and I will give some further facts as to why they were unfit, which will show they will never go to France. This may not apply to all, but it will apply to a large proportion. I want to know what is the policy of the Government in regard to these men who can never go to France. The 113th Battalion, Lethbridge, Alberta, had 879 men, 153 unfit for service, percentage 17.14. The 130th of Perth, Ontario, 554 men, 64 unfit, percentage 11.55. The 136th of Port Hope, Ontario, 472 men—less than 500 when they arrived in England—and of that number 144 were unfit for service, 30.50 per cent. The 140th of St. John, New Brunswick, 822 men, of whom 18 were unfit for service, 2.19 per cent. The 145th of St. John, N.B. 524 men, 82 unfit, 15.66 per cent. The 146th of Kingston, Ontario, arrived in England with 576 men, of whom 72 were unfit for service, 12.2 per cent. The 151st of Edmonton, Alberta, arrived in England with 907 men, 136 unfit for service, 14.99 per cent. The 152nd of Weyburn, Saskatchewan, 742 men, 187 unfit, 25.20 per cent. The 179th of Winnipeg, Manitoba, had 890 men, 116 were unfit, 13.03 per cent. The 189th of Fraserville, Quebec, 561 men, 99 unfit, 17.64 per cent. The 142nd of London, 561 men, 164 unfit, 29 per cent. The 160th of Walkerton, 997 men, 140 unfit, 13 per cent. The 161st of Clinton, Ontario, 740 men, 67 unfit, 9 per cent. The 168th of Woodstock, Ontario, 604 men, 87 unfit, 13 per cent. The average percentage of men unfit for service in this list of sixteen battalions was sixteen. There was sixteen per cent of the men who arrived overseas unfit for service in France.

Mr. EDWARDS: Are those figures official, from the department, or what is the source of that information?

Mr. OLIVER: I am giving these figures on the best information I have.

Mr. EDWARDS: What is the information?

Mr. OLIVER: It would not be of any value to the hon. gentleman to give the source of information. I am giving the House the best information I have on the subject, and it will be for the department to show these figures not correct, if that is the fact.

Mr. EDWARDS: That is hardly reasonable.

Mr. OLIVER: That is the best I can do at the present time, but I am satisfied it will be found the figures are correct.

Mr. STEELE: When were these men declared unfit? Immediately on landing, or some time after?

Mr. OLIVER: I presume as soon after landing as a medical examination is ordinarily held. The statement I have is that the men, on landing in England, were medically unfit for service in France. They were perfectly healthy men and good for civil life, but the point I desire to make is in the case of these sixteen battalions, sixteen per cent of the men sent over to England were of no military value to us, while they would have been of industrial value had they remained at home, and I am anxious to know if the department intends to bring them back, or what is its policy in regard to these men, and how many of them are there?

Mr. EDWARDS: I want to say, on what I believe is good, sound and reliable information, that I do not think the hon. gentleman's figures are correct, in regard to the 146th.

Mr. TAYLOR: Perhaps I can give the explanation. I take it from the numbers of these battalions that they went last fall.

Mr. OLIVER: Some time during 1916.

Mr. TAYLOR: Last fall the authorities in France made a new rule, excluding all over 40 years of age, and all under 20, from service in France during the winter. I think the hon. gentleman will find that these two arbitrary exclusions, applying only to the severe weather of the winter, account for nearly all these unfits of whom he has been reading to the House.

Mr. OLIVER: Whatever reason there was for their unfitness, the point is that these men were enlisted for military service in France. The man who is not in a condition to perform military service in France has no right to be enlisted.

Mr. STEELE: Does my hon. friend take into account the number of men who took sick on the overseas journey and were quarantined upon their arrival? In the 168th Battalion, with which the member for North Oxford (Mr. Nesbitt) is quite familiar, a considerable number of men were quarantined immediately upon their arrival in England.

Mr. NESBITT: They were not sent back.

Mr. OLIVER: Sixteen battalions, comprising 11,234 men, arrived in England, and of that number of men 1,825 were medically unfit, an average of 16 per cent.

Mr. TAYLOR: Not medically unfit.

Mr. OLIVER: I mean unfit for service in France. I have here the causes of unfitness in regard to twelve of these battalions. In these twelve battalions 1,367 men were listed as unfit for service in France. The cause of disability were as follows: under age 515, over age, 334.

Mr. EDWARDS: That bears out the statement of my hon. friend (Mr. Taylor).

Mr. OLIVER: To some extent. Of course, those who are over age will never be fit for service; those who are under age will become fit in time.

Mr. TAYLOR: Those who are over age are fit now, because in the summer they take men up to 45, whereas in the severe winter they exclude those who are over 40.

Mr. OLIVER: Does my hon. friend say that they bring back from France in the winter the men who are over 40 years of age?

Mr. TAYLOR: No, they do not send them to France when they are over 40. They send them when the fine weather comes.

Mr. A. K. MACLEAN: What do they do with them when the winter comes round?

[Mr. Oliver.]

Mr. TAYLOR: Unfortunately, very few men last that long. It is a very lucky battalion whose men, sent out in the spring, are still serving the next winter.

Mr. NESBITT: Many of them have been there two years.

Mr. TAYLOR: The casualties, for instance, in the 7th Battalion from British Columbia in the first year of its service were 1,500, the total strength of the battalion being 1,100.

Mr. OLIVER: That is hardly the point. I understood the hon. gentleman to say that my figures were misleading, because men were not allowed to go to France during the winter, because of their being over age, would be allowed to go in the summer. If they went in the summer, what happened to them when the winter came around? My hon. friend says that they would all be killed by that time.

Mr. TAYLOR: A large proportion of them would be invalided, either killed or wounded.

Mr. OLIVER: Suppose they did not happen to be invalided?

Mr. TAYLOR: Those who were not invalided would be kept in France. This age limit of 40 is quite new; it was introduced only last December. When these men were enlisted in Canada, 45 was the age limit, whether for service in France, England or Canada. But the experience in France showed that men of that age were not able to stand the severe weather in the trenches; therefore last December an order was made to send forward to France no more men over 40 during the winter months.

Mr. OLIVER: The only difficulty about my hon. friend's explanation is that the date of the information that I have here is October 27.

Mr. TAYLOR: I hope the hon. gentleman does not want to hold me to a day. I say December, because I was there in December. It is possible that the order was issued shortly before I got there; I know that it was very new when I got there.

Mr. OLIVER: My information is dated October 27, and it relates to those battalions which had been going over some time during the summer. Certainly, there fore, that was previous to the special rule which my hon. friend mentions.

Mr. TAYLOR: An hon. gentleman reminds me that it was early in November that we reached England, not December, as I stated.

Mr. OLIVER: In any case the date of these figures is certainly previous to the rule my hon. friend has mentioned.

Mr. MORPHY: Suppose it was, would these men not be kept a certain length of time in England in order to complete their training? That would run them well into December or January, when they would be singled out in accordance with the method set forth by the member for New Westminster (Mr. Taylor).

Mr. OLIVER: The state of facts that I am placing before the committee existed before the date my hon. friend speaks of as the time of the introduction of this new rule.

Mr. TAYLOR: I think the hon. gentleman is wrong about his dates, because the numbers of the battalions that he refers to indicate that those battalions were in summer camps last summer. My battalion, for instance, was the 131st; it was not unduly delayed in Canada. Most of these numbers are higher than 131.

Mr. OLIVER: I am afraid that the position will have to stand as I have stated it. My information, bearing date the 27th October, relates to the arrival in England of battalions before that date and to the conditions which existed in regard to these battalions at the time they were reported upon. Let me give the figures, then: Of these 1,367 men out of twelve battalions, 515 were under age 334 were over age. There were 200 with flat and defective feet, 63 with defective vision, 27 with varicose veins, 15 with defective legs, 13 were immature, 13 had defective heart, and 187 had miscellaneous defects. As to those who were over age, or who were otherwise permanently physically defective, the department will have to answer to the people of Canada for having taken them over to England when they did not intend to use them in France. They must answer also for keeping them in England instead of returning them to industrial employment in Canada. That is the point I wish to make, and that is why I have asked the Government so frequently for the figures in regard to this matter, which is a very serious one. Very few people in Canada thought that, as the member for Parry Sound (Mr. Arthurs) stated, there were 12,900 of these men in England who could not be of military value to our country. If there were 12,900 there at that time I want to know how many have already been returned to Canada, because I can hardly imagine that the department has not from time to time returned some of these men to this country. A burden has been placed upon the resources of Canada by putting these men in military service for which they were not fitted, and the industries of Canada have been hampered by reason of these men being taken out of industrial life. That is not management of which this country has any right to be proud, or upon which the Government can plume itself as having taken reasonable measures to win the war.

Mr. MORPHY: The hon. gentleman, I assume, will admit that all these men were medically examined before they left Canada by competent medical practitioners.

Mr. OLIVER: Oh, no. I have the Babtie report on that point. I have already placed it before the House, but seeing that my hon. friend raises the question, I may as well let him know what Dr. Babtie has to say about it. Dr. Babtie says:

> The Board is satisfied that there have been large numbers of men passed who ought not to have been passed by the medical officer; but it was perhaps inevitable under the circumstances of raising the Canadian Expeditionary Force that examinations could not be conducted with all the care necessary. This it believes to have been due partly to inexperience on the part of the examining medical officer, partly to hurry, partly to carelessness, and lastly, in some instances, to the opinion of an examining medical officer being overridden or ignored by commanding officers.

This report is dated 22nd December, 1916. Dr. Babtie goes on to say:

> These defects in recruiting continue to exist despite medical examinations by recruiting medical officers, by battalion medical officers of adjoining units and before sailing for the United Kingdom.

Mr. MORPHY: Does the hon. gentleman suggest any way in which the Government could have done better than they did in appointing reputable medical men throughout the whole country for the purpose of examining soldiers?

Mr. OLIVER: The conclusion of the Babtie commission is that they did not.

Mr. MORPHY: What is your conclusion?

Mr. OLIVER: This is what Dr. Babtie says.

Mr. MORPHY: My hon. friend should not say that. He did not read that.

Mr. OLIVER: The medical examiner who is careless in his report is surely not a reputable examiner.

Mr. MORPHY: The best medical man might sometimes be careless.

Mr. OLIVER: He cannot maintain his reputation on actions of carelessness.

Mr. MORPHY: The Government cannot supervise each man's work.

Mr. OLIVER: But Dr. Babtie uses the expression that this condition is partly due to inexperience.

Mr. MORPHY: Inexperience in examinations for purposes of war.

Mr. OLIVER: That is to say, the Government are appointing inexperienced examiners.

Mr. HANNA: At the beginning of the war there was no medical officer experienced in examining troops for overseas.

Mr. EDWARDS: How much experience had Dr. Bruce along that line?

Mr. OLIVER: This is not Dr. Bruce's opinion. I am giving Dr. Babtie's opinion; but Dr. Babtie, Dr. Bruce and Dr. Jones all agree specifically that this condition has existed in Canada; that it exists without excuse, and that it is a great and unjustifiable burden upon the people of Canada and militates against the military efficiency of our forces overseas. That is the position.

Mr. MORPHY: Can the hon. member give me the figures for the 110th Battalion?

Mr. OLIVER: I have not the figures for the 110th Battalion; I have the figures for the 111th.

Mr. MORPHY: Where is the 111th Battalion from?

Mr. OLIVER: London, Ontario.

Mr. MORPHY: I do not think the information the hon. member has is accurate.

Mr. OLIVER: Either the information that I hold in my hands is correct, or it is incorrect. The Militia Department have the information that I profess to be giving to the House, and they can verify it or contradict it at their convenience. As a matter of fact, there is no doubt that the information is correct.

Mr. STANFIELD: Last fall orders were given that before any troops should proceed overseas, the medical officer of the battalion had to pass on every man that that man was medically fit for overseas. I know of four battalions. After they arrived in England, they had a great deal of sickness—spinal meningitis, measles and so on. Each week the medical officer of the battalion had to send in a report of the number of men who were fit, and all those men who were quarantined were put down as unfit to go to France. Perhaps that may account for some of the large figures the hon. member has given.

Mr. OLIVER: I have given details of the classes and none of them is in that class. They would be a different class altogether. These are the men who are permanently unfit; that is, they are men who should not have been enlisted and who should not have been passed after they were enlisted.

Mr. STANFIELD: How did they get past the board?

Mr. OLIVER: That is due to the inexperience of the board. If Dr. Babtie, Dr. Jones and Dr. Bruce do not agree upon anything else, they all agree upon that. It is not my argument or contention; I am giving the very best authority available on the subject. There is no doubt about the facts, and the facts are deplorable. As the matter has not been brought up, I think I can find in Dr. Bruce's report, a list—

Mr. EDWARDS: The hon. member said that several hundreds of those were turned down for being under age. He would not call such men permanently unfit.

Mr. OLIVER: I probably did not use the correct term. What I should have said was that they were men who should not have been enlisted, because they were not fit for service in France. I wish to read a short list of disabilities given by Dr. Bruce. He gives his name, number, battalion, where enlisted, and everything about each man. Here is a man who has had phlebitis from 1912. He is unable to march and he is over age. The next man is over age, has poor physique and has myalgia. Another has myalgia, weakness of the legs and is unable to march. Another has deafness, debility, poor general physique. Another is over age and has debility. Another is over age and suffers from leconplatis. Another has left ear deaf, eyesight defective and is unable to march. Another has varicocele, suffers from senility, is too old for a soldier.

Mr. EDWARDS: Does varicocele make a man permanently unfit?

Mr. OLIVER: He has varicocele, senility, too old. Another man has deformed legs. The disabilities of others are: dyspnœa, defective feet, index finger missing; middle finger, left hand deformed, varicocele; deformed left hand, unable to flex fingers, unable to march; age, varicose veins; over age, rheumatism; age and debility; heavy weight, 215 pounds, with poor feet, unable to march; age and general physical condition; flat feet and fits; bad feet, sluggish mentality; age and debility; myalgia, subject to spells of dizziness; age and debility; chronic bronchitis, over age; age, general physical condition; mentally unfit; hernia, one leg one and one-half inches shorter than the other; varicocele interferes with marching, refuses operation; age and debility; large bunion, age; age and debility; age and debility; weak back; involuntary urination, dyspnœa; age and teeth; deafness and over age; height 4 feet 9 inches, weight 112 pounds, spinal caries; atrophied left arm, no development since nine years; amputated thumb of each hand; glass eye, 1 tooth upper jaw, 17 lower jaw, over age; severe varicocele, asthma, dyspnœa; aortic regurgitation; deafness both ears.

I am not a medical man, but I think the medical men who are in the House will agree that there could not have been efficient medical examinations, or the men who are in these conditions could not and would not have been enlisted.

So the case is absolutely proven that the Department of Militia in raising these battalions did not employ, as they should have done competent and reliable medical officers. As a result the country has been saddled with an enormous cost, and the efficiency of our troops at the front has been correspondingly reduced, while the industrial condition of the country has been placed at a disadvantage.

Mr. STEELE: These men my hon. friend has referred to were members of pioneer battalions.

Mr. OLIVER: I think my hon. friend is wrong, but I do not see that it makes any difference. Some of these men were of the 52nd, 40th, 44th, 2nd and 1st Pioneer Battalions. If they were not fit for service at the front, it does not matter what kind of a battalion they were enlisted in; we had no business to enlist them, and the Government is responsible for enlisting and having kept them.

Mr. STEELE: My hon. friend will notice that on page 95 of the Report it says:

> I am enclosing herewith a nominal roll of a few cases which have passed through this office, and would call your special attention to the enclosed roll of one unit, namely, the 2nd Pioneer Battalion, from which some thirty-eight or forty men alone were discharged under A.F.B. 204 as useless from physical defects.

Mr. OLIVER: I do not catch the purpose of my hon. friend in drawing attention to the fact that these are pioneer battalions. If so many very, very bad cases were found in one battalion, surely it is proven beyond all argument that the medical officer examining for that battalion was certainly not efficient. One occasional case may get by, but with a list like that, there is no question that the examining officer did not do his duty.

Mr. STEELE: The medical examination for a pioneer battalion is not so strict as for other battalions.

Mr. OLIVER: These men were not accepted when they got to England, but were culled out, and very properly so. I wish to draw attention to another matter in this connection. Of the sixteen battalions in the list I have here which were sent over to England, one was a little over 500 strong, and five were under 600 strong. None of them were at full strength. As a matter of fact, we sent sixteen battalion establishments across the water when we only had men enough, after the culls were taken out, for eight battalions; that is, we sent over a double supply of officers for the number of men we sent over.

Sir EDWARD KEMP: What authority has my hon. friend for saying that we sent over a full quota of officers in battalions that were not at full strength?

Mr. OLIVER: Does my hon. friend say that he did not?

Sir EDWARD KEMP: I am asking my hon. friend a question.

Mr. OLIVER: My full belief is that he did send over a full quota of officers in each case.

Sir EDWARD KEMP: Only in proportion to the number of the rank and file.

Mr. OLIVER: My hon. friend is Minister of Militia, and knows what he has done and what he has not done.

Sir EDWARD KEMP: That is absolutely right.

Mr. OLIVER: I have some personal acquaintance with one of these battalions.

I see that it is under strength, and I know that it went over with a full quota of officers. I do not know why that battalion should be treated differently from any other battalion.

Mr. EDWARDS: Which battalion was it?

Mr. OLIVER: The 151st. I will admit tnat it is the nearest to full strength of any battalion in the list, with 907 men. A battalion, I think, is something over 1,100 men.

Sir EDWARD KEMP: It is 1,035, including officers.

Mr. OLIVER: I have no reason to suppose that this battalion was treated differently from any other battalion, or to think that when the full allowance of officers went over with that battalion, a full allowance of officers did not go over with the other battalions.

Sir EDWARD KEMP: Not at all.

Mr. OLIVER: I suppose my hon. friend will admit that a lieutenant-colonel went over with each battalion?

Sir EDWARD KEMP: Very likely.

Mr. OLIVER: The principal officer went over, and those next in command, I suppose? The position is this: We sent over men enough for eight or nine battalions, and we sent over officers out of proportion to the number of men. That will have to be admitted, because we sent over 16 lieutenant-colonels when we only had men enough for eight or nine battalions. We knew before those battalions sailed from Canada that there was no position on the other side of the water for some of these colonels, but yet we sent them over and I am afraid we are keeping them over there. Now that is a condition for which there is certainly no excuse, and it does not tend to efficiency or satisfaction. When we were discussing this matter in the House before, some hon. gentlemen said: "If reinforcements are wanted in France, you must take the men and leave the officers." Very true, but we have a military organization and a military administration in Canada, and when we deliberately authorize the raising of battalions over and above our possibilities, we are responsible for having given that authorization, and responsible for the consequences of it; and when we were sending these battalions over under strength, if we had dealt honestly and fairly with these battalion officers we should have said to them before they went over: "You have not raised a full battalion, and therefore you cannot go to England." It would have been a more decent thing to do to stop them on this side of the water, rather than to send the battalions over with a full quota of officers, and then turn the officers adrift or keep them on the paylist without duties to perform. Such a condition of affairs could only result as it has resulted, in spreading dissatisfaction with military service throughout the country. In the first year of the war we had a large measure of military enthusiasm, which would have responded to the full to any reasonable call that might have been made upon it, but the administration of our military forces has been such that the enthusiasm has been killed, and then the Government comes to us and says: "The patriotism of our people has declined and we must now resort to compulsory military service." The position is absolutely unfair; it is unjust; it is an attempt by the Government of the day to protect the mismanagement of our military forces by discrediting the patriotism of our people.

Sir EDWARD KEMP: The question my hon. friend referred to in the latter part of his remarks is one which has been discussed on more than one occasion during this session of the House. There were quite a number of battalions sent over which were not up to full strength. The number of officers sent with those regiments was in proportion to the number of the rank and file, and the commanding officer was left to choose the officers he should take with him. The commanding officer knew before he left Canada that he was going over in command of a battalion and that he would not likely be able to go to the front, but that he would be returned to Canada. His officers also knew this. The junior officers had the privilege, of course, of reverting to a lower rank. The situation was not one for which the Government was responsible. Recruiting dropped off and those battalions could not be filled up, and there did not seem to be any prospect of them being filled up, so it was thought better to send them over as they were. In view of all that has been said on this point, I do not think it necessary to go any further with it, beyond stating that the situation was well understood. The officers in command of those partly completed battalions knew all the circumstances before they went over. At the same time, I have always contended it would not have been fair to those officers to have robbed them of even their commands by preventing them from taking their battal-

ions overseas as they stood. Some of those officers performed very good service when they reached the other side; others have come back to Canada, and some have gone back into civil life.

Mr. A. K. MACLEAN: How many such officers have returned to Canada, say in the last year?

Sir EDWARD KEMP: I could not give the exact figure, but the number was fairly large. Every day there are men reverting to civil life, because there is nothing further for them to do. I have letters from many of them stating they are perfectly satisfied. They have done all they could, and it was not their fault that they could not get to the front, or that they could not recruit their battalions to full strength. This is a situation which has come about quite naturally and for which no one is to blame. Every one did the best he could to get those battalions up to strength.

My hon. friend has also referred to a number of battalions for which he has statistics. I do not know where those returns came from, and I do not know on what they are based, or who is responsible for them. However, taking the returns as he gives them to the House, I understand thirteen per cent of the whole number were thought to be unfit for service when they reached England.

Mr. OLIVER: Sixteen per cent.

Sir EDWARD KEMP: If my hon. friend had said twenty-five per cent were unfit for service at the front I would have felt it was a very good showing indeed. Those men arrived after the hardships of a sea voyage; many of them in a condition very different from their condition when they sailed. Besides that, as my hon. friend has pointed out, a large proportion of them were under age. Now, what does "under age" mean? Under the voluntary system men have been taken from 18 to 45 years of age. Within the last two years, I think, it has been decided that no man shall go to the front unless he is at least 19 years of age. So those men who enlisted here in good faith at 18 years of age and went across would not be able to go to France until they were 19. Men of 45 were unable to get to the front, because they could not stand the climate. These two reasons account for the majority of those who were not fit to go to France at once. Apart from that, our men are not fit to go into the trenches immediately they reach England, because they have to receive considerable intensive training and preparation before they are fit for the firing line. As has already been pointed out, they are divided into categories, A, B, C, D and E. There are five classifications under category A; there are three classifications under category B, and there are three classifications under category C. All those men were made use of. If a man in England, although not fit for the trenches, is capable of performing some other duty, it is just as difficult to arrange to get him home as it is to get a man out of the trenches. There are all sorts of duties to be performed on lines of communication, clerical duties, base duties, preparing camp, and so on. I need not weary the House with a summary of the strength of all the units of the C. E. F. in England on the 14th of May, 1917. This statement was laid on the table during the time the Military Service Bill was under consideration. There were 126,241 men in England at that time; 26,359 of those men were in category A1, fit for the trenches. The others were undergoing training and were in different categories, preparing for the higher category. In order to understand how these men are qualified, and what is done with them in England, I should have to weary the committee with facts and figures, and I do not wish to do it to-night. This material has already been placed on Hansard. It is a long document, showing the subdivision in each category, and why the men are not fit for the trenches immediately they arrive in England. I have the document before me, and I could have copies of it prepared and furnished to any member of the committee who may desire the information. These men were enlisted in Canada in good faith. Of course, there were some cases of men slipping through the doctors' hands, as was explained this afternoon, without having passed a proper medical examination. My hon. friend referred to the men with flat feet. There has been more attention paid to that of late. It is pretended those men cannot march as well as the others, but, in every other way they are just as fit for the trenches. The examination in this regard has been made more rigid lately. I read to the House this afternoon a statement showing that out of about 1,600 troops reaching England lately there were only five who were unfit for service, and I gave the reasons why those five were unfit. The statistics which my hon. friend read to the House were in reference to a pioneer battalion. Medical examination for a pioneer battalion or a forestry battalion is alto-

9 p.m.

gether different from what it is for infantry, artillery or cavalry.

These men do not undergo the same medical examination, but they are able, for the most part, to perform the duties for which they enlisted. The occurrence of these things in the early days of the war is no reflection upon the great bulk of the medical men. They were generally civilian doctors, unaccustomed to military regulations, and, of course, we were all new to the game. But the regulations have been strengthened and made more exacting, and, after we had a certain amount of experience, the results were very satisfactory.

Mr. MACDONALD: This whole question would be very much more clear if the Government had been in a position to tell us whether they proposed to act upon the Babtie report or the Bruce report or the Jones report. They take the position of discrediting the Bruce report; they apparently do not intend to pay any attention to it and have taken the ground that Dr. Babtie's report completely answered everything contained in the Bruce report, and that there was nothing to be done. It will be remembered that in the Mesopotamia matter Dr. Carter, a medical man who stood in exactly the same position to Dr. Babtie as Dr. Bruce stands in regard to Dr. Babtie in the Canadian matter, was honoured by the British Government on account of having done very worthy service. The Government do not propose to have anything to do with Dr. Bruce's report. Let us look at some of the cases that are mentioned by Dr. Wilson, whose report is incorporated in that of Dr. Bruce: Lt.-Col. Wilson tells us of a man who went over there, Private Empson, who is 72 years of age? Is there any way under heaven by which a medical man, unless he was a political heeler, as they have been in many places, would pass men of 72 years of age? Then it is to be found at the same page of the report, page 97, that Private Alwright was taken out of a tuberculosis sanatorium previous to embarkation. On what principle would there be any justification for taking a man out of a tuberculosis sanatorium and sending him across to fight?

Sir EDWARD KEMP: Who did it?

Mr. MACDONALD: It will be found at page 97 of the report of Dr. Wilson. Private C. H. Baird was blind in the left eye and seven-eighths blind in the other eye, so that he was fifteen-sixteenths blind. Under what possible organization could such men as these be permitted to go to the other side on any service whatever? On page 94 we find the case of a young man, 16 years of age, who weighed 80 pounds. He had infantile paralysis, which left him with weak and undeveloped muscles in the right hip and thigh. He was passed by a doctor in Pembroke, and again examined at Quebec and passed by another doctor. He has done no military duty since he went over.

Sir EDWARD KEMP: Was he in a pioneer or an infantry battalion?

Mr. MACDONALD: He was in the 224th.

Sir EDWARD KEMP: A pioneer battalion.

Mr. MACDONALD: That makes no difference. What is the use of sending men 72 years of age, and blind, and men out of tuberculosis sanatoria, and with weak and undeveloped muscles? Then we find the cases of Private Dickson, 67 years of age; Private Jarvis, 52 years of age; Private Macdonald, 52 years of age, and Private Lockie, 52 years of age. These men were of no use over there. These statements are made upon the authority of men who, in regard to this medical service, so far as Canada is concerned, were doing exactly what Dr. Carter did with reference to Mesopotamia. The minister does not say he is doing anything in regard to all these reports about men who should never have gone and who have cost this country hundreds of thousands of dollars. On the contrary, the position of the Government is to discredit Dr. Bruce and his inquiry. The Prime Minister told us he would not bring down Dr. Bruce's report; he wanted to send it over to Sir George Perley because possibly there might be something in it which Sir George might want to answer. He sent it over some months ago, and Sir George Perley has it. The Minister of Militia has a copy of it, but will not show it to the House or to the country, and the consequence will be, if the Government maintain that position, that the session will close and the country will not have that report. That is apparently what the Government intend to do. The Government have no right to get any estimates through this House when they refuse to produce that report. It is contrary to every principle of constitutional privilege and parliamentary practice that, in regard to such a vital question as this the Government should ask Supply without giving necessary information, or should put forward such a flimsy excuse as they have done. What is there about Sir George Perley, who is he anyway,

that he should be the one man upon whose bidding the Parliament of Canada should wait for two months in order to find out whether he has something to say in regard to this matter? Is he any greater man than Dr. Babtie or Dr. Jones, both of whom made their answers in proper time? The first report of Dr. Bruce was made to the Minister of Militia here and was submitted to Parliament in due course. So was the report of Dr. Jones. So was the Babtie report. And when Dr. Bruce deals with these important matters which we have been discussing and the remedying of which is in the interest of the prosecution of the war and of the country, he sends the report to the minister here, but it is not submitted to Parliament, and the excuse of the Prime Minister is: I wanted to send it to Sir George Perley, and I did so, and he has got it; we cannot tell whether we are going to bring it down or not. Is Sir George Perley greater than this Parliament or than the Canadian people? He has grown very big since he left this country. He did not seem to be possessed of such wonderful qualities when he was in Parliament with the rest of us. When did he become such a great military genius, and when was he endowed with such superlative qualities that Parliament must wait upon his pleasure? The position of the Government, in view of the facts given to the House and the country by the hon. member for Edmonton (Mr. Oliver), in venturing to ask for Supply without giving that report, is one of the greatest pieces of effrontery we have ever had in this Parliament. The Government evidently do not intend to bring down the report and the session will probably close, and no report will be brought down.

Mr. GERMAN: It seems to me, following the line of discussion of the hon. gentleman from Pictou (Mr. Macdonald), and my hon. friend from Edmonton (Mr. Oliver), that there is some very distinct and strong reason why the Government refuses to lay on the table of the House the second report of Dr. Bruce. The hon. Minister of Militia knows what that report contains. I do not know what it contains as a matter of positive knowledge, but I have some inkling of its contents. It probably contains a condemnation of Sir George Perley, by reason of his interference in regard to Dr. Bruce's report. I think it also condemns this Government very severely for the very thing the hon. gentleman from Edmonton has brought to the notice of this House to-night, namely the examination of the men before they left Canada. Hundreds of thousands of dollars have been lost to Canada, and the pension list has been enormously swollen by reason of the very inaccurate, unwise and careless examination of recruits before they left this country for England. I quite agree with the statement of the hon. gentleman from Pictou that the Minister of Militia should not be allowed any Supply until that report is laid on the Table and given to the public of Canada. Dr. Bruce was an official of the Government. He was asked by the Minister of Militia to make a report, which he made. After that report was made, a second investigating committee was appointed in England to criticise that report, and they did criticize it, and Dr. Bruce has given his reply to that criticism. That reply, whatever it is, the people of Canada are entitled to have, and we should know its contents before money is voted for the carrying on of the affairs of the Militia Department. I feel just as strongly as the hon. gentleman from Pictou that the report must be given to the people of Canada before Supply is voted further for the militia services.

Mr. H. BOULAY (Rimouski) (translation): Mr. Chairman, during the transportation of the troops through the province of Quebec, especially by the Intercolonial, during the years 1915 and 1916, the soldiers who were being conveyed in the passenger trains have behaved in a manner not only obnoxious, but sometimes most scandalous. I do not remember whether I wrote to the Militia Department about it, but, at any rate, I did report the case to the railway department in Moncton, and as member for the county, taking up the defence of the citizens of my county, I have felt obliged to do it, for matters had become almost unbearable. I don't know where those chaps were coming from, for they seemed very little civilized, but all I do know is that they did not speak French, and they must have come from the western provinces; that instead of conforming to the usages of civilized people, they behaved ruthlessly, neither more nor less. I will now read to the House a letter which I felt compelled to write to the general manager of the railway in Moncton, under date of August 21, 1916:

Sayabec, August 21, 1916.

J. K. McNeillie, Esq.,
Supt. Gen. C.G.R.,
Moncton, N.B.

Dear Sir,—

I write to inform you that every time I travel on the trains, since the soldiers are be-

ing transported, the passengers on our regular trains are constantly insulted by those individuals who sing, yell, smoke, drink, vomit, and turn upside down everything in first and second class cars, to such an extent, that it is a disgrace for the administration to tolerate such things.

We hear a great many people swearing against the Conservative Government, for tolerating such conduct, and I think it is your duty to have this condition of things remedied at once. The employees are powerless.

We must prevent those individuals embarking on regular trains, or otherwise have a special car on each train, and further more have one or two policemen on train to keep them in good order. This state of things cannot be tolerated any longer, because it is prejudicial to the railroad which will lose passenger traffic, and also to our political prospects.

Those individuals insult men and children, and lay down in the alleys of the cars, and it is a dangerous matter to disturb them. I saw the porter on the car, at Valcartier, insulted, last night, in the most brutal manner, and I feel that those poor employees are not sufficiently protected against those brutes. A small number behave themselves properly, but the large number should not have access to those passenger cars.

Believe me, dear sir,

Yours faithfully,

H. Boulay.

It took about three weeks to get an answer to this letter, and finally the following reply, which was not very satisfactory, was received. I do not know which minister the manager refers to in his letter, whether it is the Minister of Militia or the Minister of Railways.

Sir EDWARD KEMP: What is the date of the letter?

Mr. BOULAY: September 8, 1916. It reads as follows:

Moncton, N.B., 8th September, 1916.

H. Boulay, Esq., M.P.,
Sayabec, Que.

Dear Sir,—

Referring to your letter of the 21st ultimo, matters of this kind must be referred to the minister so that I regret I can take no action.

Yours truly,

J. K. McNeillie.

I do not think it was proper for the Department of Militia to allow those men to travel on railroad trains in that condition, without having officers to look after them. For the last two years it has been a real disgrace, and, as a representative of a large county in the province of Quebec, through which those men are supposed to travel, I should not like those scenes to be repeated this year, and I urge strongly upon the Department of Militia or the Department of Railways—I do not know which has charge of such matters—to look after these men, and see that officers are put in charge of them, or that they be not allowed to travel on passenger trains. People complained several times to the superintendent, and they have complained to the general manager at Moncton, and I suppose they received a reply similar to this letter.

Mr. EDWARDS: Does the hon. member think they should be put on cattle trains?

Mr. BOULAY: They should be put on proper trains for soldiers, or, if put on passenger trains, there should be somebody to look after them.

Sir EDWARD KEMP: Were these men from Valcartier camp?

Mr. BOULAY: I do not know where they were coming from, because they could not talk French.

Mr. STEELE: Were they all brutes?

Mr. BOULAY: They were acting like brutes.

Mr. STEELE: I am very much surprised to hear a member of this House call the men who are going to the front to fight for us brutes.

Mr. BOULAY: From the way they were conducting themselves, no one could say anything else of them. I do not say they were all behaving that way; there were many real gentlemen among them, but too many of them could not behave themselves.

Mr. EDWARDS: How did the conduct of those soldiers to whom my hon. friend refers compare with the conduct of the Laval students, at the Montreal meeting, for instance?

Mr. BOULAY: We never have the Laval students on these trains; I cannot say how they would behave.

(Translation): Mr. Chairman, I beg the House to allow me to add a few words as to the organization of the battalions. There is some complaint that the province of Quebec did not enlist as largely as she ought to have done. I will point out that several reasons have prevented our soldiers from enlisting in larger numbers, and among these reasons I may mention as one of the most important the breaking up of our battalions after they had gone across. I will cite as an example the case of the 189th of Rimouski and Temiscouata. This regiment had been recruited by competent officers and under the formal promise that these officers would lead them on the battlefield. I do not know what were the reasons,

but as soon as the battalion had reached England its officers were put aside and replaced by people who were perfect strangers to the soldiers of the 189th. The latter wrote home, informing their folks of what had happened, and I am convinced that the disorganization of that battalion did largely contribute to prevent any further enlistment. I am prepared to assert this fact, for I have personally heard a large number of young men repeat that they would not enlist to submit to the fate of their comrades who had left with the 189th.

Now, I would like to have from the hon. Minister of Militia a declaration whether the regulations of the department permit the inflicting of punishments such as those which are reported to have been meted out to the Canadian soldiers in England. It is reported, for instance, that soldiers have been forced to remain with their arms crossed for ten or twelve consecutive hours; another punishment which was inflicted, according to reports, is forcing men to run during the same length of time, with five minutes' rest at intervals of fifteen or twenty minutes, and a 75-pound load on their shoulders. If military regulations contain such punishments nowadays, it seems to me that is a downright shame. I understand that such penalties can have been inflicted a hundred years ago; but in our present state of civilization, men who are going to risk their lives on the battlefields should not be given such punishment. I would ask the hon. minister to tell me if such is actually the case; these reports circulate in my district, and, I repeat it, they are of such a nature as to prevent many well-disposed young men from enlisting.

Sir EDWARD KEMP: My hon. friend refers to the punishment of soldiers in England for committing certain offences. The punishment meted out to any soldier from Canada would be the same as the punishment meted out to any soldier who enlisted in Great Britain. I do not know all the circumstances to which my hon. friend refers; there has been no complaint with regard to severe punishment of our soldiers while in England or in France. There have been punishments, but there have been no complaints. I cannot pass any judgment upon the matter to which my hon. friend refers unless I have the particulars before me, or have an investigation made. My hon. friend refers also to the breaking up of the 189th Battalion. That was a very good battalion, indeed, but what happened to it happened to battalions from all over Canada. You cannot keep a battalion intact very long. As was explained in the House to-night, some men drop off for various reasons and are not fit to go to France. The moment the men go to France the wastage is very great and a unit has to be consolidated with reinforcements from other battalions. In the early stages of the war, when we saw a battalion going out of Canada we always felt that there was a battalion that was going right across the water to England and to France as a unit. We did not understand then as well as we do now the exigencies of war and the wastage which takes place in the battle line. Owing to these conditions, battalions from all over Canada have had to be broken up; no condition existed with regard to the 189th that did not exist with regard to all other battalions.

Mr. BOULAY (translation): Mr. Chairman, I wish to say a few words about the medical examination of our soldiers. I heard, a few minutes ago, some hon. members on the other side of the House criticising the Government for not having subjected our soldiers to a minute medical examination before sending them over to England, and I really believe that there has been some laxity in that regard. I will mention one case in order to show what were the shortcomings in this connection. Soldiers who had enlisted in the 150th, the 178th, and the 233rd, and who were being sent eastwards, met with a serious railroad accident, their train leaving the track; some of them were killed outright and many others wounded. Some of these men, thirty-seven of them in all, were carried over to Partridge island, near Halifax, where they were examined three weeks after their landing and finally sent back home. I do not understand the reason of that trip in which the lives of these people were greatly exposed. These soldiers were all of them French Canadians, and all of them told me they would have preferred being sent across the ocean, where they would have been given the necessary care and could have later done their duty as well as the other soldiers forming part of the regiment. If, on the other hand, these men were not fit to go and fight, it seems to me they should have been spared the hardships of such a long voyage, and the country would also have been saved the amount of their pay, of their allowances, and the other costs thereby incurred. I do hope that, as far as this is concerned, the Government have taken such measures that

similar hardships may not in future be inflicted anew.

I will now give another reason for which the French Canadians have not enlisted in large numbers. Some time last winter the Government authorized the enlistment of some fifty thousand soldiers in order to form what they called a Home Guard. The officers of the 189th of Rimouski offered their services towards recruiting a battalion; the colonel went to a great deal of trouble, going to Quebec and even coming here, in Ottawa, to consult the authorities, but they never could obtain authority to raise that regiment. What are the reasons for the Government's refusal of this offer? I do not know of any, but it is not the less true that it has been rejected, and I can assure this House that the levy of such a battalion would have been an easy thing. Moreover, I know men who have tendered their services and who were refused; among the latter I may mention one, Mr. Bailey, who did all he possibly could to enlist in an engineering corps; he was referred now and then to the Quebec authorities, but on every occasion he was refused.

It seems to me that with a little willingness a place could be found somewhere for those men who are anxious to enlist, and in this special case that man has always been rejected, although he did apply to almost every military authority in the country. Invariably, in his case, the reply was the same: Enlist as a soldier.

Still another reason which I want to point out to the House is that soldiers were always asked for the infantry and never for the artillery service. I have not heard of any artillery regiment recruited among the French Canadians of the province of Quebec, although there cannot be, to my knowledge, any paramount reason for opposing that line of recruiting. Quebec might have had her share as well as the other provinces. I know very little in military art, but I am informed that the work of the soldier engaged in the artillery is far more agreeable than that of the infantryman. Therefore, if only the hardest labour is reserved for the province of Quebec, none need be surprised if the recruiting campaign in this province has not given the expected results; such reports were spread among the people, and they created everywhere a bad impression.

I may also point out that a certain party was authorized to do recruiting in Rimouski county; an honest man, I have no doubt, and perfectly qualified. I am alluding to the late manager of the Matane railway. It seems to me that if a French Canadian had been appointed the choice would have been preferable; that man hardly speaks French, although he may understand some of it. It seems to me that we have in the county of Rimouski-Matane many officers who could have filled the bill just as well as Mr. Lyons. Since I have the opportunity, I will take the liberty to tell the hon. Minister of Militia that he might have most profitably consulted the members of the different counties as to the choice of the recruiting officers, but it has not been thought appropriate to do so. Some time ago I put a question on the Orders of the Day to know who were the men who had conducted the recruiting campaign in the Rimouski-Matane county. I was informed that Colonel Chauveau, of Quebec, was directing that campaign. As he is a perfect stranger in the counties of Rimouski-Matane and of Temiscouata, he cannot have raised much enthusiasm among our people. I therefore repeat that far better results would have been obtained had they consulted the county representative before choosing the recruiting officers. The member is likely to know his people, and he would have laid aside all party politics; he could thus have rallied all the willing young men, both Conservatives and Liberals, and the immediate results would have been far more satisfactory. Among those recruiting officers there is one whose dismissal I was forced to ask. It was a most difficult matter, for I had to write three different letters to the Militia Department before I could obtain his discharge. It is an actual scandal to see a recruiting officer promenading along the railway lines without attending to his duties in any way.

I have also met another officer in Matane who had not enough insults to cast, not only against the Conservative Government, but even against the Government leaders. It was a real shame to hear such talk from the lips of a military man, who seemed to take advantage of the occasion, when he was in my presence, with a score of guests sitting at the same table, in a public hotel, to direct all manner of insults at the Government. I denounced that man as well, but instead of taking my word for it—I believe it should have carried some weight—they requested me to forward affidavits. I contend, Mr. Chairman, that the member for any county should be listened to when he complains of the conduct of a military man, and that instructions to that effect

should be given to the commanding officer in every district.

Sir EDWARD KEMP: My hon. friend is under the impression that no batteries of artillery were authorized in Quebec: three in the Montreal district and two in the Quebec district. Out of those five only were raised. None was able to be raised in the district of Quebec. I think that I omitted to refer to one point raised by my hon. friend from Rimouski in regard to the misconduct of soldiers travelling on trains. I assume that the cases to which he refers are isolated ones.

Mr. BOULAY: No. This happened every time I was on the train, and it also happened when I was not.

Sir EDWARD KEMP: I am surprised my hon. friend did not report the matter. He may have reported it before I was Minister of Militia, because he says that this occurred in September, 1916. His proper course, as a member of Parliament, would have been to report it to the Minister of Militia of that day. It is an improper thing for a soldier to conduct himself in any place in any other way than as a gentleman, and when soldiers do that sort of thing they are liable to be reprimanded by their superior officers, and they should be reprimanded. But I do not agree with the contention that soldiers should not travel on regular passenger trains. Our soldiers are citizens of Canada; they are on the same level as we are, and there is no reason for supposing that they will not conduct themselves in a proper manner. I have travelled on trains with soldiers in every part of this country, and I have never seen a soldier on a train conducting himself in any other way than that becoming a gentleman and soldier wearing the King's uniform.

Mr. BOULAY: I do not know if they were conducting themselves in the way I have described intentionally in the province of Quebec, but if the minister asks for a report from every conductor who has taken soldiers on passenger trains, either the limited or the express, he will see that what I say is not exaggerated. We waited because we were always expecting that this abuse would cease. The trainmen reported the occurrence every time to their head officials, but they could never get satisfaction. It was only when we got sick of the whole matter that I decided to report it myself and I thought it was to the railway officials that I should report because they were closer to us than is the Minister of Militia.

Mr. McCRANEY: I would like to ask the minister as to the age limits of soldiers enlisting. Am I right in saying that 18 is the minimum and 41 the maximum age?

Sir EDWARD KEMP: The age limits in Canada are from 18 to 45 under voluntary recruiting.

Mr. McCRANEY: When a recruit offers to enlist does he have to make an affidavit as to his age?

Sir EDWARD KEMP: He signs an attestation paper and swears to it.

Mr. McCRANEY: I think it is a notorious fact that in the army there are many men under 18 or over 45. Do all these men sign an attestation paper?

Sir EDWARD KEMP: Yes.

Mr. McCRANEY: And are there no cases in which ambitious recruiting officers have winked at the attestation papers which were obviously signed by men outside the age limits? The reason I am calling the minister's attention to this matter is that one hears and reads of so many cases of this kind. I have here an item which appeared in the press in Montreal only a day or so ago:

> Pte..... said to be the youngest soldier who went to the front with any of the Canadian contingents, and probably one of the youngest soldiers of the Empire to go into the trenches, who has been missing since last Fall, is now listed as presumed to be dead. Pte..... was only fourteen years of age. When he went to enlist, he gave his age as eighteen and was quickly accepted. He apparently fell in the battle of the Somme in which his battalion, a French Canadian regiment, was engaged. He has a brother in the army, who has been wounded.

I cannot understand how a boy of 14 could be accepted by a recruiting officer, even though he signed an attestation paper and swore to his age, without that recruiting officer being guilty of assisting in a perjury. I could understand it if the boy were 17 or so, but this kind of thing has been going on to such an extent that I cannot but believe that there has been connivance on the part of the recruiting officers.

Sir EDWARD KEMP: When did he join the forces?

Mr. McCRANEY: I have only this newspaper item which I shall be glad to give to my hon. friend. I do not propose to introduce this young man's name here. Another instance was brought to my attention when a father came to see me in March last. His son had enlisted in a battalion on the 12th of March this year. The boy was born

on the 7th of March 1902, and was consequently only a few days over fifteen. I have not seen the boy myself, but I understand from the father that he is quite a boy, with no appearance of eighteen. However, he was taken on, and his father came to see me about it. I drew up a declaration by the father setting out the proper age of the boy, and sent it to the officer commanding at Regina. Subsequently, I procured a certificate of birth from the register general of Ontario, which confirmed the information which the father had given me. The commanding officer wrote me in reply:

> Sir,—I have the honour to acknowledge receipt of your letter of the 22nd March on the above marginally noted subject.
>
> This boy swore that he was born on the 1st March 1899. Now he could hardly be ignorant of his age to the extent of three years, and the country has been put to some expense, and I would like to be perfectly satisfied that this boy is under age before granting his discharge. If this boy's father proves he is only fifteen years of age, he also proves that the boy committed perjury.
>
> Awaiting your further information on this subject, etc.

I understand that the boy signed some paper, but he did not fully appreciate what he was doing. He certainly did not understand that he was swearing to something that was not true. He belongs to a good family, and I am quite certain that if he had believed he was doing anything more than was usually connived at by recruiting officers he would not have put himself in the position of being branded for the rest of his life as a perjurer, as this commanding officer attempts to do. When he wrote like that, I felt that this was not a subject for me to discuss with him, but to bring to the minister's attention. When a commanding officer puts it up to a father that his son, barely over 15 years of age is guilty of perjury because the father asks for his discharge, he forgets that his own recruiting officer must have been guilty of connivance. I felt that the commanding officer was guilty of a most improper action in endeavouring to be an accessary to the perjury which was already committed. Perhaps the minister can tell us the extent to which the recruiting of men over age and under age has gone on, and perhaps give us figures as to the number of men who have been rejected because they were under age.

Sir EDWARD KEMP: The first case that my hon. friend referred to occurred at Valcartier, I think in the first contingent that went overseas. Perhaps, there was a little more laxity in connection with that expedition than with later contingents. With regard to the enlistment of men under age, some may have known what they were doing and others may not, but the practice the department has invariably pursued has been to release any boy under age, upon application from his parents. This also applies to the enlistment of boys under age who have gone to England. When it is made clear that they are under age, they are returned to Canada, although under the law, after being enlisted for three months, we could hold them. It is difficult to know just where to place the blame. I have known of boys under age getting in under false pretenses, if you choose to call it that, and it would never be known that they were under age until they were about to be sent overseas, and then it might be found out and they would be discharged. Or a boy under age might enlist during the winter and his age not become known until the next summer. I have no doubt that in some cases the parents have acted in collusion. In other cases boys have enlisted in spite of their parents. Some of these boys are quite as big at fifteen or sixteen as boys of eighteen, and very often boys of eighteen look under sixteen, but everybody knows that that is the case. Where large numbers of men are enlisting, and when there is great anxiety to get men into the ranks, possibly as great care is not taken as should be taken. Particularly does this apply to the early days of the war, with the unfortunate result that the country is put to some expense. I do not know whether we can go so far as to charge with perjury every boy under age who enlists, because I believe that many of them do not fully appreciate what they are signing. But, as I said, the invariable practice of the department has been to let these boys out when their age has been proved.

Mr. McCRANEY: I am not objecting to the fact that boys under eighteen have enlisted. This Parliament has given its own judgment on the question, because in the Bill providing for conscription we have made the minimum age 20 years. As the minister says, there are many boys under 18 who are physically better fit than many others over that age. I do not object at all to those boys who have the enthusiasm and the physical ability joining the ranks, but what I do object to is the attempt on the part of the commanding officer to brand a man as a perjurer for the rest of his life

because he has signed an attestation declaring that he is of a certain age, when probably he was in ignorance of the full force of what he was doing.

I would like to ask the minister a question on a subject which has been discussed on more than one occasion. In doing so, I do not wish any reference I may make to it to be understood as casting reflections upon either members of this House or others who have gone overseas. I have been told that there are many officers in the Old Country who are simply hanging about, who decline to be reduced from the ranks to which they were originally appointed, yet they will not go to the front, and they will not come home. This has been a source of complaint and irritation to the young men who have been induced to go over, and who find that those who have been in charge of them are unwilling to expose their lives to the dangers which the privates are called upon to face. I think the country would like information as to the extent to which superior officers have not taken a lower rank in order to get to the front. I hope it is not to a very considerable extent. Perhaps the minister can tell us the number of colonels, say, who have gone from England into France with lower rank, and what lower rank they have taken? I trust it will be understood I do not make these remarks in any spirit of criticism, or with the idea that the men are not doing their duty.

Sir EDWARD KEMP: I thought I had a letter in my possession from which I should like to quote an extract. I do not find it at the moment, however. This letter came to me with respect to a colonel who reverted to major. He was a man of very high standing, and he said he was very happy to be able to do it. As a matter of fact, a good many officers have reverted to lower rank. A great many lieutenants, for instance, have reverted to the rank of sergeant. My hon. friend is not quite right in saying that they will not go to France, and that they will not come back home. A number of the officers in England would be very glad to go to France if an opportunity offered.

Mr. GERMAN: Are those officers under pay in London?

Sir EDWARD KEMP: Some of them are under pay.

Mr. GERMAN: Why should they be?

Sir EDWARD KEMP: They are coming back to Canada all the time, and many of them are reverting to private life.

Mr. GERMAN: What have they done beyond going to London and staying there?

Sir EDWARD KEMP: My hon. friend knows what they have done. They have raised regiments and battalions in this country. Some of them have not been able to raise full battalions, but they did the best they could. They did all the country asked them to do. When they reached England their regiments were broken up because of military necessity, and their men were drafted to fill up other regiments and to fill gaps at the front. Those officers are in a difficult position. They are not cowards at all. There are just as good men who have never had the privilege of going to the trenches to fight as there are in the trenches. The difficulty is our system has resulted in surplus officers, who are reverting to civil life as fast as possible. It is not their fault that they did not succeed in getting to the trenches, and I would not want the impression to go abroad that these men have done anything else but their whole duty in trying to get to the front.

Mr. McCRANEY: To what rank would the colonels and majors usually revert?

Sir EDWARD KEMP: I suppose a colonel would revert to the rank of major, if he reverted, and I presume a major would revert to the rank of captain.

Mr. McCRANEY: I met a young man who had been through the battle of Vimy Ridge, and I understood from him that Colonel Norman Laing, who recruited the 65th from Saskatoon, waited in England for a good many months and finally reverted to the rank of lieutenant. He
10 p.m. went to France and took part in the battle of Vimy Ridge.

Sir EDWARD KEMP: He deserved a great deal of credit for that.

Mr. McCRANEY: And I understood that he was the only colonel who had reverted to the rank of lieutenant and had gone across. Perhaps the minister could give us some information on that point.

Sir EDWARD KEMP: I have not any information on the point at the moment. I am very sorry.

Mr. McCRANEY: I am very pleased to have an opportunity of mentioning Colonel Norman Laing's name in this connection. He is a personal friend of mine and it is altogether to his credit that he took the action that he did.

Mr. C. A. WILSON: Can the minister give us some information about Mr. Olivar Asselin? I understand he enlisted as a major in Montreal. If it is not a secret, I would like to know whether he has reverted to a lower rank, and where he is now?

Sir EDWARD KEMP: He is still a major.

Mr. C. A. WILSON: Is he at the front?

Sir EDWARD KEMP: He has been in the hospital for the last month or so.

Mr. C. A. WILSON: Wounded?

Sir EDWARD KEMP: No, he is ill.

Mr. NESBITT: I took up the case the other day of a young man who is under age, but who is in England with a signal corps. His father had a very serious accident and the mother wants the boy home. I think the deputy minister wrote to me that he had written to England. If it is possible to do anything to expedite the matter I should be glad, as the people are now in their haying and anxious to get the boy home.

Mr. EDWARDS: In regard to the matter of the reversion of officers to lower ranks in order to get to the front, when I first heard of this practice I thought it was a hardship; but on consideration I can see that it is in many cases only fair and is decidedly in the interest of the men in the trenches. A man may have been connected with the militia for years, going out for twelve days annually for drill and rising to the rank of major or colonel. He raises a regiment and goes overseas with it. It may be better that such a man, who has had no actual experience of modern warfare, should be asked to revert to the rank of lieutenant or captain, as otherwise he might be placed in command of men who had been in the trenches for a year or a year and a half and had fought their way up to, say, the rank of captain. Certainly the men in the trenches would be much safer under the command of the experienced fighter. But, while saying this, I believe that in such cases the allowance paid to the officer's family should not be reduced to those of the rank to which he reverts.

Sir EDWARD KEMP: That is the regulation.

Mr. EDWARDS: I did not know that.

Mr. KNOWLES: I think we have discussed the men long enough; I wish to discuss a sweeter and lovelier class, the officers' wives. I have had an opportunity of meeting quite a number of them, and there is a feeling among them that there is some favouritism by which certain officers' wives have been allowed to go overseas since the order in council was passed forbidding them to go. If what I am told is not well founded, I shall be pleased, as it will make these ladies' hearts rest easier to know that other officers' wives are not getting privileges, which they are denied. These ladies have not many friends on the Government side and they think the reason I cannot get them permission to go by passport is that I have no influence with the minister. They would all be willing to send me their photograph, first to be shown to the minister and afterwards to be used on the passport if the photograph touches the minister's heart in the preliminary canter, and I am sure he could not resist the photographs. Is there anything in the report that some officers' wives have been allowed to go, or are only nurses allowed to go?

Sir EDWARD KEMP: The passports come under the Under Secretary of State for External Affairs. The rules and regulations are laid down by the British Government, and we have acted upon them. Duly qualified nurses are allowed to go over and there are extreme cases where others have gone. A lady came to my office to enlist my sympathy in respect to getting overseas, but the Under Secretary of State turned her down and she did not go. I do not think there is any question of influence about the matter, and I do not know of any favouritism. The rules are very stringent, and there are many women over there now who would be better in Canada; and it is not desirable that any women should go to England unless the circumstances are very serious indeed.

Mr. KNOWLES: The minister will acquit me of any thought of accusing him of favouritism, but evidently, from what the minister says, there are cases which the Government, through the Secretary of State's Department, recognizes as exceptional. The minister knows enough about ladies to know that every lady thinks her case is exceptional. If not he has a great deal to learn. There is a danger, if the minister is not able to assure me that the rule is never broken, that these ladies will think that I am unable to get them the dispensation which somebody has secured for these other ladies. What would the minister call exceptional circumstances? If a lady's extreme passion is to be by the side of her husband, would that be considered an exceptional circumstance? Or would it

be so considered if she had an idea that the husband's charms may be lavished on some other woman and she ought to get over there—or what would he call exceptional circumstances? I ask the question very seriously.

Sir EDWARD KEMP: I know of one case where a lady went over to get married, the idea being that it was desirable that as many ladies should be married in war times as possible, provided the matches were suitable ones. These people had been engaged for about two years or more. It was a bona fide case, and the lady was given a passport to go over. Has my hon. friend anybody in mind who wants to get married?

Mr. GRAHAM: I have a case.

Mr. KNOWLES: It is a very common predicament. I think the Government will find they are adding to the problems of the war very much if they take on themselves to decide what marriages are desirable and what are not. But if the minister has the personal gift and is able to constitute himself a successful match-maker, we are fortunate indeed in having such a minister. But still I do not quite understand the situation. The minister might tell us what he considers exceptional circumstances. I am not going to tell the affairs of the ladies with whom I have the honour of an acquaintance, but they have far stronger reasons than those given by the minister. The minister's case is a very ordinary one, for it is very common for a girl to want to marry an officer after he leaves for England, and I should think exceptional cases would be very frequent. Perhaps the minister would give me the information. This is really a matter associated with the war, and therefore under the Militia Department. Under what circumstances would wives be permitted to go to their husbands?

Sir EDWARD KEMP: They often go over when their husbands have nothing to do with military affairs.

Mr. GRAHAM: The minister has given me something I have been waiting for for some time, the exceptional case. A case came under my notice such as he described, where the passports had been given. An officer engaged to a young lady on this side of the water anticipated getting married in a month or two, but was called to go across. When he got to England he found he was likely to remain some time, and cabled for the young lady to come over, but I was unable to obtain a passport. The circumstances were such as outlined by the minister. I could give all the necessary requirements to make this an exceptional case, if there is such a thing, but what I was interested in was the answer given to the hon. gentleman from Frontenac (Mr. Edwards) as to the pension and pay of the officers. I imagine a number of officers would be more inclined to revert if they thought their pay, and the amount given to their families, would not revert at the same time. A number of officers in England can get to the front by reverting. They are not unwilling to revert, as I understand it, but it will leave their families and themselves in a very bad predicament, owing to the reduced pay which they and their families will receive. I know several cases of that kind. I had a letter this week from a young man who left his family and went over, and has been there for some time, and he said he would not mind reverting at all, but would not like to see his family on the road, and he is not a man who would take anything from the Patriotic Fund—he does not feel like doing that. In 1914, when this matter was being discussed, I put the question to the Prime Minister, perhaps in a little different form. I asked him the question: if a man goes overseas as a captain or major, and over there takes a lower rank, would his pay be for the lower rank, and would the pension to his family be according to the lower rank? The Prime Minister gave me an affirmative answer in both cases. That was his opinion at that time. If there are different regulations since, I think it would be in the public interest that we should all know about them. Suppose a man is a captain in England and can only get to the front by reverting to a lieutenancy. What pay will he get if he reverts, and what amount will his family get? Will the pay remain that of a captain, or will it be reduced to that of a lieutenant?

Sir EDWARD KEMP: The pay will be the pay of the rank to which he reverts, but the separation allowance, in the case of a married man, will be the same as if he had not reverted, and the pension would be the same—according to the higher rank. If he reverted from captain to lieutenant, he would get lieutenant's pay, but, if he is a married man, the separation allowance would be that of a captain, and his pension would be that of a captain.

Mr. GRAHAM: The difference to his family would be the difference in the assigned pay, practically, because he would

not be able to assign as much of his pay to his family under the lower rank as he would under the higher.

Mr. OLIVER: I would like to know if the position is still as it was some months ago in regard to non-commissioned officers who are members of battalions which have been broken up and sent over to France. Some time ago the condition was this: non-commissioned officers were all compelled to revert to the rank of privates, and lost their pay as non-commissioned officers, and their opportunity for pensions. I would like to know if that is still the position?

Sir EDWARD KEMP: The situation in regard to that is the same as the situation in regard to the question raised by my hon. friend from South Renfrew (Mr. Graham). The pay is that of the lower rank, and the separation and pension that of the higher rank.

Mr. OLIVER: How long is it since this latter arrangement was given effect to?

Sir EDWARD KEMP: About six months ago.

Mr. OLIVER: In the case I refer to, these men reverted more than six months ago, but I got the information from them less than six months ago. Would that new condition be retroactive?

Sir EDWARD KEMP: Yes, it would be retroactive.

Mr. OLIVER: The instance I mentioned here was that of a battalion sergeant-major, who, when he went to the front, took the rank of private, and took the private's pay, when he thought he was getting a continuation of the sergeant-major's regimental pay. When he was wounded, and came back and was boarded to be sent back to Canada, he found out that, instead of having money coming to him, he was in debt. Would that retroactive pay be of any benefit to this man?

Sir EDWARD KEMP: I am afraid the sergeant-major misunderstood the regulations in that case.

Mr. OLIVER: I understand the minister to say that the non-commissioned officer who now reverts on going to France receives the pay of his former rank?

Sir EDWARD KEMP: Receives the pay of the rank to which he reverts.

Mr. OLIVER: He was a battalion sergeant-major, and became a private, and he understood his pay as battalion sergeant-major was continued. He had been drawing his battalion sergeant-major pay after he was wounded, but when he was settled up with, to be sent back to Canada, he found, instead of being a comfortable sum of money ahead, he was actually in debt to the department. Will the new regulation be retroactive to the benefit of that man?

Sir EDWARD KEMP: The regulation would give him the pay of a private. Unfortunately he had been drawing the higher pay, and when the books were balanced he found himself in debt. That was the unfortunate situation. Nevertheless, when a man reverts he gets the pay of the rank to which he reverts. The separation allowance and pension, however, are of the higher rank from which he has reverted.

Mr. OLIVER: He will get the pension of a battalion sergeant-major?

Sir EDWARD KEMP: Yes.

Mr. OLIVER: Although he was in the position of a private when he was wounded?

Sir EDWARD KEMP: Yes. And the separation allowance, if he is a married man, would be of the higher rank.

Mr. OLIVER: He was not a married man, but he had a dependent mother at the time.

Sir EDWARD KEMP: The separation allowance could have gone to the dependent mother at the pay fo the higher rank, if the father was not living.

Mr. OLIVER: Why is it necessary that the non-commissioned officer should become a private upon going to France? His position is different from that of the commissioned officer, especially of the battalion commissioned officer. The battalion commissioned officer loses his rank because he is not in command of a sufficient number of men to warrant his retaining it. But the non-commissioned officer goes with the draft of the battalion to which he belongs; he goes with the men with whom he was associated as non-commissioned officer. I am at a loss to know why, under normal conditions, a non-commissioned officer should be degraded to the position of private when he goes to France.

Sir EDWARD KEMP: Of course, he is not forced to do it. There is only one sergeant-major in a battalion.

Mr. OLIVER: I was not speaking of a battalion sergeant-major; I was speaking of the ordinary sergeant or corporal.

Sir EDWARD KEMP: They are not forced to revert in rank. Sometimes they want to go with friends or comrades in certain units and they prefer to revert in rank rather than wait. That is the only explanation I can make.

Mr. OLIVER: Why should they have to revert? When a platoon is going to France, why should not the non-commissioned officers who accompany that platoon retain their rank?

Sir EDWARD KEMP: There may be a surplus of certain grades of non-commissioned officers. Moreover, these men may be anxious to get to the front as soon as possible, and their anxiety is such that they are willing to go as privates rather than wait until some other opportunity occurs. They are not forced to revert in rank.

Mr. OLIVER: I understand that they are compelled to go; that it is not a matter of option with them. The non-commissioned officer is not in the position of an officer; he must go if he is sent. That is to say, the rank that he has attained and the pay that he has been receiving are taken from him without good reason. In a case like that I think it would be fair to adopt the suggestion that the member for Frontenac (Mr. Edwards) made in connection with commissioned officers: that the pay and allowances of the non-commissioned officer who, for reasons over which he has no control, is compelled to serve as a private, should be continued.

Mr. TAYLOR: I should like to put in a word again in support of the member for Edmonton (Mr. Oliver). I am sorry to have to say to the minister that he is not quite informed about what they do with non-commissioned officers in England. The non-commissioned officer when he goes to England is treated very harshly indeed. As the hon. member for Edmonton says, he has no option at all; he automatically becomes a private.

Originally the non-commissioned officers went to England as acting non-commissioned officers, and if they were found to be qualified and to be fit in every way to hold their rank, they were confirmed in that rank in England. But because there was a surplus of non-commissioned officers, a large number having accumulated in England, they made the harsh rule that in future no non-commissioned ranks should be confirmed in England, and that upon their arrival in England these non-commissioned officers should become privates, no matter what their qualifications were. When the minister remembers that the qualifications of a sergeant are the same as those of a lieutenant, that the examinations are identical and that the certificate is obtained in Canada largely through the enterprise and at the expense of the non-commissioned officer, he will realize that a very great injustice is done to these men and that when they go over they should not be obliged merely to take a chance upon their getting their rank back again. When I was told that these non-commissioned officers could go across to France as privates and that, if they were eligible for promotion, they could very easily get that promotion in the field, I inquired whether any steps were taken to ensure that that promotion should come to them in the field; whether, for instance, any lists of qualified non-commissioned officers were sent over to France. The answer came from headquarters in London, through the department here, that no such lists were sent over; that it was left entirely to chance whether the qualifications of these men were ever recognized.

I want to mention another instance which has occurred in connection with the reverting in rank of non-commissioned officers. We are told that if they are killed, the pensions paid to their widows are continued at the rate for non-commissioned officers. It is quite true that there is an order in council directing that their pensions shall so continue. But we have in Canada a Pensions Board which, so far as my experience with it is concerned is not much troubled about orders in council. It seems to act upon the principle that the widow of a non-commissioned officer gets only what she can prove she is entitled to get, and if she has no friends, lives a long way from here or is not in a position to put up proof, she gets the very lowest amount that the Pensions Board can give her, which is the pension of the wife of a private soldier. I have a case of that kind before the Pensions Board now. As commanding officer of a deceased sergeant, I have submitted to the board all the proof possible and have referred them to headquarters here for absolute proof. The board, however, have declined to recognize the widow's claim because the Record Office in London persists in telling her that this man died as a private. It is quite true that he died as a private, but he had before him the guarantee of this Government under order in council that if he died as a private his widow would be pensioned as the widow of a sergeant. I cannot make the Pensions Board

recognize this fact. They simply keep travelling around in a circle, like the old Circumlocution Office, and they come back after a series of letters to the assertion that the Record Office says that the man died as a private and that his widow is to get the pension of a private's widow. I have deferred taking this matter up in the House because there is a resolution on the Order Paper dealing with the Pensions Board, and I thought that the proper time to take up a matter of this kind was upon the consideration of that resolution. But in case that resolution is never reached, I should like to call the minister's attention to the necessity for seeing not only that when non-commissioned officers get to England they get some advantage for the qualifications they secured here, but that the Pensions Board shall be made to recognize the contract of this Government with the soldiers and their widows.

Sir EDWAR DKEMP: An order in council in respect to a matter of that kind has to be obeyed by the Pensions Board.

Mr. TAYLOR: But they do not obey it.

Sir EDWARD KEMP: I understand the member for New Westminster (Mr. Taylor) to say that the difficulties thrown in the way make it impossible to grant the pension as he suggested; at least, he has a case of that kind in mind.

I will ask my deputy to draw the attention of the Pension Board to this matter again to see what their answer is to the arguments put forward here by my hon. friend from Edmonton (Mr. Oliver) and my hon. friend from New Westminster (Mr. Taylor).

Mr. OLIVER: In this connection, it was drawn to my attention by the men with whom I conversed that the non-commissioned officers at the base in England, who remained there in comfort and safety, retained rank and pay, while the non-commissioned officer who went to the front and risked his life and did the fighting, went as a private. That is neither fair nor reasonable, and I hope the minister will take some means of adjusting the matter so that a man will not be penalized because of the service he renders.

Sir EDWARD KEMP: I shall be glad to take up that matter also.

Mr. COCKSHUTT: When an officer reverts to a lower rank, is there any one to tell him what his pay is going to be at the time of reversion? A few days ago I brought to the notice of the department a case somewhat in line with what the hon. member for Edmonton has said. It seemed to me to be a case of very great hardship. When one of our best young men from the Six Nations tribe, who had served with distinction for the past two years and won the Military Cross and several other honours on the field, got home a short time ago, he was informed that he had been overpaid during the three years of his reversion of rank in England to the extent of about $317, and his pay and his wife's separation allowance were stopped until the $317 was made up. I wrote the department stating that this seemed to be an extreme case of hardship. I think steps have been taken to adjust the matter, but a case of that kind should not occur. I am not blaming the minister at all, because I believe such cases occur on the other side. But when an officer reverts in rank to a lower grade, there should be some one to tell him at the time what his pay is going to be. It is not right to send a man in a bill for money spent during three years, and I hope that will not occur in many cases. I have had to deal with other cases of hardship in regard to pensions. This is perhaps not the proper time to bring up such questions, but the Government should be more liberal in the matters of pensions, especially to the lower ranks.

It does not seem to be right to ask a widow to swear that an only son was her sole support, and to provide that unless she does so she cannot get anything. I had a case of that kind a few days ago. A widow had lost her only son. She had taken some bank work and because she was doing this work, it was proposed that she should receive no allowance whatever, although her only son had been killed at the front and her husband had been dead for some years. Whoever is in authority in those matters should be a little more liberal. When an officer reverts to a lower grade, as many have done in order to get to the front, he should have a distinct understanding when he leaves for the front on what basis he is to be paid and what separation allowance his wife and family are to receive. The minister probably knows the name of the man whose case I have mentioned. I have mentioned it to him on a previous occasion.

Sir EDWARD KEMP: These unfortunate questions of overpayment occur now and again. I think this man's name was Smith, but the matter is being adjusted. The Min-

ister of Finance is the responsible minister in regard to pensions. That question does not come up under these estimates.

Mr. MACDONALD: Will the minister tell us whether the Minister of Finance intends going on with his resolution in regard to pensions? It has stood on the Order Paper for a long time. It was understood at the time it was put on the Order Paper that the matter was to be referred to a special committee, as was done last year. As we are nearing the end of the session, it is desirable that the matter should be brought up at once, because in all parts of the country questions are being brought up in regard to inequalities of pensions.

Sir EDWARD KEMP: The Minister of Finance was in the House a few moments ago. If my hon. friend or some other hon. member will ask him when he comes in again, he will probably be able to give an answer to the question.

Mr. SINCLAIR: I understand that when I was out of the chamber a little while ago, there was some discussion about soldiers under the age of eighteen years serving in the ranks. I have had two cases drawn to my attention in the last few days. I have sent them forward to the deputy minister and he has been kind enough to say that he will forward them to the authorities on the other side. One of those cases was a boy whose date of birth is the 3rd day of June, 1901, so that he would be sixteen years old on the 3rd day of June this year. This boy, I am told by his parents who live in my constituency, is in France at the present time. His brother was killed in France some time in May. This boy is very young and his parents are anxious about him. His father was away from home at the time the boy enlisted, otherwise, I do not think he would have been permitted to enlist. The other case is from the same district. The young fellow was born on the 15th of November, 1900, so that he would be about sixteen years and eight months old. I understand this young fellow is in Witley camp, Surrey, England. I can give the names and numbers of these soldiers, but it is not necessary that I should do so. What is the policy of the department in regard to these boys? Is it possible to order this boy in France back under the circumstances? If so, that ought to be done because he is altogether too young for active service. The other boy who is in England is not quite in the same position, because he is a little older, but in both cases their parents are applying to have them returned. Is it possible to have that done?

Sir EDWARD KEMP: We had this question up while my hon. friend was out of the chamber. It has been the policy to discharge all the young men under age. As soon as our attention is directed to a case, we get the birth certificate or other proper evidence of birth. It is difficult to know on whom to place the blame. Sometimes the fault is the boy's; sometimes it is the parents'. We refer to England demands for discharge of boys who are under age. My hon. friend refers to one boy in France. I do not suppose that the parents made an application to have the boy taken out of the ranks while he was in Canada. They sometimes delay making application.

Mr. SINCLAIR: I understand that they wrote some letters about him to the department when he was at Aldershot, but nothing was done, and then they wrote me.

Sir EDWARD KEMP: If my hon. friend will forward the data to my deputy, or to the department, and will enclose a birth certificate—there is very little difficulty, as a rule, in getting that—we will have it forwarded overseas.

Mr. A. K. MACLEAN: I want to call the minister's attention to a condition prevailing at Halifax, and which, perhaps, is not to be found anywhere else in Canada. There, since the beginning of the war, two local regiments have been doing duty at the forts. I am not sure whether the full strength of the regiments are so engaged, but I think that is probable. As I understand it, these men do not receive the separation allowance.

Sir EDWARD KEMP: They are a part of the garrison at Halifax, are they not?

Mr. A. K. MACLEAN: I suppose so.

Sir EDWARD KEMP: Did they not take the place of the permanent force who went overseas?

Mr. A. K. MACLEAN: I think so, but, of course, the garrison duties have been greatly increased since then. These regiments are engaged at McNab's Island, York Redoubt, and such points as that. To all intents and purposes, they are in the same position as if they were serving overseas, as they have to give up their work and are unable to live at home. I think these men should be granted the separation allowance.

Sir EDWARD KEMP: The married men get 45 cents a day subsistence allowance.

Mr. A. K. MACLEAN: Many of these men have represented to me that they should receive the separation allowance.

Mr. EDWARDS: Do their families live at Halifax?

Mr. A. K. MACLEAN: They would, but the men are unable to live at home, and are unable to carry on their ordinary business. I would like the minister to give this matter some consideration, because I think a great deal can be said in favour of these men being paid the usual separation allowance, and I certainly think they should receive it.

Sir EDWARD KEMP: The subsistence allowance for married men amounts to $13.50 a month. The separation allowance is $20 a month.

Mr. A. K. MACLEAN: I was not aware that the subsistence allowance was so large. At all events, I submit that these men are entitled to the full separation allowance. The case of such men is rather different from that of the forces doing duty almost anywhere else in Canada. They are constantly on duty; they have to give up their ordinary work, and, furthermore, they cannot escape this duty, because they are called out. I really do think that they are entitled to the ordinary separation allowance.

Mr. EDWARDS: I confess I have never been able to understand why this distinction is made between the subsistence allowance and the separation allowance. I am not a military man, and there are many things in the military line that I do not understand. There may be a good reason for this distinction, but it seems to me that a married man who is separated from his family, even if he is only doing garrison duty at Halifax or some other part of the country, should receive the $20 separation allowance instead of the 45 cents a day subsistence.

Sir EDWARD KEMP: The regulations in regard to this matter have been in force since the war began. I think hon. gentlemen will agree that there is some difference between the man who enlists for service in the city of Halifax, where he is in touch with his family, and to some extent, perhaps, with his ordinary business, and where he has a guiding hand over his family affairs, and the man who goes into the trenches and undertakes all the hazards of warfare as it is carried on in France and Belgium to-day. I might point out that the 45 cents a day subsistence allowance is what the permanent force were getting whose place these men took.

Mr. A. K. MACLEAN: But they were volunteers. In the case I am referring to, the two local regiments were called out, and they could not avoid doing duty; that distinction should be taken into consideration. They were called out, I suppose, under the authority of the Militia Council or some other body. I trust the minister will promise me to give the matter some consideration.

I wish to call the minister's attention to another matter, and perhaps I can best illustrate by giving the facts of one case. A Canadian soldier went overseas as an officer, and for some reason was courtmartialed and degraded. Later on he joined a British regiment as a private. The department continued to pay the separation allowance to his wife, who was residing in Halifax, without knowledge of his having left the Canadian service, and in this way some $300 or more was paid to her. Subsequently the department's attention was called to the fact, I think by myself, that this man had ceased to be a member of the Canadian force. Regularly since then the wife of this man receives a notice from some branch of the Militia Department requesting her to refund the amount that was improperly paid to her. The amounts were undoubtedly received and used by her in good faith. There are no doubt a great many cases of this kind; I have heard some of my fellow-members speak of them, and I would like to know what the policy of the department is in regard to such claims. In most cases it will be found utterly impossible to collect them. It seems to me that it means a great deal of labour on the part of some officials of the department to be sending out these notices regularly, without much hope of accomplishing anything. If bona fides can be established, if it can be shown that there was no fraud, I think the Government might as well abandon their claims on these women and wipe the accounts off the slate altogether.

Sir EDWARD KEMP: There have been quite a number of cases where men are far away from their homes and their families, and they are discharged, or something happens to them, and the wife or the one

to whom the separation allowance is assigned, draws it; but, they are not all innocent. When they endorse the cheques, they have to certify that the husband is still serving in the forces. This is printed in good plain English on the backs of the cheques, and they read it at the time of endorsation. No doubt there are cases of hardship, but it is very difficult for me to make a statement here that the Government would be permitted to forgive all claims of that kind, because if I did so it would be unfair and unjust, for the reason that most of those claims arise in respect of people who know what they are doing when they endorse the cheques.

Mr. OLIVER: Do I understand the minister to say he will be able to give the House the figures as to the unfit men who were in England, and those who have been returned to Canada?

Sir EDWARD KEMP: Yes.

Mr. OLIVER: I am speaking of those who were unfit when they enlisted, not those who became unfit after enlistment, such as the list I gave the House to-night.

Sir EDWARD KEMP: I cannot see how you could trace out a thing of that kind. How can you get a statement showing that the men who might have been returned from Great Britain were medically unfit when they enlisted? I can assure my hon. friend from Edmonton that I have, since I have been minister, exerted myself to give any information desired by the committee or the House and I shall continue to do so, but in regard to this particular point I do not see how it is possible to get the information. If I thought the information could be obtained I would certainly undertake to obtain it, and bring it down to-morrow; but, as I say, I cannot see how it can be done.

Mr. OLIVER: Of course, it is not for me to say how it can be done. At the same time, I should imagine the medical records would be complete.

Sir EDWARD KEMP: I will look into it to-morrow morning, and if the hon. member for Edmonton will draw my attention to it again I will give him a further statement. If the information can be obtained he shall have it.

Mr. OLIVER: In view of the statements in the Bruce, the Babtie and the Jones reports, this is the most important statement the Government can place before Parliament with reference to the cost of the war and the efficiency of the work done. We are informed that there have been enlisted and gone overseas, or are enlisted for overseas service in Canada about 340,000 or 350,000 men. Those are our effective enlistments. I believe we have 130,000 men in France. We have had in the neighbourhood of 100,000 casualties, of which I suppose it would not be unreasonable to say that possibly twenty-five per cent would not be permanent, which would leave about 75,000 as permanently disabled. In other words we have 130,000 men in France,

75,000 permanent casualties,

11 p.m. making 205,000 effective men accounted for out of 340,000 or 350,000 enlisted. There are still 135,000 men to be taken into consideration. How many of those 135,000 are available for service in France? Because, we must remember we are not fighting this war in Canada nor in England. We are fighting it in France, and it is only the man who is able to fight in France who is of military value to the Dominion of Canada. Either those 135,000 men are not of military value to Canada, and should not be on the pay list—

Sir EDWARD KEMP: They are all being made use of in England or in France.

Mr. OLIVER: I do not think the minister is absolutely accurate when he says they are all being made use of. I understand from these reports that there is an effort to keep them in employment as an excuse for their being on the paylist. That is not what we should be trying to do. We are trying to put men on the fighting line in France to keep them there, and to support them there. If we have 135,000 men who have not been on the fighting line we want to know whether they are fit to go or not, and whether they are a force we can rely on to reach the front ultimately. The reports of those commissions certainly throw very grave doubt on the efficiency of an unknown proportion of that 135,000 men. We need those men. So far as we know they are industrially efficient. If they are not fit for France they are fit for Canada, and they should be either in France or in Canada, or perhaps in England simply on the way to France. I urge upon the minister that the question I have asked him is a most important question to the people of Canada, as fixing their position in this war, and as to what they have done and what they are able to do. In the past we have deluded ourselves by speaking of the number of men enlisted, when, as a matter of fact, of those nominally enlisted 75,000 were not in service or were found to be un-

fit after enlistment, and left the service. We were not doing ourselves or our cause any good by claiming an enlistment of 418,000, when we really had an effective enlistment of a little less than 350,000. We were not doing ourselves any good by claiming an enlistment of 350,000 in, as a matter of fact, a considerable proportion of that number is not fit for the firing line, which is the only place we need soldiers. Any place else a great deal of the work can be done by stenographers or people who are militarily unfit; but we do not want to have to make a pretense of having raised an army of 350,000 men if any such proportion of them as these reports indicate are unfit for the firing line. Let us get down to business and know what we have done, what we can do, and admit that we have not done what we have not done.

Mr. SCHAFFNER: Like the hon. member for Edmonton (Mr. Oliver) I should like to ascertain how many unfit men were permitted to enlist. The statement of the minister is absolutely true, that neither he nor any other man can give the number of men who were unfit when they enlisted; that is absolutely out of the question. In southern Manitoba when the battalions were being enlisted in small towns—and by this means eight or ten battalions were raised that would not otherwise have been raised—the men were examined by the local doctors. It is true that these doctors were inexperienced in that kind of work, but I believe they did the work honestly, and I can use no better word. The men from Manitoba were gathered at Camp Hughes and there they began their training. The camp had not been running for two months before a board of three members of the Army Medical Service visited it. The men were stripped, and I believe honestly examined to the very best of the ability of this board, who were as efficient as any three men who could be found. Some men were discharged. These doctors who discarded these men could not say whether they were unfit when they enlisted. As a medical man, I am prepared to make the declaration, and I challenge contradiction, that it would be impossible for the board to affirm that many of those men were unfit when they enlisted. The battalions went on drilling, and in the fall, before being transported overseas, they were again inspected by a medical board and still more men were discarded. They went overseas, and before being transported to France were again examined and more men discarded. It would be impossible for the Minister of Militia or any other man to say how many of them were unfit when they enlisted.

Mr. OLIVER: The minister has brought down a full statement of the discharges of men in Canada. There should be no serious difficulty in giving an equally full statement about the discharges in England before the troops go to France.

Mr. SCHAFFNER: I understood the hon. member to ask the minister to give the number of men who were unfit when they were enlisted. That is impossible.

Mr. OLIVER: The minister has given the number of men who were unfit when they enlisted but who were discharged in Canada. I was endeavouring to secure a detailed statement of those who were discharged for like causes after their arrival in England.

Sir EDWARD KEMP: I think the hon. member for Souris (Mr. Schaffner) is quite right. These battalions have gone before boards more than once. They were weeded out and weeded out until they were almost disheartened. Then in England more of them were set aside as not fit to go to France. My hon. friend (Mr. Oliver) is under the impression that quite a number of these men might be returned to Canada for industrial employment. There are very few men who are not doing some military duty in England that would have to be done by a man who was fit for the trenches if they were not doing it. We cannot get those men back. I have had relatives ask for the return of men who are doing police duty, but they will not let them come back. They are as necessary for that work as they would be for work in the trenches. There is no such surplus of rank and file in England as my hon. friend thinks. There is no surplus at all. If men went over in the earlier stages of the war who were unfit for service, they would have been returned long ago unless they were usefully employed.

Mr. OLIVER: I have given the count as it has been given to me of the number of men we have. We should have 135,000 men available for the firing line. We are told we have no such number. I forget what the number is, but we are supposed to have something like fifteen or twenty thousand men in England fit for the firing line. What is the condition of the rest? If they are not fit for the firing line, why are they there?

Sir EDWARD KEMP: They are being prepared for the firing line. They get far

more intensive training in England than in this country. Training has undergone an evolution since the war began. They are giving more intensive training now, and preparing men for category A, working up all the time.

Mr. OLIVER: What proportion of the 135,000 men does the hon minister think are fit for the firing line, or will become fit?

Sir EDWARD KEMP: Out of the 126,241 there were 7,981 officers, 26,359 in Category A1, fit for the firing line.

Mr. A. K. MACLEAN: Which means what?

Sir EDWARD KEMP: Perfectly fit for France. There were 26,927 in A2 almost ready for France. There were 5,147 in A3, the next class. Then we come to A4, 383 under 18 years of age, and 3,086 over 18. I do not know what that means. Then we come to Category B, which has three classes. Category B is the class training men to get into Category A. I have before me the exact particulars, in a very long and complicated document, explaining how this 126,241 gradually, as far as possible, get into Category A. Of that number there was a large number in hospitals. I think this table appears in the Prime Minister's speech on the Military Service Bill, and will be found in Hansard.

Mr. A. K. MACLEAN: I am constantly in receipt of requests from the parents of soldiers overseas, asking if their sons could not obtain leave of absence. In most cases they are men who have been wounded, or who have been on duty overseas almost since the beginning of the war, and who, for apparently very strong reasons, would be entitled to a leave of absence. I suppose every member of the House receives some similar request, and it is impossible to trouble the department each time with each particular case, and I would like to have from the minister, if possible, some declaration of departmental policy in respect to this matter. In many cases my correspondent will refer to the fact that in his or her locality there is some officer, or man who has returned from overseas on leave of absence, and naturally they think his case was not so deserving as their own. Upon that, of course, there may be a great difference of opinion, but there is a feeling on the part of interested persons that there is some partiality shown in giving leave of absence to certain officers and privates. I am sure I need not elaborate the idea, because the department probably have similar cases before it more than once every day. It may be impossible to make a statement of policy upon a matter of this kind, because cases may differ very much, but I should like to know the ground upon which leave of absence is secured on behalf of any person overseas.

Sir EDWARD KEMP: The applications are more numerous every day, I think. There are various reasons given for asking that relatives be returned to Canada. The question is a very difficult one to handle. My hon. friend will understand that occasionally a very sincere and affectionate father or mother will charge favouritism in certain circumstances. There is no such thing as favouritism in the matter.

Mr. A. K. MACLEAN: By whom is it determined?

Sir EDWARD KEMP: By the necessities of the troops in France. A man who has had sick leave is frequently returned to Canada to convalesce, and if his recovery can go on as well in Canada as in England, or elsewhere, he is allowed to come out. A board can examine him in Canada, to find out whether or not he is fit to go back to the front, and if he is not fit his leave can be extended on the recommendation of the Military Medical Board. There are requests made to us on account of the father or mother being ill, or one or the other having died, or some financial trouble. In an army of three or four hundred thousand men there are tragedies happening every day—every hour of the day—in respect of their relatives who are behind them. In a city of three hundred thousand people there are many accidents happening every day, and many pathetic incidents. All these things are reflected on the department, to a certain extent, in the prosecution of the war. The requests are very numerous, and we answer all of them, whether verbal or written. These requests are usually written, and it is desirable they should be in writing, so that they may be investigated, but where a man is medically fit for his duties as a soldier just at the present time, it is very, very difficult to get any leave of absence. Sometimes the relatives of soldiers in Canada make application to have their sons returned to Canada when the sons do not want to be treated in this way, and it is very embarassing for the man to be told he has been granted leave. He does not like to leave his comrades. He is

singled out as a man who wants to get away and obtain some preference over the others. It is a difficult matter to handle. On the 1st of February, 1917, I issued a circular which at that time and at the present time covers nearly all the different forms of requisitions that are made for the return of soldiers from the front. There are ten in all.

It shows the procedure which ought to be taken in each case; I will send a copy of it over to my hon. friend. They are used every day in the department.

Mr. A. K. MACLEAN: Who is the ultimate judge of the matter? The commanding officer of the battalion in which the applicant is enlisted?

Sir EDWARD KEMP: The proper way to proceed is for the applicant himself to make application through his commanding officer at the front; then the case is rested on a solid foundation. But unless there are excellent reasons why it should be granted, the leave of absence is not granted to a man who is physically fit for his duties in France or in England. I do not know of any cases in which such requests have been granted, unless it has been in the case of men under medical treatment who can pass through their period of convalescence here as well as they can in England. Many persons who have occasion to receive applications of the kind to which my hon. friend refers ask the Militia Department to furnish them with copies of this circular in order that they may be able to answer the many questions that they get in respect to the return of soldiers.

Mr. MACDONALD: I know several cases of men who enlisted for overseas service, were passed by the local doctor, but, when the battalion came to go overseas, were directed by the Medical Board to remain at home because they were not medically fit to go across. In some cases these men were drafted into home defence battalions. I have in mind several coal miners who were perfectly willing to go across, but who were compelled under these conditions to remain in Halifax in a home defence unit. They have no interest or heart in their work, and they want to get back home. I have also in mind the case of a coal miner who enlisted in some unit which is now at Camp Borden, but who was declared medically unfit on account of heart disease. He has been retained in the service, but of course he has lost all interest in his work and is anxious to get back to his mine.

Sir EDWARD KEMP: Is he doing home guard duty?

[Sir Edward Kemp.]

Mr. MACDONALD: He enlisted in some unit which had to be sent to Camp Borden for training; evidently it was not an infantry unit. There does not seem to be much use in keeping men who have volunteered for overseas service but who have ultimately been found to be medically unfit. If the man to whom I refer particularly would be more useful in some occupation connected with the industrial life of the country, he ought to be allowed to go.

I have a question to ask with regard to separation allowances. A young man, the only support of his sister, volunteered to go overseas, and was assured by the recruiting officer that in the event of his going his sister would get separation allowance. A similar statement was made with regard to the Patriotic Fund—about which there is no misunderstanding in our province, because the local authorities deal with it. The young man went away and left his sister on the farm, but she got no separation allowance; she simply got the assigned pay. It seems to me that separation allowance ought to be extended to cover the case of a man who leaves behind a dependent—mother, father or sister, as the case may be. I have in mind also the case of an officer who went overseas. He had married a very respectable lady. I do not know what could have gone wrong, but he refused to authorize her to receive the assigned pay. She has a family. Is any parental authority exercised by the department to cover cases where men who go to the front do not provide for those whom they leave behind? One more question: Is the recruiting throughout the country being maintained, and will it be maintained in its present state?

Sir EDWARD KEMP: There is no regulation in respect to the granting of separation allowance to a sister.

Mr. MACDONALD: Why should it not apply to a dependent?

Sir EDWARD KEMP: We should open a very wide door if we made a provision of that kind. This, however, is a question which is before the special Pension Committee. When a man's separation allowance is assigned to the party whom he wishes to get it, the assigned pay also goes to that party. A man cannot withhold the assigned pay.

Mr. MACDONALD: Suppose he will not assign the pay?

Sir EDWARD KEMP: There is no regulation applying to officers in cases of that

kind. Does my hon. friend know a particular case where an officer refused both separation allowance and assigned pay?

Mr. MACDONALD: He has said nothing about either. He refuses the assigned pay.

Sir EDWARD KEMP: He has to sign a card with regard to the separation allowance. There is no way of getting after an officer who does as my hon. friend has mentioned. As to the recruiting, it is going on as usual; everything is being done to get recruits, the same as hitherto. However, the work is being confined almost entirely to the regimental recruiting offices. The officers who have hitherto recruited and who have been specially paid are being absorbed again into civil life as fast as possible.

Mr. MACDONALD: I see by the paper that Mr. Knight who is connected with the War Veterans' Association was speaking in Hamilton the other night and made very grave complaints against the Government in regard to the treatment of returned soldiers. He made some comparisons between Canada and Australia in that particular. What are the special requests from returned soldiers which the Government have not granted?

Sir EDWARD KEMP: I thought the Government had granted everything in reason that they had asked. What has my hon. friend in mind that the returned soldiers have complained of? Many difficulties in respect to returned soldiers are being overcome from time to time.

Mr. GRAHAM: Mr. Knight was speaking at the Win the War meeting at Hamilton.

Mr. A. K. MACLEAN: How many recruits have been obtained in the month of July?

Sir EDWARD KEMP: I have not yet received the returns for July.

Mr. MACDONALD: This is the report of Mr. Knight's speech:

> He criticised the Government in no uncertain tone. The fabric of the present Government was never designed to meet and deal with the present great crisis, he said. Inefficient men were given positions that they should never have received. 'The Government is rotten with patronage', declared Mr. Knight, with heat. 'We have not got the best men representing us in the House.' No honest effort has been made by the Government to look after its returned soldiers, declared Mr. Knight. It seemed the policy of the Government to give the returned man the lowest sum he would accept and get rid of him as quickly as possible. He contrasted this state of affairs with the method pursued in Australia, where, he said, the returned soldiers were being looked after and provided for much better than in Canada.

I am not familiar with the facts, but I want to know what Mr. Knight has been asking the minister to do that he has not done.

Sir EDWARD KEMP: I am much surprised at the remarks by my hon. friend. The War Veterans' Associations from all parts of Canada met in this Chamber about three or four weeks ago and everything that they had to say, they said, and the most of the requests they made were reasonable and could be complied with. This Mr. Knight at that time ventilated his grievances and they were not very numerous. I do not understand the grievances to which he refers.

Mr. OLIVER: With respect to this matter of reversion of rank on going to France, is there an order in council on the subject or other information that could be laid on the table of the House that would indicate under what conditions an officer reverts to lower rank on going to France the first or the second time?

Sir EDWARD KEMP: I will lay the order in council on the Table to-morrow.

Mr. A. K. MACLEAN: I would suggest that the committee rise. We have been sitting a long time, and I have no doubt the minister, as well as any other hon. member, would like the committee to rise. It is true we have taken up nearly two days without passing an item, but that is a very significant matter. The minister will realize that military affairs are uppermost in the mind of Parliament and of the country, and there are a great number of matters to be discussed which are perhaps not necessarily relevant to the items before the committee. It matters very little whether an item is passed to-day or not.

Sir EDWARD KEMP: There is surely no objection to passing one or two items before we rise.

Mr. A. K. MACLEAN: Perhaps there is no objection to doing so, but that will not expedite matters.

Sir EDWARD KEMP: If we passed one or two items, we would feel that we had done something.

Mr. GRAHAM: That is reasonable. A minister, when he is in Supply, wants, when he goes home, to be able to say: I have made some progress. As the hon.

member for Halifax (Mr. A. K. Maclean) has suggested, all the expenditures for war, which are enormous, are really relevant to the discussion on these estimates. They do not refer to the items under discussion, but the understanding was that all these matters could be discussed, and that understanding is being carried out.

Sir EDWARD KEMP: Yes.

Progress reported.

On the motion of Sir Edward Kemp, the House adjourned at 11.45 p.m.

Wednesday, August 1, 1917.

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

QUESTIONS PASSED AS ORDERS FOR RETURNS.

Mr. KYTE:

What amount has been paid to the Sydney Daily Post, newspaper, by all the departments of the Government for printing and advertising, since the 1st day of November, 1911?

Mr. SINCLAIR:

What is the gross amount paid to the Halifax Herald, the Evening Mail, Halifax, and the Royal Print and Lithographing Company, Halifax, by all departments of the Government for printing, advertising and all other services since November 1, 1911?

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

CENSORS AT LOUISBURG, N.S.

Mr. KYTE:

1. Who are the censors employed at Louisburg, N.S., and what is the pay of each?
2. What are their hours of employment?
3. Are deductions made from their salaries on account of absence from duty?
4. What are the ages of the censors?
5. Have the services of S. P. Challoner, as censor, been dispensed with?
6. If so, for what reason?

Sir EDWARD KEMP:

1 and 4. Censor, R. J. Macdonald, $7 a day, 41 years; assistant censor, D. S. Hooper, $5 a day, 37 years; deputy assistant censors, N. F. Cooke, $4.50 a day, 29 years; W. T. Hayden, $4 a day, 24 years.

2. The work of the station continues for the whole twenty-four hours, and during Sundays and holidays. Each assistant censor or deputy assistant censor works for fifty-six hours in the week, a proportion of this time at night.

3. Members of the censorship staff are entitled to two weeks a year leave with pay, and to reasonable sick leave.

5. Yes.

6. To promote the efficiency of the service.

EMPLOYMENT OF MR. THOMPSON.

*Mr. LEMIEUX:

1. Has a Mr. Thompson, of Winnipeg, been recently appointed a plumbing and heating inspector for the West, in the Public Works Department?
2. If so, was he recommended by the Civil Service Commission?
3. What is his salary?

Mr. ROGERS:

1. Yes, appointed July 12, 1916, as a plumbing and heating inspector for the West.

2. No, the Civil Service Commission has no jurisdiction over appointments to outside staff of Public Works Department.

3. $2,000 per annum.

MILITARY DISTRICT No. 6—DENTAL CORPS.

Mr. TURGEON:

1. What officers are on duty in Dental Corps in Military District No. 6?
2. How many, and what are the names of officers who are devoting their whole time to said duty, and what are the names of those who are attending private practice?
3. Who are receiving separation allowance for their wives, and what date did separation allowance commence?
4. What are the dates on which the married officers of this corps went on duty?

Sir EDWARD KEMP:

Officers of C.A.D.C.	Whether devoting whole time to duty.	Whether attending to private practice.	Whether separation allowance paid for wives, and date.	Date married officers went on duty.
Major G. K. Thomson	No.	Yes.	Yes. 1-11-1915	Nov. 1, 1915.
Capt. H. E. Mann	No.	Yes.	Yes. 24-1-1916	Jan. 24, 1916.
Capt. F. A. Godsoe	No.	Yes.	Yes. 1-3-1916	March 1, 1916.
Capt. W. H. Steeves	No.	Yes.	Yes. 23-3-1916	March 23, 1916.
Capt. J. B. Brown	No.	Yes.	No	
Capt. J. M. Magee	No.	Yes.	Yes. 28-12-1915	Dec. 28, 1915.
Capt. H. E. Mitchener	Yes.	No.	Yes. 14-2-1917	Feb. 14, 1917.
Capt. S. S. Harvie	Yes.	No.	Yes. 31-3-1916	March 31, 1916.
Capt. W. R. Wilkes	Yes.	No.	Yes. 27-7-1916	July 27, 1916.
Capt. F. G. Mann	Yes.	No.	Yes. 8-2-1917	Feb. 8, 1917.
Capt. R. J. Robinson	Yes.	No.	Yes. 8-6-1917	June 8, 1917.
Capt. A. E. Viets	Yes.	No.	No	
Lieut. I. K. Farrar	Yes.	No.	No	
Lieut. L. J. O'Leary (Q.-M.)	Yes.	No.	No	
Lieut. E. S. Millett	Yes.	No.	No	
Lieut. R. A. Casson	Yes.	No.	No	
Lieut. J. E. Sewell	Yes.	No.	No	

UNOPPOSED MOTION FOR PAPERS.

Mr. Kyte: For a copy of all correspondence, letters, telegrams, instructions and notices calling for tenders, relating to the awarding of the contract for carrying the mails between the railway station and post office at Point Tupper, N.S., during the present year?

PRIVILEGE.

STATEMENT BY SIR WILFRID LAURIER IN REPLY TO SIR CLIFFORD SIFTON.

On the Orders of the Day:

Right Hon. Sir WILFRID LAURIER: Mr. Speaker, I rise to a question of privilege. The House is aware that I very seldom notice any attack made upon me outside of this House, in the press or otherwise, but I find a report of a speech by Sir Clifford Sifton, delivered two days ago, which I cannot allow to pass unnoticed. Sir Clifford Sifton is reported in the Globe of yesterday as having addressed the Canadian Club at Winnipeg, and as saying, among other things:

> Sir Clifford did not think that the people of Canada had any call to find fault with Laurier on the war until the day that the conscription policy was announced in Parliament. Sir Wilfrid now said that he was unable to endorse fully the policy of conscription. His attitude was taken because he believed that it was his duty to the province of Quebec. In other words, Laurier abrogated his title to leadership. The plain, unavoidable and inevitable fact was that if Sir Wilfrid Laurier were to win this election Canada would go out of the war.

I have to say in reference to this, Sir, that from anything which I have ever said in this House or out of it, Sir Clifford Sifton could not draw the inference that any attitude which I have ever taken was in deference to the province of Quebec. Neither on this occasion, nor any occasion in my public life, did I ever take an attitude in deference to one province alone. The policies which I have opposed were not opposed from the point of view of one province, but from the point of view of Liberal principles and with respect to all the provinces of Canada and irrespective of race or creed. This is my position to-day. I have stated before, and I repeat, that my attitude to-day, on the 1st of August, 1917, towards the war is the same as it was on the 19th August, 1914. I am in this war to the end, but I am in this war not upon compulsion, but upon the voluntary principle of enlistment.

COAL PRODUCTION IN WESTERN MINES.

Hon. T. W. CROTHERS (Minister of Labour): Hon. members will be pleased to hear the message which I have received from the Director of Coal Operations in western Canada. The telegram reads:

> Calgary, Alberta, July 28, 1917: Hon. T. W. Crothers, Minister of Labour, Ottawa. Daily production district eighteen, seventeen thousand five hundred tons coal and seven hundred and fifty tons coke. Output gradually increasing. Seventy-seven matters under dispute between the operators and miners finally adjusted to-day; will forward report next week.
>
> W. H. Armstrong,
> Director Coal Operations.

Mr. OLIVER: Has the Minister of Labour any information as to the price being paid

by consumers of coal in the West at the present time as compared with the price before the strike?

Mr. CROTHERS: I have no information on that point.

Mr. OLIVER: Would the minister be good enough to make inquiry in regard to that matter, because I have seen it stated that there is a difference of fifty cents a ton against the consumer.

Mr. CROTHERS: I might say that under the order appointing Mr. Armstrong director of coal operations, the price to be charged for coal is subject to his approval.

PRIVILEGE.

STATEMENT BY MR. KYTE AS TO THE WILLIAM DAVIES COMPANY.

On the Orders of the Day:

Mr. G. W. KYTE (Richmond): I rise to a question of privilege. On Monday afternoon, discussing the O'Connor report, I used the following language:

I recognize that a member of this House, speaking on any public question, does so with a full responsibility, that anything he says may, by reason of his being a member of Parliament, be clothed with greater weight and effect than it otherwise might be. I shall, therefore, not go into details except to say that there is a general rumour—I do not know how well authenticated; if it is not true I will be the first to withdraw it—but the statement is made that facilities for the carrying of bacon from the William Davies Company from Canada to England are afforded largely by the ships which are carrying munitions across to Great Britain.

Then followed this dialogue between the Minister of Trade and Commerce and myself:

Sir George Foster: Has my hon. friend any authority for that except rumour?

Mr. Kyte: I have stated my authority, and I shall be the first to withdraw it if it is not true.

Sir George Foster: Would it not be better that the statement should not have been made if you did not know it was true?

Mr. Kyte: I think there is rather too much of an inclination to pussyfoot with regard to matters in which the big interests are concerned.

Sir George Foster: Better to pussyfoot than to insinuate untruths, which are very damaging when put forth by a member of Parliament. If my hon. friend meant anything by his insinuation, it was that, in some wrongful way, the British Admiralty connived at the carrying of William Davies Company stuff and discriminated against others. I do not believe there is a word of truth in it.

Mr. Kyte: What I have said I have said.

Sir George Foster: I know you have.

Mr. Kyte: And I have stated that if it is not true the William Davies Company have

[Mr. Oliver.]

ample opportunity to deny it, and I shall be the first to accept their denial.

A statement was issued by Sir Joseph Flavelle in the form of a letter addressed to the Minister of Trade and Commerce. It is in the following language:

My dear Sir George Foster:

The member for Richmond, N.S., (Mr. G. W. Kyte) is reported in the morning papers as stating that "facilities for the carrying of bacon from the William Davies Co. to England were afforded largely by ships carrying munitions across to Great Britain during the past year," the inference apparently being that I secured some preferred relation for the William Davies Co. for the movement of bacon products to Great Britain.

It should be an adequate reply to state that the William Davies Co. have been under contract with the imperial authorities to ship a given quantity of bacon each week—

Mr. SPEAKER: Order. I hope that the hon. member does not intend to read a letter which has already been excluded from Hansard. If he wishes to rise to a question of privilege it is competent for him to refer to the substance of the letter, but not to read it.

Mr. KYTE: I think the House would prefer that I should give the ipsissima verba of the letter. A statement appears in the Montreal Gazette this morning which places me in a rather unfavourable light, and on a question of privilege I submit that I am entitled to read this letter as affecting the case. I would like Your Honour's permission to read the letter rather than to give my rendering of its meaning.

Mr. SPEAKER: I think it incompetent for the hon. member to read the letter; I have already given a ruling on that point. He may give the substance of it.

Mr. KYTE: I understood that Your Honour's ruling was that a member of this House could not bring in a letter written by a private citizen unless upon a question of privilege. A statement has been made contradicting the statement which I made, and on a question of privilege I should like to read it. The letter continues:

—the price for which has been fixed by the imperial authorities in Great Britain.

For such contract bacon the minister of shipping in Great Britain arranges for transportation and instructs the director of overseas transport in Canada to provide space for it. As the movement of this bacon overseas is wholly under the control of the minister of shipping in Great Britain no action is taken by any officer of the William Davies Co. to secure space for such shipments.

For the bacon which is forwarded on consignment to Great Britain the company secures ocean space in the ordinary manner. I am advised that there have been weeks at a

time when space for consignment bacon was unprocurable and that there have been other periods when the freight was so extreme that the company did not take the space. In any case the company's position was the same as that of any shipper seeking to secure ocean accommodation from the various shipping companies.

I address this letter to you because I observe that in the proceedings of the house you asked the member for Richmond for his authority for this statement.

Yours faithfully,

J. W. Flavelle.

Inasmuch as this statement of Sir Joseph Flavelle is not a denial of the allegation made by me, I have nothing to withdraw.

THE CANADIAN RAILWAY SITUATION.

STATEMENT BY SIR THOMAS WHITE, MINISTER OF FINANCE.

On the motion of Sir Thomas White for Committee of Supply.

Hon. Sir THOMAS WHITE (Minister of Finance): Mr. Speaker, I avail myself of this motion to make a statement to the House respecting certain financial proposals which the Government will lay before Parliament with regard to the Canadian Northern Railway Company and the Grand Trunk Pacific Railway company. On account of the prevailing atmospheric conditions, I shall employ all possible brevity consistent with adequate presentation of this most important subject.

The financial position of the Canadian Northern Railway company and the Grand Trunk Pacific Railway company is such as to demand imperatively further assistance from the Government if these railway systems are to continue to serve the public as solvent, going concerns. Last year, in connection with the loans of $15,000,000 and $8,000,000 respectively which we made to the Canadian Northern Railway company and to the Grand Trunk Pacific Railway company, I announced on behalf of the Government that a commission would be appointed for the purpose of fully investigating railway and transportation conditions in Canada, with a view to finding a permanent solution of the problem connected therewith, and which were continually being brought to the attention of the Government. I stated at that time that it was possible and even probable that the permanent solution of the railway situation might involve the Dominion taking over one or more of the existing systems, or that there might be involved the larger issue of the nationalization of all the railways of Canada.

Before announcing the policy which the Government purposes to lay before Parliament, I desire to refer briefly to the report of the commissioners which was tabled some weeks ago and with which, I have no doubt, most of the members of the House are familiar. In pasing, I may say that the personnel of the commission was Mr. A. H. Smith, president of the New York Central system, chairman; Sir Henry Drayton, chairman of the Board of Railway Commissioners of Canada, and Mr. Acworth, a distinguished financial and railway expert of London, England.

As the House is aware, there was a difference of opinion expressed by the commissioners; that is to say, there were two reports, one by Sir Henry Drayton and Mr. Acworth, and one by Mr. Smith, the chairman of the commission. In the opening of the report occurs this significant sentence, which represents the views of all the members of the commission:

> We have taken the situation as it is and find ourselves in agreement as to the necessity for constructive aid to bring the railways through the present crisis. We differ however as to the extent and method of Government aid desirable and to the increase and character of Government liability and interest now and for the future.

This is the key-note of both reports—a constructive policy aided by the Government—not a policy of destruction resulting in receiverships with the attendant consequences of disintegration of the systems, serious interference with the public service rendered by these corporations and grave detriment to the credit of the Dominion and the provinces, whose guarantees are inextricably involved in the finances of these railway systems.

Both reports absolutely sustain the position so far taken by the Government in aiding these railways and preventing receiverships with the inevitable liquidation which would ensue. Let me read in this connection, as to the desirability of avoiding receiverships, from the report of Sir Henry Drayton and Mr. Acworth:

> If the two companies went into the hands of receivers we cannot doubt that investors outside of Canada would believe, however erroneously, that the Dominion Government had treated them badly and that the result would be serious injury to the credit of the Canadian Government and indeed of all Canadian enterprises. And this result is one that putting it on pecuniary grounds alone the Canadian people should in their own interest spend a good deal of money to avoid. We, therefore, consider that Canada should assume the responsibility of seeing that the interest on these securities should be met. This responsibility is in our opinion unavoidable. But we

recognize that it is serious. It will involve considerable financial aid for some years. How many we will not estimate as it depends in the main on the rate at which Canada develops.

That is the opinion of Sir Henry Drayton and Mr. Acworth as to the desirability, the necessity even, from the standpoint of the Dominion's credit, of avoiding receiverships and liquidation of these two railway systems. In this connection, Mr. A. H. Smith says:

I see no alternative but the Government shall continue, with discrimination and resort to all available safeguards, and under a policy of proper regulation and co-operation of effort, to aid the necessitous railroads of the Dominion until such time, which I hope and believe will not be far distant, when these will become self-supporting and the problem will be solved.

That is the opinion of the chairman of the commission. As I have stated, the gist of these two reports, both majority and minority, is a constructive policy preserving the systems as solvent, going concerns to the end that they may render the maximum of public service in the all-important fields of transportation, and that the credit of Canada, its provinces, and its business enterprises may be protected and maintained in the investment markets of the world.

The recommendations of Sir Henry Drayton and Mr. Acworth are that the three railways, the Canadian Northern, the Grand Trunk, and the Grand Trunk Pacific be transferred by Act of Parliament to an independent Board of Trustees, to be incorporated as a company. The commissioners point out that although this board will be organized as a company, it would in effect be a public authority. The recommendations which they make and which I desire to place upon Hansard are as follows:

1. That a Board of Trustees be constituted by Act of Parliament and incorporated as "The Dominion Railway Company."

2. That the ownership of the Canadian Northern, Grand Trunk and Grand Trunk Pacific railways be vested in this company.

3. That the Government assume responsibility to the company for the interest on the existing securities of these undertakings.

4. That the Intercolonial (including the Prince Edward Island) and National Transcontinental railways be also handed over by the Government to the company.

5. That the whole of these railways, the Canadian Northern, the Grand Trunk, the Grand Trunk Pacific, the Intercolonial, and the National Transcontinental be operated by the company as one united system.

These two commissioners recommend that the board shall consist of five trustees. With the idea of having this absolutely free from political interference, it is recommended that it should be non-political, permanent, and self-perpetuating. They recommend that this Board of Trustees should be incorporated as "the Dominion Railway Company" with a capital of $50,000, all the shares of which should belong to the Dominion of Canada, and that the system, embracing, as I have stated, the Intercolonial, National Transcontinental, Canadian Northern, Grand Trunk and Grand Trunk Pacific, should all be subject as to their rates to the general authority of the Board of Railway Commissioners for Canada. In order that this may be accomplished, namely, that the Dominion Railway company should have control of all the systems which I have mentioned, the two commissioners recommend that the stock of the Canadian Northern Railway company, that is to say $40,000,000 of the capital stock of that company at present held by His Majesty, and the $60,000,000 of the capital stock of that company held by private owners or pledgees; the stock of the Grand Trunk Pacific company, the ordinary, the preference, and the guaranteed stock of the Grand Trunk Railway company; the physical properties of the Intercolonial railway, and of the Transcontinental railway between Moncton and Winnipeg, should all be transferred by Act of Parliament to this Dominion Railway company, all the shares of which are recommended to be held by the Dominion of Canada.

The report goes on to deal with the question of what remuneration should be allowed to the private owners of the stock of the Canadian Northern Railway company, and the owners of the stocks which I have mentioned of the Grand Trunk Railway company. They recommend in this connection that there should be an arbitration between the trustees who would administer the Dominion Railway company and the Canadian Northern Railway company private shareholders, to decide what proportion of the Canadian Northern Railway company's stock should remain the property of the present private owners, and what proportion of the earnings of the Dominion Railway company may fairly be regarded as attributable to the Canadian Northeri Railway lines. Their suggestion, therefore, is that a certain amount of the stock at

present, owned by the private shareholders of the Canadian Northern Railway company should be allowed to remain outstanding, and that there should be paid to holders of that portion an amount of the earnings of the Dominion Railway company which, under the determination of a board of arbitrators, would be adjudicated as their fair proportion of the earnings.

With regard to the Grand Trunk Railway Company shareholders, the two commissioners point out that the dividends which have been paid to the stockholders have averaged about $3,600,000 a year for the last ten years. They recommend that the Government should deal with the Grand Trunk Railway company through its board of directors, rather than with the individual shareholders of the Grand Trunk Railway company, with a view to fixing upon a sum which the Dominion Railway Company might fairly pay to the Grand Trunk Railway company, to be distributed to its shareholders as dividends upon their shares. The report enlarges upon the liability which the Grand Trunk Railway company of Canada has assumed in connection with its guarantees upon the bonds of the Grand Trunk Pacific Railway company. According to their statement, there is in that connection a contingent liability of about $5,000,000 per annum. They express the opinion that the Grand Trunk Railway company of Canada should not be relieved from their liability in connection with the Grand Trunk Pacific. They also express the opinion that in determining the amount which might fairly be allowed to the shareholders of the Grand Trunk Railway company the fact of this contingent liability should be taken into consideration. In a word, they say that the Dominion Railway company might fairly allow the shareholders of the Grand Trunk Railway company of Canada a substantial percentage of the $3,600,000, which represents the average annual dividend paid over a period of the last ten years.

Mr. GRAHAM: That is upon all kinds of securities?

Sir THOMAS WHITE: On common stock, first, second and third preferred, and on guaranteed stock, but not on bonds or debenture stock, because those represent liabilities. The commissioners recommend that after a precise figure has been agreed upon between the directors of the Grand Trunk Railway company and the Government of Canada or the Dominion Railway Company trustees, the directors should prepare a scheme of equitable proportion between the different classes, and procure the assent and legal authority necessary for bringing the scheme into force.

As to financing by the Dominion Railway company, the commissioners express the opinion that as the Dominion Railway company would have not only the Grand Trunk, the Grand Trunk Pacific, and the Canadian Northern company, but also the unencumbered properties of the Intercolonial and the National Transcontinental railways, they would be able to issue securities and, in large degree at least, carry on their own financing. I may say that at the time this report was made the outlook financially was not as critical as it is at the present time. The commissioners seem to assume that the Board of Trustees would be able, without great difficulty, to float securities in the United States. My own view is that, on account of the entry of the United States into the war and the prevailing financial conditions there, it by no means follows that the task of the Board of Trustees of the Dominion Railway Company in floating the securities would be an easy one at the present time. According to the recommendations of the commissioners which I have placed upon Hansard, the Canadian Government would assume towards the company practically the position of guarantor of existing liabilities.

The two commissioners recommend that in order to force, if necessary, the private owners of the stock of the Canadian Northern Railway company and the owners of the ordinary, first, second and third, and guaranteed stock of the Grand Trunk Railway company to accept the recommendations made by the commissioners, the Government should, if necessary, take out orders for receivership with a view to having the Board of Trustees who are to administer the Dominion Railway company appointed receivers; in which event, in the opinion of the commissioners, the shareholders in question would be willing to agree to their recommendations and accept, in the case of the Canadian Northern Railway Company shareholders, the proportion of stock and the proportion of earnings provided for in the report, and in the case of the Grand Trunk shareholders, the reduced amount under the $3,600,000 per annum which these shareholders have been receiving annually on an average during the past ten years. So much for the report of Sir Henry Drayton and Mr. Acworth.

I now come—and I shall be as brief as possible—to the report of Mr. A. H. Smith, who is a practical railway expert, and the

president of the New York Central Railway System. Mr. Smith recommends a settlement between the Government and the Grand Trunk Railway company. He says:

> The railway cannot carry out its part of the contract, and should be relieved of further embarrassment.

He is speaking with regard to the engagements of the Grand Trunk Railway company in connection wih the securities of the Grand Trunk Pacific. He would relieve the Grand Trunk Pacific Railway company of the obligation to lease the National Transcontinental. He would require the Grand Trunk Railway to lease the Grand Trunk Pacific to a board of trustees at a rental equal to the annual fixed charges Mr. Smith's proposition is practically this: The Grand Trunk is embarrassed and unable to fulfil its obligations to the public of Canada by reason of its contingent liabilities in respect of the bonds of the Grand Trunk Pacific. There is also responsibility in connection with the leasing of the National Transcontinental. He says that in his opinion it is in the public interest that the Grand Trunk should be relieved of that responsibility.

Mr. GRAHAM: Of both responsibilities.

Sir THOMAS WHITE: Of both responsibilities. Putting it as simply as I can, Mr. Smith's recommendations are these—confine the Canadian Northern to the West altogether. Make the Canadian Northern take a lease of the Grand Trunk Pacific, because the two systems are in a sense complementary the one to the other. Let the rental reserved in such lease be equal to the net annual fixed charges of the Grand Trunk Pacific. Confine the Grand Trunk to the East. Let the Grand Trunk take a lease of the Canadian Northern system from North Bay eastward. That leaves the "bridge lines," the Canadian Northern line from North Bay to Winnipeg, the Transcontinental line from North Bay to Winnipeg. These are the lean portions, running through territory where there is very little traffic. He says, let the Government assume those lines, vest them in a board of trustees and lease them, upon such terms as may be proper, to the Grand Trunk or the Canadian Northern. In other words, let the Government bear a share, at least, of the burden of maintaining those "bridge lines." With regard to the railways of Canada, the conclusion reached by Mr. Smith in his summing up is as follows:

> Let the Canadian Pacific alone; let the Grand Trunk operate the eastern lines now held by that company and the Canadian Northern; let the Canadian Northern operate the western lines now held by that company and the Grand Trunk Pacific system; let the Government operate the connections or procure their operation by private companies; all of which should be done under arrangements that are equitable.

Continuing, Mr. Smith makes the following observations:

> There is extensive duplication of lines in the West. The unsuccessful Grand Trunk Pacific lines are found among the successful Canadian Northern lines. Public policy demands the unification of these lines, for great economies could thereby be accomplished. There is extensive duplication in the East; the new Canadian Northern lines among the older lines of the Grand Trunk proper. Great economies in proposed investment and operating expenses await the joint working of those properties.

Then he makes the observation which I have already cited, as to leasing the bridge lines.

Mr. GRAHAM: Those would be the lines between North Bay and Winnipeg?

Sir THOMAS WHITE: The lines between North Bay and Winnipeg. I hope the House will pardon me if in a matter of such extreme importance I seem to be taking a little more time than would ordinarily be justified. Mr. Smith's precise words are:

> The Government may well afford to take them over and maintain them as necessary parts of the public investment in the country's development. . . . It may be necessary in working out this plan to grant some additional and temporary aid to the Canadian Northern, and it will be necessary to effect some compromise with the Grand Trunk Railway Company which will enable this company to continue.

We have called in the experts, and they have differed. There are, however, certain points of agreement in their reports which I propose to mention to the House. The reports, both minority and majority, are clear that the Canadian Pacific Railway system is thoroughly sound and should not be interfered with. Both reports agree as to the serious financial position of the Canadian Northern Railway company and the Grand Trunk Pacific Railway company. I have pointed out that the report of Sir Henry Drayton and Mr. W. M. Acworth dwell with emphasis upon the heavy contingent liability which the Grand Trunk Railway company has assumed in connection with its guarantees of the bonds of the Grand Trunk Pacific Railway company. All agree that no assistance is necessary for and no interference is desirable with the Canadian Pacific Railway company. They

agree that the Canadian Northern Railway company and the Grand Trunk Pacific Railway company should be saved from liquidation. They put forward the respective constructive recommendations in connection with those two systems as I have indicated to the House. In the differing views of these experts and confronted as we are with this all-important and most difficult and perplexing railway problem, what is the solution which the Government has to propose to this House? I will preface what I have to say by the observation that the great desideratum is efficient transportation service to the public of Canada. If the railway companies are financially crippled, if they are plunged into liquidation and dislocated by receiverships and liquidation proceedings, not only do the railway companies suffer but the public suffers by reason of the ensuing detriment to the public service; and if ever there was a time in Canada when most efficient railway service to the country was needed, it is the present.

If these roads are crippled, if they are financially unable to meet their liabilities, if they are unable to make needed betterments and purchase rolling stock, then the grain, and other agricultural commodities, and the manufactured products of Canada cannot go forward to their destinations and the whole trade of Canada, in every part of the country is immediately affected.

I need not say the Government has given this question its most serious—I may say, its most profound—consideration. We realize the importance of transportation to this country. We realize the financial conditions with which this country, and indeed the whole world, are to-day confronted. It appears to us that in meeting the situation there should be, as recommended by the commissioners, a forward, constructive policy that will appeal to the people of this country. It seems to me that the continuance from year to year of the large financial assistance which we have been granting to these companies is against public opinion and public policy while the ownership of these roads remains in private hands. The true policy would seem to be that which will ensure not only the best public service but a substantial degree of public ownership in order that the benefit of the large financial assistance granted from the public exchequer during the critical period of the development of these roads shall enure to the benefit of the public when the enterprises reach a period of fruition. If the public does the financing, the public should enjoy the ultimate reward.

While saying that, we must not at this time—at this most critical juncture of this war—overlook our credit. There are those in Canada who lightly suggest taking over the Grand Trunk Pacific, the Grand Trunk, the Canadian Northern and the Canadian Pacific and administering all these systems under the principle of public ownership. I need not say to this House that

4 p.m. that is not a financial responsibility which should be lightly undertaken at any time let alone at a time like this entering, as we are, the fourth year of the most expensive war in the history of the world. I am not overlooking the fact that the earnings of these companies would largely take care of the interest upon the securities but the very fact that the Government would take over all the railway systems under a general scheme of naturalization would at this time, in my opinion, be a serious matter, to put the matter moderately, to the credit of the Dominion and to our prospects for future financing. Notwithstanding this we believe that, having regard to the financial condition of these roads, the time is opportune and that we should not neglect the opportunity of taking a courageous step forward towards the end which I have indicated.

What is the position of the Canadian Northern and of the Grand Trunk Pacific to-day, because these are the two roads which are more immediately under our consideration? The finances of the Canadian Pacific are all that you might desire. The finances of the Grand Trunk railway are entirely satisfactory with the exception only of their contingent liability which is a very heavy one in respect to the securities of the Grand Trunk Pacific which they have guaranteed. The position of the Canadian Northern to-day is this: The company has a certain amount of net earnings. Its revenues are such that, after paying all fixed charges, it has a surplus. On that statement one might ask: Why should the Canadian Northern require any aid from the Government of Canada? The answer is very simple. Any railway system requires continually to make expenditures of a capital nature, not only on needed extensions—and I believe very few of these are being made at the present time—but on betterments, and requires to expend vast sums in the purchase of rolling stock in order that the public may be served and that the business may be carried on profitably. The essence of the situation, in so far as the Canadian Northern is concerned, is that, although the company makes net earnings, any surplus cash it has on that

account it requires to pay for betterments and rolling stock. The result is that the company is short of cash for the purpose of paying interest upon its underlying securities. If the cash is used for betterments and for the purchase of rolling stock, it is obvious that it is not available for the payment of the underlying interest charges. Put it the other way. If it is used for the payment of underlying interest charges, the necessary betterments to the road cannot be made nor can rolling stock be purchased. It is not possible for the company, as it would be if the war was not on, to issue further securities for the purpose of paying for these betterments and acquiring rolling stock? That is what a company does in peace times when conditions are such that it can float its securities, but the prolongation of the war has made it impossible for the Canadian Northern to float any additional securities, to issue any further debenture stock, and consequently it has to take its earnings to pay for betterments and the purchase of rolling stock and to meet the instalment payments on account of principal maturing on rolling stock. It is therefore unable to pay its underlying interest charges.

In addition to this, the company has had to do a great deal of short date financing. There is outstanding, secured, for the most part by Dominion or provincial guaranteed bonds or debentures, short term loans floated in New York or London. The amount of that ordinary, short-term liability is about $100,000,000, extending over a period of two years or more. It is not possible for the company, by the issue of permanent securities, to fund that debt. Therefore, it is obliged from time to time to renew these short-term securities, and to carry on as best it may from year to year. The company have, in the past, come to the Government and asked us, as they did last year, to make them a loan of a sufficient amount to take care of the underlying interest charges and to meet the maturing instalments of principal upon rolling stock.

The Grand Trunk Pacific has no branches to speak of, and no feeders, and the revenue is not quite sufficient to meet its operating expenses. That is to say, there is no surplus available for the payment of underlying interest charges, and the position of the Grand Trunk Pacific is that, if they are to continue as a solvent going concern and serve the public, they must have a sufficient amount advanced to them by the Government, or by the Grand Trunk Railway company—and that is not practically possible for the Grand Trunk railway—to meet, first, the deficit upon operating account, and, secondly, their underlying interest charges. The amount which is required in the case of the Grand Trunk Pacific to meet fixed charges and to meet the deficit upon operating account, and for needed betterments, and for necessary purposes of rolling stock, is about $7,500,000 for the coming year. In the circumstances, and bearing in mind, as I have stated, that our policy is to be a constructive one, we have the following proposals to lay before Parliament. We do not think we should grant further aid to the Canadian Northern Railway company while it is privately owned and controlled.

Some hon. MEMBERS: Hear, hear.

Sir THOMAS WHITE: In connection with that company, it is to be remembered that when we gave the subsidy in 1913, and a guarantee of $45,000,000 in 1914, we provided that the Government of Canada should become the owners of a certain portion of the capital stock of the company. The capital stock which was so acquired amounted to 400,000 shares, of the par value of $40,000,000, out of the issued stock of $100,000,000. These 400,000 shares, which represent a par value of $40,000,000, now stand in the name of the Minister of Finance, in trust for His Majesty, and are owned absolutely by the Government on behalf of the people of Canada. There are, therefore, $60,000,000 of par value of the stock, representing 600,000 shares, in the hands of private owners and pledgees, because the greater part of the stock is pledged. We propose, Mr. Speaker, to acquire the whole of this $60,000,000 of stock for the people of Canada. With the $40,000,000 par value of stock which we now have, we shall be the absolute owners of the Canadian Northern Railway system. Whatever money we expend in payment of fixed charges, for betterments or for rolling stock, will enure to the direct and sole benefit of the people of Canada. We think it desirable, in the interests of efficiency of management, and for the purpose of financing, that the system should continue to be administered as a corporate entity. Therefore, we propose, as I have stated, to acquire all the outstanding stock.

Mr. GRAHAM: Does that mean all the subsidiary companies, from the Atlantic to the Pacific, including those in Nova Scotia?

Sir THOMAS WHITE: I was going to deal with that a little later, but I will anticipate to some extent, to say this: the

Canadian Northern Railway system, as my hon. friend knows, consists of many constituent and subsidiary companies, railway companies, express companies, transfer companies, elevator companies and steamship and telegraph companies. The $100,000,000 capital stock of the Canadian Northern absolutely controls all those subsidiary and constituent companies which my hon. friend has mentioned, so that what the Government will obtain by acquiring the ownership of $60,000,000 stock of the Canadian Northern Railway company, which is the portion of the company not now in our hands, but in private hands, will be the control of the entire Canadian Northern Railway system from Halifax to Vancouver.

Some hon. MEMBERS: Hear, hear.

Sir THOMAS WHITE: Then, with regard to the Grand Trunk Pacific, I shall elaborate a little more fully later on in my remarks; but with regard to that company the situation is complicated by the fact that the Grand Trunk Railway company is, as I have stated to the House, largely involved by its guarantee of the Grand Trunk Pacific securities. It is, therefore, not possible for us, even if we were disposed to do so, at this time to deal with the Grand Trunk Pacific Railway Company in the same manner that we propose to deal with the Canadian Northern Railway company, because a long negotiation would be necessary with the Grand Trunk Railway company, in order that the public interests might be safeguarded before the Grand Trunk was relieved from any or all of its liabilities in connection with the matters which I have mentioned. Our policy with regard to the Grand Trunk Pacific for the time being is this: we propose to make a demand loan, repayable at six per cent, secured by a mortgage to the amount of $7,500,000. I shall present to the House an estimate for that purpose in the supplementary estimates which are soon to be brought down. We shall take the power to constitute the Board of Directors of the Grand Trunk Pacific as we see fit. Personally I would look forward to the Government some day acquiring the Grand Trunk Pacific system, because with the Canadian Northern Railway system belonging to the Government, as we propose, the two systems could usefully co-operate in the West, to the facilitation of economical administration and better service to the public. That would involve, as I have stated, negotiation with the Grand Trunk Railway company, which would take time to consummate. It is not our intention to release the Grand Trunk Railway company from their obligations in respect of the Grand Trunk Pacific Railway company. If in the future an arrangement could be made with the Grand Trunk Railway company which would absolutely safeguard the public interest, it would, in my view, be proper for us to consider taking over also, as part of the Government-owned railways of Canada, the Grand Trunk Pacific. That, however, is a matter that we are not able to deal with at this time. I make the suggestion and lay some emphasis upon it for the reason that, having acquired, as we shall, the Canadian Northern Railway system, it would be advisable to have in connection with that system any lines that are naturally complementary to it. However, for the present all that we propose is to make a demand loan to the Grand Trunk Pacific of $7,500,000, with interest at six per cent, secured by mortgage, to be availed of for the purpose of paying interest upon underlying securities, and of making necessary expenditure for betterment, rolling stock and any deficit on operation.

Mr. GRAHAM: What will the mortgage cover?

Sir THOMAS WHITE: The mortgage will cover all the undertaking, giving that word its widest meaning in law, of the Grand Trunk Pacific, including, of course, the stock which the Grand Trunk Pacific holds of the Grand Trunk Pacific branch lines. It will be precisely the same kind of mortgage as that which was executed last year to secure the loan of $8,000,000 which we made to the Grand Trunk Pacific for purposes similar to those which I have mentioned.

Mr. MACDONALD: Where will that mortgage rank in comparison with the other securities?

Sir THOMAS WHITE: It ranks next after all existing securities.

Mr. GERMAN: Are the existing securities not fully equal to the value of the property?

Sir THOMAS WHITE: Offhand, I should say yes. Although I do not desire to argue the matter here—we can argue it later in committee—one must take into consideration the fact that the Grand Trunk Pacific Railway company serves a large settlement in the West, and even at the cost of a certain loss of interest per year, I think

it is necessary that it should be continued as a going concern. I do not believe that the public of this country, especially the public of the West, desire that this road shall be thrown into receivership. I started out with the proposal, which is confirmed by the reports of all the commissioners, that it is inadvisable at this time —or, in fact, at any time— that these transportation systems which have been built by the issue of securities guaranteed by the Dominion and by the provinces and which have served the purpose of opening up to settlement vast areas in the Canadian West to the public generally throughout Canada, should be allowed to go into receivership and liquidation. However, we can discuss that matter a little later. I am quite sure that the Grand Trunk Railway company is desirous of doing anything it can to assist at this time. I believe that is true also with regard to the Canadian Northern and every other railway company in Canada. These people are all desirous of doing what they can at this time to the end that the best possible transportation service shall be rendered to the people of Canada, and that our products, agricultural and industrial, shall move forward as rapidly as possible to the markets of the world—because with that question is immediately involved the whole question of our finance and our commercial well-being.

The commissioners, Sir Henry Drayton and Mr. Acworth, referred to the fact that the Grand Trunk Railway company was paying its dividends and that it should make more expenditures for betterment, terminals, extensions and rolling stock. One remark might, I think, be made there without in any way controverting the findings of those commissioners in their most carefully thought out report. The Grand Trunk Railway company have been very successful in their financing in the London market. They have put out an immense amount of securities, some £73,000,000, or from $350,000,000 to $360,000,000 worth of securities, the proceeds of which have been spent in Canada, at a remarkably low rate of interest. A financial man will appreciate the fact that the payment of dividends upon stock, if such dividends are earned, is of material assistance in selling bonds. That is to say, if stock dividends are wholly discontinued, investors are not so likely to purchase bonds, because they draw the conclusion that the road is not in good case financially. However, that is by the way.

[Sir Thomas White.]

Our proposals, therefore, are to acquire $60,000,000 of stock that is privately owned in the Canadian Northern Railway system.

Mr. GERMAN: What does the minister propose to pay for that stock?

Sir THOMAS WHITE: That is a very proper question, but if my hon. friend will have a little patience I shall come to that in a moment. Of this $60,000,000 of par value stock of the Canadian Northern Railway company, about five-sixths is available for transfer in the near future. It is held by private owners and by pledgees. The balance of it is held in outside hands, a considerable part of it, I believe, in Great Britain. The member for Welland (Mr. German) has stated what price we are going to pay for that stock. We propose to acquire the stock, as I have stated, for the public of Canada. How do we propose to pay for it? We propose to have the value of that stock determined by arbitration in the method recommended in the Drayton-Acworth report. In that report it was recommended that in order to determine the amount of stock in the Canadian Northern Railway company which should be opportioned to the private shareholders of the Canadian Northern Railway system, a Board of Arbitrators should be constituted, one arbitrator to be named by the Dominion Government, one by the owners or pledgees of the stock and the other to be chosen by these two. In case of non-agreement as to the third arbitrator, the report recommended he should be named by the senior judge of the Exchequer Court. We propose to follow that method as to the valuation of the $60,000,000 par value of shares of the Canadian Northern railway which we shall acquire. We propose, in the event of the arbitrators not being unanimous as to the value, that there shall lie an appeal to the Supreme Court of Canada, both as to law and as to facts.

It appears to us that no fairer method could be devised of determining the reasonable value of the 600,000 shares of the Canadian Northern Railway Company stock, which we are acquiring.

Mr. PARDEE: Will the minister be able to acquire all the stock? Suppose he is not able to do so?

Sir THOMAS WHITE: I am glad my hon. friend raised that point, because I overlooked it. Five-sixths of the 600,000 shares can be acquired in the near future.

Mr. MACDONALD: By voluntary sale on the part of the parties who hold the stock, not by appropriation?

Sir THOMAS WHITE: The value of the 600,000 shares is to be determined by arbitration, subject, as I have intimated, to an appeal to the Supreme Court. The resolution which I shall present to the House will provide that when five-sixths of the shares are vested in the Minister of Finance, under an agreement to be entered into between the owners and pledgees and the Governor in Council, the Governor in Council may declare that the whole of the shares are vested in His Majesty, and that the other owners and pledgees shall be entitled to receive their pro rata and proportionate share of the amount determined by the arbitration as the fair value of the 600,000 shares.

Mr. MACDONALD: Supposing that the holders of five-sixths of the shares say: We will not enter into an agreement; will the Government take power to expropriate those shares?

Sir THOMAS WHITE: We know, as a matter of fact, that the pledgees and owners will transfer their shares upon the terms which I have mentioned. My hon. friend from South Renfrew (Mr. Graham) has asked me what this Canadian Northern railway system embraces, and I should like in that connection to say something as to the advantages of the purchase of the Canadian Northern.

Mr. MACDONALD: Before the minister goes on to that, is it intended that immediate possession of the road is to be obtained, or is the whole matter to stand until title is obtained after arbitration?

Sir THOMAS WHITE: We are preserving the corporate entity of the Canadian Northern Railway company. When we get the stock, we are absolute masters of the Board of the Canadian Northern Railway company and of its entire administration, and the board, as we constitute it, will be the Board of the Canadian Northern Railway company carried on for its shareholders, who will then be the people of Canada. In other words, the private ownership of the shares is entirely eliminated.

I am now going to speak of the advantages of the purchase of the Canadian Northern railway system. We shall, by this transaction, acquire 9,513 miles of the Canadian Northern railway system, with branches in all provinces of Canada except New Brunswick and Prince Edward Island, and including 6,000 miles of branches in western Canada. That system has entry to every important city and centre in the Dominion of Canada. We shall have all the adjuncts of the road, including telegraph companies, express companies, steamship companies and elevator companies. The Canadian Northern owns, amongst other assets, the Lake Superior terminals, with five elevators, at Port Arthur, with a capacity of 10,000,000 bushels. It owns a steamship line with six ships on the Great Lakes. It owns the Canadian Northern Telegraph company, and within the last few years the Canadian Northern Telegraph company has acquired the Great Northwestern Telegraph company, the stock of which is vested in the Canadian Northern Railway company, the two systems having some 1,500 offices throughout the Dominion of Canada. The Great Northwestern Telegraph company, which operates the Canadian Northern Telegraph Company, has connections with the Western Union Telegraph company of the United States, and connects with its cable service across the Atlantic.

As I have said, we shall own all the underlying companies, some thirty of them, the capital stock of which is vested in the parent company. These include the Halifax and Southwestern, the Canadian Northern Quebec, the Canadian Northern Ontario, the Canadian Northern Saskatchewan, the Canadian Northern Alberta, and the Canadian Northern Pacific. What more has the Dominion of importance in connection with this question of the acquisition of the Canadian Northern railway system? It has the Intercolonial, which has now access over a leased line to Montreal. When the bridge is built across the St. Lawrence, the Intercolonial will have access over the Canadian Northern Quebec to the terminals of the Canadian Northern in Montreal. The ownership and control of the terminals of the Canadian Northern in Montreal, and, indeed, in all parts of Canada, of the Canadian Northern railway system, are vested in the Canadian Northern Railway company, and they will now be under the control and ownership of the Dominion.

Mr. MURPHY: Does that include the Mount Royal Tunnel and Terminal company?

Sir THOMAS WHITE: The Mount Royal Tunnel and Terminal company is owned by the Canadian Northern, the stock of which is now acquired, and therefore in that way we own that company.

This opens up a great vista to the imagination of the members of this House and

the people of this country, because it means that the people of Canada will own, not only a highway from Halifax to Vancouver, but a great transcontinental railway system in its grades, curvatures and connection second to none.

Mr. ROSS: A short time ago the minister said that the Canadian Northern had control of all these subsidiary companies. Does the Canadian Northern hold all the stock of these subsidiary companies, or only part of it?

Sir THOMAS WHITE: There may be one or two in which a small amount of stock is outstanding, but in nearly all the cases of the thirty and more companies which are embraced in the Canadian Northern Railway system, and which my hon. friend will find in the Act of 1914 under which we guaranteed $45,000,000 of securities of the Canadian Northern Railway system, the Canadian Northern owns all the stock, so that through the ownership of the Canadian Northern, we acquire ownership and control of these subsidiary and constituent companies.

Mr. LEMIEUX: What about the tramways controlled by the Canadian Northern?

Sir THOMAS WHITE: I do not know to what my hon. friend refers. If he will look at the Act of 1914, he will see the constituent and subsidiary companies embraced in the Canadian Northern Railway system. When we are in committee, I shall have looked into this matter more fully and shall be glad to give my hon. friend more information. We are acquiring the ownership of the Canadian Northern Railway system, as at present constituted.

We have the Intercolonial, but the Intercolonial has not had connections with the West. The Intercolonial will now have connection with Ontario and with Manitoba, Saskatchewan, Alberta and British Columbia. In addition to that we have the National Transcontinental from Moncton to Winnipeg. It seems to me that it will be of great value, in connection with the operation of the National Transcontinental from Winnipeg to Quebec and to the Maritime Provinces, that we are acquiring the Canadian Northern Railway system, especially in the West and can operate it in co-operation with the National Transcontinental system.

Mr. MARCIL: Will the Intercolonial be linked up by the Quebec bridge, or will connection be made at Montreal?

[Sir Thomas White.]

Sir THOMAS WHITE: After the completion of the Quebec bridge, the Intercolonial could come over the Quebec system to Montreal. I do not say that it will give up its present line at all, but there will be access in that way.

There is one other feature to which I would draw attention—as I must ask the pardon of the House if I have trespassed unduly upon its time and patience. We are confronted to-day with a very serious transportation question in the Dominion of Canada. Financial conditions are naturally critical in all the markets of the world. These railway companies—and I am not speaking now of the Canadian Pacific company or of the Grand Trunk Railway company proper—but these other roads have been unable to sell their securities, are unable now to sell their securities, and the result is that necessary betterments have not been made; some extensions in the West, for instance, that should have been made have not been made; necessary rolling stock has not been acquired, or at all events on the scale on which it should have been acquired, and it has been the financial situation which has largely brought that about. These proposals which I am laying before Parliament will assist the credit of the Canadian Northern, no longer privately owned, but owned by the people of Canada. They will enable us to renew its loans, to carry it along, to acquire the necessary rolling stock,—for ourselves now, and will enable us to continue the Grand Trunk Pacific as a going concern, enable it to avoid default, enable it to make the necessary betterments and to purchase indispensable rolling stock. In other words, the proposals which we now lay before Parliament, will, I am confident, improve the entire railway situation in Canada, and greatly enure to the benefit of the people of this country.

Mr. MACDONALD: The hon. gentleman has not stated who are to compose the directorate of the Canadian Northern.

Sir THOMAS WHITE: The position is this. The Dominion Government will own the stock of the Canadian Northern Railway company. Owning that, it will absolutely control the board of directors and its personnel, and when the Dominion Government acquires control of that stock, it will be for the Dominion Government to say who shall be the directors of the Canadian Northern Railway company; that will be the legal position without any doubt. In the appointment of the board of direc-

tors and the general administration of the Canadian Northern Railway system we shall, of course, have to consider what is in the interests of the public. Speaking offhand, I should say this. There are on the staff of the Canadian Northern some exceedingly capable officials—men like Mr. McLeod, Mr. Hanna and Mr. Mitchell, the operating heads of the several departments. My own view is that the Government would be wise to retain as far as possible the services of these men in connection with the administration of the system.

Mr. GRAHAM: Sir William Mackenzie too?

Sir THOMAS WHITE: My hon. friend has raised the question of Sir William Mackenzie. Let me say this: I believe that Sir William Mackenzie and Sir Donald Mann will co-operate with the Government in every way possible to facilitate and carry out this transaction, and will be prepared at any time to vacate their seats on the board at the request of the Government of Canada. As to the board, we shall have to get in the stock first and complete the transaction, and then it will be open to the Government to determine what is the best course, having regard to the public interest, to pursue with regard to the board of directors and the general administration of the Canadian Northern Railway company.

Mr. MACDONALD: Is the Government going to accept the recommendation contained in the majority report, that this board be an independent body entirely free from political and any other influence?

Sir THOMAS WHITE: We have not taken that step. As I stated, the commissioners differ in their views as to the policy to be followed. I feel personally, having regard to financial conditions, that it is not practical or expedient for the Dominion Government to take over the Grand Trunk, the Grand Trunk Pacific and the Canadian Northern at the present time, or to take the further step that has been suggested by some, of taking over also the Canadian Pacific railway. But my hon. friend will observe that we have taken one step forward, and a very signal and important step towards the operation of the railway systems of Canada for the public benefit. I believe that this policy which I have had the honour to announce to the House to-day will mark a new era in the history of transportation in Canada, affirming as it does, the principle that if the people are called upon to finance the railways of Canada, the people shall derive the ultimate resultant benefits.

Mr. NESBITT: Will the administration of the Canadian Northern be placed under the Governor in Council?

Sir THOMAS WHITE: If my hon. friend will realize the legal position I think it will be perfectly clear to him that the administration of the line will not be under the Governor in Council. It is true that the Governor in Council, through the ownership of the stock, will have the power to elect the board, but we propose that the operation of the Canadian Northern Railway system shall be through its boards of directors. The administration of this system will therefore be under the boards, and not immediately under the minister, as the Intercolonial is under the Minister of Railways. In other words, we shall not have the actual physical property in this system, but we shall have control of the stock in its entirety, and we shall name the boards, and the boards will in turn, through their executive officers, administer the system.

Sir WILFRID LAURIER: My hon. friend did not say whether the Government intended to follow the commissioners' recommendation that the boards be self-constituted

Sir THOMAS WHITE: The Dominion Railway Company Board, could hardly be self-constituted because it would have to be constituted in the first place by some authority, but after it was constituted the vacancies arising would be filled by the remaining members; in other words, it would be a complete sovereignty in itself—self-perpetuating. It would be outside the control of the Government and outside the control of Parliament—although I am not quite sure as to the latter statement because Parliament, I suppose, has power over anything under its jurisdiction. No it would not be free of Parliament.

Sir WILFRID LAURIER: It could not be free of Parliament, of course, but according to the report of the majority it would be free from Parliament to the extent that their acts could not be undone except by Parliament.

Sir THOMAS WHITE: It would be independent, subject to change by Parlia-

ment. There is no doubt about that. But, we have not determined to carry out the recommendations of Messrs. Drayton and Acworth in their entirety, for the reasons I have given. At the same time we have made a great step forward towards acquiring a beneficial interest in Canadian railways for the people of Canada.

I beg to give notice of the following resolution which I shall move in Committee of the Whole to-morrow:

Resolved, that it is expedient to provide:

1. That His Majesty may acquire on such terms and conditions satisfactory to the Governor in Council as may be set out in the agreement to be made with the owners and pledgees of not less than five-sixths thereof, and for a price to be determined as hereinafter provided, the six hundred thousand shares of capital stock of the Canadian Northern Railway Company, (par value sixty million dollars), not now held by the Minister of Finance in trust for His Majesty.

2. That the Governor in Council shall appoint one arbitrator, the said owners and pledgees shall appoint another, and the two so appointed shall appoint a third, or failing agreement as to such appointment, the third arbitrator shall be appointed by the Senior Judge of the Exchequer Court.

3. The said arbitrators shall determine the value of the said six hundred thousand shares as of the date of the said agreement and the said arbitrators shall proceed in a summary way and may apply their own judgment in determining such value and may receive with respect thereto, such reports and statements authenticated in such way as they may decide and such evidence as they may deem necessary or helpful, examine witnesses under oath and hear the parties by counsel or representatives and that the unanimous determination of the arbitrators shall be final, but should the determination not be unanimous an appeal from such determination shall lie to the Supreme Court of Canada on behalf of the Governor in Council, or of the owners or pledgees, upon any question of law or fact, such appeal to be made within thirty days from the rendering of the determination.

4. That the amount of the value so determined shall be paid out of the Consolidated Revenue Fund, or otherwise secured in accordance with the terms of the said agreement.

5. That upon the making of said agreement, at least five-sixths of the said six hundred thousand shares shall be transferred to the Minister of Finance in trust for His Majesty, and if there be any of said six hundred thousand shares not transferred as aforesaid, the Governor in Council may declare said shares to be the property of the Minister of Finance in trust for His Majesty, and the same shall thereupon become the property of His Majesty and shall be paid for pro rata with the shares so transferred.

6. That so soon as said five-sixths of said shares has been transferred as aforesaid, the Governor in Council may assist the Canadian Northern Railway company, or any company included in the Canadian Northern Railway system, in paying and settling any indebtedness of such company or postponing the payment thereof on such terms as may be agreed upon, and for such purposes may make advances out of the Consolidated Revenue Fund, may guarantee payment in whole or in part, and may give the obligations or securities of the Government in connection therewith.

7. That the Canadian Northern Railway company, and each company included in the Canadian Northern Railway system, shall from time to time do such acts and things, make and issue such agreements, obligations and securities in connection with the payment or settlement or postponement of payment of the said claims as the Minister of Finance may require.

8. That the necessary qualification shares for directors may be transferred to or allowed to remain in their names by the Minister of Finance on such conditions as he may determine.

Hon. GEORGE P. GRAHAM (South Renfew): The Minister of Finance has dealt with the problem which, next to the war, is, perhaps, the greatest problem with which Parliament has to deal. The question of how successfully this scheme will work out will depend largely upon its operation, and we have not the details of this operation before us. In general, I might say that the programme outlined by the minister this afternoon, if carried out independently of any attempt at political patronage or political management, will give the people of Canada a full opportunity to try out government ownership on a large scale. At the moment, I can scarcely see just how the minister proposes to operate this new system and divest it of all political interference. Government ownership, and particularly government operation, is surrounded with difficulties with which I have had reason to be familiar, and to my mind the only way government ownership can be made successful is by placing its operation in the hands of a board which will not have to be continually giving a detailed account of what it is doing to every member of Parliament. This larger scheme is not like the Intercolonial. If this resolution passes the scheme will be operated by the people of Canada on a large scale, in competition with the Canadian Pacific railway, the best-managed transportation system in the world. Unlike the Intercolonial, the roads dealt with in this new scheme were not built as a bond of Confederation; on the contrary, the scheme must be operated as a straight business concern. In order that this may be accomplished, I submit to the minister that, in working out the details of government ownership on a large scale in Canada, we must begin right by divesting it of all political environment; in no other way will government ownership be given a fair trial.

I am at present just as strongly of the opinion as I have ever been that the productiveness of Canada in the years ahead of us will make of practical use all the railway facilities we have. When the era of financial stress came upon those railway projects, it was not peculiar to them, but was common to every business in the Dominion. Shortly before the war all business concerns and all undertakings were in the same condition, and capitalists the world over told them they must take in sail and begin to economize. Following that came the war, and it was almost impossible for projects—those of any ordinary nature at least—to secure financial assistance. As the months and years have gone by, this condition has become more stringent, and we find that enterprises which might have been successful under ordinary conditions are not successful.

In our western country, instead of hundreds of thousands of new settlers coming in to cultivate the soil and to make traffic for these roads east and west, we are now looking about to see how many men we can take out of all Canada for the preservation of the Empire. Our business conditions have been changed and the railways are in the same position as many other concerns —with this difference, that many others have been saved by the war, while the railways have been injured to the extent that, on account of the war, we are now called upon to finance them.

Let me take up the question of liquidation. My hon. friend has stated that it would be injurious to the credit of Canada if the railways were allowed to go into liquidation. I am approaching this question from the viewpoint of war conditions rather than from that of ordinary conditions. I acknowledge that at least seventy-five per cent of the railway companies in the United States have gone through receivers' hands at different times. But I realize that there is this difference, that these lines in the main were not state-aided, and the credit of the country was not so much at stake with them as was the credit of private enterprise. But we in Canada, both federally and provincially, have become co-partners to a very large degree with those enterprises by guarantees of bonds as well as giving aid, and we are not in the same position as are the people of the United States, where many railway companies go into the receivers' hands. If the conditions were the same, and if there were no war, I might be inclined to allow some of these lines to go into the receivers' hands and have what you might call a clean-up. But I hesitate to take that view at the present time for the reasons I have stated. On the maintenance of the credit of Canada depends our ability to do our share in the war, and, looking at it from that viewpoint, personally I am inclined to go a long way towards preventing liquidation.

Let me take the Canadian Pacific railway first. The Canadian Pacific railway is, perhaps, the greatest transportation system in the world, taking into consideration all its ramifications. At the present time, no matter what my views on Government ownership, I think it would be a mistake for Canada to assume the responsibility of taking over a road that is an absolute success in every particular. Not that it would not be a good thing for Canada, perhaps, but we are undertaking a large obligation in what we are doing in addition to what the war is costing. It is possible that Government ownership will not be the success that we would hope it to be financially speaking, and under these conditions I think it would be a mistake, at the present time at least, to interfere with that great transportation system, the Canadian Pacific.

Now let me take the Grand Trunk railway. The Grand Trunk, I believe, ought to lie very close to the hearts of the Canadian people, sentimentally. It is the pioneer of all these railways. It was with us in Canada in pre-Confederation times. It went about securing large investments in the old land to be made in this country. If any of the lines be entitled to consideration at the hands of the Canadian people for pioneer work, for the opening up of this older part of Canada, that line is the Grand Trunk. I have no brief for the Grand Trunk, but I am pointing out that in the discussion of the various railway problems we must not forget that the old Grand Trunk brought millions of money into this country and secured comparatively small aid when this was not much of a country. Its system in eastern Canada, as well as in the United States, I think, to state my own view, was hardly treated fairly by the Drayton-Acworth report. I have read that report carefully. I know some of the difficulties surrounding these railway problems, and I am inclined to believe that the report is harsh to the old Grand Trunk with regard to its conception, growth, operation and difficulties at the present time. It may be because I have lived nearly all my life on the line of the Grand Trunk that I feel

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that way. But I have read that report over carefully, and I say again that I am inclined to think that it deals harshly with the old Grand Trunk in some of its statements concerning the operation of the road. The Grand Trunk has assumed large obligations in connection with the Grand Trunk Pacific and also some obligation in connection with the operation of the National Transcontinental. Owing to the conditions which have arisen, over which to a large extent the railway itself had no control, it finds itself to-day in a straitened position owing to the guaranteeing of the bonds of the Grand Trunk Pacific. That is a matter for adjustment, I suppose, later on when the Government bring that matter before the House.

Now, I take up the Canadian Northern railway. The Canadian Northern has the best gathering system in western Canada without any doubt. It has 6,000 miles of roads in that area. Its branches, although very cheaply built in the beginning, penetrate perhaps the best part of our great western country. I was not in sympathy with building the line through to the Pacific coast at the time it was constructed but I am inclined to take the situation as it presents itself to-day without harking back to what has been. Its line from Winnipeg to Fort William is in good condition, or was, when I travelled over it not very long since. In the East it has quite a large number of disconnected lines. I call them disconnected because they are such lines as that running from Halifax to Yarmouth —the Halifax and South Western. There are some pieces of line here and there throughout Ontario. The question will arise: If the Government takes over the 600,000 shares of stock and becomes the owner of the Canadian Northern mainly, with the control of all its ramifications, how much money is it going to cost for betterments and for the completion of the works now in hand by the company? The Government becoming the owners of the Canadian Northern stock, of course, cannot allow the Montreal tunnel to go unfinished. It will have to assume the obligation, I presume, in connection with the completion of the works at Vancouver. And in thousands of ways it will have to assume liabilities that are not included in the main issue of 600,000 shares but that will have to be met.

The Government, becoming the proprietor of the Canadian Northern system, will have to assume its liabilities, and, it being Government-owned, the Finance Minister will discover that what the people will accept from the Canadian Northern they will not accept from the Government, either in the way of operation, or extension of lines, or completion of work now under construction. So that in this problem before us we are not enabled, even if we knew the price the arbitrators would place on the stock, to say what liability the Government is undertaking on behalf of the people of Canada, until we know what they will have to spend in the immediate future for the completion of work now on hand by the Canadian Northern. In addition to that, there is a great scarcity of rolling stock on all the railways on both sides of the international boundary, Government railways included; and the Government, immediately it assumes possession of the road, will have to begin the purchase of rolling stock, motive power and other incidentals, of which the Canadian Northern is now somewhat short.

As to details, I should not like to commit myself at the present time, concerning the management, particularly because, after all, the success of this whole undertaking, so far as the people of Canada are concerned, will depend on the management. The amount of money that may be required to take over this system is not such a great thing to the people of Canada. It is not of supreme moment, although of great interest, to the people, how much money will be required to get the rolling stock, motive power and all the betterments; but it will be of supreme moment to the people how this Government system is to be operated. I might intimate, in passing, that the Government in securing control of the stock of the Canadian Northern, could not well be criticised by us on this side of the House, if the details are right, because we proposed that course three years ago, when the Government last gave aid to this line. I am a little inclined to congratulate myself on another point made by the Minister of Finance, which I fear hon. gentlemen opposite did not think much of at the time: that is the provision made when giving guarantee to the eastern lines of the Canadian Northern for connnection between it and the Intercolonial at the city of Montreal. That now will be an important factor in the linking of the Intercolonial with the western system.

Let me call attention to the other road. The Grand Trunk Pacific and the Transcontinental combination were never intended to be what they are now. Their present condition is not indicative of the original idea. The Grand Trunk Pacific today is a local road between Winnipeg and

Prince Rupert, without any connection, without any outlet of its own at either end. Owing to the conditions existing, the Grand Trunk Pacific was not enabled to put a steamship line from Prince Rupert to the Orient, and, as a consequence, the through traffic from the Orient, which was expected to come by that short route over Canadian territory from the Pacific to the Atlantic, has not been realized. Just what arrangement the Government will make in that connection remains to be seen, but until the Grand Trunk Pacific or the Government provides steamship facilities between Prince Rupert and the Orient, that line will be nothing more than a local line. If, in aiding the Grand Trunk Pacific with the view probably of taking it over later, there is any expectation of it being a self-sustaining line, it can only be made so by giving it a steamship connection and providing it with a through traffic. I am ready to concede—and this I brought to the attention of the late Mr. Hays several times—that the Grand Trunk Pacific was not provided with a sufficient number of feeders in the western country. Others were in ahead of it; I will not discuss how or why, but the Grand Trunk Pacific has not the feeders it ought to have in that country. In looking to the future, in addition to a steamship connection, provision will have to be made, either through the company or by the Government with the company, for the construction of many more feeders. Take the Transcontinental railway—that much discussed line. The minister kept away from it, and so will I, because the weather is warm and we might start a discussion which would not end till the election was over. But I want to call the attention of the people of Ontario and Quebec to the fact that the National Transcontinental line from Quebec through Northern Ontario runs through a magnificent stretch of country for a great many miles, and although, at the present time, it is largely non-productive, and a link in a chain of transportation which does not now pay, I believe that in the years to come the Transcontinental will have a local traffic that will vie with the local traffic of any of the roads in the older parts of Canada. When the Ontario Government, at the head of which at that time was the late Sir George Ross, proposed building a road into New Ontario from Toronto, a great many people, irrespective of their political leanings, thought it was a wildcat scheme and would never pay; but the result has been that, in the construction of that road, the greatest mineral deposits in the world were brought to light, and Canada has received the benefit during the last few years. That new country through which the Transcontinental runs, both in Quebec and Ontario, will, I believe, in the years to come, produce a traffic, and the production along that road will more than pay for the operating expenses and carrying charges. But we are just in a condition now when everything seems to be working against development and expansion, and in these matters we will trust to the future with an optimism which I believe we in Canada have not lost, and will proceed with the development of our country slowly now, but prepared for a larger development when the clouds of war have rolled away. If we were to apply the same acid test to the Intercolonial as has been applied to some of the other roads, we should find the Intercolonial asking for help all the time. I do not refer particularly to present conditions, although I think they may not be as good as they used to be. The Intercolonial was constructed as a bond of Confederation and pledge between the East and the West—but it has not paid interest. If it had been the Canadian Northern, Grand Trunk Pacific or Grand Trunk, it would be in the same position to-day as these lines, and would have been coming to Parliament asking for money to pay interest on capital. Although it does not appear so, every year we in Canada are paying interest on the construction of the Intercolonial, and rightly so. I am just pointing out that some railways are not, under the stress of the present time, able to meet certain demands, and the Intercolonial would be in the same position if we applied the same acid test to it as we apply to these other lines. If the Intercolonial had had to borrow the money, or if this Government had borrowed it, giving the Intercolonial as security, the Government would have had to come to the rescue and pay the interest, as guarantor of the bonds.

The Finance Minister, a few moments ago, referred to some criticism directed against the Grand Trunk Railway company because of its paying dividends while it required betterment and rolling stock. In one respect that criticism is unfair. I believe that the Interstate Commerce Commission of the United States acts under a statute, the provisions of which would not permit a railway company to expend earnings upon capital betterments rather than pay interest to its shareholders. One man has described a betterment, or a proper capital expendi-

ture, as a nail driven in a place where there never was a nail before; as something added to the efficiency of the road; something that was not in that property before. The providing of betterment does not mean ordinary upkeep, which is paid for out of revenue. As I say, I believe the Interstate Commerce Commission would compel a railway to divide its expenditure in that way. So that paying the dividends instead of applying the amount to capital expenditure was not an improper act on the part of the Grand Trunk Railway company; it was an act sanctioned by law.

As to the whole proposal of my hon. friend, I am merely running over the general situation without pausing to go into details. It will be a relief to the Parliament of Canada if we work out a scheme, non-political, absolutely on business lines, which will mean that we shall not be asked every session or two to contribute aid to certain railways. But I want to point out to the Government: do not be too sure that Government ownership will be a panacea for all complaints concerning service. A few years ago I had occasion to look into the question of rates on the state railways in Germany, in France, and in Australia—I did not visit Australia, but I had an investigation made. I discovered that there were better things for the people than government monopoly. The managers of government railways, or of government concerns, if they have a monopoly, are just like other managers. After all, competition is the best way of regulating accommodation and service. There are a thousand ways in which a railway company can comply with the orders of the Board of Railway Commissioners and still not meet the detailed requirements of the public. Travelling through the West a few months ago, I endeavoured to find out what service the railways were giving the people in that section of the country. The railways, I assume, were all acting in compliance with the orders of the Board of Railway Commissioners, but they were not all giving the same service in detail. One line was referred to by the majority of people with whom I spoke as a line that was giving absolute satisfaction, so far as that was possible. They pointed out that this railway company invariably sends a man to the meetings which they call for the purpose of discussing railway problems, while the other railways do not. No violation of the orders of the Board of Railway Commissioners is involved in that, but the competition of the other roads induces this company to send a man to these meetings in order to see that the wants of the people are provided for. The Finance Minister said that in the future it would, perhaps, be wise to amalgamate the Grand Trunk Pacific and the Canadian Northern in order that there might be complete co-operation in certain territories. That may be right; it may be necessary; but there would be no proof or assurance that the people in the districts concerned would have the best service. As I have said, a bit of competition is the best way to get efficient service in detail.

When the Finance Minister brings his resolution before the House and is prepared to give us the details as to how the Canadian Northern Railway system is to be operated, I shall feel more at liberty to discuss the matter than I do at present. But, from what has been said, it could be inferred that the Government may not operate this road at all. The Government could secure this system and transfer its operation to another railway company. That is to say, so far as the proposals presented to the House to-day are concerned, the Government could secure ownership and control of the Canadian Northern Railway System and could then lease the road to the Canadian Pacific Railway company or to the Grand Trunk Pacific Railway company for operation. I am confident that, when we deal with the matter further in Committee, the Finance Minister, the Prime Minister or the Minister of Railways will be able to give us the details as to how the Government propose to operate this railway. Afer all, the success of this proposal will depend largely upon the manner in which the system is operated.

Mr. GLASS: My hon. friend would not say that it would be a good policy to acquire the road and then rent it to another railway company?

Mr. GRAHAM: The hon. gentleman himself would not, would he?

Mr. GLASS: Decidedly not.

Mr. GRAHAM: I think we agree on that.

Mr. W. M. GERMAN (Welland): Mr. Speaker, I cannot allow this occasion to pass without expressing my positive disapproval of the proposal of the Government. The Minister of Finance stated that in certain respects the majority and minority reports of the Royal Commission appointed by the Government were in agreement. He said that they agreed in the recommendation

that no receivership should be appointed for these roads, and in order to avoid that condition he takes over the Canadian Northern system. But the Government is doing one thing which the Commissioners were absolutely unanimous in condemning. The majority and the minority reports condemned in express, emphatic and sensible terms the taking over of this system by the Government and its operation as a Government enterprise similar to the operation of the Intercolonial railway. That is the position which the Government has adopted with regard to the Canadian Northern system. Although I am not in full accord with the majority report made by the Commission, I believe that the Government should have gone much further in following out the recommendations contained in that majority report.

Instead of taking over the Canadian Northern Railway system by itself, the Government should have worked out a scheme of amalgamation of all the roads mentioned in that report, namely, the Grand Trunk, the Grand Trunk Pacific, the Canadian Northern, the Intercolonial and the National Transcontinental. I agree with the statement in the report that the Canadian Pacific Railway company should have been left out and should be left out of the scheme at the present time. But outside of that, and I believe it will be shown when the details of this proposition are discussed in committee—the only justifiable scheme to adopt and the only scheme that will give satisfaction to the people of Canada will be one that will amalgamate the Grand Trunk, the Grand Trunk Pacific, the Canadian Northern, the Intercolonial and the National Transcontinental. Then we could devise a scheme whereby all those systems should be worked absolutely free and independent of Government control.

We have seen what Government control means on the Intercolonial. Every man in Canada will agree with me in the assertion that so far as our experience goes in the working of the Intercolonial railway, Government control has not been a success. I am not opposed to Government ownership, but I am diametrically opposed to Government control, that is, to the operations being absolutely and exclusively under Government supervision, and I believe the people of Canada will be opposed to it. But there can be no difficulty in having Government ownership under control which will be non-partisan, non-political and for the best interest of the country. Many details in connection with this will have to be discussed at great length, and I will endeavour to place my views further on record when the matter comes before us in committee. For the present I content myself with stating that the Government is adopting the one course which has been unanimously condemned by the three members of that Royal Commission.

Rt. Hon. Sir ROBERT BORDEN (Prime Minister): Mr. Speaker, my hon. friend (Mr. German) promises that we shall hear from him later at greater length on this subject. I would assure my hon. friend that he has an entirely erroneous impression as to what the Government does propose. It is not proposed that the Canadian Northern railway system shall be operated under direct Government control as the Intercolonial is operated. It is proposed that this road shall continue to be operated by the corporation in which it will still be vested, notwithstanding the fact that the Government will have acquired the whole of the stock. The corporation will be there just the same as before. The road will be in the ownership of that corporation just the same as before, but the people of this country will own all the stock in that corporation.

I agree entirely with what the hon. member for South Renfrew (Mr. Graham) and the hon. member for Welland (Mr. German) have said as to the necessity of working out some system by which the road, the stock of which we purpose acquiring for the people of this country, shall be operated without partisan interference. I do not say without political interference, if you use the word "political" in its highest sense, because the Parliament of Canada in that sense must always control any great undertaking, the virtual ownership of which is vested in the people of Canada; but so far as party or partisan interference is concerned, those hon. gentlemen have not expressed themselves too strongly to suit my views, and I entirely agree with them in that regard. We are to have a new Parliament elected in this country in the early future. It may be, it doubtless will be, the duty of that Parliament to consider the best means by which the true policy, as to which I agree with my hon. friends, shall be worked out; but in the meantime, all we propose is that the road should be operated by the corporation in which the road is vested at present, and we do not in the least intend that the road shall be taken over and operated by a department of the Government as the Intercolonial is operated at the present time.

My hon. friend from South Renfrew takes an optimistic view of the situation, and I

agree with him in that regard. He says that the products of Canada will require all our railway facilities. That may be very true. The view which has impressed itself upon me in that regard is that we have not too much railway mileage in Canada, but I doubt very much whether that railway mileage is precisely in the place where it ought to be. I am rather under the impression that we have too many transcontinental lines and not enough branch lines, especially in the western part of this country. If we had all the railway mileage better distributed, I do not think we would have any too much, but the difficulty is that we have three transcontinental lines, and one of them has not the feeders or branches which, amongst other things, are essential for its profitable and efficient operation. I agree entirely with the hon. member for South Renfrew that the Grand Trunk Pacific, for example has not had a fair opportunity in its operation. The outbreak of war and other conditions have prevented that project from being carried out precisely in the way in which it was anticipated, and naturally that road has not had the opportunities which it otherwise would have had.

So far as both the Canadian Northern and the Grand Trunk Pacific are concerned, th Government would have been very glad if the position could have been sustained, so that a new Parliament might deal with the situation that has arisen. But under the circumstances that was not practicable, and the Government had to take some effective action or the roads must go into receivership and liquidation. We all agree that this would be unfortunate and might be disastrous under present conditions. By reason of the necessity of negotiations, probably prolonged, with the Grand Trunk Railway company, we have decided to sustain the situation in respect of the Grand Trunk Pacific very much as we did last year. I hope hon. gentlemen, in considering that aspect of the question, will realize the intimate connection which was intended between the Grand Trunk Railway system in the East and the Grand Trunk Pacific in the West. I hope also they will agree that that connection must not be wholly eliminated. Although the original project may not be capable of being carried out in its entirety, nevertheless, by some suitable arrangements between the Grand Trunk railway and the Grand Trunk Pacific railway, if the latter road should pass into the ownership of the people of this country, as seems almost inevitable, the connection between those two systems should be maintained, and the interest of the people of Canada will, I think, lie in that direction. But all this cannot be carried out in a moment, especially it cannot be carried out by a Government which has resting upon its shoulders every day heavy responsibilities in connection with the war and the necessity of giving a very considerable portion of time to parliamentary duties. Therefore, so far as that part of the matter was concerned, we thought it wise and prudent in the public interest that we should content ourselves with sustaining the situation in order that it might be taken up when there is more opportunity for the close study, careful consideration and prolonged negotiation which will be necessary. But, so far as the Canadian Northern is concerned, the only reasonable solution of the difficulty was to vest the whole stock in the people of this country, and to carry on the operation pending the summoning of the new Parliament, by corporate management, without bringing it under the direct control of a department of the Government. There was a unique opportunity for accomplishing that purpose, so far as the Canadian Northern railway is concerned; that is to say, more than five-sixths of the out-standing stock was vested in owners or pledgees who were immediately available, and with whom we could consider the situation.

With respect to the liabilities of the Canadian Northern Railway, to which my hon. friend from South Renfrew has made allusion, it is perfectly true that the acquisition of the entire stock, which virtually vests the ownership of the entire Canadian Northern railway system in the people of this country, imposes on us the obligation of looking after the liabilities. But that will be taken into account when the value of the stock comes to be determined by the board of arbitrators, or, in the last resort, by the Supreme Court of Canada. It is equally true that works now under construction by the Canadian Northern railway, so far as they may be essential for the efficient operation of the road, must be carried on to completion. The fact that money will have to be provided for that purpose will also have to be taken into account when the value of the stock comes to be determined.

Mr. A. K. MACLEAN: About how much money is required to complete the undertakings of the Canadian Northern railway?

Sir ROBERT BORDEN: I really could not say offhand, but it is very proper that such information should be given, and I shall

direct the attention of the Minister of Finance to my hon. friend's inquiry.

Mr. OLIVER: Where does the money go that is paid on account of the stock?

Sir ROBERT BORDEN: It will go to the pledgees and owners of the stock.

Mr. OLIVER: It will not in any degree be available for betterments?

Sir ROBERT BORDEN: No. My hon. friend from South Renfrew has alluded to the necessity of rolling stock, and I quite agree with him. I think the Canadian Northern will require a great deal of rolling stock, but I think my hon. friend will also agree that no more profitable investment of the public revenue of this country could be made than in the provision of rolling stock for that purpose. The Canadian Pacific railway, I believe, has per mile of road a very much greater equipment of motive power and rolling stock than any other railway in Canada, and it should be the duty of the Government to see that the rolling stock of the Canadian Northern railway is brought measurably up to that very high standard. It will be possible, I think, for some co-operation to take place between the Intercolonial, the Transcontinental, the Grand Trunk Pacific and the Canadian Northern in respect of rolling stock. I should observe also—and I think my hon. friend from South Renfrew will agree with this—that the very numerous branches and feeders that have been constructed in connection with the Canadian Northern in Western Canada can be brought into some measurable service for the Grand Trunk Pacific. I am advised that this can very readily be accomplished, and if so it points in a direction along which the country may have to proceed later on; that is, some kind of co-operative management of all the railways of Canada. It is really necessary for the railway companies of Canada and the Government to get together, as soon as an opportunity can be found, to ascertain whether there cannot be an effective co-operative management of this great railway mileage of Canada, which aggregates pretty well up to 40,000 miles. I am not speaking at the moment of putting compulsion on the railway companies, but after the war is over we shall have very important problems to deal with, and, perhaps, none of them will be more important than the problem of transportation, the problem of seeing to it that the net earnings of the railways in Canada shall be sufficient, if possible, to meet the fixed charges. I have discussed this subject somewhat with people who are in a position to speak much more authoritatively about it than I can, and I am convinced that it is not beyond the bounds of possibility and practicability that there shall be in this country some such co-operative management as that to which I have alluded. The remarkable economies which would result from it are beyond question. I will not dwell upon that point. Documents which I have had the opportunity of examining lead me to the conclusion that such a proposal is practicable and that the saving would be great. Let me illustrate. Suppose it could be made clear that through such co-operative management from $90,000,000 to $100,000,000 of new construction by a great railway system in this country would become unnecessary.

Mr. GRAHAM: Double-tracking, for instance.

Sir ROBERT BORDEN: Yes. The answer that one usually receives in respect of such suggestions is that any such scheme is impracticable, because the company over whose lines another company has running rights, always operates the road to its own advantage, and the company possessing running rights does not get a fair chance. I am not at all convinced that this answer, which is continually put forward, is absolutely final or conclusive. Persons with whom I have discussed the subject, and who should know what they are talking about, are rather inclined to agree with me in that respect. Railway facilities already existing ought to be used to their full extent before any great corporation should be permitted to spend from $90,000,000 to $100,000,000 or any other considerable sum in new construction which practically duplicates that already existing. Who is to pay interest on the cost of unnecessary new construction? The public of this country, and no one else. And, therefore, if we can avoid such expenditure by using to their full extent the railway facilities already existing, we help to solve one of the difficult problems which will lie before our people in the immediate future. So I think that it may be necessary for the new Parliament, when it is summoned, to give careful consideration to this question along the line which I have suggested, and I venture to believe that very great advantage will accrue to the people of this country if some such proposal can be successfully worked out.

My hon. friend (Mr. Graham) spoke of the National Transcontinental railroad as running through a very fine district in Northern Ontario and Northern Quebec. I had the privilege of going over that road for the first time in December last, on my way from Quebec to the Pacific coast, and I entirely agree with what the hon. gentleman has said as to a considerable extent of that country which is eminently suited for settlement. If I remember correctly, according to the statements of those who are familiar with the country, this district is said to comprise an area of 25,000 or 30,000 miles at least, and I hope we may live to see a prosperous population settled there and assisting in its development.

I do not know that I can add anything further to the discussion at the moment. We realize that the proposals which the Government has put forward, and which according to our judgment are wise and sufficient to meet the situation that has developed, must be carefully and attentively considered by the committee of the House to which they will be referred, and we shall be prepared, so far as possible, to afford full information on all matters which may be relevant to the discussion that will then take place.

Mr. E. M. MACDONALD (Pictou): I do not rise for the purpose of expressing any definite or positive opinion on the proposal made by the Minister of Finance this afternoon, for the simple reason that it is largely indefinite in character. The proposal is in regard to a subject which has engaged for a long time the attention of hon. gentlemen who have been interested in the welfare of the country, and which has now been considered by a special commission appointed by the Government to make an inquiry and report which commission is divided in its findings. Under such circumstances it is difficult to arrive in a moment at a definite conclusion just whether such a proposition as has been indicated to-day is or is not in the interests of the country. So far as one can gather from the Minister of Finance, it is proposed to advance to the Grand Trunk Pacific Railway company, the money necessary to pay their bond interest for this year, upon the same basis as last year. There does not appear to be any new condition attached to that proposal and there does not seem to be anything that calls for special comment. With regard to the other branch of the subject—the acquisition of the capital stock of the Canadian Northern Railway company—the minister has in many respects run counter to the report and the recommendations of the commission headed by Sir Henry Drayton. As I understand it, the Government proposes to purchase the capital stock of the Canadian Northern railway which it does not now own, and enter into an agreement with the holders of five-sixths of that remaining stock by which title will be acquired; the value to be paid for the stock to be fixed by arbitrators who are to be appointed in the manner indicated by the minister. In thereby taking over the other one-sixth, compulsorily if necessary, the Government will obtain the entire stock of the Canadian Northern railway and become owners of that enterprise. The minister, however, did not tell us—and this is a matter in regard to which I ask information—what is the total bonded indebtedness of the Canadian Northern. The purchase of five-sixths of the remaining stock of the Canadian Northern is a comparatively simple proposition compared with the amount of liabilities which the Government and the people of Canada will have to assume as a result of that equity. It is like buying an equity of redemption in a very large and expensive property against which there is a large mortgage. The question as to whether the bargain is or is not a good one will depend upon the size of the mortgage. So far as I can gather from looking at the report, I would estimate that the amount of the mortgage, or bonded indebtedness of the Canadian Northern railway to-day is in the vicinity of $400,000,000, which means that on that ground alone the Canadian people will be assuming an adition of $400,000,000 to their debt. Besides that, we must take into consideration the amount of outstanding indebtedness not secured by bonds or mortgage securities upon those various railways which are included in the Canadian Northern system—indebtedness to banks—of which we have heard something in previous years; indebtedness in regard to unpaid accounts; indebtedness to contractors; indebtedness to other people who have business with the concern; indebtedness upon equipment bonds or temporary securities of that kind, and so on.

Before we can come to any conclusion in regard to this matter, the House should know we are not buying a pig in a poke, and just how much the people of Canada will become liable for if they purchase this stock. If we can have any conception of the liabilities from the information given

us in past years, I would estimate in regard to the items I have mentioned that the liability the Canadian people will assume on that ground alone would be in the vicinity of $500,000,000.

Then comes the question in regard to which we would want very clear information, as to the basis upon which the value of this outstanding stock is to be determined by the arbitrators. Is it to be upon the present value of the enterprise or upon its prospective value? Every one who has had anything to do with the determination of arbitrators' values knows that the basis upon which values are arrived at may vary very considerably, depending upon the point of view from which the arbitrators are asked to regard the matter. I am in accord with my hon. friend from South Renfrew in my admiration of the possibilities of the Canadian Northern, particularly in the western country. I think it covers a portion of the West which is bound to give to Canada tremendous returns in future years. That being so, if the value of this outstanding stock is to be based upon the prospective value of the road, the arbitrators may give any amount imaginable and entirely beyond estimation at this time. Apart from the amount the arbitrators may allow for the present and prospective value of the stock, which is nothing more nor less than the equity in the property, Canada agrees by this proposition to assume a new indebtedness of $500,000,000.

I am one of those who do not regard it as a situation which would be of necessity a calamity if one of our enterprises, railway or otherwise, should pass into the hands of a receiver. Hon. gentlemen have always had held up to them the idea that for a concern to be in the hands of a receiver means that some awful calamity is going to happen. Every one who has studied the situation in regard to receiverships applied to railway and other enterprises in the United States knows that you have the best guarantee possible for the prudent and wise operation of a concern, when a receiver is in charge of it. Not only in connection with railway enterprises, but in connection with industrial enterprises in every part of the commercial world, it has long been recognized that a receivership is often resorted to for the purpose of extricating a concern from a situation into which it has fallen through bad management or for some other reason.

I am not here to say that a receivership is the course which should be adopted. Upon that point I should like some information. For the moment I am entirely open-minded upon the question as to whether or not, having regard to the tremendous obligations which Canada has assumed, and must assume, in connection with the war, and remembering that already, according to the statement of the Minister of Finance, the debt of Canada is $1,250,000,000, which is more than the whole net debt of the United States was before the war, an addition to this debt, at one swoop, of $500,000,000, is a proposition that demands from this House the most serious consideration that it has ever given to any matter that has come before it and in regard to which we should have the fullest possible information in order that we in this House and the people generally should know just the extent of the liability we are assuming. In the good days before the war the assumption of liabilities was a thing that the Canadian people undertook with the lightest possible heart, but day by day we are beginning to realize having, in common with all countries of the world, assumed tremendous liabilities, that we in this new land, as the Finance Minister has frequently said, must avoid the creation of a condition under which taxation would become so great that it would be a menace to immigration.

Mr. NICKLE: As a matter of fact and of law, has not Canada practically undertaken these obligations already by guaranteeing, provincially and federally, the bonds of the Canadian Northern railway?

Mr. MACDONALD: Not necessarily.

Mr. NICKLE: Why not?

Mr. MACDONALD: There are dispositions which might be made of this railway to other parties. If a friendly receiver were appointed and if an arrangement were made for sale under the direction of the court the matter might possibly be cleaned up. As a lawyer, I would not accede to my hon. friend's proposition that because the country has advanced money to an enterprise, therefore, we are bound to go on and take it over and work it.

Mr. NICKLE: Of course, that is not an answer to my question at all.

Mr. MACDONALD: What does my hon. friend want?

Mr. NICKLE: My question was this: Has not Canada practically assumed an obligation equal to that which my hon. friend mentioned by the provincial and Dominion

guarantees of the bonds of the Canadian Northern?

Mr. MACDONALD: My hon. friend means that because we have given guarantees we have assumed the obligation?

Mr. NICKLE: That is my point.

Mr. MACDONALD: That is a question that is well worthy of consideration but that does not mean that it is only possible to deal with the subject in one way. My hon. friend from South Renfrew suggested a possible action to be taken by this Government as a result of getting the ownership of the property. The Finance Minister was exceedingly lacking in any information as to what would be the policy of this Government in regard to the operation of this enterprise. My hon. friend (Mr. Nickle) says that because you have a mortgage on a man's property you must finance him for all time to come. That is the logic of my hon. friend's proposition. But, that does not work out in business matters, whether you are dealing with a question of $100,000,000 or $200,000,000 or one of only $5,000. If you guarantee a man for $5,000, my hon. friend's proposition is that you must assume that liability for all time.

Mr. NICKLE: My proposition is this: If A gives a mortgage on his farm to B, and C endorses a promissory note as collateral security for the payment of that mortgage, C thereby undertakes the obligation under that mortgage.

Mr. MACDONALD: My hon. friend, I am sure, will agree with this proposition: that because a person has given aid to another person or enterprise, that does not mean that he is obligated for all time to finance that person or enterprise?

At six o'clock the House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. MACDONALD: On such an important matter as the one under discussion, I am sure the House will agree with me when I say that I regret that the minister this afternoon did not give us greater detail. He dealt with the proposition generally. We were told that the Government propose to take over 60 per cent of the stock of the Canadian Northern, which represented the stock held outside of that held by the Government at this time, and to pay for that stock by an arbitration which, so far as the personnel of the arbitrators was concerned, should be held in accordance with the recommendations contained in the report of Sir Henry Drayton. I find on looking at that report that, if you take it literally, there is nothing really to arbitrate, because we have the fact—which the minister did not mention this afternoon—that upon this railway, which it is said we are going to purchase by getting 60 per cent of the stock at an arbitrary value, there is a bonded indebtedness of $400,000,000, and the report of Sir Henry Drayton states that the total cost of the Canadian Northern was only $370,000,000. On page 43 of the report, in the statement giving the result of the findings of the commission, Sir Henry Drayton says:

> We find then $370,000,000 to be the maximum possible cost of the Canadian Northern system as at present existing. In other words, as indeed is frankly admitted by Canadian Northern witnesses, the Canadian Northern shares represent no cash investment.

Further on he says:

> We conclude, therefore, that the shareholders of the company have no equity either on the ground of cash put in, or on the ground of physical reproduction cost, or on the ground of the saleable value of their property as a going concern.

The result is that Sir Henry Drayton has found that this 60 per cent of the shares of this company, in the words which I have quoted, have no value whatever, and yet we are agreeing to enter into an arbitration with the gentlemen who own that stock—and give them the right to appeal to the Supreme Court of Canada from the finding of the arbitrators—to ascertain whether they are to be paid something. I suggested before recess that before this matter is discussed again the Government should tell us the basis upon which this value is to be arbitrated. Is it upon the present or upon the prospective value of this stock? Or are there to be any conditions laid down, so that the arbitrators will have before them some basis to go on, in the face of the express findings of Sir Henry Drayton that the stock itself has no value whatever? Having purchased the stock at the arbitrated value, the Canadian people, according to the proposition as I understand it, render themselves liable for interest upon the bonds amounting to $400,000,000—in other words this $400,000,000 of bonds is added to the debt of the country. In addition to that—taking the figures given last year, and counting in round numbers, there are debts amounting to $100,000,000 to be paid by the company, and which the people of Canada will have to pay. In

addition to that, according to the report of Sir Henry Drayton, it requires $70,000,000 to provide for the necessary additions and betterments, in order to make the Canadian Northern a workable proposition. According to values which may be given by arbitrators, once it is assumed they can go on and give a valuation based upon prospective value in the future, $100,000,000 is not too big an amount to fix as that which may be awarded as the value of the stock to be taken over by the Government. But let us put it at only $50,000,000. The result is that the debt of Canada, as a result of this proposal made in war time, with the existing debt of $1,250,000,000, is to be increased by $620,000,000. That is to say, the debt of Canada, without any further war expenditure, will amount to $1,870,000,000, involving in interest charges, say at 4 per cent, of something like $24,000,000 or $25,000,000 added to the burden of the country. The proceeds of the income tax will be completely swept away, and there will be, in addition, a burden on the people of at least $5,000,000. These are the figures as they appear to me. I am taking the ordinary proposition, based upon the fact that when a person buys a property which is mortgaged, he becomes liable for the debt. If my figures are incorrect, I shall be glad if the hon. gentleman, when he obtains the exact figures, will correct me. My hon. friend said that it was a matter of great importance that the Intercolonial was to be able to have western connection with the Canadian Northern. He apparently forgot that the Intercolonial, by reason of the Transcontinental, already has communication with the West, and that there are now in operation trains which are advertised as Government trains, by which people can go directly on a Government railway from anywhere in the East as far as Winnipeg. That phase of the question seems a little superfluous in view of the existing condition. As to this whole matter, I reserve my judgment until we obtain fuller data which the minister should have given to-day.

On one portion of the subject my hon. friend was singularly lacking in the information which he gave us. We were told that the Government were going to take over the Canadian Northern railway. Who is going to operate it? Nobody knows, from the explanation of my hon. friend. Certainly it is not the Government, because the right hon. Prime Minister, speaking later, said that this railway was not to be operated by the Minister of Railways or by the Government as such. So that we are not to have government ownership in the proper sense of the term, neither are we to have, apparently, the method of operation which has been recommended by Sir Henry Drayton in his report, namely, the creation of a holding company to be composed entirely of independent men of broad experience to deal with the question entirely apart from politics and from patronage—and patronage, as every one knows who has given the matter any consideration—is a menace to anything like Government operation of government utilities. If it is not to be a government-operated road, nor a road operated on the basis recommended by Sir Henry Drayton, how is it to be operated? The Government has three directors on the Canadian Northern by virtue of the legislation of last year, and the only difference, so far as I can gather, between the proposition of my hon. friend this afternoon, and the system adopted in the past is that, instead of three, we are to have seven or nine directors, as the case may be—according to the number of directors of the Canadian Northern—who will be appointed by the Government; and it was intimated that the gentlemen who were already connected with the Canadian Northern in an official capacity, and who were good men, would be retained, and their services would be available. That is a very indefinite proposition. We in Canada all know what is contained in the proposition of government ownership of government railways, or the government operation of any utility, but certainly this is not government operation. Are we to have a body made up of the type of director that we have been putting on the Canadian Northern and on the Grand Trunk Pacific in the past, who are really not railway operators, but whose doings are controlled entirely by the men who are the motive forces in the enterprise, and who know about the operation?

Is that what it is to be? Certainly this is not Government operation; certainly it is not operation by an independent body whose actions shall be free from politics or patronage. According to the data which the minister has submitted, the control which is to be exercised over this railway, in connection with which the debt of Canada is to be increased some $620,000,000, is such as to involve no responsibility to the people of Canada as a whole.

The proposal which my hon. friend laid before the House this afternoon, involving

such a tremendous charge upon the Canadian people at this juncture, requires the fullest possible consideration. I shall not detain the House by discussing the Grand Trunk Pacific, because in respect to that company the proposal made by the Government is one simply of marking time; of taking no step so far as the interests of that company are concerned. But the proposal with regard to the Canadian Northern is a very drastic and important one, and I am sure that the House and the country will await with considerable interest the fuller information which the Government will have to give us before they can ask the House to accept the proposal they have submitted.

Hon. FRANK OLIVER (Edmonton): Mr. Speaker, the subject before the House bears more directly upon the prairie West than upon any other part of the country. Of the railroads of Canada that have been mentioned by the Minister of Finance the Intercolonial, the Grand Trunk, and the Canadian Pacific give, I suppose, nine-tenths of the railway service of eastern Canada. The Canadian Northern gives only a small part of the railway service of eastern Canada, and the Grand Trunk Pacific does not touch it at all. The proposals of the Finance Minister relate to the Grand Trunk Pacific and to the Canadian Northern. Therefore, the interests of the prairie West and of the West generally in his proposals is more direct than is that of any other part of the Dominion, and that affords a reason for considering the subject from a different angle.

I desire to take exception to the attitude, both of the commission appointed by the Government and of the Government itself, towards what they are pleased to call the railway problem of Canada. To the western country the railway problem is the problem of securing railway facilities necessary to the development of the country. But when you come east of the Great Lakes, the railway problem seems to be of an entirely different character. It resolves into simply a question of finance, without consideration of that side of the financial question which grows out of the development of the country by railway construction and the affording of railway facilities.

It is assumed in eastern Canada that because these two railway enterprises, the Grand Trunk Pacific and the Canadian Northern, are unable to meet their obligations, they were ill-conceived and are a burden upon the country rather than an aid to its development and progress. That is not the view that prevails west of the Lakes, and with all due respect I submit that it is not the correct view. We have had experience in the western country of railway accommodation at the hands of a single railway enterprise. Our experience was this: although that enterprise was in the same efficient hands that it is to-day, the argument was made that because that one railway company and its lines then existing were adequate for the traffic of the country as it then was, there was no warrant for further railway construction and still less fo the introduction of competitive railway enterprise. It was a fact that for many years when the Canadian West was served by the Canadian Pacific railway, that country did not progress, nor did eastern Canada progress.

The progress of eastern Canada depends on the progress of western Canada, and the progress of western Canada depends, in larger measure than upon any other factor, upon railway facilities under conditions of competitive service. There had to be other railways, or the country could not have become populated; it could not have become productive. Other enterprises than those already in existence had to be originated; other men and other inspiration had to be secured, or we would not have had or could not have had the western progress that resulted from the extension of competitive railway facilities, and we could not have had the expansion of trade, industry, and wealth in eastern Canada that followed that western expansion. The Canadian Pacific railway was built across Canada at a time when there was not sufficient traffic for that railway. But it was good business to build it then, because if the railway waited for the traffic there never would be any traffic, and there never would be any railway.

The development of the continent of North America has followed railway enterprise. Railway enterprise has gone ahead of requirements; that is how our country has developed. The Canadian Pacific railway was an outstanding and startling instance of railway construction in advance of actual requirements. It was many years after the Canadian Pacific railway was constructed before the business caught up to the facilities; the Canadian Pacific railway was a struggling enterprise during those years, dependent in large measure on Government assistance in one form or another. In time the Grand Trunk Pacific and the Canadian Northern enterprises were begun

and carried through largely on Government assistance.

Either of those railroads had more traffic to start on than the Canadian Pacific had when it was constructed across the continent, and each one has greater possibilities of traffic than the main line of the Canadian Pacific has had at any time in its existence. There is just as much necessity for the Grand Trunk Pacific and for the Canadian Northern in the development of the western country as there was for the construction of the Canadian Pacific in the first place, and there is just as much reason to believe that in due time the development of the country will catch up with the railway facilities thus furnished and make those enterprises just as successful in every way as the Canadian Pacific has been,—subject, of course, to the greater values in the way of lands that the Canadian Pacific has received at the hands of the Government. It was an unfortunate fact that just as those two railroads were being completed as transcontinental enterprises, the war broke out. The effect of the war was to prevent individual enterprise from going into occupation of the new country made available and accessible by railway facilities, so that the growth of traffic that undoubtedly would have followed the construction of those roads, had the war not occurred, did not take place, simply because the war was on. There is no other enterprise in Canada that has been so hard hit by reason of war conditions as these two railroad enterprises. That was not the fault of the inception of the roads, nor of the management of the roads, nor of the country through which the roads run. Their failure to make greater progress than they have made is due to conditions that were not under their control nor under the control of any one else, and those enterprises should not be condemned by public opinion in this country because of that fact. As a western man, I protest against the point of view taken persistently by the Government of the day, as well as by the commission which they appointed, that because those railroads have not been profitable enterprises from the moment of their completion therefore they were ill-conceived and should not be considered to be legitimate enterprises and should not be supported in the conduct of their business.

It is true that, having been completed, they are not paying their way; and not paying their way, they, of course, are in the same position as any one else who incurs an obligation and is unable to meet that obligation when it becomes due. They become subject to forfeiture, that is, they are subject to be thrown into the hands of a receiver to-morrow. The only question is one of policy—whether that course would be in the interest of the country or not. I am perfectly satisfied to see those companies go into the hands of a receiver to-morrow. But if that course were taken, there is no question that when they came out of the hands of the receiver they would come out as part and parcel of the Canadian Pacific Railway system. I have nothing but praise and commendation for the Canadian Pacific railway, for its management, for the results flowing from its operations; but I, with other pioneers of the West, have had experience of a condition under which we depended upon a single railway company for our railway facilities, and that condition was not satisfactory; it did not tend to the upbuilding of the country, and in my humble judgment, it was in a large measure the cause of the stagnation from which the West suffered for many years. That condition was not relieved until the element not only of railway development but of railway competition entered into that country. Therefore we have to consider whether we desire to maintain those two railway companies as going concerns for the sake of preserving the element of railway competition throughout that country.

Mr. SCHAFFNER: Is my hon. friend arguing that there should be three transcontinental railways in this country?

Mr. OLIVER: I believe there is to-day more room for three transcontinental railroads in Canada than there was for one in 1886 when the Canadian Pacific railway was finished. The Canadian West and British Columbia are the reason for the transcontinental railways. It certainly is a fact that there are more than three times as many people, there is more than three times as much production and wealth between the Great Lakes and the Pacific to-day than in 1886. If my hon. friend says that the country has already been developed, I can only tell him that the Prairie West, as he knows, has not been developed beyond say, fifteen or, at the most, twenty per cent. What we have to-day to offer in business for our railroad companies is not more than one-fifth of the business that we ultimately shall have to offer when that country is fully developed. There is a greater future before the three railroad companies to-day

than there was in sight before the one railroad company when its transcontinental line was completed.

I was speaking of the desirability of maintaining railway competition in the western country by supporting, so far as is reasonable, the three railway companies as separate institutions. If those railway companies were being operated extravagantly or incompetently, if the money that they earned was being wasted, then certainly they should not be continued, they should not be supported, they should be called to account, and some other arrangement should be made. But so far as I am aware, there is no suggestion that either the Grand Trunk Pacific or the Canadian Northern are being operated otherwise than efficiently, honestly and economically— efficiently, beyond any comparison with, we shall say, the operation of our Government railway system, and beyond any question, more economically than our Government railway system. If there is any criticism to be made of those companies in regard to efficiency, honesty or economy of operation, I have not yet heard it. That being the case, and the railroads being in the hands of companies that are operating honestly, efficiently and economically, it seems to me that there is a good case for the Government to come forward and give such assistance as is necessary in order to keep them up as going concerns. The Government has on previous occasions come to the assistance of these companies. On this particular occasion, they come to the assistance of the Grand Trunk Pacific with a six per cent demand loan of $7,500,00 They estimate that this is sufficient to carry the company in its operations for another year, and hope that development will occur later on that will enable the company to carry itself. My impression is that this is a desirable form of aid to the railway. It is businesslike, it is a clear-cut proposition; we know exactly what we have to do. We know where the money is going and what use will be made of it, and it seems to me that if we are to give the railroads assistance at all, this is the best form in which to give it. Let me make this suggestion, however. I think the Government would have been well advised if in past years they had adopted an attitude of support, instead of an attitude of antagonism, towards these railroads, an attitude which tended to discourage these enterprises and to discourage the men who were concerned in them. It is more than possible that had the Government of the day preserved a proper attitude towards these railroad companies, had they recognized them in their capacity as builders of the country, as concerns that were entitled to the support of the people of Canada within reasonable degree, these railroads would not have needed to come to Parliament for the amount of aid they are receiving at the present time.

Now, I desire to speak of the aid to the Canadian Northern railway. I am very much at a loss to understand why the Canadian Northern is being dealt with in this way, as compared with the Grand Trunk Pacific. I am at a loss in following the general outline placed before the House this afternoon by the Minister of Finance and the Prime Minister, and I am still more at a loss when the details of the subject are considered. In the case of the Grand Trunk Pacific, we know what our aid is going to cost us. In the granting of that aid we have the assurance of that honesty, efficiency and economy which has been shown in the management of the road up to the present time. But when we deal with the Canadian Northern, we first of all forego the advantage that we have in regard to the Grand Trunk Pacific—because we are taking control of the Canadian Northern; we are going to manage the road ourselves; we are going to have a transcontinental road from Halifax to Vancouver under our management and control Well, Mr. Speaker, judging by the results of our management of the Intercolonial and of the Transcontinental, I can only look at such a proposal as a calamity to the people of Canada, both in the matter of their finances and in the matter of the service that will be given to the public by the railroad. The proposed action of the Government adds nothing to the railway facilities of Canada. There are just as many miles of railway in Canada to-day as there will be after this action is taken; and when the Government ask us to accept their management as better than that of the railway company, as more satisfactory to the people, as giving a better service generally, I can only say that they are asking us to accept something for the support of which there is not one bit of evidence. We cannot expect the results from that railway under Government management that we have had under the management by the company.

The Finance Minister explains that we are to be the owners of the road and that this will be an advantage to us. But how do we become the owners of the road? By

purchasing $60,000,000 of capital stock. The minister does not tell us how much we are going to pay for this stock, but says there is going to be an arbitration, and that we will pay whatever the arbitrators say we must pay. Now we have the evidence of the Drayton Commission that the stock is not worth anything, and if we are going to buy stock on the market, having appointed the Drayton Commission and having their evidence, surely that furnishes a sufficient basis upon which the minister could announce to the House what the ownership of this railroad is going to cost the country in hard cash. But he does not tell us that; he carefully avoids even a suggestion as to that. It comes down, then, to this. In order that this country shall assume the operation of 9,000 miles of railway—and this Government has never shown the ability to operate 2,000 miles of railway efficiently, economically or satisfactorily—we are to pay in cash an unknown amount, which, however, may be in the neighbourhood of $60,000,000. That is the proposition he has laid before the House. If he has something more definite to give us, he certainly should have given it to us. Why are we arbitrating on the value of $60,000,000 of Canadian Northern stock when we have the best possible evidence to prove that the stock is not worth one cent? Why are we arbitrating on a subject like this? Is it to get control of the road? We own $40,000,000 of that stock today, and if we paid even at par for $11,000,000 more we would control the road. The country is being led by the Minister of Finance into a position where we may have to pay dollar for dollar for $60,000,000 of stock, when the most that we need is $11,000,000 to give us just as complete control of the road as would the purchase of $60,000,000 of stock.

Now I ask why are we not informed in regard to that question? For my part I am compelled to take issue with the proposal of the minister on that ground, and say it is improper, and uncalled for—that there is no warrant or possible justification for it. In regard to the control of the road, I want to know by what process of reasoning it is assumed that our control of the Canadian Northern railway will give us better service than we are getting now, with a less rate to pay for it. Are we getting better service on the Intercolonial or the Transcontinental and are we getting it at a less rate? Is there anything in the management of our Government railroads to warrant us in believing that we can manage the 9,000 miles of the Canadian Northern as well as it is being managed to-day? To state the case is to show how absurd it is. There is no warrant for such a suggestion. We are being asked to take over the Canadian Northern railroad, and pay for the taking over of it, in order that the country may be saddled with the obligations of the company, in regard to which obligations my hon. friend did not enlighten us. Following the remarks of my hon. friend from Pictou (Mr. Macdonald), I say this is not a proposal that should be brought before Parliament, or placed before the Canadian people, at this time. It is by all odds the most outrageous proposition that has ever emanated from the Government—and that is a large order. We must assume all the obligations of the Canadian Northern railroad; we must meet those obligations and we must discharge them. We must also assume obligations to the people of the country to continue the service of the Canadian Northern is now giving. Why should this be done? My hon. friend told us that the Canadian Northern was earning its fixed charges and something over. Surely the Canadian Northern is not in such a position that a further reasonable loan, as is made to the Grand Trunk Pacific, would not enable it to carry on. Surely we should be better off to pay in cash what would enable the Canadian Northern to continue business rather than that we should take the responsibility for everything it owes, and pay anywhere from $10,000,000 to $60,000,000 for the privilege of doing so, and then give the country an inefficient railway service, whereas we have had a measurably efficient railway service in the past.

Mr. CURRIE: Does the hon. member claim that efficient service was given by the Canadian Northern? It is not so many weeks since hon. members on the opposite side of the House were complaining because grain had been standing all winter. That is not efficient service. For instance, in the Goose Lake district, they had not a single car out all fall or spring.

Mr. OLIVER: That was the same condition as prevailed on the Canadian Pacific.

Mr. CURRIE: Can the hon. gentleman name a place on the Canadian Pacific where that was the case?

Mr. OLIVER: Sure.

Mr. CURRIE: It is not in accordance with the custom of the road.

Mr. OLIVER: I was told by a gentleman who is quite as reliable as my hon. friend that he had 17,000 bushels of oats lying in his field at Namaka, on the Canadian Pacific, within a few miles of Calgary, and he could not get it moved.

Mr. CURRIE: But that does not bear out the statement of my hon. friend. The Canadian Northern has not been giving efficient service. All last winter and the early part of this spring the order paper was full of complaints in regard to this service. Now that the railroad is being taken over, my hon. friend says they are giving a grand service.

Mr. OLIVER: There was no more complaint on that score in regard to the Canadian Northern than there was in regard to the Canadian Pacific. It was a matter of arrangement between the railways and the Government, by which, for some reason or other, the railways were allowed to put an embargo on the hauling of the grain. The railways were permitted to ignore the Common Carriers' Act, and this embargo was put on by all the companies.

In placing upon this country a direct financial obligation, as stated by my hon. friend from Pictou, running up to half a billion dollars, at this time and under present circumstances, the Government is not doing a service to the country, which, to quote my hon. friend's favourite expression, will enable us to win the war.

Sir THOMAS WHITE: Does my hon. friend seriously suggest that we are taking up a direct liability of $500,000,000?

Mr. OLIVER: Yes.

Sir THOMAS WHITE: That is entirely incorrect. The corporate entity of the Canadian Northern railway and of all the companies in the system is being preserved, and we are going to operate through the Canadian Northern Railway company. It is not even an indirect liability. It is the liability of those companies, and the Government will own the $100,000,000 of stock besides the stock it owns to-day. The statement that we are adding $500,000,000 to the national debt of Canada is absolutely and entirely incorrect.

Mr. OLIVER: The Government will be the owner of the property.

Sir THOMAS WHITE: Of the stock.

Mr. MACDONALD: What difference does that make? It is an absolute quibble.

[Mr. Currie.]

Sir THOMAS WHITE: It makes all the difference in the world. If my hon. friend from Edmonton (Mr. Oliver) is the owner of a large holding of Canadian Pacific stock, for instance, could it be said that he is liable personally, if his stock is paid up as this stock will be, for all the debts of the Canadian Pacific Railway company? It is absurd.

Mr. OLIVER: What I tell my hon. friend is that the Government owns the stock of the Canadian Northern.

Sir THOMAS WHITE: It is a stockholder.

Mr. OLIVER: It owns the railroad. It has taken over the stock, so that it will be liable for the debts of the Canadian Northern. Did not my hon. friend tell the House this afternoon that one result of the taking over of this stock would be to establish the credit of the Canadian Northern? How would it establish the credit of the Canadian Northern, if the Government was not responsible?

Mr. CURRIE: If the Canadian Northern had a first-class credit, such as the Canadian Pacific or the New York Central, and it wanted to raise $50,000,000 for equipment, for instance, it would not need to come to this House for the money. The reason the Canadian Northern is here looking for money is just because its credit is impaired, and it will come here year after year when it has no money.

Mr. OLIVER: Unless the Government manages the business of the Canadian Northern infinitely better than it has so far managed that of the Intercolonial or the Transcontinental, instead of the Canadian Northern earning interest on its capital cost and something on operating expense, it will not be earning any interest whatever on its capital cost. It is a fact that since the Intercolonial was built it has never earned a dollar on its capital cost, under government management. The Transcontinental will not earn a dollar under government management. It is a calamity to the country that such conditions should be forced upon it.

Mr. GLASS: My hon. friend will admit that the same conditions prevailed during the regime of the former Administration between 1896 and 1911?

Mr. OLIVER: Certainly?

Mr. GLASS: With reference to the Intercolonial?

Mr. OLIVER: Certainly.

Mr. CURRIE: Why did the hon. gentleman and his colleagues launch into such an extensive programme of railway building as they did in the West if new railways are not a paying proposition?

Mr. OLIVER: I do not know that it would be profitable for myself and my hon. friend to argue out that point. At the beginning of my remarks I gave the reasons why the late Government entered upon that policy, that railway enterprise, and I showed that this country had benefited enormously as a result of it. But the late Government did not enter upon a policy of government ownership of the Transcontinental railway from Winnipeg to Quebec. This Government saw fit, for the petty political purpose of discrediting their predecessors, to discredit that enterprise, and as a result it has to date been a failure. But that was not the fault of the project, nor it it the fault of their projects that at the present time the Grand Trunk Pacific and the Canadian Northern are not paying their way. It is a fact that when we own the railway we have the assets as well as the liabilities, but we have to provide for the liabilities. If we own the railway that is an offset against the liability. That is true, but the liabilities are our liabilities, and we have to see that they are provided for or else we lose the asset. I say, with all deference to the Minister of Finance and his ability—and also to his parliamentary under-secretary (Mr. Currie) —that the minister is not improving the financial position of Canada in the markets of the world by the transaction that he is putting before us to-night. It is a most unfortunate thing from every point of view that this country should be subjected to such a hold-up at this particular time for money to pay for something that has no value. For what reason this is being done neither I nor any other man can tell outside of the circle of the Government. We can guess, but we do not know. When, in addition to that, we are asked to assume responsibility for the management of 9,000 miles of railway, with the obligations that go with it, I say that this Government is doing the country its greatest disservice.

Mr. GLASS: I want to ask my hon. friend (Mr. Oliver) a question. He made the remark that there was no equity, no value, in the stock of the railway. Does not my hon. friend think that the equity in the road is worth what any outside railway or corporation would be willing to pay for it? It does not matter what its liabilities may be, it does not matter what the condition of the road may be, the equity in the road is what anybody else is willing to pay for it. My hon. friend says that $60,000,000 will be awarded as the result of the arbitration. My hon. friend, I am sure, does not believe that any such thing would be possible in the Exchequer Court which would be the court to make any such award. Notwithstanding that the road has all these liabilities, my hon. friend has admitted that it has future possibilities equal to those of the Canadian Pacific which now stands out as the greatest railway success in the world. With its feeders, and with the country it will serve, all admit that there are tremendous future possibilities for that railway. Under these circumstances there must be some equity. If the road has been economically constructed and managed, if the moneys that have been spent have not been wasted, the value must be there. Supposing that the Canadian Pacific were willing to give $5,000,000 or $10,000,000 and to take over the road, then that is what the road would be worth.

Mr. OLIVER: It is admitted that this company is in default, and under the present circumstances if those to whom it owes money close in upon it the road is forfeited, there is nothing coming to the owners and the stock is not worth anything. While in the future it may be worth something, it is not worth anything to-day, and it is only to-day we are dealing with.

Mr. D. D. McKENZIE (North Cape Breton): I do not profess to be a railway man, Mr. Speaker, but I represent people who are tax-payers and who pay some of the revenue and indebtedness of the country. As such representative I do not think I should allow this discussion to go by without recording very briefly my views on the proposal that the hon. the Minister of Finance (Sir Thomas White) has presented to-day. I did not think that the minister was sufficiently candid with the Canadian people with respect to the proposition that he is putting before them. I listened to every word that the minister said. I have been watching this proposition since he introduced legislation last year for the purpose of appointing the commission whose report we heard read in part to-day. When that resolution was proposed I said to the minister that, if he wanted my opinion, it was against the public ownership of railways. I did not expect my opinion to have any weight with the minister at that time. But. I am still of the same opinion,

9 p.m.

that the public ownership of, railways generally speaking, is not a good thing for this country. I say that more particularly with respect to a developing country such as the Northwest is. In an old, well-settled country, such as that between Montreal and Toronto, where a section of the Grand Trunk railway is being operated, and where no development is necessary so far as spreading the branches of the railway are concerned, I would not be opposed to the principle of Government railway management. But when you go to places like the West, where it is necessary to branch out, spread the operation of the railway and use it as a colonizing road, I submit that there the Government sphere of activity should end. There, it is admitted, it will fail, because what may be a success as a private enterprise, under the control of individuals such as Mackenzie and Mann—who, with any faults they may have had, have done more to develop this country and the Northwest than any other two men in Canada—may not be a success under Government management. I submit, therefore, that Government ownership, to use a slang term, will fall down on a colonization project, and it should not be attempted.

If the people of the West will trust themselves as far as the spreading out of the branches of any government-owned railway is concerned to Government ownership they will find it will be a failure. I am basing this on my own dearly-bought experience in the part of the country from which I come. We have government railways and government-operated railways in Nova Scotia for nearly fifty years, and our experience during that time is that we have one straight line of railway, extended, at different periods, from Truro to Sydney, without a single branch to outer parts of the country, and these parts are starving and dying for want of proper development, because the Government, whether Liberal or Conservative, would never give the necessary railway facilities.

As to the kind of bargain the minister tells us we are making, he has given us a glowing picture of what the country was getting for the money we are to expend. We are getting 9,000 miles of railway. We are getting express companies, telegraph companies, and all kinds of utilities that the mind of man could conceive of, and one would think that we were getting something that had real cash value in it. But right at the end of that statement that we are getting such an enormous amount of property, it is admitted that the company which has the real title to the property, both legal and equitable, cannot raise one dollar on it. The adoption of the minister's proposition means that the country acquires property that is so loaded with indebtedness and stress of liability that its owners, although an enterprising concern, could not raise fifty cents on it, because it is already pledged to its full value, and if it went under the hammer to-morrow, it would not bring enough money to pay the claims that are now standing against it, for which the company is absolutely and legally liable. The minister should make that plain to the people of this country. If they are going to spend money for the purpose of getting hold of certain property, they should be told that it is already mortgaged so heavily that they are really getting nothing at all, and that, if they pay off the mortgage, it will take every dollar the property is worth, and more. What better position are we in than the man who buys a second mortgage or a third mortgage? If a man takes a third mortgage on property, or an assignment of a third mortgage, if that third mortgage is to be any good, is he not making himself liable to pay off the mortgages ahead of him? Everybody understands that. We are told that we are taking over something that may represent $60,000,000 of stock. We are taking it over, I suppose, because it is worth something;—if it is worth nothing, why are we bothering with it? I would not suppose, Mr. Speaker, that the stock of a company that is on the verge of going into the receiver's hands is a very inviting proposition on the market. We are told that we must come to the rescue of this company, otherwise it must go into the receiver's hands, and just as it is on the verge of going into the receiver's hands, unless it receives assistance, we are told that we must spend something like $60,000,000 to buy its stock. I submit, Sir, that that is a poor proposition, and one which, under present conditions, should not be presented to the Canadian people. We have enough obligations to meet at the present juncture, and the end of our great liabilities is not in sight. We must bear cheerfully all our war obligations, and, if it can be avoided at all, I do not think any further obligations should be cast upon the people of this country, until we are relieved to some extent of the great responsibility which the war conditions place upon us. The minister tells us we have to buy this stock, worth nothing of course, and possibly pay $60,000,000 for it, in order to get control of the voting power of the company.

I do not think that is necessary. If this company is in need of money it comes to Parliament, as a suppliant, asking for consideration. I do not want to deal harshly with any company that is obliged to come to this House for proper assistance, but when they are in the hands of the Government and of Parliament, and such conditions can be attached to assistance given as will give us control of the management of the concern, I think we need not bother with this stock. I think it was two years ago that the $45,000,000 guarantee was given. Legislation was introduced into this House at that time and conditions were embodied in that legislation that gave the Government power to appoint a certain number of directors on the Board of Management of that company. If they are going to get more money now—and I suppose that is what they are after—why take this roundabout and cumbersome way, with this difficult-to-understand proposition that is being put to us? The point, we are told, is that we get control. Why take that mysterious, intricate and difficult way of getting control, when the Act of Parliament, which will give them the loan, can provide, as a condition precedent to the granting of the money, that we must have a sufficient number of men on the board to absolutely control the management? Doing this, we shall not be encumbered with this useless stock, which is no good. If any security is required let us get another mortgage. Some day the property may be worth enough money, and the road may be sufficiently prosperous to pay back every dollar of this money. I submit that we should do with the Canadian Northern on this occasion as we did when we gave them aid some years ago, and as we are doing with the Grand Trunk Pacific—give them some aid, and take a form of security for it, and not go through the form of pretending to own the property of the company when we do not own it at all. It will go on just as it did before. It will be Mackenzie and Mann property, or the Canadian Northern; in all its operations it will be just as it was, and we shall simply have this useless stock. Why bother with them, and why have the reputation of being in this concern for the purpose of paying off the liabilities, when it is not necessary to do that? Let us give them the amount of money which is necessary to carry them along. If they need it they must have it, just the same as the other companies, and let us have the same relation to the one company as to the other. I do not want the people of Canada to suppose for one moment, as they might suppose if they accepted the speech of the hon. minister without further consideration, that they are getting a splendid bargain, and are obtaining a magnificent property, practically free from any encumbrance, and that henceforth everything will be in our hands.

This country should not at any time burden itself with a colonization railway or with any railway the development of which requires to be carried on as the Mackenzie and Mann roads must be carried on if they are to be successfully operated. The operation of these railways will be better carried on by the concerns that have been interested in them from the beginning and have brought them to whatever degree of success they have attained. I am opposed to Government-owned railways under these conditions. I would feel, Sir, that I was not doing justice to myself or to the people whom I represent if I did not register this protest before you leave the Chair.

Mr. G. W. KYTE (Richmond): Mr. Speaker, I had not the advantage of hearing the Finance Minister (Sir Thomas White) make his statement to the House this afternoon, but I gathered from such of the debate as I had the privilege of hearing that the Government's proposal is to take over the whole of the Mackenzie and Mann railway system. After supplying additional funds to put the road on a proper financial basis, the Government practically takes it over and will operate it as part of the Government system of railways, in connection with the Intercolonial. This is a gigantic development of a problem which has been before this House more or less frequently during the past ten or twelve years. Resolutions have been moved in this House from time to time setting forth the desirability of the Government taking over certain branch railways in eastern Nova Scotia, consolidating them with the Intercolonial Railway system, and thus securing to the communities served by these branch railways better railway facilities and cheaper transportation rates. I had the privilege on more than one occasion of arguing that it was the bounden duty of the Government, having regard to the interests of the communities served by these branch railways, to deal with this question. Prior to the defeat of the late Government, provision was made for the construction of certain branch railways in

Nova Scotia and the acquisition of a branch railway that is operated in the constituency which I represent. The sum of $1,000,000 was placed in the estimates in the session of 1911 for the construction of a railway from the city of Halifax to the settlement of Musquodoboit, in the county represented by the Prime Minister (Sir Robert Borden). An equal sum was placed in the estimates for the construction of a railway from Sunnybrae, in the county of Pictou, to the town of Guysborough, on the southern shore of Nova Scotia. After the present Government came into office, they struck out the appropriation for the construction of the railway from Sunnybrae to Guysborough, but they preserved the item of $1,000,000 for the construction of the road from the city of Halifax to Musquodoboit. Since that time this latter railway has been completed and is in operation; but the branch railway from Sunnybrae to Guysborough has not been dealt with. Neither has any action been taken looking to the acquisition of the Cape Breton railway, which operates from Point Tupper to the town of St. Peters.

The reasons urged by the present Minister of Railways against the further development of railway accommodation in Nova Scotia is scarcity of money. When the present Government came into office they found an overflowing treasury. The late Finance Minister enjoyed surplus after surplus for many years, and the advantage of his methods of financing was reflected in the large sum of money which was found in the treasury when the present Finance Minister took office. Notwithstanding that they had an overflowing treasury in 1912 and 1913, the Government argued against the further development of railways in the Maritime Provinces upon the ground that the financial obligations which they were under did not permit them to enter upon that further development. After a period of the leanest years that have been experienced in the history of the Dominion, when obligations unheard of and unthought of in the past have been incurred for the purpose of carrying on our part in the war, this Government, apparently without very much hesitation, undertakes to appropriate a vast sum of money for the purpose of acquiring the Canadian Northern railway and its branch lines throughout Canada. If this Government intend going into the acquisition of railways on such a vast scale as is contemplated by the statement made by the Finance Minister this afternoon, I would ask him to make a job of it. Let us once and for all complete the operation of purchasing railways throughout Canada, and, in addition to acquiring the Canadian Northern system extending from the Pacific to the Atlantic, provide for the construction of the railway from Sunnybrae to the town of Guysborough and for the acquisition of the railway from Point Tupper to St. Peter's and its extension to the city of Sydney. Then our whole system of railways will be completed. Taking into account the enormous sums of money which the Government has provided for the financing of the Canadian Northern railway system and the enormous amount which the Finance Minister must provide for the further financing of that system, I am sure that I am not asking too much when I ask him to make a small appropriation for the further construction of the roads that I have mentioned and the acquisition of the smaller railway which operates in my constituency. Then, as I have said, the whole railway system of Canada will be dealt with and properly systematized.

The Canadian Northern Railway company have an interest in a railway operated in the county of Inverness, known as the Inverness railway, running from Port Hawkesbury to the town of Inverness. It is operated in connection with a coal mine owned by Mackenzie and Mann. Is that railway to be taken over as part of the Canadian Northern system?

Sir THOMAS WHITE: I am not positive whether the Inverness railway is embraced in the Canadian Northern system or not. If my hon. friend will look up the Act of 1914, he will see whether the stock of that road is embraced in the Canadian Northern system. I am sorry that I cannot answer my hon. friend, but I have not especially turned my mind to the subject.

Mr. KYTE: I can understand that the minister would not have his mind charged with that. Another railway, however, which is owned and operated as part of the Canadian Northern, is the Halifax and Southwestern.

Sir THOMAS WHITE: That is included.

Mr. KYTE: After the legislation contemplated by the Finance Minister is put through, nearly all the branch lines in Nova Scotia will become part of the Government system. I would again ask the minister finally to dispose of this question and to consider whether he can include in his proposals the acquisition of the Inverness

and Richmond railway, operated in the county of Inverness, and of the Cape Breton railway, operated in the county of Richmond, with a view to consolidating the branch railway lines in Nova Scotia and giving the people in those communities the advantage of a government-owned and operated railway, for which they have been asking so persistently for many years and upon which depends the progress of these communities.

Hon. RODOLPHE LEMIEUX (Rouville): Mr. Speaker, I listened with great attention this afternoon to the statement made to the House by my hon. friend the Minister of Finance (Sir Thomas White) and also to the various speeches which were delivered on this subject. I wish to register my own personal protest against this proposed legislation—subject, however, to the explanations which may come when the Bill reaches the committee stage.

The people of this country will be appalled to-morrow when they learn of the transaction this Government intends to make. In the present financial condition of the country, when we are passing through the most serious crisis this country has ever known, the Government is not justified in bringing this legislation before the House. The Canadian Northern Railway system has nothing to complain of on the part of this Parliament and of the Canadian people at large. No railway system has been so liberally treated as the Canadian Northern Railway system, and we could well afford to wait before burdening the country with millions upon millions of money that we shall be called upon to pay in order to complete this transaction. I do not question that transportation will be required after the war as it was required during and before the war. But, when the Government are imposing the taxation which is being imposed upon the people of this country, when we have in the field nearly 400,000 men, and when we have to borrow at the exorbitant rate at which we are at the present time borrowing in the American market, we must call a halt. I take issue with the Government and I say that this is not a proper time, nor is this a proper occasion to over-burden the country with this new heavy obligation.

The whole proposal of the Government can be summed up in one sentence: The Government relieve Mackenzie and Mann from their railway liabilities, but they leave to Mackenzie and Mann the control of the railway. I am under the impression that the scheme, so much talked about of late, of a union Government is not altogether separate from the proposition before us to-day. It has been stated in this House by hon. members who usually support the Government—by the hon. member for Calgary (Mr. R. Bennett) by the hon. member for Kingston (Mr. Nickle)—that the influence of this Canadian Northern railway is far from being a healthy influence. I quite understand why the owners of that system are so anxious to have a union of all parties in order to pass all their schemes before Parliament, and they would be most happy indeed if all opposition should be wiped out from this House. If there is one reason why there should be an Opposition, it is the recurrent presence of the agents of the Canadian Northern in the lobbies of this Parliament. It is stated in the press of this morning that out of the $100,000,000 that we are borrowing from Uncle Sam on the New York market, possibly $20,000,000 must be deducted to pay the interest due on the 1st of August to to pay the interest due on the 1st of August of this year.

Sir THOMAS WHITE: The hon. member correctly states a press report of this morning, I think, in the Citizen. No more incorrect statement could by any possibility be made. The $20,000,000 obligation which matured to-day in New York is principal, not interest, and the money had been provided and was lying to the credit of the Dominion Government in the Bank of Montreal in New York before this loan was put on.

Mr. LEMIEUX: That does not alter the fact that every now and then the Minister of Finance, with the responsibility that rests upon him as the treasurer of the country, will have to meet in the not distant future very heavy liabilities, and he should reflect twice before burdening the people of this country with this new scheme of the Canadian Northern. I do not see how the Minister of Finance can sleep nowadays with the huge responsibility that rests upon his shoulders. How can he be serene and yet be playing with millions and hundreds of millions of dollars? Our national debt has reached enormous proportions, unthought of some years ago. Does he realize where we are going to land with the present war situation? In the midst of our financial perplexities he practically says to the Parliament of Canada: We shall acquire $60,000,000 worth of stock of the Canadian Northern railway system; the road will be

ours from the Atlantic to the Pacific, but we do not know as yet what liabilities we are going to have loaded upon us. Sir, my hon. friend is living in a fool's paradise, and such transactions as this are apt to bring us to the verge of bankruptcy. I do not believe that the minister will carry this transaction through, because I notice this afternoon that, contrary to all expectations, his friends on the other side of the House were not so cheerful as they usually were when such transactions were brought up before. If it does go through, however, he will bitterly regret it, because I believe the people of the country will not stand for it. It will be interesting to read to-morrow the telegrams and letters that he will receive from all parts of Canada. The Canadian people are sick and tired of the perpetual raids that are being made on the treasury of the country by this omnivorous Canadian Northern railway system. I bear no ill will towards that system, but we are at war and our war liabilities should not be lost sight of. Sir, I am glad of one thing; it is that my native province is of all provinces not involved in the affairs of the Canadian Northern railway. I refer to Quebec.

Mr. OLIVER: Let me remind the hon. member that the Quebec and Saguenay railway is located in his province.

Mr. LEMIEUX: I cannot believe that with this Greek gift of the Canadian Northern the Minister of Finance will have, shall I say, the brass—the audacity—

Sir THOMAS WHITE: The temerity.

Mr. LEMIEUX: —the temerity, to add a new Quebec and Saguenay raid, after the judgment which has been rendered by Sir Walter Cassels in the Exchequer Court.

I cannot believe it. Has my hon. friend lost all sense of proportion? Does he believe that at this time, when we are spending in round figures at the rate of $800,000 a day, the country is in a position to acrequire the Canadian Northern Railway system, and also to implement the Quebec and Saguenay legislation that was introduced in the dying days of last session, and which made my honest and hon. friend from Kingston so sick? I appeal to the patriotism of my hon. friend the Minister of Finance. Surely the taxpayers of this country have enough to carry during the present war, without placing on their shoulders this further heavy load.

Motion agreed to.

[Mr. Lemieux.]

SUPPLY.

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

Militia and Defence—Grants to associations and bands, $50,000.

Mr. MACDONALD: I should like to ask a question in regard to the first item "Allowances, Active Militia Corps." I have in mind a case where the officers of a regiment made arrangements with the officials of the department for the purchase of kilts. The officers gave their notes for the purpose of raising the money, expecting to be refunded, out of the advances that are made for this purpose from year to year. I refer to the 78th Regiment. I was wondering whether any of these allowances have been paid.

Sir EDWARD KEMP: Since the war began, the department has not set aside any funds for this purpose. After the war is over, the question will have to be considered.

Mr. MACDONALD: Then why take this vote?

Sir EDWARD KEMP: This is for command pay, drill instruction, care of arms, allowances to corps of the militia, etc. The amount asked for last year was $100,000, but as many rural corps are practically non-existent now, we have reduced the vote to $80,000 this year. Whatever clothing is used by the militia is paid for out of the War Appropriation Fund.

Mr. MACDONALD: There is no vote then, out of which the men could be refunded?

Sir EDWARD KEMP: We have had no such vote in the estimates this year or last.

Mr. MACDONALD: What is proposed to be done under the heading "Engineer Services and Works"?

Sir EDWARD KEMP: This has reference to work done by engineers fitting up camps and all that sort of thing.

Mr. MACDONALD: These camps are only held for the purpose of training overseas forces?

Sir EDWARD KEMP: Yes. That comes out of this vote.

Mr. KYTE: Is the work at Camp Borden being done under the supervision of the Department of Militia and Defence?

Sir EDWARD KEMP: Any work in connection with the housing of the overseas forces there comes under my department. The Imperial Government, however, has spent a very large sum of money at Camp Borden on the Flying Corps. The buildings at Camp Borden belong to the Imperial Government, but they are on the property of the Dominion Government.

Mr. KYTE: That work is being done under the Munitions Board?

Sir EDWARD KEMP: Yes.

Mr. MURPHY: Would the minister be good enough to explain the apparent decrease of $33,000 from the vote taken for this purpose last year?

Sir EDWARD KEMP: The Dominion Rifle Association have not drawn their grant for the last two years, and that accounts for $20,000.

Mr. MACDONALD: Referring to the vote for bands, every one must have noticed that as the war has progressed there has been practically no music available in connection with military matters. We all know the effect music has, and it occurred to me that some of the returned soldiers, even though engaged in other employment, might be encouraged to form bands in connection with the old militia regiments. It is a bad thing for a country that music should die out altogether. While I am very glad that the bagpipes music—the music of the Scotch Highlanders to whom I belong—has become more appreciated every day since the war began, still it might receive more encouragement. I do not know how the vote will be expended, because I think a very large percentage of the regimental bands have gone overseas. Certainly that is true of the East, and it is impossible to-day to find music for any purpose, even in connection with the return of the boys from the front. Can the minister tell me how this vote will be expended, and whether some effort could not be made along the lines I suggest?

Sir EDWARD KEMP: Of this amount $14,500 is paid to the active militia in allowances, and it is paid upon the authorization of the officers commanding the different units. There is no intention to curtail the expenditure in connection with the bands. I quite agree with my hon. friend from Pictou (Mr. Macdonald) that it would be a very undesirable thing to do. While I am not so closely connected with the Highlanders as he is, my ancestors having come from the country that lies just south of Scotland, yet when I see a pipers' band I always feel it is very inspiring. A great deal has been done for recruiting by the pipers' bands, and we have met with considerable success through them in the United States.

Mr. MACDONALD: Could not the minister ask his officials who have to do with the expenditure of this vote to see whether something could not be devised in the way of special encouragement? There are only $14,000 paid to regimental bands. All the regimental bands in the East have gone. They are the boys who went without any difficulty or question. It would be money well invested, and the returns would amply justify the expenditure if the Militia Department could see its way to foster a greater interest in music. At the present time, outside of the larger cities where they have permanent musicians, you will not hear music anywhere. I went through the country during the past winter, and this absence of music was commented upon in almost every place I visited.

Sir EDWARD KEMP: It is no doubt accounted for, as stated by my hon. friend, by the fact that a great many of the bands went overseas, and the instruments are now on the other side. The question of the return of those instruments came before me a short time ago, and I may say that everything will be done to see that they are returned to the proper units. When the old bands come back, I hope we shall have a return to former conditions.

Mr. MURPHY: The minister stated that the item under discussion covered $20,000 a year for the Dominion Rifle Association, which had not been claimed for two years, I understand. It is almost certain it will not be claimed this year, because there will not be any need for it. I would suggest that the vote should be reduced by that amount.

Sir EDWARD KEMP: The item of $20,000 is not included in this vote. It was included in the vote of $83,000 for 1916-17. We are only asking $50,000 this year.

Mr. A. K. MACLEAN: I would like to ask the minister if the hospitals which are being constructed in Canada under the supervision of the Hospitals Commission have the approval of the Department of Militia. Has the department direct control of the undertakings, and are they subject to the approval of the department, or is the matter in the hands of the Hospitals

Commission, and have they the power to determine how much shall be expended in the erection of hospitals? I may say I have in mind one of the hospitals in Halifax.

Sir EDWARD KEMP: The Department of Militia and Defence has spent some money on hospitals in Halifax. Money is being spent also by the Military Hospitals Commission. This money is appropriated out of the War Vote to the Hospitals Commission for the purpose of building hospitals, and the Hospitals Commission controls that branch of the service.

Mr. A. K. MACLEAN: Has the Department of Militia anything to do with it?

Sir EDWARD KEMP: Not with respect to the buildings.

Mr. A. K. MACLEAN: I would like to say, with respect to the erection of a building at Halifax, that there appears to me to have been an unnecessary expenditure. It matters little whether the Department of Militia is directly responsible or not, because the Government is responsible for the policy of the commission. In that case the Government of Nova Scotia desired the Hospitals Commission to pay part of the cost of the construction of an addition to the Victoria General Hospital, which is a government institution, and undertook to contribute to the extent of $25,000 or $30,000 themselves. For some reason or other the Hospitals Commission declined to consider this proposal. I submit they were guilty of a great error of judgment in not accepting the offer of the Nova Scotia Government. It is true that eventually the property would revert to the province, but the hospital was to be available to the commission as long as necessary for the welfare of the soldiers. There was the further advantage in accepting the offer of the Nova Scotia Government that the medical staff at present engaged in the hospital would have been available for attendance upon the disabled soldiers who might be in the hospital.

The medical staff of the Victoria General Hospital is the largest in Halifax and the leading surgeons and physicians are members of it. Unfortunately, the medical staff selected by the Department of Militia in connection with the forces is not composed of the leaders of their profession. It would mean much to the inmates of the hospital—I mean the soldiers—to have been attended by the leaders of the medical profession, and this would have cost the country nothing. The Hospitals Commission were informed by the Government that the services of the medical staff would be available for such a purpose. I think the attention of the minister should be directed to this matter. I am sorry that I have not with me the correspondence which took place between the Government and the Commission. I cannot but express the opinion that it is extremely unfortunate that the offer made by the Government was not accepted; its acceptance would have been a benefit to Canada and to the men who are obliged to be inmates of this hospital.

Sir EDWARD KEMP: My hon. friend's question does not come under the Militia Department at all. I will draw the attention of the Military Hospitals Commission to what he has said, as recorded in Hansard, and will endeavour to have an answer for him, to be available when the supplementary estimates of the department are brought up. I may say that there will be supplementary estimates. This small number of estimates will end at No. 97. We are at No. 87 now. If we can get through with these this evening we can possibly defer further discussion of any of these matters until the supplementary estimates are before the committee, when I hope to be able to answer by hon. friend about the Victoria hospital staff being at the disposal of the Commission.

Mr. A. K. MACLEAN: I want to ask another favour of the minister. I will not expect a reply now, but if he or his deputy would write me a letter at some time it would be quite acceptable. This question has been before the House on more than one occasion. It is as to the exact disposition of our troops at the present time and the number of effective enlistments since the beginning of the war. I would like a statement showing: The total number of enlistments, the total number of effective enlistments, the number killed, the number who served overseas but have since returned to Canada, the number at present in England; the number in France; the number in Canada who have not yet gone overseas; and lastly the number in hospital in England. I understand that there was a Canadian wastage of 80,000 or 83,000 of men enlisted and who were obliged to drop out from one cause or another. If I had the figures covering these several items in detail I think it would give me the information I desire.

10 p.m.

Mr. KYTE: Has a military hospital been established in Sydney by the Hospitals Commission?

Sir EDWARD KEMP: I am unable to speak with respect to the Military Hospitals Commission. It does not come under the department as far as buildings are concerned but any question regarding the Military Hospitals Commission I will endeavour to have answered when the supplementary estimates are on. Perhaps by that time we shall have somebody here who knows about the affairs of that commission.

Mr. KYTE: The Military Hospitals Commission was appointed by the Government and I assume it reports to the Minister of Militia.

Sir EDWARD KEMP: No, Sir James Lougheed is the chairman of the commission and I have reason to believe that the very voluminous report that was laid on the table of the House a few weeks ago by my right hon. friend the Prime Minister (Sir Robert Borden) will contain all this information.

Mr. MACDONALD: Was that report printed?

Sir EDWARD KEMP: I could not say, but I remember the Prime Minister laying it on the Table.

Mr. MACDONALD: Reports laid on the Table and not printed are no good.

Mr. MURPHY: On the page succeeding the one on which the items under discussion appear I observe that the details are given and among these details I notice an item of $40,000 for Connaught rifle range. I observe further that apparently there was no vote for any purpose in connection with that range last year. Would the minister explain what the money is required for?

Sir EDWARD KEMP: To pay the balance of an old contract.

Mr. MURPHY: To whom?

Sir EDWARD KEMP: Bate & McMahon are the contractors.

Mr. MURPHY: Is this an ascertained amount for work done under the original contract, or is it for extra work since the contract was supposed to be completed?

Sir EDWARD KEMP: It is to finish up the work; it is an old contract.

Mr. MURPHY: Is it for work already done?

Sir EDWARD KEMP: Yes, that is my information.

Mr. MURPHY: And this amount has been ascertained as being due to the contractors?

Sir EDWARD KEMP: Yes.

Mr. MURPHY: Has a certificate been issued to the contractors for the work?

Sir EDWARD KEMP: No certificate has been given yet; it is an outstanding debt.

Mr. MURPHY: It has been ascertained as being due to the contractors?

Sir EDWARD KEMP: Yes.

Mr. MURPHY: In connection with the same range I am informed there is a very large quantity of hay grown there, cut and disposed of—some 800 or 900 tons, I am informed. Could the minister say by whom that is disposed of, to whom sold, and to whom the proceeds go?

Sir EDWARD KEMP: There is no hay this year on this rifle range. It is let out by tender as pasturage to the highest bidder.

Mr. MURPHY: I was speaking more particularly of last year when there was hay cut and sold. To whom was it sold and what amount was received?

Sir EDWARD KEMP: It was sold by tender; it was a small sum—about $200.

Mr. MURPHY: My information is that the quantity is very much larger than that —700 or 800 tons of hay.

Sir EDWARD KEMP: The figures are not here. I will make a note of it.

Halifax defences, $50,000; Esquimalt defences, $20,000.

Mr. A. K. MACLEAN: Can the hon. minister explain the purposes of these two votes?

Sir EDWARD KEMP: That is the engineer services and works. There is an item for Halifax lumber yard of $60,000. This is for the erection of buildings on the new property purchased for a lumber yard. The present property belongs to the Imperial Government.

Mr. A. K. MACLEAN: It was given to the Railway Department in connection with new railway terminals at Halifax. Upon this land there were some buildings which were occupied for military purposes. I presume this vote is for the purpose of

erecting buildings for military purposes elsewhere?

Sir EDWARD KEMP: Yes.

Mr. MACLEAN: Where were they to be erected? On the property purchased from Mr. Mitchell?

Sir EDWARD KEMP: Yes.

Mr. MACLEAN: Are not the buildings there now quite sufficient?

Sir EDWARD KEMP: They are not suitable. They have to be replaced by better buildings.

Mr. MACLEAN: I have heard it rumoured that the Government purpose buying property next to the Mitchell property, the William Robertson & Son property.

Sir EDWARD KEMP: We have not any information on that particular point.

Mr. KYTE: Are the censors appointed by the Department of Militia and Defence?

Sir EDWARD KEMP: Yes.

Mr. KYTE: Can the hon. minister say whether or not returned soldiers have been appointed to the positions of censors in the province of Nova Scotia?

Sir EDWARD KEMP: Most of them were appointed at the beginning of the war, and I do not suppose many have been appointed since, but the instructions are that returned soldiers should be appointed, if available.

Mr. KYTE: There were very frequent changes in the censors at Sydney and Glace Bay, and I am interested to know whether or not the policy of appointing returned soldiers to Government positions has been carried out in the Department of Militia.

Sir EDWARD KEMP: Yes, I can assure the hon. gentleman that the policy of appointing returned soldiers, whenever it is possible, has been carried out by the Department of Militia and Defence. A statement was laid on the Table in respect of that matter a short time ago. I think all the deparments were asked to furnish a return as to the employment of returned soldiers. The Militia Department furnished a return.

Mr. KYTE: There is a great number of returned soldiers in the county of Cape Breton, particularly in Sydney and Glace Bay. A club was organized a few months ago in Glace Bay for the entertainment of returned soldiers. The membership was probably about one hundred. I noticed in a list of censors employed at Louisburg the

names of N. F. Cook, drawing $4.50 a day, aged 29; and W. D. Hayden, $4 a day, age 24. Mr. R. T. McDonald, Chief Censor, 41 years, was in receipt of $7 a day. Mr. Macdonald was formerly a merchant doing business at a place called Reserve Mines, and he had no special qualifications for the position of censor more than any other man with a fairly good education possesses. It seems to me it is rather extraordinary, when the Militia Department and this Government are making such efforts to get men to recruit for overseas service, that we have young men, such as Cook and Hayden, of the age of 29 and 24 respectively, drawing $4.50 and $4 per day, enjoying positions of censors, when there are probably 75 to 100 returned soldiers in the town of Glace Bay, and probably 150 returned soldiers in the constituency of South Cape Breton wandering about the streets without employment. They are unable in many cases to return to the avocations in which they were employed before the war, but many of them, to my knowledge, have sufficient attainments of scholarship to discharge those duties. I understand there is a movement on in Ottawa to release men from the Government service in order that their services may be available for overseas. I would certainly urge that the Minister of Militia and Defence should examine the staff of censors at Louisburg, and eliminate those young men who are vigorous, unmarried in most cases, having no dependents upon them, and enjoying these positions, and that he should appoint returned soldiers, who have given their services to the Empire and who have suffered in that service. When so much effort is being expended by this country to get men for overseas service, it seems to me the question of political patronage ought to be eliminated entirely. It is well known that, from the outbreak of the war up to the present time, party patronage has been rampant. All appointments, not only those of high degree, but those of very lowest degree, have been made entirely according to the exigencies of party patronage. I make a special appeal to the Minister of Militia and Defence to-night, in view of the efforts that are being made to establish a national Government in this country, to do away with political patronage. The idea of a national Government has in its base and origin the elimination of party patronage. I would like to see the Minister of Militia and his colleagues in the Government give some earnest of their intention to form a real national Govern-

ment to carry on the war apart from the influence of party patronage, by beginning with the censors employed in the town of Louisburg, eliminating from that service the men who have been appointed by virtue of party patronage, and giving the appointments to returned soldiers. It is very well for us to orate at public meetings and national gatherings about what we should do for returned soldiers, but I am bound to say, as far as the constituency I represent is concerned, that the obligation of the Government to returned soldiers seems to end with a pious declaration as to the desirability of giving returned soldiers preference as regards public positions. The censorship in the county of Cape Breton has been a scandal for the last two or three years. There has been wrangling going on, and charges being made of selling those positions, and that appointments were made for consideration given to certain parties who claimed to have control of those appointments.

This afternoon I put a question to the minister wih regard to a gentleman who was very efficient censor on the staff at Louisburg, but whose services have been dispensed with. I asked whether his services had been dispensed with, and if so, for what reason. The answer given was that his services had been dispensed with to promote the efficiency of the service. It is common knowledge in that part of the country that this man's services were dispensed with because he refused to pay over a portion of his salary to the person claiming to control the party patronage and upon whose recommendation the appointment of this censor was made. The fact that I got such an incomplete and unsatisfactory answer to my question justifies the suspicion that this man's services were dispensed with for reasons which the Department did not desire to make public. But that is not the only case. Others in the employ of the Militia Department in the county of Cape Breton hold on their positions by virtue of certain payments they make out of their monthly stipend to the men who recommend their appointment. If we are going to have a National Government, it can only be by the elimination of this system of duress which has been imposed upon applicants for public positions in the past. I do not think the Government can satisfy the people that they are sincerely desirous of bringing about a National administration, during the period of the war, at all events, free from party and from patronage, when such conditions are allowed to exist in Nova Scotia without any attempt at remedying them. No appointment even of the lowest and most insignificant kind—the appointment, for instance, of a man to haul coal to the residents of the censor's staff in the town of Louisburg—can be made unless it has the recommendation of the person in charge of the patronage. Some time ago an officer in charge of a company down there was brought to task because he ordered the laundry to be sent to one laundryman in the town of Glace Bay rather than to another. He was summoned before the high and mighty personage who controls the personage and claims to speak for the Minister of Militia, and asked upon what authority he dared to put that patronage into the hands of a laundryman who was not in political sympathy with the Government at Ottawa. That is getting down about as low as we can get in matters of this kind. Perhaps there would be some excuse for the exercise of this prerogative while the Government was administering the affairs of the country upon a basis of party patronage, notwithstanding that we were in a period of war. But in view of the Government's assurance, and of the assurance of people who have authority to speak for the Government, that they are honestly determined to wipe out party patronage and to form a real National Government, they should give some proof of their sincerity by eliminating party patronage from the Militia Department in respect of such appointments as those to which I have referred.

Sir EDWARD KEMP: I am under the impression—I speak subject to correction—that most of the men to whom my hon. friend refers were appointed in the early stages of the war and have now become experienced in the work. As positions become vacant, they ought to be filled by returned soldiers if suitable men can be found to do the work. I may say that up to May 10, 1917, 2,514 returned soldiers had been employed by the Department of Militia and Defence in various parts of the country. Wherever possible, we have tried to put returned soldiers in vacant positions, always giving them the preference, in fact, an order in council was passed to that effect. I am not familiar with the circumstances to which my hon. friend refers, but my own idea is that as soon as positions become vacant they should be filled by returned soldiers. Of course, that is subject to our being able to find men who are capable of doing the work. I suppose

the work of censorship requires men of special qualifications; men of sufficient education, who can be thoroughly trusted.

Mr. KYTE: The men who now occupy these positions had no experience when they were appointed. In fact, on account of the character of the appointments, we were of the opinion that no particular qualifications were required. Any sort of business derelict who was of the proper party stripe was picked off the street and given one of these positions, without reference to qualifications. There are scores of returned soldiers in the constituency of South Cape Breton, who, to say the least, have qualifications equal to those of the men who are now on the staff, and whose names were given to me by the minister this afternoon. In view of the fact that there are on the staff young men between the ages of 24 and 29 years, without dependents, who received appointments by reason of political pull, the minister should not wait until vacancies occur; he should create vacancies by dismissing these men and appointing returned soldiers in their places. We require men at the front; let these men be relieved of their duties and let them enlist for overseas service and do their bit as these returned soldiers have done. When they come back they will then be in line for appointment and promotion by this Government.

Sir EDWARD KEMP: I suppose the Military Service Bill will reach these men?

Mr. KYTE: I am afraid that the Military Service Bill will not reach some of the men if their services are required at home during the next election.

Sir EDWARD KEMP: I would not say that.

Mr. MACDONALD: The minister should not overlook the assertion of the member for Richmond (Mr. Kyte) that a man who was performing the duties of censor at the place mentioned was dismissed because he would not give a subscription to the man who had the patronage. The minister may lay down the rule that nobody may serve the country in war time and receive remuneration unless he is recommended by the man who has charge of the patronage, but neither he nor any other minister can justify the action of the person who has charge of the patronage in demanding money from a person who is employed by the Government. The minister would be taking a very peculiar position if he assumed responsibility for action of this kind without investigating the matter.

[Sir Edward Kemp.]

Mr. KYTE: Some time ago there was an agitation among the censors down there for an increase of pay. The ubiquitous patronage dispenser was Johnny-on-the-spot again. He said: for a certain sum of money I will go to Ottawa, and I will see that your salaries are increased. The story is that he came to Ottawa and upon his return he presented a bill for some $350. One of the censors refused to contribute to this amount, and was accordingly dismissed from the service. If the minister would like further information on that subject, I will give him, in confidence, the name of this young man, in order that he may satisfy himself with regard to the matter. The thing has become so scandalous that it has practically killed recruiting in that part of the country. If during the last year recruiting has not been as successful as it has been before, those are some of the reasons. In the face of those conditions, is it to be wondered at that men will not enlist for overseas services when they find that the money voted by Parliament to provide them with the equipment necessary for the positions which they occupy overseas is being frittered away by patronage dispensers, and that practically everything is sold to the man who pays the most for the position he is seeking at the hands of the Government?

Sir EDWARD KEMP: I shall be glad if the hon. member will give me the name confidentially. I will treat it in the same way as he gives it to me.

Mr. MACDONALD: As has been frequently stated during the past three or four years, the ministers of this Government have been in the habit of disposing of matters of this kind in a casual way. The idea of trafficking in money for supplies in war time is incredible. I cannot conceive of any one at this time putting up with that kind of thing, and in view of the statement made by a responsible member of Parliament, the minister should immediately institute a thorough investigation into the whole matter and should assume the responsibility of dealing with such a case. It is all very well for hon. members opposite to appropriate all the patronage and place these matters on the lowest possible level, while speaking about idealism and appealing to the highest possible motives; but when a party undertakes to insist upon getting money from a public servant, and when, on his refusal, that man is dismissed, then the depth of infamy is reached, and the minister cannot by any casual

method dispose of the matter. He ought to institute a full investigation, and if the statement is correct, the man who dispenses the patronage ought not to be permitted to exercise that power any longer.

Sir EDWARD KEMP: The hon. member for Richmond has promised to give me the name confidentially. As soon as he does so I will have an investigation made in regard to the matter, treating the information furnished me by the hon. member as confidential.

Mr. KYTE: Now that the minister is in a penitent mood—I do not mean as regards any misdeeds committed by himself, but as regards misdeeds committed by his predecessors—will he give me a little more frank information in regard to the last question I asked? I asked if the services of a certain censor had been dispensed with, and, if so, for what reason? The answer given is: "To promote the efficiency of the service." That means something or it means nothing. If his services have been dispensed with in order to promote the efficiency of the service, the minister ought to be in a position to tell me frankly in what respect this man's services have been inefficient. I do not ask him to reply in the House so that the matter will be put on record, but I would like if he would show his good faith and determination to deal fairly with these matters in the future by telling me confidentially what the actual reasons for dismissal were, and what he means by this reply. If there is anything to the discredit of this gentleman, I do not want to have it appear on Hansard, because that would not be fair to him, but under all the circumstances, the minister ought to give me privately the information for which I am asking.

Sir EDWARD KEMP: Was that question asked to-day?

Mr. KYTE: It was answered to-day.

Sir EDWARD KEMP: The matter to which my hon. friend refers is the answer given to the department by the chief censor. I do not know anything about it.

Mr. KYTE: The answer is signed by the deputy minister.

Sir EDWARD KEMP: It was referred to him by the chief censor. That is the chief censor's answer to the deputy minister. The chief censor is a responsible officer. I should be surprised if he would make a reply that was untrue.

Mr. KYTE: I quite appreciate the fact that the minister would not have the correct information at the present time. Probably the chief censor would not feel justified in giving me what he might regard as confidential information, but the minister and I have discussed this matter with the common object of improving the conditions I am complaining of, and I ask if he will get the information from the chief censor and give it to me privately later on.

Sir EDWARD KEMP: The hon. member for Richmond, as a responsible member of this House, has made certain statements here. I have told him, as far as one matter is concerned, that I will investigate it. I will also look into this matter; but so far as giving private information is concerned, I shall have to consider what course I shall take after investigation is made.

Mr. KYTE: Is the minister not prepared to give me any fuller information in regard to my question?

Sir EDWARD KEMP: I did not say that; I said that I would look into the matter of which the hon. member complains.

Mr. KYTE: I trust I shall not be obliged to change the very good opinion which I had of the minister and which I expressed a few moments ago.

Sir EDWARD KEMP: I can guarantee that my hon. friend will have no reason to change his opinion regarding myself.

Mr. KYTE: I trust I shall receive from the minister further proof of his determination to improve the conditions I have mentioned and to deal frankly with any member of this House who has an honest determination to assist him in improving those conditions.

Mr. OLIVER: I desire to bring to the attention of the minister a memorandum transmitted to me by the hon. A. C. Rutherford, Director of National Service for northern Alberta. He encloses a copy of a report made by a gentleman in Edmonton who was appointed by a committee of citizens to make a report. It is in regard to the needs of the families of soldiers who have been either disabled or killed. It appears that there is found to exist a somewhat serious condition amongst those families, either by reason of the inadequacy of the pension or in its terms being inapplicable to the cases. I noticed in a newspaper a few days ago that a poor woman, whose husband had been killed and who has several children, had been brought

before a magistrate as being insane, and the decision was that her condition had resulted from lack of nutrition. The case was a very deplorable one and attracted a good deal of attention. I am afraid there are other cases, because this committee has been appointed, and this is a part of its report.

Sir EDWARD KEMP: That is in regard to pensions?

Mr. OLIVER: In regard to the condition of those dependents who would be entitled to pensions. May I take the liberty of reading the part that is material?

Sir EDWARD KEMP: Certainly. I have nothing, however, to do with pensions. That matter comes under the direction of the Minister of Finance. The Pension Board is under the Finance Department; but if my hon. friend desires to place anything upon Hansard, I will direct the attention of the Minister of Finance to it.

Mr. OLIVER: As this matter relates very intimately to the question of soldiers. I am sure the minister will take a sympathetic interest.

Sir EDWARD KEMP: Certainly.

Mr. OLIVER: The report says in part:

Firstly. I will deal with dependents who have been left with property on which there are unpaid balances or mortgages or other encumbrances. In every instance of cases of this class the correspondence shows quite clearly that the pensions being received are entirely inadequate to enable these people so situated to live, and to take care of the payments that are now and will in due course become due. It would appear, therefore, that we would be failing in our duty to those who have so nobly laid down their lives in the great cause for which our Empire is at war, if we, as a people, did not do all that was in our power to evolve some plan whereby these people could at least be protected against the very probable contingency of losing entirely what equity they possess in these several properties. I would suggest, therefore, that representations in regard to these cases be compiled and forwarded to the Government at Ottawa, together with a recommendation for their attention and assistance in financing, on the easiest terms possible, these people, until such time as they may be able to find an opportunity to dispose of the same in such manner as they will be able to obtain at least the amount of the equity that they possess therein.

Secondly. There are the cases of those who have no property interests, but who are dependent entirely for their subsistence on the moneys received as pensions from the Government. It is gleaned from the correspondence received that some are at present quite content with the present conditions. In the majority of cases, however, it is stated most emphatically that the amount of pension does not permit of the ordinary necessities of life even in the summer time, when, by reason of climatic conditions, less nourishment will suffice, produce is at its cheapest, and there is no need of warm clothing, light or fuel; but all express grave fears as to how they will be able to subsist when winter is here and there is fuel and other necessary comforts to be provided. In one or two instances, I find there are people who come under this class, but who are receiving some assistance, such as, for instance, being allowed to board with friends, and are, therefore, for the time being, comfortably cared for, but in no case of this kind is there assurance that assistance of this nature is likely to continue for any definite period.

In dealing with these cases under review it is evident that the health also has a great deal to do with the manner in which one can exist on the moneys so allowed. Then, again, you must consider the different temperaments of the people, as, while one may be content and happy with one standard of living, the same standard would not—by reason of health or otherwise—suffice for another, nor do I consider it right and proper that any widow or dependent who has made the greatest sacrifice that any human being can make in giving up their loved ones, should be asked to live in a lesser state of bodily and mental comfort than they were, at the time their loved ones enlisted, able to enjoy.

This is, I believe, a matter of sufficient importance to warrant a full, complete and immediate investigation on the part of our Government, and I would suggest, therefore, that you forward to Ottawa your request to that effect.

Thirdly. We were asked to consider the need of some provision being made for the children of soldiers who have by the loss of their father and mother become orphans, and in which case the allowance made by the Government is totally inadequate to clothe, feed, house and educate and in other ways care for them until they are fitted to take their place in the world as wage earners.

There are a few (I understand about 50) at present in this city and district, who come under this classification, and it would only be reasonable to assume that this number would in the near future be very materially increased.

These children should not become the objects of charity, but rather do I consider the Government should make some provision for them, either by paying to people in private homes and willing to undertake the work of rearing these children a sufficient remuneration for this duty—the children to be at all times under Government supervision—or to establish boarding-schools for this purpose.

Fourthly. Cases have been brought to our attention where Canadians have for some reason or other enlisted in the Imperial army, while their dependents have been for some time prior to the war and are still residents of this country. The pensions received from the Imperial Government represent a mere pittance as compared to the cost of living in this country. It would, therefore, appear only right and proper that our Government should make some provision for such cases as these, and any other special case that might from time to time arise.

That is the report made to the Committee of citizens by the gentleman whom they

appointed for the purpose. It was transmitted to me by the Director of National Service, and I thought it only proper that it should be drawn to the attention of the House.

Sir EDWARD KEMP: Was the whole report read by my honourable friend?

Mr. OLIVER: I read the material portions of it, leaving out the introductory matter.

Sir EDWARD KEMP: I know the Minister of Finance has the question of pensions under consideration, and I will draw his attention to this report to-morrow.

Mr. KYTE: In regard to the question of patronage, I desire to call the minister's attention to two or three other instances just to show how small and petty this matter has become in our part of the country. Two or three days after the war started, a few R. C. R. men from Halifax were sent to the Marconi station. They accidently procured the services of a Liberal teamster to carry them and their luggage from the railway station to the Marconi station, a distance of three miles. Within a week the Liberal teamster was informed at the railway station that they could not give him any more goods for the R. C. R. men, as the trucking had been handed over to a Conservative teamster. Shortly after the commencement of the war, about 90 men of the 94th Militia were stationed at the Marconi Towers. Liberal merchants applied to be allowed to tender for supplies, but were refused. Every dollar's worth of supplies that these men required was bought, not by tender, but from Conservative merchants on the recommendation of the dispenser of patronage down there.

Sir EDWARD KEMP: What date was that?

Mr. KYTE: In 1914. The same thing occurred in the construction of barracks for these men. Barracks were to be built at the Marconi station for the accommodation of the 94th. Public tenders were not asked for although the official stationed in Halifax having this work in charge, was asked to have the specifications forwarded to public offices in the county. A local Conservative was given the contract without public tender, and no Liberals could procure work. Men were brought from a distance by teams daily, while just as good workmen living alongside Marconi Towers were actually refused work on account of their politics. One old man, a Liberal in politics, with a sick wife to support, was given the contract to truck coal to the barracks from the town of Louisburg, three miles distant, at a rate of $1.25 per ton. Last November or December, this job was taken from him, and a man about 35 years of age eligible for overseas service was given the contract at a rate of $1.50 per ton.

I say that if there is any doubt in the mind of any hon. gentleman as to why recruiting is falling off, at all events in the province of Nova Scotia, these incidents should furnish the answer. The people are thoroughly disgusted with the manner in which employment in connection with the Militia Department has been secured, and consequently no enthusiasm can be found amongst the men, who realize that the question of winning the war—the question of the service of men in battle line—depends entirely upon the question of patronage and party and political pull. I repeat, if we are going to have a change, if a national government is to be formed it is up to the Minister of Militia and Defence to see to it that the causes for the grievances complained of in that part of the country are completely eradicated.

Sir EDWARD KEMP: My hon. friend said that this incident in connection with the furnishing of supplies for the men stationed at the Marconi Towers occurred in 1914. Now the War Purchasing Commission was not appointed until 1915. Since it commenced operations, I can say from personal knowledge that there has been no patronage in any shape or form in connection with supplies of any kind. I have no knowledge whatever of the incidents to which my hon. friend has referred.

Mr. MACDONALD: When two battalions were being recruited in my county in 1916, the patronage was at the disposal of the person who has confidence of the minister. Naturally I protested to the Minister of Militia of that day—I think it was to my hon. friend himself—that tenders should be called for. The commission had been in operation for some months at that time, and there was some suggestion that quartermasters were supposed to do this and that, but it made no difference.

When it came to a question of the doctors who were to examine the recruits, a carefully prepared list was made of the doctors in the town, and no man was allowed to examine recruits in my county unless he was on the list. There was only one Liberal doctor in that list and he was in an out of

the way part of the county where there was no other doctor. My hon. friend should not attempt to create the illusion that patronage is not in vogue, because it is, and it is connected with everything affecting his department. The men who have the patronage are consulted in all things, and every one who has had anything to do with recruiting knows it.

Sir EDWARD KEMP: My hon. friend knowns that the supplies for the troops in every province of the Dominion are purchased on tender. I do not know of the incident to which he refers but sometimes a regiment may be sent to a place suddenly without there having been sufficient time to get the tenders out, and for a week or so supplies may be purchased to feed the troops. There is a regular system of asking for tenders, and tendering, and that is the system which has been in vogue. There can be no possible question about it. The reports of the War Purchasing Commission are published. There are four volumes of them, and they have been placed upon the table of the House.

Headquarters and district staff, $205,500.

Mr. GRAHAM: The hon. minister told me the other night, in reference to two officers at Kingston, that there was a reduction of the staff. I have received information that some one has already been appointed in the place of one of those gentleman. Is my information correct?

Sir EDWARD KEMP: An officer of the Permanent Force has been detailed to fill one of the positions. He is on salary permanently, and there is no extra expense to the Government.

Mr. GRAHAM: Then, the work this other officer was doing must have been necessary?

Sir EDWARD KEMP: Yes, the work was necessary.

Mr. GRAHAM: What was the name of the officer who got the appointment?

Sir EDWARD KEMP: He did not get the appointment. He is on the permanent staff.

Mr. GRAHAM: What is his name?

Sir EDWARD KEMP: Colonel Maunsell.

Mr. GRAHAM: Where does he come from?

Sir EDWARD KEMP: He was formerly Director of Engineers' Service at headquarters staff in Ottawa. He came from New Brunswick originally. He is an old officer of the permanent staff.

Mr. MACDONALD: In the early part of the session a return was brought down which indicated that in 1911 there had been an increase in the permanent Civil Service in the Militia Department at Ottawa from 101 to 128, and in the temporary employees from 103 to 2,078; that altogether there had been 2,964 temporary Civil Service employees employed by the department since August 1, 1914; that the amount paid for salaries and expenses in the department had increased from $168,812.74 yearly to $1,454,361.14 yearly. I would like to know what portion of that amount was paid out of the regular military vote, and what portion of it was paid out of the war vote.

Sir EDWARD KEMP: All the temporary appointments are paid out of the war vote.

Mr. MACDONALD: What is the purpose of this vote we have before us?

Sir EDWARD KEMP: Those are the officers of the headquarters staff; it is not the same thing.

Mr. MACDONALD: On June 18 an order of this House was made for a return giving the number of people employed in connection with the military district of Nova Scotia. This was one of the returns I was very anxious the minister should bring down, but he has not done so. I would like to have his assurance that it will be brought down to-morrow.

Sir EDWARD KEMP: I thought it was amongst the returns I brought down.

Mr. MACDONALD: No.

Sir EDWARD KEMP: What is the title of it?

Mr. MACDONALD: On 18th June a question was asked which might have been answered. I complain of the minister's method in dealing with these things. Questions are asked, for instance, as to how many persons are employed at a certain place, and so on, and the minister says: "Stands as order for return." There is no reason why it should be so.

Sir EDWARD KEMP: When I brought these returns down yesterday, I asked the officer who has this matter in charge about them, and he told me that the one in respect to the officers at Halifax was nearly ready. Asking that a question stand for a return is not done with the idea of evading anything; it is because it takes so long to get the information, and the return is more or less voluminous. There is a tremendous

amount of work involved, and you cannot get those things from outside places in a very short time.

Mr. MACDONALD: There should be an official in the department who would keep track of the persons employed in each military district. I do not think it is a very difficult question to answer.

Sir EDWARD KEMP: The decentralization has affected it. I will bring it down as soon as possible.

Permanent force, $2,300,000.

Mr. MACDONALD: Will the minister be good enough to tell us how many persons are connected with the permanent force of Canada to-day and where they are located?

Sir EDWARD KEMP: There are 29 lieutenant-colonels, 30 majors, 73 captains, 152 lieutenants, 3 nursing sisters, 69 warrant officers, 292 staff sergeants, 296 sergeants, 167 corporals, and 1,745 privates, a total of 2,856.

Mr. A. K. MACLEAN: Where are those men located? What does "Permanent Force" mean now?

Sir EDWARD KEMP: It is the same permanent force. They have been recruited up to strength to take the place of those who have gone overseas.

Mr. A. K. MACLEAN: Where are they?

Sir EDWARD KEMP: They are doing garrison duty and instructional work at Halifax, Montreal, Esquimalt, Toronto, London and Kingston.

Mr. MACDONALD: With regard to the question of the friends of boys who are at the front desiring to get them home and desiring to get word of them, I do not think there is much good in going to the department. Would the minister be good enough to tell us if there is any way in which we can make application so that the matter can be dealt with speedily and effectively? Members of Parliament write to the department and we are told that the matter is not under the control of the department but that somebody overseas must be communicated with. Whom can we speedily apply to in a proper case?

Sir EDWARD KEMP: I have no objection if the hon. gentleman will write to the minister. I get hundreds of letters every day regarding these matters. Letters from members of the House receive my personal attention as far as possible. There are rules by which we are guided in respect to the matter. It is very difficult to get any one back from the front. I have a staff who attend to all the requests that are made in a very courteous and efficient way. No matter who makes the request no matter from whom it comes, a reply is sent.

Mr. MACDONALD: I have no complaint to make but I am pointing out that we write to the minister and the minister writes to us that what we ask will be a difficult thing to accomplish. Is there any reason why a member of Parliament should not write to somebody on the other side in regard to a matter of this kind?

Sir EDWARD KEMP: If a letter is sent to the responsible minister, Sir George Perley, London, he will see that it gets every attention and that it reaches the proper official. Or, if a letter is sent through the department there it will receive attention. I fancy that most of these inquiries come to the department.

Mr. MACDONALD: In case of injury or death the friends apply to a member of Parliament and it would be an advantage if the member could communicate direct with somebody overseas without going through the roundabout process of first applying to the department here. Is there anybody that we could cable? A friend of mine had a boy killed, he wrote to me and I wrote to the department. I have no complaint to make of the department beyond the fact that the red tape of communicating with the department and through the department with the other side means a loss of time. Naturally, the friends who have been bereaved, or whose boys have been wounded, would like to have things done more expeditiously. Why should not we as members of Parliament know somebody over there to whom we could cable if necessary, or to whom the friends of the dead or wounded could cable, for some definite information. Because, when a boy is wounded, his friends do not know what his condition is and moments seem like hours, days and years. Could not the minister arrange that we could communicate with somebody over there?

Sir EDWARD KEMP: When matters are sufficiently urgent, and when it is not thought desirable to communicate by ordinary letter, cables are sent making inquiries either through the records branch or the adjutant's branch or direct from my own office through my own private secretary.

11 p.m.

Mr. MACDONALD: A boy is wounded and his parents get the stereotyped advice from the department that so-and-so is wounded. Amongst the multitude of men that we are paying for in connection with this matter, both here and on the other side, is there not somebody whose business it would be to give advice in a particular case where a boy is missing or is wounded and his friends at home are unable to tell what has become of him or where he is? I wish the minister would arrange something of that kind.

Sir EDWARD KEMP: I would think that the deputy minister over there, Colonel Walter Gow, would attend to any request of that kind.

Mr. MACDONALD: If the minister would take some steps to have this done it would be a very great convenience.

Sir EDWARD KEMP: I will take the matter up and see that an understanding is arrived at that any one cabling shall receive every consideration in that regard.

Royal Military College, $185,000.

Mr. MACDONALD: I am glad to see that the minister has increased the vote for the college this year. I think every Canadian ought to be proud of the splendid work that is being done by the college and of the boys who have gone from the college to the war. There is an extra amount of $25,000 proposed. Would the minister explain how it is proposed to expend this money?

Sir EDWARD KEMP: This is to provide for the extra cost of clothing and supplies largely for the cadets.

Mr. GRAHAM: How many cadets are there?

Sir EDWARD KEMP: There are twenty extra to provide for this year.

Salaries and wages, $250,000.

Mr. MACDONALD: What number of men are employed under this vote?

Sir EDWARD KEMP: I have all the names here, covering a good many pages, but it has not been totalled up. Possibly the number would be about 400.

Mr. A. K. MACLEAN: What is meant by "boat crews, Halifax"?

Sir EDWARD KEMP: That is for the water transport, salaries and wages. I have a list of the names here and the wages. There are pilots, a caretaker, chief engineers, assistant engineer, boatmen, store accountant, master lighter, deck hands, stokers and messengers. The total amount is $19,978.75.

Mr. A. K. MACLEAN: It is for the services of men in connection with steamers for use for military purpose in the harbour, doing patrol work?

Sir EDWARD KEMP: And carrying provisions and troops to McNab's Island, etc.

Schools of instruction, $150,000.

Mr. MACDONALD: What is this for?

Sir EDWARD KEMP: The transportation of officers who have to be gazetted for the Canadian militia previous to appointment to the Expeditionary Force is charged to this vote because they must belong to the Militia Department before joining the Expeditionary Force.

Survey, $40,000.

Mr. A. K. MACLEAN: Is this amount likely to be expended this year?

Sir EDWARD KEMP: Yes, the survey work is going on all the time. The staff and plant are there. We have a very efficient staff for work.

Transport and freight, $50,000.

Mr. GRAHAM: Am I right in supposing the reduction in that amount is on account of there being no training camp?

Sir EDWARD KEMP: Yes, and the work is going on in connection with the militia.

Mr. MACDONALD: Why do you want a vote of $50,000 to transport the active militia? Would that not come out of the war fund?

Sir EDWARD KEMP: I have the details here. There are various items for the transport and travelling expenses of the permanent force, attending schools of instruction, and so on.

Mr. MACDONALD: You have no active militia now to transport. It is the Canadian Expeditionary Force that is instructed and not the active militiamen.

Sir EDWARD KEMP: They must be qualified as officers of the active militia before they are made officers of the Canadian Expeditionary Force.

Mr. MACDONALD: I know of a case in which the commanding officer of militia has had his recommendations turned down with regard to boys who wanted to go to the Schools of Instruction. That occurred in connection with my own regiment in my own county, where the major had made recommendations and they were disre-

garded, and the recommendation of the man who had the patronage, who never took the slightest interest in the militia in his life, and never had anything to do with it, was acted upon. Nobody could be permitted to go, or get his instruction, unless he was recommended by the man who had the patronage in my county. I hope that practice will be stopped. I know it of my own knowledge, or I would not say it. I hope the minister will keep that in view.

Sir EDWARD KEMP: That is something which had not been drawn to my attention, nor to the attention of my colleagues.

Mr. MACDONALD: Competent commanding officers, who have a thorough training in regard to regimental matters, are told that their recommendations must be disregarded and the recommendation of the man who never took any interest in military matters is acted upon.

Sir EDWARD KEMP: I am sure that does not prevail through other parts of the country, or anything approaching it.

Training areas and lands for military purposes, $200,000.

Mr. GRAHAM: Is that to buy new land?

Sir EDWARD KEMP: These estimates were made some time ago. It is not at all likely that we shall need the whole of this vote, and there is no intention to spend it all. It is to settle some outstanding claims in connection with Valcartier and Petawawa camps, which are now before the Exchequer Court.

Mr. MACDONALD: What was General Gwatkin's rank prior to his being appointed General Officer Commanding?

Sir EDWARD KEMP: He was an officer in the British army.

Mr. MACDONALD: What corps was he attached to?

Sir EDWARD KEMP: He was Director of Training under General McKenzie.

Mr. MACDONALD: Was he made a General by my hon. friend's predecessor?

Sir EDWARD KEMP: I am informed that he was.

Mr. MACDONALD: He was not made a General by any British authority?

Sir EDWARD KEMP: I understand that he is not a General in the British army.

Mr. GRAHAM: The 156th Battalion was broken up the day after it got to England, but it was reorganized some weeks afterwards. I rather suspected that the reason for its reorganization was the fact that the Minister of Finance was over there at the time; the battalion partially comes from his county. That battalion was organized in Leeds and Grenville county, and an officer, Lt.-Col. Bedell, was brought back from overseas to take charge. That battalion is now reorganized, but Lt.-Col. Bedell is not with it. It has a new commanding officer, Lt.-Col. Graham, I think, formerly of London. Nearly all the officers who went over with the battalion have been disposed of otherwise. Of course, there is considerable comment with regard to this on the part of persons who assisted in raising that battalion; in fact I myself had something to do with it.

Sir EDWARD KEMP: Is the regiment intact?

Mr. GRAHAM: I think so. It is being used as a depot battalion; they draft men from it occasionally. It is attached to the Fifth Division, a portion of which is in England. Could the minister furnish me with information as to why nearly all the officers who went over with this battalion have been attached to other units and new officers placed in charge?

Sir EDWARD KEMP: I shall get the history of the whole thing for my hon. friend and send it to him.

Civil Government—Department of Militia and Defence, salaries, including H. M. Garrison at $1,850, $187,700; contingencies, $19,500.

Mr. MACDONALD: Who are the two officers in the First Division, subdivision A?

Sir EDWARD KEMP: Mr. Beard, in charge of the Records Branch, and Mr. Lemieux, Superintendent of Stationery and Printing.

Mr. MACDONALD: Where were they before?

Sir EDWARD KEMP: Mr. Lemieux is a very old employee of the department; he has seen 27 years service. The material over which he has control amounts in value to $1,500,000; before the war it amounted to only $100,000. He is an excellent official. Mr. Beard has under him about 630 clerks. The Records Office is in the building on the corner of Elgin and Slater streets. I invite any hon. gentleman who would like to see for himself how these records are kept to step in there when the staff is at work. Mr. Beard is an excellent officer; he has

been very much overworked since the war began.

Mr. MACDONALD: What is the position held by Major Margeson?

Sir EDWARD KEMP: He is on a Board of Review in the Assigned Pay and Separation Allowance Branch, associated with another officer. The duties of these officers are to investigate claims of an unusual or irregular character, which, in a sense, may not be covered by the different orders in council that have been passed with respect to separation allowance. Both these officers, I believe, are returned soldiers.

Mr. MACDONALD: I would like to have the assurance of the minister that he will bring down that return in reference to Halifax.

Sir EDWARD KEMP: I will see that it is brought down.

Mr. MACDONALD: Has the minister had any word from Sir George Perley since this afternoon in regard to the Bruce report? Or has he reconsidered the question and decided to bring it down?

Sir EDWARD KEMP: The cable was sent. I have not had any conversation with the Prime Minister since.

Mr. GRAHAM: The minister does not need to send for the information. He has it; it is the Prime Minister who has not the information. As we have put through these estimates so expeditiously, if anything in reference to war expenditure should occur to the minds of any hon. members, I assume that on the supplementary estimates we shall be at liberty to discuss such matters?

Sir EDWARD KEMP: Certainly.

Progress reported.

On motion of Sir Edward Kemp, the House adjourned at 11.40 p.m.

Thursday, August 2, 1917.

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

SPECIAL COMMISSION ON RAILWAYS.

Sir ROBERT BORDEN (Prime Minister): I beg to lay upon the Table a return to an Order of the House moved for by the right hon. leader of the Opposition (Sir Wilfrid Laurier) with regard to correspondence exchanged between the Board of Trade of the city of Quebec and the Prime Minister on the subject of the report of the Special Commission on Railways.

THE CANADIAN RAILWAY SITUATION.

FINANCIAL STATEMENTS OF G. T. P. AND C. N. R. PRESENTED BY THE MINISTER OF FINANCE.

Hon. Sir THOMAS WHITE (Minister of Finance): In connection with the resolutions relating to the Canadian Northern Railway Company and the Grand Trunk Pacific Railway Company, of which I gave notice yesterday and which appear in the Votes and Proceedings, I beg to lay on the Table, for the information of the House, the following financial statements:

In the matter of the Canadian Northern Railway system:

Balance sheet, June 30, 1916.

Statement of securities issued and fixed charges, June 30, 1917.

Statement of liabilities, June 15, 1917.

Statement of equipment account.

List of securities for loans.

Gross and net earnings, June 30, 1917.

Comparison of earnings, 1915, 1916 and 1917.

Statement re capital expenditure and betterments, year ending June 30, 1917.

Statement as to mileage.

In the matter of the Grand Trunk Pacific Railway system:

Statement showing bonds and other securities authorized, issued and outstanding, and the net proceeds therefrom; also interest payable during the period from July 1, 1917, to June 30, 1918.

Statement showing details of estimated cash requirements for the period from July 1, 1917, to June 30, 1918; the estimated surplus from the operation of the system and the net amount of aid required for the coming year.

I beg to move that these documents be printed, and that, for this purpose, Rule 74 be suspended in relation thereto.

Mr. PUGSLEY: Does the minister intend to lay on the Table any correspondence with the Canadian Northern Railway company which has led up to the proposal which he has submitted to the House?

Sir THOMAS WHITE: There is no correspondence; the matter has been taken up by personal interview. The documents which I have laid on the table of the House have been given me by the Secretary of the Canadian Northern railway and the Vice-president of the Grand Trunk Pacific Railway company respectively.

Mr. GERMAN: Does the minister know whether these statements differ in any material particular from the statements found in the report of the Royal Commission? In that report these matters are gone into very fully.

Sir THOMAS WHITE: These are statements presented by the company and certified by the auditors of the company. Whether they differ in detail, or the extent to which they differ in detail, I am not prepared at this moment to say. They are, however, official statements of the company which I lay before Parliament as such in order that they may be printed for the information of the members.

Sir WILFRID LAURIER: Yesterday my hon. friend said that the Government had information that the pledgees of certain stock of the company would adopt the suggestion involved in the resolutions. Is my hon. friend prepared to lay that information on the Table?

Sir THOMAS WHITE: There are no further written documents than those which I have laid on the Table. I stated to the House a moment ago that these negotiations have been carried on between officials of the two companies and members of the Government. I said yesterday that the owners and pledgees of the stock would, I was confident, be prepared to enter into the agreement referred to in the resolutions.

Sir WILFRID LAURIER: All this was verbal?

Sir THOMAS WHITE: All our negotiations have been oral.

Motion agreed to.

FORBIDDEN CIRCULATION IN CANADA.

REPORT OF SURGEON GENERAL FOTHERINGHAM AS TO STATEMENTS IN "THE FIDDLERS."

Right Hon. Sir ROBERT BORDEN: I should like to convey to the House the report of Surgeon-General J. T. Fotheringham with regard to a matter which has led to inquiry in the House, that is, the circulation in Canada of a book called "The Fiddlers." Cablegrams have been despatched to Great Britain for further information. No replies have as yet been received, but in the meantime I thought it desirable that the report of Surgeon-General Fotheringham to the Minister of Militia and Defence should be presented to Parliament for the information of hon. members.

Sir Robert Borden read this report:

Memorandum.

Department of Militia and Defence.

Ottawa, 30th July, 1917.

The Honourable the Minister,
Dept. of Militia and Defence.

Reference to Canada and Canadian troops in "The Fiddlers."

Sir,—I have the honour, in reply to your submission to me of pamphlet marginally noted and of certain attached communications, to submit the following for your consideration:

1. The pamphlet is, apparently, meant to attract attention to alleged shortcomings on the part of the British Government in the matter of temperance legislation, and would appear to affect Canada only in so far as Canadian troops are held up therein as horrible examples of the result of certain alleged failures on the part of the British Government.

2. Without being meant as an attack on Canadian authorities or Canadian troops its statements reflect very seriously upon the morals and military efficiency of Canadian troops. It is suggested, please, that if allowed to reach the Canadian public these statements should be accompanied by a full and definite refutation in the public interest.

Harm has already been done by similar irresponsible and exaggerated statements from other sources. Alarm and anxiety have been aroused in some quarters in Canada altogether out of proportion to what the facts of the case would warrant, and such ill results could not fail to follow upon the publication of the pamphlet in question unless it were accompanied by a statement of the truth, which is altogether different from the picture presented in the pamphlet in question.

3. Statements occur in the pamphlet reflecting on the Canadian troops as to (a) alcoholism, (b) venereal disease. These are all grossly exaggerated and overdrawn. The general impression left upon a reader could not fail to be erroneous. The picture is entirely contrary to my own observation and experience during two years of daily contact with all ranks, for six months in England and for eighteen months on our western front.

A.—As Regards Drink:

It is a gross libel on the men and a great unkindness to their relatives at home to set forth isolated examples (which are not now called in question) without stating percentage and numbers of troops involved and showing the real prevalence of the conditions charged.

(a) It is equally unfair to quote as representative of present conditions the state of affairs at the outset of the war, and particularly at Salisbury Plain,—if for no other reason than that the majority of the First Contingent were British born and left but few relatives in Canada.

(b) Positive evidence to the contrary may be quoted as follows:

Major General John Hughes in reporting on the 28th June, 1917, to the Adjutant General, Ottawa, upon the subject of his visits and inspections made during the month of May last in England and France states as follows:

"I asked for the crime sheets of the last month in every camp and was pleased to find that for drunkenness there was less than one case per thousand men per week, and this was

not in any one camp alone but the average of all camps in England."

This statement applies for the month of April, 1917.

Major General S. B. Steele, C.B., M.V.O., general officer commanding troops, Shorncliffe, on the 3rd May, 1917, reports as follows to the general officer commanding Canadian overseas military forces, London:

"With an average occupation strength of 20,000 troops, both Imperial and Canadian, the cases of drunkenness work out an average of three per thousand per week. This average has during the past year or more neither increased nor decreased, although at times there have been from 40,000 to 50,000 troops in the Shorncliffe area."

These figures, it will be noted, apply to a period of more than a year.

Col. C. A. Smart, officer commanding Canadians, Shorncliffe, reports on the 1st May, 1917, for the Shorncliffe area as follows:

"Average daily strength, including all hospitals, for the month of April	31,296
Average daily occupation strength for the month of April	19,748
Total number of cases of drunkenness for the month of April	74
Percentage of cases against total strength	.0023
Percentage of cases against occupation strength	.0038"

You will note from the above that the actual percentage of cases for one month is less than one-half of one per cent on the actual occupation strength, and I am sure that you will agree that this is a particularly gratifying state of affairs.

General Steele also informs me that Colonel Burns-Bogg, the town commandant, Folkestone, has expressed to him his admiration for the splendid behaviour of the Canadian troops in this area and he considers that it is not excelled in any other part of Great Britain.

(c) It should be noted that cases of drunkenness, few as they are, are to be charged, not against the camp canteens but against licensed places outside the camp lines and under civil control. These, of course, are placed out of bounds by the military authorities whenever they appear to be the occasion of disorder among the troops. The camp canteens supply only beer and being under strict military control with very severe limitation of the hours of sale are, in my judgment, a safeguard instead of a menace in areas where licensed houses not under military control exist to which the troops may go from camp. I may add that this is the practically unanimous opinion at the front.

(d) The rum ration at the front.

Reference is made in the pamphlet to this topic. It is true that with the best of control unfortunate incidents will occasionally occur due to pilfering from the battalion issue of rum before it reaches the men in the trenches. This is, from my experience at the front, a very rare occurrence. The restrictions surrounding the issue are such that ill effects are practically controlled, and, speaking as A.D.M.S. of a division at the front, it is my conviction that during the six months at least of bad weather it is necessary for the efficiency of the men that rum be available for special issue on occasions considered by commanding officers to justify it. These requests from commanding officers go to brigade headquarters and are by them submitted for approval or otherwise to the A.D.M.S. of the division, upon which approval the supply officer is authorized by divisional headquarters to make the issue. It is not issued to all ranks but to those bodies of men who are in special need. For instance a Divisional Ammunition Column or a supply train are not issued with rum on the same conditions as apply in the case of an infantry or particularly a pioneer battalion who have been all night at work in the rain and mud. In no case is the issue a matter of routine. It should also be stated that the regulations as they now exist are the result of two years' experience and are much more stringent as well as better observed than was the case in the earlier months of the war.

(e) Figures from Britain showing the number of arrests for drunkenness, also number of troops concerned, have been cabled for.

(f) It may be noted as additional general evidence of the good conduct of the Canadian troops in England that on May 29, 1917, Major General G. B. Hughes, General Officer Commanding 5th Division, wrote as follows to Major General Sir Richard Turner, V.C., K.C.M. G., D.S.O., General Officer Commanding Canadian Forces in Britain:

My dear General:—

I am anxious to inform you that this division held a sporting meeting in Godalming on the 24th of May, at which there were present between eight and ten thousand men of the Division, as well as a large number of the people of Godalming.

There was not a single case of drunkenness or disorder of any kind reported either by the military police or the civil police of Godalming, or any of the other villages on that occasion.

Yours faithfully,

(Sgd.) G. B. Hughes."

(g) Insanity.

The pamphlet in question contains on page 45 the following statement:

"A doctor from a Canadian Hospital said a large percentage of their troops had had to be sent back to Canada rendered permanently insane through the action of alcohol. Facts in 'Daily' News, Oct. 31, 1916."

This statement gives one a fair idea of the credibility of the pamphlet as a whole. I can of my own knowledge give it an absolute denial. Only a small number of Canadian troops have been returned insane. The vast majority have recovered or will do so, and alcohol has played a part in only a small number of cases. The Military Hospitals Commission reports on July 31 as follows:—

An analysis of fifty cases at the Ontario Military Hospital at Cobourg dated February 1, 1917, shows that in only two cases does alcohol appear as the apparently dominant factor although there are in all thirteen in which alcoholism figures as an important factor either in precipitating or modifying the condition, in addition to other more predominant abnormal, primary conditions. The total number of cases so far returned to Canada, as shown by the records of the M.H.C is only 222. It will be borne in mind that the total number of recruits enlisted is 406,209 to March 31, 1917.

The following comments are made by the Medical Superintendent of the Military Hospitals Commission:—

"Eleven of these were heavy drinkers, but the condition was directly due to alcohol in only five of the eleven. In the other six of the eleven, the mental condition itself was probably responsible for drinking.

The total roll of returned insane men is not yet complete, insanity, feeble mindedness and specific diseases of the nervous system taken together, but not including epilepsy make up about 2 per cent of all returned invalids. Relatively speaking, of the returned soldiers suffering from nervous or mental disability there are very few cases traceable directly to alcoholism.

Faithfully yours,

(Sgd.) Alfred Thompson."

It may be assumed that less than 300 cases of insanity have been returned so far to Canada since the beginning of the war.

B.—Venereal Disease.

(a) While it is true that no one cause contributes more strongly to venereal disease than indulgence in drink, the statements made with regard to the prevalence of venereal disease in the Canadian troops which are used to bolster up the general charges made against the liquor trade in Great Britain are all characterized by the same gross overstatement and unfair use of figures. For instance, on page 47 a quotation is given from a speech given by Col. Sir Hamar Greenwood in Parliament on April 23, 1917, to the effect that in fourteen months 7,000 Canadians had undergone treatment for venereal disease from one of the three Canadian camps in Britain. This statement appears in another form on another page of the pamphlet as follows: "The Government has given us figures for the army at home last year and they are 43 per 1,000. There are 7,000 cases in one Canadian camp alone." It will be noticed that the length of time, fourteen months, in which the alleged number of cases occur, is omitted, and that no statement is made as to the number of thousands of Canadian troops which had passed through that camp in the course of fourteen months without venereal disease. It is regretted that accurate figures as to the incidence of venereal disease among Candians in Britain and France are not available in Canada, but, speaking generally, they are about the same for Canadian troops in England and France as in Canada. For instance in the month of January, 1917, the percentage due to venereal disease of the total sickness among the troops in Canada was 1.8 which is as high as in England.

(b) The situation in Canada may be stated as follows:—

Total number of recruits C.E.F. to March 31, 1917	406,209
Total cases venereal disease admitted in Canada in same period	10,232
Percentage of venereal disease cases to number of recruits	2.5

That is in every 1,000 recruits enlisted 25 developed venereal disease in nearly three years, or about 8 per annum.

From these figures it is fair to conclude as follows:—

In civil life the 1,000 recruits may be said to represent a population of about 4,000 made up as follows:—

Unmarried men	500
Married men	500
Wives	500
Children, 5 per family	2,500
Total	4 000

A civil population of 4,000, if incidence of venereal disease were the same as for the 1,000 men in the C.E.F. which is taken as the unit, would then have 8 cases of venereal disease in the year, or twenty-five in three years period. There is no doubt that the actual incidence in civil life, particularly in villages, towns or cities is far in excess of these figures, although no figures from civil sources are available, the disease not being registerable under civil authority.

4. It is submitted, please, that the above criticisms on the character of the pamphlet in question are fair and represent the general unreliability of the pamphlet as a whole. If I may be permitted to express an opinion based upon my personal knowledge of the situation among the Canadian troops in France and Britain as regards alcoholism and venereal disease it would be that the circulation of statements such as fill the pamphlet in question, among the people of Canada is most undesirable, and should be prevented by any measures open to the authorities, having regard to the interests both of the troops themselves and of the Canadian public.

I have the honour to be, sir,

Your obedient servant,

(Sdg.) J. T. Fotheringham,

Surgeon-General,

D.M.S. Invalids.

Reference is made in this report to certain information in respect of which inquiry has been made in Great Britain. In addition to that, other messages bearing on the subject have been despatched, to which no reply has yet been received. The replies will be expedited as much as possible, and when they are received a further statement on the subject will be made.

PAPERS PRESENTED.

Copies of orders in council referring to officers reverting to lower rank in order to proceed to the front.—Sir Edward Kemp.

QUESTIONS.

(Questions answered orally are indicated by asterisks).

MR. G. A. DILLON.

* Mr. DELISLE:

1. Is Mr. G. A. Dillon an employee of the Government?
2. If so, since what date has he been employed?
3. What salary does he receive and what are his duties?
4. Did he pass a Civil Service Examination?

Mr. DOHERTY:

1. Yes.
2. January 4, 1912.

3. Salary, $3,200. His duties are to purchase supplies for all the Canadian penitentiaries. Major Dillon is also acting as supply officer for the internment operations and receives for his services as such, under an order in council, the pay attached to the rank of captain in the Canadian militia.

4. As an officer of the Outside Service, he is not subject to examination by the Civil Service Commission.

THE BOAT WILFRID C.

Mr. COPP:

1. Has the boat Wilfrid C. been purchased by the Government?
2. If so, from whom was said boat purchased, when was said purchase made, and what was paid?
3. If said purchase has been made, what use is to be made of said boat by the Government?
4. Has the Government purchased provisions for said boat?
5. If so, from whom were said provisions purchased, and of what do they consist?

Mr. HAZEN:

Yes.

The Shepody Navigation Company, Limited, 21st July, 1917; $7,000.

Used in connection with the naval defence of Halifax harbour.

It will probably be necessary to purchase a small quantity of provisions for the use of the crew of this vessel on the voyage from Moncton to Halifax. As the vessel was only purchased a few days ago, sufficient time has not elapsed for a report on the subject to be received in the department. Any such transactions will be of small value, however, as the victualling will be done through the usual channels once the ship reaches Halifax.

MENTIONED IN DESPATCHES.

Mr. WALLACE:

1. How many officers have been "Mentioned in Despatches" who have not left Canada?
2. What are the names of such officers?
3. By whom were such officers recommended?
4. Is the term, "Mentioned in Despatches", used exclusively for valour on the field of battle, or is it also used for those performing office work or other duties in Canada?

Sir EDWARD KEMP:

1. None.
2. Answered by No. 1.
3. Answered by No. 1.
4. The term " Mentioned in Despatches " is reserved for service in the field.

J. P. JAFFRAY.

Mr. PROULX:

1. What position is filled by one J. P. Jaffray, former editor of the Galt Reporter, in the Department of the Interior?

[Mr. Doherty.]

2. Where is he stationed and what are his duties?
3. Is the Government aware as to whether or not this man is engaged in writing political articles as well as performing his other duties?
4. If not, will the Government make an inquiry?

Mr. ROCHE:

1. Canadian Government immigration agent.

2. Philadelphia, Pa., U.S.A. Encouraging immigration to Canada of farmers, farm labourers and female domestic servants and examining ocean port arrivals at Philadelphia destined to Canada.

3. No information on this point.

4. Yes.

CANADIAN ARMY BOOTS.

On the Orders of the Day:

Mr. W. M. GERMAN: I desire to call the attention of the Government to an extract from the London Times of June 24th, published in the Winnipeg Evening Tribune of Friday last, as I think it is in the public interest for me to do so. The extract reads:

Remarkable allegations of the waste of public money were made at the Stratford Police Court yesterday, when a dealer named Samuel Schneiderman, of Broadway, Barking, was summoned for being in possession of thirteen pairs of Canadian military boots.

On June 5, Sergeant Mitchell of the Canadian military police, went to defendant's premises and saw a number of boots bearing the stamp of the Canadian military authorities, but not the condemnation stamp. The police were called in, and defendant said he bought them with others from a Mr. Jacobs, Sandy Row, London. Mr. Jacobs was seen. He said he had sold boots to defendant, and they were part of large quantities bought from Government auctioneers.

For the defence, Jacobs yesterday said he bought thousands of pairs of boots through Bacon's auctioneers to the Government. Those produced were part of consignments obtained in this way. He paid sometimes as little as 7d. a pair for boots, sometimes as much as 2s. Those produced he bought at 1s. 4d.

The Chairman: No wonder the expenditure of the country goes up.

The Bench dismissed the case, but stated that, in view of the evidence it was a matter that the authorities should go into.

Now the matter has been brought to their attention, will the Government have this glaring case of extravagance investigated?

Sir EDWARD KEMP: A despatch somewhat similar to this was sent out to Canada and published in the Canadian press early in June. When I saw it, I cabled to the proper officials in London to ascertain the facts. The reply I received was that these were worn-out boots that were of no use for military purposes.

Mr. GERMAN: They were not marked as condemned boots?

Sir EDWARD KEMP: They were condemned boots. They had been discarded as not fit for the soldiers to wear any longer. The condemned mark may not have been on them.

WOMEN MUNITION WORKERS IN TORONTO.

On the Orders of the Day:

Mr. GEORGE W. KYTE (Richmond): I desire to call the attention of the Minister of Labour to the following article which appeared in the Toronto Daily Star of July 27th:

"They are killing us off as fast as they are killing the men in the trenches", declared the spokeswoman of a deputation of women munition workers who came into The Star Office yerterday morning. "We are working six days a week from seven till seven and on Sundays from seven till four, and now they want us to work fourteen hours a day by coming back three nights a week to work two extra hours. We just have half an hour for lunch and half an hour for supper."

There were seven of them and they had just been dismissed from a munition factory in which they had most of them been working for over a year, because they refused to work on the fourteen-hour shift. Two wore the six months' munition workers' badge, and one wore the munition workers' good service medal as well. Two had husbands at the front and one had lost a brother in the trenches, while three other brothers were on active service.

Skin Off Hands.

" Look at our hands" cried one black-eyed maiden, thrusting out hands blackened with oil and machinery and from which the skin had peeled in big patches. They were all saturated with oil, and told of removing oil-soaked garments at night to replace them in the morning because they had no time for laundry work.

"One of the girls was too sick to come with us", they said, "She has been working five nights night work and is just dying on her feet. The oil has got into her system."

"We refused to work the fourteen hours yesterday, and when we went in this morning we were told we could go. We are going to see the Mayor about it."

The deputation then went up to the Mayor's office, but he was not in and they were referred to the Imperial Munitions Board. Sir Joseph Flavelle was in Ottawa, and Mrs. Fenton, Supervisor of Female Labour in munitions factories, was out of town. Mr. Mark Irish, to whom the deputation was then referred, had not time to-day to make public the result of the interview.

One Dropped Dead.

"There was one of us dropped dead on the street car the other day", said one of the deputation, "Though they put it down to heart trouble. And I know another who was so tired and dizzy that when she was going home from work she fell off the car and died later. And another the same way that walked right in front of a car and was so badly hurt that she is disfigured for life. I tell you we can't stand it."

I would like to ask the minister if his attention has been called to the conditions of women workers in munition factories in Toronto as described in this article, and if steps have been taken to ameliorate these conditions.

Hon. T. W. CROTHERS (Minister of Labour): I have no information as to any such conditions as those read by my hon. friend. I may add I do not believe they exist. It will have been noticed by hon. members that the statements are very general in character. If my hon. friend will get some particulars, and the names of employers in Toronto who are said to have treated their employees as set forth in what my hon. friend has read, I would be very glad to inquire into the matter.

Mr. KYTE: Was the Minister of Labour aware before to-day of the publication of this article?

Mr. CROTHERS: No, I was not.

Mr. KYTE: Does the minister think it is the duty to institute some inquiry without waiting for me to make a charge?

Mr. SPEAKER: Order. The subject is not now open for debate.

COAL SUPPLY IN THE MARITIME PROVINCES.

On the Orders of the Day:

Hon. WILLIAM PUGSLEY (St. John): I would like to ask the Government in regard to the transportation of coal to the Maritime Provinces, which is a matter of very grave importance. I have in mind more particularly the port of St. John, where there is very serious anxiety with regard to the anthracite coal supply for the coming winter. As my right hon. friend the Minister of Trade and Commerce knows, anthracite coal is brought from the United States. I may tell him it is only worth about $6 per ton in New York, whereas the price in St. John is about $15 per ton. It is alleged this high price is due to the great cost of transportation. Within the last few days the announcement was made that the Government has offered to place certain steamers at the disposal of, I presume, the municipal authorities or those engaged in the coal trade, for the purpose of transporting coal from the mines to the city of St. John. The question is of such great importance that I think a definite statement should be made, and I would ask my right hon. friend, the Minister of Trade and Commerce, if he will inform the House as to what arrangements, if any, have been

made; what steamers have been placed at the disposal of the authorities; and what are the rates of freight?

Sir GEORGE FOSTER: As my hon. friend knows a Fuel Controller has been appointed and he has been at work on the coal problem for the last three weeks or more. He has been given Dominion-wide authority and scope, and has been making, and is continuing to make, all the proper inquiries with reference, first, to the possibility of obtaining the supply of coal that is necessary. I am speaking of anthracite coal at the moment, but his authority also extends to soft or bituminous coal. He is making inquiry as to the quantity which will probably be produced in Canada for home consumption, and, consequently, as to the quantity which will be required in order that normal and legitimate demands may be met. He has visited Washington, and other points in the United States, has been in communication with the responsible authorities there, and is assured, as I know, of co-operation in so far as they are concerned. He has appointed an agent in the United States to act under him, whose duty it is to report upon the supplies of coal, at what points those supplies are available, the prices at which they can be obtained, and as to transportation facilities from the points of production to the Canadian border. At the present time this gentleman is visiting the important centres in Canada with the Food Controller, and having conferences with municipal authorities and coal suppliers. He is gathering all possible information with regard to the quantities required, and the methods of transport.

Other steps are being taken in Canada to provide for the transport of coal brought in from the United States, after it reaches the border, and to provide for its distribution in Canada. To that end the Fuel Controller is in conference with the chairman of the Board of Railway Commissioners, and with the different railway companies. I understand arrangements have been made looking toward the timely and efficient distribution of the coal after it reaches the border. So much with reference to the general situation.

The anthracite situation in Halifax and St. John is, as my hon. friend has said, somewhat different, because it is practically impossible to bring coal in there by rail, and the ordinary way hitherto has been by boat. At the present time facilities for water carriage are very scarce, and very difficult to obtain. It is true that the disparity of cost as regards St. John and Halifax is I think mainly due, not so much to different prices at the points of production, although in obtaining coal from independent companies in New York there is a difference in the prices paid as compared with prices at the point of production where the coal is taken up by the railway companies.

The matter of freight comes in there. Rates are very high. Schooners and small vessels which take lumber from St. John and which hold themselves open to bring back freight, have their own rates of charges and they are, I understand, very high. How to obtain the necessary transport is a difficult question. The fuel controller has appointed an aide in St. John and another in Halifax. The gentleman in St. John is Mr. Frink and he with committees, is working upon the problem there. I am not aware that the Government have any steamers that can be placed at the disposal of parties in St. John and Halifax for the carriage of this coal. I would be inclined to think that they have not. It is also difficult for the Government to obtain vessels for that purpose. In the main, the transport will have to be arranged, I think, by the parties interested in obtaining coal, aided as far as they possibly can be, by the fuel controller and such agents as he is working in co-operation with. I have not seen the fuel controller for the last two or three days. but I have given my hon. friend such information as I obtained at my last interview with him.

Mr. PUGSLEY: I thank my right hon. friend the Minister of Trade and Commerce for the information which he has given to the House but there is just one point in regard to it that I would like to refer to. I would like if he had conferred with the Minister of Marine and Fisheries (Mr. Hazen), who is not now in his place, because the statement has been made positively in the newspapers in St. John that the Government, through the Minister of Marine and Fisheries, has arranged for vessels. It has possibly not come to the attention of my right hon. friend. It will be a great disappointment to the people of St. John to read the remarks of the Minister of Trade and Commerce. I hope that he will be able, after seeing the Minister of Marine and Fisheries, to give some more encouraging information as to the Government providing steamers for the transportation of coal.

Sir GEORGE FOSTER: I will take the matter up with the Minister of Marine and

Fisheries and if there is any additional information I will give it to the House.

Mr. MURPHY: The minister announced that the Fuel Controller had secured an assistant in the United States but he did not mention who he was?

Sir GEORGE FOSTER: Mr. McCue. He has been retained by the Fuel Controller on the recommendation of the committee in Washington—the head committee in the United States which has the question of the coal supply in its charge. He was looking for the very best available man he could get and this is the man who has been recommended to him and whom he has employed.

MARKING OF PACKAGES CONTAINING HUMAN FOOD AND OTHER COMMODITIES.

House in committee to consider the following proposed resolution, Mr. W. H. Bennett in the Chair.

That it is expedient to provide that packages containing human food or other commodities should be marked with the name and address of the fillers, the weight, measure or quantity of their contents, and the dates of packing; but not including packages for export, articles weighed or measured at the time of sale in the presence of the purchaser, or fresh fruit and vegetables; that penalties should be provided for violations of these provisions, and that such provisions should come into force on the first day of January, 1918.—Sir George Foster.

Mr. PUGSLEY: What is covered by the words "other commodities"?

Sir GEORGE FOSTER: All goods offered for sale. The resolution, I think, explains itself. I do not know that any further explanation can add to it. Of course, the details will appear when we come to consider the Bill itself. Under present methods, which obtain very largely, commodities are contained in packages or containers with the supposed weight in some cases marked and in other cases not marked. The old system of weighing out everything to the customer from large receptacles has become less and less the custom. There is a very wide call that all shoppers should be protected as far as possible by having marked on packages the names of the responsible makers and the weights. This is necessary for several reasons, first as a guarantee of the quality of the goods, but particularly for the carrying out of the Act itself. The man who makes the goods is responsible for the marking of them and they carry his brand and name. In the second place the quantity and weight should be marked upon the package so that the buyer can be certain as to just exactly what it contains.

Mr. NESBITT: The net weight of the contents or the gross weight?

Sir GEORGE FOSTER: The gross weight, I think.

Mr. NESBITT: It should be the net weight.

Sir GEORGE FOSTER: I am not certain as to that. I will have to look at the Bill, but that will all come out in the discussion of the Bill.

Mr. PUGSLEY: Would it include such articles as cement in bags or barrels?

Sir GEORGE FOSTER: All packages containing human food or other commodities.

Mr. PUGSLEY: The difficulty I see about using the words "human food" first and then saying "other commodities" is that the definition which would be given to the words "other commodities" would be that they would mean commodities of a like character to "human food." If it is intended to embrace commodities such as cement, fertilizers and a thousand and one things, why not, instead of using the words "human food" say that all packages containing any commodities shall be marked with the name, etc.? When you use the words "human food" and then say "other commodities" these latter words would be difficult to interpret as being general in their application. A court would say that it was intended to be limited to commodities of a similar character to human food. These words are obviously words of limitation. Why put in any specific description first because the words "other commodities" will be interpreted as applying to commodities of a like character to those specified previously?

Sir GEORGE FOSTER: The idea was especially to emphasise the importance of human food.

Mr. PUGSLEY: The minister may remember the question that arose in Ottawa within the last few weeks when the city complained that the weight of cement in bags was light. I do not see why this legislation should not apply to cement.

Sir GEORGE FOSTER: It applies to all.

Mr. PUGSLEY: But the minister, by using the words "human food," is rendering it very doubtful whether the section

would apply. Any lawyer would tell him that.

Sir GEORGE FOSTER: I should think the words would carry that meaning.

Mr. GRAHAM: In the case of farmers who supply small quantities of butter to private customers each week, will it be necessary to have the name of the maker and the weight of the package stamped on each package?

Sir GEORGE FOSTER: Yes, if they dispose of it in the original container. It is impossible to pass any measure without causing some inconvenience to some people, but the lesser inconvenience must be submitted to in the general interest. The farmer must have his oiled paper in any case, and it will cost him very little to have the name and weight stamped on it when he purchases it.

Mr. NESBITT: The phrase "articles weighed or measured at the time of sale" would probably cover that. In any case, it would not be a serious matter to have the weight and the name stamped on? Why are exports excluded from the operation of the Bill?

Sir GEORGE FOSTER: Any one who has talked with manufacturers knows that there are many articles purchased for foreign markets which the purchaser desires to have marked and put up in a way which will suit the market to which they are to be exported rather than the home market.

Mr. NESBITT: I have never been able to see why people manufacturing for export should not manufacture on an honest basis, the same as any one else. I would impress on the minister that the weights should be net weights. Otherwise there will be deception as to packages.

Sir GEORGE FOSTER: Net weights are called for.

Mr. THORNTON: I see grave difficulties in the operation of a Bill of this kind. For instance, there are many articles which remain on the dealers' shelves in packages, such as evaporated fruit. The law provides that these shall contain only a certain amount of moisture. Evaporation takes place while they are on the retailer's shelves, and it may be that at the time of sale, through this natural evaporation, there is not the same net weight as there was at the time the package was weighed.

Mr. NICKLE: This matter of the weight of packages containing human food received my attention when I was a member of the legislature of Ontario. My attention was directed more particularly to the weight of bread. At the time the matter was brought to the attention of the legislature, there was no regulation establishing a standard weight for a loaf of bread. The province finally passed a law determining the weight of a standard loaf. Prior to that, the bakers could add to or take from a loaf of bread as they desired, and they varied the weight according to the price of flour, generally to the disadvantage of the consumer. During the discussion it was very forcibly brought to the attention of the committee, and later of the House, that the weight of a loaf of bread varied radically within a period of 24 hours after it left the oven; and if my memory serves me, there is a provision in the Ontario statute that the weight must be that standard weight within a certain period after the bread is baked. I do not know whether such a provision could be made with regard to commodities such as evaporated apples, but I think the minister should consider that aspect of the case, because if the measure is taken to apply to bread there will be difficulties in enforcing the law. We are all agreed on the general principle of the measure. I do not suppose there is a member who would not agree that the purchaser should get what he thinks he is getting as the net weight of the commodity within the package.

I may say that I endeavoured, when the matter was before the Ontario Legislature, to get before the House legislation along the lines suggested by the minister, but I found myself stopped, as the question was raised as to whether or not jurisdiction was vested in the Ontario Legislature. At that time my attention was directed to the fact that manufacturers of commodities that were put up in packages could keep a fixed price by varying the weight of the content in the package, and that the consumer had practically no protection at all. With the exception of the difficulty to which I have referred, I am heartily in accord with the measure proposed, and I trust that in the preparation of the legislation some scheme may be devised that will obviate the difficulties to which I have directed attention.

Mr. MARCIL: I must congratulate the Minister of Trade and Commerce upon this proposed legislation. He should not, however, limit its provisions merely to food.

Sir GEORGE FOSTER: It is not so limited. It takes in every commodity.

Mr. MARCIL: I have heard numerous complaints that purchasers, when they buy a package, do not know what amount it contains. This applies to many different varieties of food, as well as to soaps and things of that kind. Sometimes the packages are found to be half empty, and the purchaser does not know whether the package was intended to be that way or whether the quantity has been reduced because of an increase in the price. Any action towards securing full value for the consumer's money should be welcomed, because nothing is more unfair than to have to pay for what you do not get. In Quebec we have had a constant grievance with regard to potatoes. When you want to buy a ninety-pound bag of potatoes at a reduced price you would sometimes find the bag to contain only eighty pounds—and so on. Any legislation that the minister can enforce to remedy such grievances as these will, I am sure, meet with the unanimous support of this House, especially at a time like this, when the problem of the cost of living is such a pressing one. I, for one, will support any step that the minister takes in that direction.

Mr. VERVILLE: Will this apply to other things than food in packages—to vegetables, or things of that kind?

Sir GEORGE FOSTER: It does not apply to fruit or vegetables.

Mr. VERVILLE: The people are being robbed, more in the matter of vegetables and eggs than in regard to anything else that I know of. The grocer often sells his small eggs at the regular price and charges five cents a dozen more for the larger ones.

Sir GEORGE FOSTER: That is in Montreal.

Mr. VERVILLE: I think I can point to similar instances in my hon. friend's city. Toronto is not behind in that respect. It is desirable that all these things should be sold by the pound.

Mr. MARCIL: It is so in the United States and France.

Mr. VERVILLE: I agree with the member for Bonaventure (Mr. Marcil) that bags of potatoes containing eighty pounds are often sold for ninety-pound bags. As a matter of fact, a man selling potatoes will often say to the purchaser: I cannot sell by the pound; I am selling by the bag. The consumer, then, has to buy by the bag, and sometimes he finds that the weight is short. Turnips and many other articles of the kind are sold by the pound, to the satisfaction of the grocer or merchant. I call special attention to the matter of eggs, because if the minister will get a little information from some of his officers, he will find that the people are robbed more in regard to eggs than in regard to anything else.

Mr. PUGSLEY: I am disposed to accept the principle involved in this resolution, to a reasonable extent. I think, however, that the Bill founded upon the resolution will lead to all kinds of trouble. I do not think that simply because in some instances grocers are dishonest, we should resort to extreme legislation. My experience is not so unfortunate as that of some hon. gentlemen who have spoken. Every retailer that I have had to deal with has been honest.

Sir GEORGE FOSTER: Was somebody else buying for you?

Mr. PUGSLEY: I buy a great deal by telephone, and I have not had any reason to complain. I am surprised that hon. gentlemen have been treated as they suggest. My suggestion is that they change their grocer; they might get over the difficulty by dealing with somebody else. In the city from which I come there has been, so far as I know, every disposition to deal fairly with the buying public. Under this Bill, the grocer or merchant with whom you are dealing by telephone has to put his name and the quantity upon every package of goods that he sends out. If you order by telephone ten yards of cotton, for instance, it is put in a package and the merchant has to mark upon the package the number of yards of cotton contained therein. The same applies to any article of dress; he must put the number of yards on the package. It is provided that the merchant must designate the weight, measure or quantity of any article which is included in a package which is ordered either by letter or by telephone. Surely the minister does not want to impose such a bother upon the retail dry goods dealer or the retail grocer. If I choose to go to the store myself and make the purchase or have someone go on my behalf, compliance with these provisions will not be necessary, but if I order by telephone the merchant with whom I deal must comply with the law in every particular. If it is desirable that such a provision should apply to potatoes, butter, bread, meat, those commodities should be specifically named. But do not make this provision so broad that it will apply to

every small article one may order by telephone, because that would put the retail dealer to a large amount of trouble which it is not at all necesary to impose upon him.

Sir GEORGE FOSTER: My hon. friend has furnished a good example of raising trouble without being exact about the terms of the resolution. It would be intolerable if every time one sent by telephone for a yard of cotton or for an ounce of allspice, the goods had to be done up in a package and labelled and marked. This applies to goods that are sold in containers, in the original or unopened packages.

Mr. PUGSLEY: It is not limited to that.

Sir GEORGE FOSTER: The resolution is the basis upon which the Bill is founded. The Bill does not go to the extent that my hon. friend has suggested.

Mr. PUGSLEY: Did the minister not say to the member for South Renfrew (Mr. Graham) that the provisions of this proposed measure would apply to a pound of butter which had been ordered from a grocer by telephone? The minister said that it would not be very much bother to have the name and quantity stamped upon such a package.

He now suggests that this provision is to be limited to the original package or container. A resolution is supposed to inform the committee of what the Bill is founded upon it will contain, and as this matter refers to Trade and Commerce, the Bill must be founded on the resolution. Therefore when we look at the resolution, we have a right to assume that it is what the Bill is going to be, and certainly the resolution is broad enough to cover the cases I have suggested. I am glad the minister realizes that it would be intolerable to have legislation of the character I have described. If he intends in the Bill to limit the extent of the resolution, and admits that he has made a mistake in the language he has used in the resolution, the matter of course, assumes an entirely different aspect.

Sir GEORGE FOSTER: I do not think there is any mistake in the matter. A Bill cannot go beyond the resolution upon which it is founded, but I do not think the converse is true, that a Bill must go to the full extent of the resolution. You have to have a broad enough foundation on which to build your house, but it does not follow that you must build to the utmost capacity of the ground that you buy for your house.

[Mr. Pugsley.]

Mr. WEBSTER: This resolution will have a tendency to affect butter, cheese, and meat being placed in cold storage. Suppose butter that shows a percentage of 18 per cent water is branded to-day when it leaves the factory, as weighing fifty-six pounds per package, after it has been in cold storage for thirty days, it will shrink from one to one and one-half pounds per package, according to the temperature to which it is exposed. When that butter comes out of cold storage, it still has the fifty-six pound brand upon the package. How are you going to arrive at the proper weight? Dressed hogs shrink upwards of three pounds in a low temperature, so what object would there be in having a hog branded with its weight when it went into cold storage? Take the cheese industry. I think it is a proper provision that each month's make of each factory should have the brand of that month on the cheese, and not on the box. It is an easy matter to remove the brand from the package, but it is a hard matter to remove it from the cheese. If that cheese is placed in cold storage and remains there for thirty or sixty days, it will shrink according to the temperature to which it is exposed. If the package is branded with the original weight of the cheese, the buyer will be misled; he will not receive what the package states it contains. Therefore, the package would have to be weighed the second time. In case of articles subjected to shrinkage, there would be no advantage whatever in having the weight branded on the package.

Mr. GRAHAM: If that cheese were sold with the weight——

Mr. WEBSTER: Box weight.

Mr. GRAHAM: —box weight stamped on it when it was put into cold storage, a man selling it at that weight would be liable to a heavy penalty.

Mr. WEBSTER: The package when it came out of cold storage would not contain the weight branded on it.

Mr. GRAHAM: The seller would be perfectly innocent as the package contained the weight branded on it when it went into cold storage, but if it did not contain that weight when he sold it, he would be liable to a heavy penalty. The dairy trade of Canada is one of our most important industries, and while we must protect the public in every way, we must not unduly hamper the producers. The provision that this legislation will not apply to packages for

export is a wise one, notwithstanding what my hon. friend from North Oxford (Mr. Nesbitt) says, because the minister has explained that there are very many difficulties in the way of branding for export, in which trade you have to meet the consumer in the way in which he wants to be met rather than the way in which you might want to meet him. A number of boxes of cheese might be originally intended for export, but one of them might be taken out, and if the package was not branded, the law would be violated. The minister should have some provision by which the innocent producer will not be liable to a penalty.

Mr. CURRIE: So far as the consumers of this country are concerned, this resolution is one of the best that has appeared this session before this Parliament, and I am much surprised at hon. members opposite endeavouring to raise fancied objections to this measure which is founded upon a broad principle, namely, that when a man buys something, the name of the seller and the weight, measure or quantity of the contents of the package should be shown on it. A small amendment to either the resolution or the Bill would meet all the objections raised.

We all know that the poor people are being robbed out of thousands of dollars every day on account of dishonest weighing. We provide that scales must be used, and we pay large sums of money to provide for officials to constantly test these scales; but in nine cases out of ten, when a housewife goes into a grocery or butcher shop to buy something, instead of being sold an article by weight, as she is entitled to, it is sold to her by price, and there are shops in this country where the overage is divided between the proprietor and the clerks. For instance, a housewife goes into a shop to buy a piece of steak. She asks the price. She is told that the price is forty cents a pound. She says that she wants about half a pound. The man cuts the steak, throws it on the scales and makes a lightning calculation whereby he defrauds her of two or three cents, stating that it is thirty cents' worth. The housewife goes away thinking she has thirty cents worth, whereas she has only twenty-seven cents worth according to the price quoted.

Mr. GRAHAM: This resolution would not affect that.

Mr. CURRIE: It will affect that. There should be a provision that the package containing food or other commodities should have the contents marked on it and have attached to it the name and address of the fillers, the weight, measure or quantity, and so forth. When a butcher sells a piece of meat, he should be compelled to make out a bill and wrap it up in the package, and that bill should contain the exact weight of the meat. The same is true in the case of cheese. The matter will then be a question between the actual consumer and the seller. The question is not so much one of the weight of butter or cheese that goes into cold storage. Every one knows that the ultimate consumer is supposed to get the weight of cheese he pays for. There is a certain shrinkage allowed on cheese put into cold storage. Legislation of this kind is required to put a stop to the rascally practice that has grown up throughout this country of selling by price. Suppose a housewife goes into a store and asks for some oatmeal. The clerk says: Here is a 25-cent package. She buys it. The package is done up nicely, but as a matter of fact, the housewife gets only about 15 cents' worth of oatmeal. Canned goods and packages done up and parcelled should have on them not only the English weights and measures, but at the same time the metric weights and measures. After having had experience with the metric system, I feel satisfied that, as our coinage is on a decimal system, if the people got into the habit of using the metric weights and measures, along with our dollars and cents, they would continue using them. Under the present system, it is difficult for a woman of ordinary intelligence to calculate rapidly what she is getting.

As it is now, it takes the ordinary man or woman quite a little time to calculate how much twelve and a half ounces of butter, for instance, at 38 cents a pound would cost. This difficulty will be largely avoided if we adopt the metric system, which is in force in every country of the world except the United States, Canada and Great Britain. Objections against the system are futile. The system has been forced into use in almost every country in the world, and this country is consequently at a great disadvantage in selling canned fruit and things of that kind, because the weight is not printed according to the metric system. I think if this resolution were amended to compel the seller to mention the weight as well as the price on the label, it would save a great deal of trouble and be of great advantage. All the grocers in this country are not as honest as those with whom my

hon. friend from St. John deals. But a grocer or anybody else who knows him would know it would be useless to try and cheat him.

Mr. MARCIL: When buying maple syrup in Montreal I could never find out the quantity contained in the different-sized tins. Some tins would be sold for $1.25, and others for $1.50 or $1.75. One can would contain the imperial gallon, and another the old-time gallon, and you could never tell just what you were getting. This legislation is on the line of what we have already done in the case of maple sugar and maple syrup, where it is imperative on the producer to sell the exact quantity he advertises. It was an old trick of these manufacturers to put the word "strawberry" or the name of some other fruit in large letters on the label, followed by the word "jam" in such small characters that it was almost impossible to see it except on a close examination, and the buyer would consequently be getting strawberry jam when he thought he was buying strawberry preserves. The manufacturers could put up any compound under the word "jam," and the people were often deceived in this way. I quite agree with the hon. member for St. John and the minister that we cannot expect a grocer to put a label on every ounce or pound of goods he sells, but the tin or closed package on the shelf should bear the name of the maker, the date of manufacture, and the quantity, so that the people would not be deceived in what they were buying.

Sir GEORGE FOSTER: This Bill is not intended to cure everything, and besides, the resolution is not the Bill; this is only a partial Bill. I think we might pass the resolution, as I am satisfied the House is in favour of the principle involved. When we get down to particulars, the Bill will of course be open to amendments, and possibly to enlargements.

Resolution reported, read the first and second time, and concurred in.

Sir George Foster thereupon moved for leave to introduce Bill No. 120, founded on the resolution.

Motion agreed to, and Bill read the first time.

WAR TAX UPON INCOMES.

SECOND READING OF THE BILL AND CONSIDERATION IN COMMITTEE.

Sir THOMAS WHITE (Minister of Finance): moved the second reading of Bill No. 117, to authorize the levying of a War Tax upon certain incomes.

[Mr. Currie.]

Mr. GRAHAM: The presentation of this Bill for second reading to-day comes as somewhat of a surprise to us on this side of the House, as last night the Minister of Militia told us that the business for to-day would be the Bills on the Order Paper, and after that, the naval estimates. According to the usual interpretation, that would mean more or less unimportant Bills. I think, however, the House is unanimously in favour of the principle of this Bill, and I do not think there will be any objection to giving it a second reading and going into committee. After making certain progress the minister might allow the Bill to stay in committee until we have had an opportunity of digesting the information he will place before us. I do not suppose that he wishes to press the Bill through committee to-day.

Sir THOMAS WHITE: I am glad to adopt the suggestion of my hon. friend. We can give the Bill a second reading and discuss it in committee clause by clause in a general way, making as much progress as we can. It may be that we can use the rest of the day in going over the measure. It was not my expectation that the Bill would be reported to-day.

Motion agreed to, Bill read the second time, and the House went into committee thereon, Mr. Rainville in the Chair.

On section 1—short title:

Mr. A. K. MACLEAN: Is there any necessity for retaining the word "war" in the title?

Sir THOMAS WHITE: When considering the short title of this Bill, I had in mind the suggestion my hon. friend made in connection with the Business Profits Tax. He will recall that he suggested that the word "war" should be inserted before the word "tax," and I adopted the suggestion.

Mr. NESBITT: The minister said the other day that he expected this taxation would be more permanent than the business profits tax.

Mr. A. K. MACLEAN: The reason I raised the point was that in my opinion this income tax will remain in force much longer than the war will continue. The short title rather implies that the taxation is for a limited period, but there is this to be said in favour of it It is an intimation

that the tax will be subject to revision after the war.

On section 2, subsection (a)—Board:

Mr. LEMIEUX: Where will you get the referees? Will they be permanent officials?

Sir THOMAS WHITE: We will take that up, I think, when we come to section 12. You will observe section 12 provides that the Governor in Council may appoint a board or boards of referees, and may prescribe the territory or district within which they shall exercise jurisdiction. It would be open to the Government to appoint such boards as may be necessary. I think it would be a mistake to appoint permanent boards, because it might happen that there would be no work for a board to do.

Mr. LEMIEUX: Might I suggest that for such delicate functions as will be fulfilled by those referees it should be understood, and, in fact, enacted, that the boards would be non-partisan.

Sir THOMAS WHITE: Of course, my hon. friend knows I would not appoint a partisan board.

Mr. LEMIEUX: Perhaps I would trust my hon. friend, but there are some others I would not trust. I hope the Minister of Finance will take my suggestion seriously, because I am in earnest. This is a tax which will affect every one in the country, of every political persuasion, therefore, we have the right to exact from the Government that this board of referees, which will have to delve into private affairs, should be a non-partisan board. I say this without any idea of finding fault with the past or present appointments of the minister.

Sir THOMAS WHITE: In connection with the business profits tax, I may say that I never inquired and do not know as to the politics of the officers administering that Act. I am satisfied there are both Conservatives and Liberals employed. On the whole, it is a good staff. I have not heard any complaint whatever as to political partisanship playing any part in the appointments.

Mr. MARCIL: Would this board be composed of judges, or ordinary business men, or Government officials?

Sir THOMAS WHITE: It might be a county judge. It might be composed of lawyers of standing, or business men. The aim would be to get men of good practical judgment, and of such standing as to command confidence.

Mr. MARCIL: They might be called upon frequently to interpret the meaning of "income." For years past the Ontario boards have been called upon to define what "income" is.

Subsection agreed to.

On section 2, subsection (d)—Person:

Mr. A. K. MACLEAN: Should not "partnership" be included there?

Sir THOMAS WHITE: We do not assess a partnership as such. We assess the individual partners, therefore I think it is unnecessary to insert the word "partnership" in this subsection.

Sir WILFRID LAURIER: This, of course, also includes a wife who has an income in her own name?

Sir THOMAS WHITE: Yes. "Person" means any individual.

Mr. GRAHAM: Including women?

Sir THOMAS WHITE: Including women.

Mr. LEMIEUX: The husband is liable, and the wife is also liable?

Sir THOMAS WHITE: Yes.

Mr. A. K. MACLEAN: A case might arise where the tax would be imposed twice. For instance, take the case of a marriage settlement paid under the terms of the settlement out of the income of a husband. The husband might be taxed for it, and it might be of such an amount when received by the wife that she would be liable to taxation also for the same thing.

Sir THOMAS WHITE: No.

Mr. A. K. MACLEAN: If a man pays $10,000 a year under a marriage settlement to a trustee, that would be part of his income, and he would pay tax on it. When it is paid by the trustee to the wife, she would be in receipt of an income of $10,000 a year, and she would be liable to taxation. It might be argued that the tax would be imposed twice.

Sir THOMAS WHITE: It would certainly not be so held, because while the husband might have an income, this amount paid under the marriage settlement would be among his liabilities. I think it would be held that the husband would be liable to taxation on his net income, that is to say his income less the amount he was obliged to pay to his wife.

Mr. A. K. MACLEAN: In any event, the investment would be in the name of the trustee?

Sir THOMAS WHITE: If the husband set aside securities in trust, clearly he would divest himself of those securities, and the interest would be interest derived by the trustee, not by the husband.

Mr. LEMIEUX: It is often arranged in marriage settlements that the amount to be paid shall be considered as alimony. In such a case would the alimony be assessable?

Sir THOMAS WHITE: If the wife had an income under a marriage settlement in excess of the exemption provided for by this Act, whether it is called alimony or not, it is the intention that she should be assessed.

Mr. GERMAN: The clause says:

"Person" means any individual or person and any syndicate, trust, association, or other body, and any body corporate, and the heirs, executors, administrators, curators, and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends.

What does "individual" mean? Section 2 says:

"Person" means any individual or person and any syndicate etc.

But what does individual mean? Under the law an individual is to be taxed, but a person is not to be taxed. Section 4 recites that an individual is to be taxed and then you interpret "person" as meaning any person or syndicate. Why do you so interpret the word "person?"

Sir THOMAS WHITE: I think the point of my hon. friend is well taken, and when we come to section 4 we will change the term "individual" to "person." That will make the intention clear. I think it would be so considered, but in order to make it uniform, and especially as we have used the word "person" in the interpretation clause, it would be better to change the word "individual" in section 4 to "person."

Mr. GERMAN: The interpretation clause says that:

"Person" means any individual or person and any syndicate, trust, association or other body and any body corporate.

It is clear that an incorporated company is to be taxed and that "person" means an incorporated company?

Sir THOMAS WHITE: Yes.

Mr. GERMAN: An incorporated company is to be assessed and then the persons deriving incomes from that incorporated company are also to be assessed. There would be certain to be a double assessment, one of the incorporated company and one of the individuals who derive their incomes from the incorporated company.

Sir THOMAS WHITE: My hon. friend will observe when we get a little farther on with the Bill that while the company is assessed on its income its shareholders are also assessed upon their incomes, but there is an allowance made to the shareholder of the normal tax when the normal tax has been paid by the company upon the dividend which he receives. We have adopted there the principle followed in the United States legislation. Speaking for myself and from a long experience in connection with taxation, and especially the taxation of incomes, I have always thought it was a mistake to assume that there is double taxation when a company is assessed and when its shareholders are also assessed. My hon. friend knows that a corporation in law is different from any or all of its shareholders. It is a legal entity carrying on business in competition with individuals and partnerships Therefore, it has never appealed to me very strongly that a corporation should not be assessed and that its shareholders should not be likewise assessed. But while I believe that the time will come when, in dealing with legislation of this kind, a corporation will be assessed in respect to its income and its individual shareholders will be asessed in respect to their incomes, we have not probably progressed to the point yet where we could give that doctrine the effect which I think it should have. But we defer to the generally prevalent view in connection with income taxation of this kind to the extent that, while we assess a corporation upon its income to the extent of the normal tax, when we come to assess the shareholders in respect to their incomes, including the dividends which they receive from the corporation so assessed, we make an allowance equal to the normal tax which the corporation has paid upon the dividends derived by the shareholders

Sir WILFRID LAURIER: Let us understand exactly the position we are in with respect to this matter. The object of the Act, as explained by the Minister of Finance is to tax corporations. There are hundreds and thousands of corporations.

Sir THOMAS WHITE: Undoubtedly.

Sir WILFRID LAURIER: Take, for example, a tramway company in any city; it is to be taxed so much upon its income and

so much will be deducted from the amount which it has to pay to its shareholders. The tax will be paid by the company upon its income and therefore it will take away so much from what it has to give to its shareholders. If I understand the principle of the Bill a corporation is a "person" and must be taxed?

Sir THOMAS WHITE: That is right.

Sir WILFRID LAURIER: Then we will come to the effect upon the shareholders later on?

Sir THOMAS WHITE: Later on.

Mr. GRAHAM: Might I give another case that may, and probably will, arise? It will make a difference in the amount of the tax whether the combined income of a man and his wife be taxed or whether the income of each be separately taxed. The combined incomes may be subject to the super tax. Separately neither of the two incomes may be liable to the super tax. Where there is a legal or proper division of incomes, as there are in many families, each should be taxed separately. That principle is right, I think.

Sir THOMAS WHITE: Yes, I think so.

Mr. GRAHAM: I would ask the minister to consider a suggestion to discourage the separation of incomes which are now one in order to evade the payment of the tax. A husband might have an income of $8,000, and the income might be separated so that the husband and wife would each have an income of $4,000. If taxed separately they would not be subject to the super tax, while the income of the husband alone would be subject to the super tax. Legitimate incomes, where the husband and wife have their incomes separately, ought to be taxed separately and not combined, but to prevent any attempt to evade taxation which might possibly be made, I would suggest to the minister that he have something in his mind as a preventive of what might otherwise occur.

Sir THOMAS WHITE: The only way that occurs to me to meet that situation would be to allow only one exemption, namely, $3,000, in respect of the joint incomes of husband and wife living together. It seems to me that that would meet the case. I hesitate to do that because they are both liable to assessment, and under the Bill they are both entitled to the exemption. My own view is that, just as men will not divest themselves of their property to escape the succession duty tax, it is not probable that men would on a large scale divest themselves of securities to provide a separate income for their wives in order to avoid this taxation. They might do so, but I think it extremely improbable. I shall be glad to consider the matter further, and if, in the opinion of the committee or a substantial proportion thereof, it would appear desirable that we should allow only one exemption in respect to the joint incomes of husband and wife living together, I shall be glad to amend the Bill.

Sir WILFRID LAURIER: You give an exemption to everybody who has an income?

Sir THOMAS WHITE: That is what we have done.

Sir WILFRID LAURIER: I agree with that.

Mr. MIDDLEBRO: A concrete instance was brought to my attention on the way down to Ottawa last week. I met a gentleman on the train, a married man, who said that he had an income but not up to the mark of $3,000. His wife also had an income not up to $3,000. Neither would be liable to the income tax, but he said that he was quite willing that the two incomes should be combined and that they should pay the income tax.

As I understand, the object in giving the exemption of $3,000 is to enable a man to maintain a wife and family, and for no other purpose. If that purpose is served by an income of $3,000, I do not see why the two should have an income of $6,000 without being taxed.

Mr. C. A. WILSON: I do not agree with that proposition, nor do I see its equity and justice. If my law partner and I each make $5,000 should our income be combined to make a sum of $10,000 to come under the supertax?

Mr. MIDDLEBRO: You have two households.

Mr. WILSON: A good wife is earning a certain amount of money by keeping house for her husband, and the husband is working at his occupation, whatever it may be. Why should we add the earnings of the wife to those of the husband to tax a lump sum? In the province of Quebec, under our civil code, sometimes the husband must support the whole household and sometimes the wife, according to the marriage settlement.

Mr. MIDDLEBRO: My hon. friend has missed the whole object of the Act, which

is to give a man sufficient to live on; in the case of the individual, that is put at $2,000 a year, and, in the case of a man who maintains a household, at $3,000 a year.

Mr. C. A. WILSON: The husband may have an income of $3,000 and the wife an income of $3,000. They may be separate as to property by the marriage contract. There are three, four, or five children, each having an income of $1,000; or let us say it is a real French-Canadian family and they have a round baker's dozen. Would my hon. friend suggest that the incomes of the husband, wife and children should be taken as one sum for the purposes of taxation?

Mr. MIDDLEBRO: If, on account of the larger families in Quebec, $3,000 is not enough to support a household, let us change the amount; but if we start on the basis of $3,000 being sufficient to maintain a household, there is no good reason why one household should have $6,000 income exempted.

Mr. LEMIEUX: The two incomes are so clearly separate entities, according to our regime of separation under the civil law, that if the property which produces the income has come to the husband or to the wife from the father or mother, if the one who inherits that property dies without issue, that property does not go to the surviving consort, but reverts to the father, mother, brothers, or sisters, according to our law of succession. So they are absolutely different things.

Reverting to the body corporate, my hon. friend said that an incorporated company would be taxed as to its revenue and that the shareholders would also be taxed as to their dividends. My hon. friend says it is not fair that the same party should be taxed on both sides, because the company is the shareholder, and the shareholder, in the aggregate, is the company. How will you proceed to adjust that? Supposing a company has 5,000 shareholders and pays on its income, and the shareholders pay on their income; my hon. friend says he will keep in mind what has been paid by the company. How will it be decided how much the shareholder will have to pay?

Sir THOMAS WHITE: As that subject is specifically dealt with in section 4, possibly my hon. friend will wait until we reach that section before discussing it.

In the meantime, I might say to my hon. friend that a corporation is liable on its income only to the normal tax, and that the shareholders who will have to make returns of their income to the department will, when they are making such returns, be permitted to deduct the normal tax in respect of dividends derived from companies subject to this taxation. As to that portion of their income subject to the supertax, they will pay, because the corporation is liable only to the extent of the normal tax.

Sir WILFRID LAURIER: That is very satisfactory so far. But I would suggest that the clause which provides whether the tax shall apply to corporations or not shall also be allowed to stand, so that the two matters may be considered together.

Sir THOMAS WHITE: I am quite willing to let it stand. I may point out, however that we are now dealing with the interpretation section.

Sir WILFRID LAURIER: I would suggest that subsection (d) of section 2 stand.

Sir THOMAS WHITE: Very well.

Mr. GRAHAM: I had no idea of interfering where there was a legitimate separation of property between husband and wife. I think that each should be treated as a separate individual when each has a separate income.

Sir THOMAS WHITE: As in the Act?

Mr. GRAHAM: As in the Act. But I was suggesting the advisability of preventing the separation of incomes hereafter in order to escape taxation. The minister referred to the Succession Duties Act and that is just what I had in mind. In Ontario, not a few men in business have formed joint stock companies and distributed their property in order to get rid of succession duties. I had such cases in mind when I suggested that accounts should not be separated for the purpose of escaping the supertax. Where there is a proper separation of accounts between husband and wife, each income should be treated separately. I cannot see how anything else could be done, bearing in mind the different conditions that may exist as to the income of each.

Mr NICKLE: From my point of view, I see eye to eye with the member for North Gray (Mr. Middlebro). If I understand the exemption in this Act of $3,000 to married men, it is on the principle of the recognition of the home as an entity. If that is so, it seems to me that the total exemption in regard to the home should be not more than $3,000, and I am not now discussing

the wisdom of the amount at the present moment. If the husband and wife are going to be entitled to an exemption of $3,000 each—I speak purely from the point of view of my own province—any lawyer with the least skill could so handle vested funds as, to a very great extent, deprive this Act of its usefulness. The Finance Minister instanced as a parallel the Succession Duties Act, but I do not think that the comparison is on all fours. To avoid the Succession Duties Act in Ontario, a man has to deprive himself of the corpus of the fund. But to avoid this Act, if the Act is to continue as drawn, all a man would have to do is draw an assignment effective for the term of one year in relation to any stock, mortgage, or security and have the interest on that fund made payable to his wife.

Mr. C. A. WILSON: That would amount to fraud.

Mr. NICKLE: No, it would not be fraud at all. The Act is drawn so that each married person shall be entitled to an exemption of $3,000. All a man with an income of $5,700 would have to do would be to transfer by assignment $2,800 of his income to his wife. That family would then be exempt entirely as to income

Mr. McCRANEY: If that course were pursued, the money which was transferred to the wife would be held in trust by her for the husband. I do not see that it becomes any less the income of the husband simply because, without consideration, it is handed over to the wife in that way.

Mr. NICKLE: If it were transferred to the wife and vested in her as a trust, I quite agree. But if the assignment were made as a gift to her as separate estate, free from any control on the part of the husband, under our Ontario law, which my hon. friend knows as well as I do, it would be vested in her as separate estate, the property of the wife. The law in Ontario makes a wife absolutely independent of her husband as to her separate estate, and the assignment of income to the wife would surely make that her sole property and certainly render it free from income tax.

Mr. McCRANEY: I do not think the question of separate estate comes in at all. Suppose a portion of the husband's income were given to me instead of to the wife; I would hold it in trust for the person who made the assignment. It would still be the income of the person making such assignment without consideration.

Sir WILFRID LAURIER: The principle of this Bill is that any person who has an income is liable to taxation. Any person liable to the income tax has a right to exemption. A person having an income of $10,000 is liable to the tax subject to a certain exemption. It is illogical to say that any person who is liable to the tax is not liable also to the right of exemption.

Mr. MIDDLEBRO: In the case of income received by both husband and wife, the wife is given $3,000 exemption because she is a member of and maintains the household. The husband is given also an exemption of $3,000, because he maintains the same household. The effect of this legislation would be to allow $6,000 for the maintenance of one household in some cases and $3,000 for the maintenance of one household in other cases. That seems to be very unfair.

Sir WILFRID LAURIER: Apparently the first principle is that every person is liable to taxation according to the extent of his income. If he is a married man and his income does not exceed $3,000, he is not liable to taxation. If it exceeds that amount, then he becomes liable.

Mr. MIDDLEBRO: Every person is liable to taxation because he has an income. If a man is married, we increase the exemption from $2,000 to $3,000, because he is married and has a household to keep up. The affect of this legislation is to make the wife practically as much liable as the husband, because she is given $3,000 to keep up the same household as the husband.

Sir THOMAS WHITE: May I suggest that we reserve this discussion until we come to the exemption clauses? In the meantime, we can all consider the question and deal with it as we may deem proper.

Mr. KNOWLES: As I am somewhat doubtful whether I shall be here when we reach those clauses, I would like to say a word in regard to the question of double exemption. The principle of this provision is that certain people with separate incomes are entitled to separate exemptions. That is a highly technical question. While we must not presume fraud on the part of our citizens, at the same time, in regard to the collection of money and taxes, we must anticipate that there will be certain possible debtors who may by fraud or quasi fraud endeavour to evade payment, and I am afraid there will be numerous cases in which the husband and wife will connive to

evade this tax. For instance, take a merchant who owns his store. He does not care whether that store is in his own name or in his wife's name. He can readily transfer it to his wife and pay her large sums, say for rent, just to make her the recipient of a separate income. There are many other ways in which people who desire to evade this tax can do so, and we need not shut our eyes to the fact that there are many who will endeavour to evade this tax. The principle of this Bill apparently being that the people who are able to pay should be compelled to pay, the incomes of husband and wife, whether the wife's income is the result of a marriage settlement or of inheritance or anything else, should be considered as one for the purposes of taxation.

Mr. C. A. WILSON: Is any minimum age fixed for the word " person?"

Sir THOMAS WHITE: It will embrace minors as well as others if they have the income.

Mr. PUGSLEY: Would the minister give one or two explanations in regard to exemptions? Paragraph (a) gives the following exemptions:

> The value of property acquired by gift, bequest, devise, or descent.

Does that mean that it is to pay no income?

Sir THOMAS WHITE: It means this. Supposing my hon. friend should this year inherit a piece of property worth $100,000. His income would not be increased by that amount. It does not mean that any revenue derived from that property would not be part of my hon. friend's income, but the property acquired by him would not be treated as income.

Mr. PUGSLEY: Will the exemption as to contributions to the Patriotic Fund apply to provinces where there is a direct taxation for that fund, and where they have done away with the voluntary system? That is the case in New Brunswick.

Mr. HAZEN: Would not that work out in this way? When my hon. friend and I are making up our statements of income liable to assessment under this Act, would we not have a right to deduct from our income the amount we paid in civic taxation? In our civic taxation is included the sum of money necessary for the purpose of carrying on the work of the Patriotic Fund in our province.

[Mr. Knowles.]

Mr. PUGSLEY: The words used are "must be subscribed."

Mr. HAZEN: You are right; the word "subscribed" would be hardly broad enough to cover that.

Sir THOMAS WHITE: We can amend that. I think it is perfectly clear that if a taxpayer is entitled to deduct from the gross amount of his income the amount which he subscribes directly and pays to the Patriotic Fund, and is liable for taxation upon the balance only, it would be proper if he pays by way of taxation to that fund, that is to say, contributes indirectly, to allow him similarly to deduct the amount so paid from the amount of his total income so that he would be assessable only upon the balance.

Mr. HAZEN: I would suggest the use of the word "pay" instead of "subscribe."

Sir THOMAS WHITE: I think that would meet the case. I want to make it perfectly clear that by this legislation it is not provided that a man may deduct from the amount of his taxation the amount he contributes to the Patriotic and Canadian Red Cross Funds. The wording of subsection (e) of section 3 is:

> Amounts subscribed and paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Fund and other patriotic and war funds approved by the minister.

That is a deduction form the total amount of a person's income. If a man's income is $10,000 a year and he subscribes and pays $1,000 to the Canadian Patriotic Fund, then he would be entitled to deduct that and say that his income for the purpose of taxation is $9,000, but he is not entitled to say: My tax under this measure is $400 or $500, and because I have paid $400 or $500 to the Patriotic Fund, I am not entitled to pay anything more.

Mr. LEMIEUX: Does not the word "suspected" in subclause (f) smack a little of terrorism? It says:

> (f) "Taxpayer" means any person paying, liable to pay, or suspected by the minister to be liable to pay, any tax imposed by this Act.

I object to the word "suspected." Why not say "deemed"?

Sir THOMAS WHITE: The word also grated upon my delicate susceptibilities as to the use of language, but it is a word that is used in the Business Profits War Tax Act, and there does not seem to be any other word that would precisely take its place.

Mr. NESBITT: "Presumed"?

Sir THOMAS WHITE: I thought of the word "deemed" or something like "thought by the minister to be liable."

Mr. PUGSLEY: "Supposed"?

Sir THOMAS WHITE: I think that is the best word of all. "Deemed" is a very strong word, as in reality it means "doomed."

Sir WILFRID LAURIER: I think "liable" would be quite sufficient. If the minister said that a man was liable, the question would then come up whether he was or not.

Sir THOMAS WHITE: I will consider the suggestions, and we shall probably change the wording.

Section stands.

On section 3—Income:

Mr. COCKSHUTT: How is one's income to be computed? I venture to say that there are very few people in this country who know exactly what their income is. They may be desirous of having the proper amount entered, but there are so many factors that have to be taken into consideration in connection with the origin and net result of a man's income. Suppose, for instance, a man has $75,000 invested in real estate, and that $50,000 of that amount is invested in a paying enterprise which allows him to take care of his municipal taxes, fire insurance, depreciation, and the general upkeep of his property. The other $25,000 may be bringing in nothing, but the taxes have still to be paid and the necessary repairs made. Is any allowance made for what may be called "depreciation of capital" in a real estate investment? Everybody knows that when property is vacant it rapidly deteriorates. Vacant property is a very rapid income destroyer. I have had a good deal of experience in that line, and I know that a man's income can be eaten into very rapidly by unproductive property. I venture to say that anybody who owns very much real estate has some unproductive property that is not only not bringing him in any income, but is actually eating into the income he receives from other sources. I have a good deal of that kind myself at the present time, as I have no doubt a good many men in this House have. Has the minister taken that into consideration, and is any allowance to be made for this depreciation of capital? In other words, if a man has a certain amount of income from one source, and some other investment in property has depreciated in value and eaten into his income, is that taken into account in calculating the amount of income that will be liable to taxation? I do not know whether I have made myself clear, but I have heard that the minister is a man of property himself—

Sir THOMAS WHITE: I used to be before I came to Ottawa.

Mr. COCKSHUTT: If so, he has probably some property that is decreasing his income instead of adding to it.

Mr. GRAHAM: That is not the kind of fellow he is.

Mr. COCKSHUTT: I am not, of course, wishing to escape paying what I should legitimately pay, but if the minister should ask me what my income was in any one year, though I keep books and endeavour to make an entry of everything, I should have the very greatest difficulty in telling him what my income was, and that being so, how will a man who keeps no books and makes no entries ascertain his income? Take, for instance, the farmer; he probably keeps his wife and family out of the products of his farm. He does not begin to estimate his expenditure until he goes outside of his family expenses, which are provided for by the farm. I only instance this as one case, because it occurs in many other callings. A merchant often helps himself to the goods in his own store, not counting this as really part of his income. Those are a few of the difficulties which present themselves in estimating an income. I would also like the minister to tell me whether any regard is to be paid to the depreciation which may occur in a man's property. For instance, he might be worth $100,000 this year, and when he makes his returns at the end of the year he may find his property is only worth $90,000. He has lost $10,000 on his investment. Will he be allowed to deduct that $10,000 from his $15,000 income, or will he be assessed on the whole $15,000, and be obliged to look after the depreciation himself?

Sir THOMAS WHITE: Many difficult questions arise in connection with income taxation. I think it would be a very dangerous admission to make that the estimate made by a taxpayer that his property has depreciated to the extent of, say, $5,000 or $10,000 would be sufficient to justify that $5,000 or $10,000 being deducted from his

income. It would be proper for the man who has productive properties to take into account the rentals received, and to pay the taxation and the repairs actually made in connection with those properties. The balance might fairly be considered his net income. My hon. friend raises the question as to whether there should be an allowance for depreciation. I do not think it possible to get an income taxation down to a mathematical nicety such as is suggested where the amount of annual depreciation would be allowed, because it would be almost impossible to estimate such depreciation, and as against that there would have to be set off the possible appreciation of that property, because, real estate does appreciate. In the administration of an income tax you must get down to a sound, but rough-and-ready basis—a basis of good sense. How much did the man derive from his real estate investments? How much did he actually pay out for taxes and repairs? The balance is his income. I do not believe he should be allowed to deduct the depreciation of his property, because the fact that it might have appreciated in value has also to be taken into consideration. I do not think we can get it down to a basis where you can set off the depreciation the tax-payer thinks he might fairly be entitled to deduct in respect to property, even property which may be vacant.

Mr. NESBITT: Might I suggest that the depreciation would show in the returns?

Sir THOMAS WHITE: Yes. The depreciation would appear in the returns, and I think the onus would be very strongly on the taxpayer to show beyond peradventure that such depreciation had taken place. I do not like to admit the principle that depreciation should be allowed. Take another case—which might come within the instances my hon. friend has brought to the attention of the House—a man has an income of, say, $10,000; he is carrying a piece of unproductive real estate in the West, upon which he has to pay taxes. I do not think he should be allowed to deduct the taxes he pays in respect of that property. His income is the return he derives from his profession or calling. If he is carrying a piece of real estate for purposes of speculation, he should carry it himself. I draw the distinction between that case and the case of a man who is deriving income from properties which are productive. His income is the rentals he receives from such properties, but he is entitled to take into account what he pays in the way of taxes, and repairs actually made.

Mr. A. K. MACLEAN: I thoroughly agree with the minister. I do not see how you can introduce any such principle into the Bill that would meet the case mentioned by my hon. friend (Mr. Cockshutt). A private individual might as well urge that his physical strength is depreciating from year to year, and that his earning capacity is growing less, and therefore he should have some allowance made for physical depreciation.

Mr. GRAHAM: I would not admit that.

Mr. A. K. MACLEAN: Take the case the minister has just cited. Say a man is resident in Toronto, and is in receipt of an income of $25,000 a year, and say he has unproductive property in the West which requires a disbursement on his part of $5,000 a year for taxes. In estimating his income, surely that $5,000 would not be taken into account?

Sir THOMAS WHITE: I do not follow my hon. friend.

Mr. A. K. MACLEAN: I understood the minister to say that the fact a man was paying an annual tax bill of $5,000 upon unproductive property in the West would not be taken into consideration in calculating his income?

Sir THOMAS WHITE: My view is he should not be allowed to deduct it.

Mr. A. K. MACLEAN: Why not?

Mr. NESBITT: I think he should be allowed to deduct it.

Sir THOMAS WHITE: My view is he should not be allowed to deduct it because his income is $25,000 and he is speculating in the West—

Mr. PUGSLEY: Suppose this unproductive property was in Toronto, instead of in the West?

Sir THOMAS WHITE: The reason I mentioned the West was because my hon. friend referred to it.

Mr. A. K. MACLEAN: Suppose a professional man has an income of $25,000 a year, and he owns an unproductive property in the city of Ottawa, the taxation on which is $5,000; surely, he would only be liable upon an income of $20,000.

Sir THOMAS WHITE: If part of his income was from productive property, then he should be allowed to deduct taxes and

repairs. My hon. friend put forward the case of a man holding unproductive property in the West, upon which he was paying taxes. These are very difficult questions to deal with, but I do not think he should be exempt from this income tax to the extent of what he pays for taxes on unproductive property held for speculation. Let me cite a case in regard to which I have had a good deal of experience. Take the income taxation of the city of Ottawa, or the city of Toronto—the assessor goes to a bank, say, and asks for the names of the officials of the bank and their salaries, and he assesses from $5,000 down, if the salaries are such. Those in receipt of the incomes, may use them in different ways. Some may spend their incomes foolishly, others may invest in property, others may be carrying investments at a loss, others may pay taxes upon their homes, but the assessment is upon the amount of income received as salary.

Mr. A. K. MACLEAN: Net income.

Sir THOMAS WHITE: The income received as salary. That is the way all assessments are made in this province. A man is not asked what he does with his income, he is not asked whether he invests part of it in mining stocks, or whether he pays taxes upon property with which he is speculating, or whether he pays margins upon stocks. He is simply assessed upon his income. Every man in the city of Ottawa is liable to assessment on the amount of income he receives. If he is a minister he pays income tax upon his $7,000 or whatever it may be; if he is an official he pays also. Once you introduce the principle that a man in receipt of a salary of $25,000 can deduct the taxation which he is paying upon property which may be appreciating very much faster than the amount of the annual taxation, you are introducing a very dangerous principle into taxation. I do not believe that that principle is included in any taxation in this Dominion. The point is: How much does a man make? If he is a lawyer, how much does he make after paying out all expenses in connection with his profession?

Mr. C. A. WILSON: All his office expenses?

Sir THOMAS WHITE: All his office expenses. Then I would say that after deducting the outgo from what he has received the balance is the income of that individual and he should be assessed upon it.

Mr. PUGSLEY: Supposing his entire busines was the owning and managing of real estate?

Sir THOMAS WHITE: My hon. friend has raised a point which is absolutely different from that which we are now considering. We are considering now the case of an individual who derives his income from his profession or calling and who has to pay taxes upon some property which he has been carrying for the purpose of speculation or not—it does not make any difference.

Mr. PUGSLEY: Take myself, for example. The only property I own practically is real estate. I might have three or four houses which were bringing me a very good income and I might have other places which were vacant and on which I had to pay insurance, water rates and taxes. Would not the net income from all these different properties combined be that on which I would have to pay the tax?

Sir THOMAS WHITE: I would say "yes," that my hon. friend would take all the incomes from these productive properties, and that he would pay the taxes on this other unproductive property deducting with respect to it, and the balance would be his income.

Mr. PUGSLEY: Suppose I had property in Ontario or in the West?

Sir THOMAS WHITE: Unproductive?

Mr. PUGSLEY: Unproductive.

Sir THOMAS WHITE: I would say that if my hon. friend was carrying some unproductive property with the idea of making money on its appreciation he should not be allowed to deduct it.

Mr. PUGSLEY: Suppose a man were carrying it because he could not sell it and had to pay the taxes?

Sir THOMAS WHITE: In a taxation measure of this kind, while that and every other principle should be discussed you will never be able to determine with mathematical exactness—the courts usually have to determine that—as to what should be allowed. It would be very dangerous to lay down the principle that if a man has an income of $25,000 and he is carrying unproductive property throughout this country, not being a man who is making his income from the holding and administration of real estate, he should be allowed to deduct the charges on this property from his income.

If you adopt that view, you are introducing a very dangerous principle and one which should not be allowed.

Mr. LEMIEUX: My hon. friend is making a distinction between say a professional man who goes into an occasional real estate deal and a man whose calling is real estate.

Sir THOMAS WHITE: A landlord who has a number of houses.

Mr. LEMIEUX: If a man who buys real estate and has to pay a large part of his income in municipal and other taxes, the amount which he so pays would be deducted from his income. That is what I gather from the remark of my hon. friend. But a professional man, say a lawyer, who has bought some real estate, even if the real estate is not a revenue producer, has to pay the taxes and he cannot deduct that from his income?

Sir THOMAS WHITE: I would say not.

Mr. LEMIEUX: If my hon. friend takes that view some individuals will be robbing themselves.

Sir THOMAS WHITE: I do not at all agree with my hon. friend. If a man is carrying unproductive property and is paying taxes upon it I do not know why he should assume that he is losing money by doing so. I think we must assume the contrary, namely, that the annual increment on the property is equal to the taxation which he is paying out. I think it would be a very unsound principle to lay down that a man should deduct from the income which he makes from his trade, profession, or calling, the amount which he may pay out in taxes upon property in which he is speculating.

Mr. COCKSHUTT: I do not wish to embarrass the minister in any way in coming to a conclusion. I can quite see that if the Minister's statement was followed out to its logical conclusion and finality a man might be paying on an income when he really did not have an income at all but rather an outgo. There are such men.

The minister must know, as I certainly know, that there are men who are known as property poor. Such a one may not be a speculator. Investment in real estate is considered to be a legitimate enterprise. If it is not I am sorry I am in the business. But, I have been the owner of real estate for many years believing that it was a sound investment and I have been in that way trying to build up the community of which I am a part. The minister in reply to the hon. member (Mr. A. K. Maclean) said that if a man had an income of $25,000 and $5,000 of it was going to carry a dead horse in the West, or anywhere else,—not necessarily in the West because we have lots of them in the East—this $5,000 should not be deducted. Well, reverse it. Suppose a man has an income of $5,000 and he has $25,000 to pay out, where is he going to be? He will be paying on the $5,000 but he will be $20,000 worse off than he was at the beginning. I know many men who would be very glad of the opportunity of unloading their real estate but who are carrying it and who are what is known as property poor. They have property that is unproductive and they are trying to meet the losses on that property out of the revenue derived from property that is productive. That has been the case in many towns and cities in Ontario. It is impossible for anybody in the renting business to build a house at the present high prices of labour and raw material and make a return of six per cent on his investment unless he is a remarkably capable man. It is the exception rather than the rule that a man has a six per cent return on his investment in real estate. I think the minister should take this into his serious consideration because there are many men who went into real estate not as a speculation but as a legitimate investment. All our trust companies are in real estate as a legitimate field of investment. If the principle which the minister has enunciated is carried out to its logical conclusion a man's income will go into one pocket and go out of the other twice as fast, until his capital is entirely consumed. A man with an income of $5,000 or $10,000 may have an outgo of $15,000 or $20,000. The minister should make an allowance for certain conditions, before the final balance is struck he should distinguish between productive real estate, and vacant and unproductive property.

In other words, the net results of his property operations for that year should be the amount he derived from his real estate. I cannot see it in any other way, and I am not saying this with a view to depreciating the amount that the minister should get, but simply to arrive at a basis whereby we may calculate what is just and fair and right to a man who has made his investment, believing it to be straightforward and honest.

Sir THOMAS WHITE: If we admit the principle that we must take into consider-

ation depreciation in real property and securities, and in addition to that the taxation that a man may pay out upon unproductive property which he holds, we shall go a long way to defeat the purpose of this Bill.

Mr. COCKSHUTT: I would not take the depreciation without also taking the appreciation; I would take the two together.

Sir THOMAS WHITE: My hon. friend says he would not take the depreciation without taking the appreciation. We all know how difficult it is to determine the value of a piece of property at any time, and how arbitrators differ. How is the department to determine what the annual appreciation has been in a piece of property upon which a man has paid out taxes? I think there is a clear distinction between the case of a landlord with a row of houses from which he derives his income, his principal business being the administration of his property in those houses, his income being the revenue he derives from them, and his outgoings the taxation and repairs upon those properties for which he has paid during the year, and his income, for the purposes of this Act, being the difference between the two; and the case of a man who, in his calling, derives a net income of $25,000, and who uses that $25,000 either in speculation or in legitimate investment. For the purposes of this taxation measure, we ought to ascertain a man's income in his calling, and having determined that, assess him on that amount under this Act. Take my own case: I own some property in Canada which is non-productive, and upon which I pay, say, $1,200 or $1,500 in taxes. I say that I should be assessed on my income derived as a minister and any other income I may have, and that I should not be allowed to deduct the amount I paid in taxes on that unproductive property.

Mr. PUGSLEY: Suppose that, instead of being an individual, it was a real estate company?

Sir THOMAS WHITE: That is different.

Mr. PUGSLEY: It owns land with buildings on it in one block, and in the next block land which is not bringing in any income. If it is a company the minister will allow its revenues to be put on one side and its total taxation on the other. Why should the individual be treated more harshly than the company?

Sir THOMAS WHITE: The corporation is in that business. It could not legitimately own the property unless it was in that business. A real estate agent should be assessed on any income he derives in respect of his business. A man owning property, deriving income from that property, should be assessed on his income in respect of that business. But the banker, who has an income of $25,000 from the bank, should, in my opinion, be assessed upon the $25,000, no matter what he does with the money.

Sir HERBERT AMES: Say that there is a block of houses that are rented regularly. If that is owned by a joint stock company you take the total rentals from the houses and deduct the total expenditure in connection with the properties, and, we will say, you have $1,000 to the good. You are taxed as a company only on the $1,000. But supposing that I, an individual, wishing to live on investments, erect a block of buildings and that the gross income is $5,000, and that the gross outgo is $4,000, so that the net value to me is $1,000, shall I be taxed on the $5,000?

Sir THOMAS WHITE: You will be taxed on the $1,000 because you are deriving part of your income from these properties.

Mr. PUGSLEY: If all in one row, but suppose there are two separate blocks in the same town.

Sir THOMAS WHITE: The same principle would apply. The danger in allowing deductions for taxation upon non-productive property is that it is impossible to ascertain how much that property has appreciated in the year, and the man may be speculating with it.

Mr. PUGSLEY: That would apply to the row of houses too.

Sir THOMAS WHITE: Yes, and it would be open to the court to say how much it had appreciated or depreciated, but for the purpose of practically administering an Act such as this, you could not hold an inquiry as to how much each piece of property had depreciated. I should say that the onus would be on the taxpayer to show affirmatively and beyond doubt that there had been a loss in connection with that property.

Mr. LEMIEUX: Every man who has been dealing in real estate of late can tell my hon. friend that there has been a loss. To-day I know individuals who are paying two, three, and four thousand dollars in Montreal for municipal taxes, and if they can-

not deduct that from their income for the purposes of this Act you ruin them.

Sir THOMAS WHITE: In the municipal taxation is there an exemption?

Mr. LEMIEUX: There is no municipal income tax. If a man cannot deduct from his net income the amount which he has had to pay in taxes on his land, that is, if he has to pay income tax on the whole of his income, thousands of individuals will be ruined.

At six o'clock the committee took recess.

After Recess.

The committee resumed at eight o'clock.

Mr. LEMIEUX: In view of the discussion which took place before six o'clock, I think that the minister ought to explain what he understands by net income.

Sir THOMAS WHITE: I have a very clear view as to what would be included in income as defined by this Bill. I have always found, and I think the courts have found, that it is better to take a word in its plain, commonsense meaning. If a man is employed as an official, let us say, in a bank, and receives a salary of $5,000, his net income for the purposes of this Act will be $5,000, because he earns that sum from his occupation. The question has been raised: supposing that man, in addition to having a salary of $5,000, derives $1,000 more by way of rental from some houses which he owns. Let us assume that he has to pay out in connection with this house $300 for taxes, repairs, and other outgo. He derives from that particular investment $700 net; therefore, if he has no other investments outside from which he derives income, his net income for the purposes of this Act is $5,700, made up of $5,000, which he earns from the bank, and $700, the net income from the productive property which he owns. Let us take the further case which was under consideration before six o'clock. Assume that an official drawing a salary of $5,000 owns some unproductive property—let us say, some vacant land, and that he pays, in order to retain that land, $1,500 or $2,000. My own opinion is that his income, notwithstanding the fact that he pays out that amount in respect of the unproductive property which he holds, is $5,000, the income which he derives from his calling. To show my hon. friend the fairness of the view which I put forward, let us compare the two cases. Two men, let us say, are employed by the Bank of Montreal, and each draws a salary of $10,000. One of these men has no outside property at all; he spends the entire $10,000 upon himself and his family. Clearly he is assessable for $10,000, which is his income. The other man spends only $1,500 or $2,000 upon himself and his family—he may have a smaller family—and with the balance of the money speculates in stocks or pays taxes upon property which he holds and which gives him no return. Would anybody seriously argue that the first man should be taxed upon $10,000, and that the other man should not be taxed at all, or should be taxed only upon $2,000 or $3,000? Get it down to a commonsense basis. What is the man's income from his trade, profession or calling? If he is an official, what is the amount of his income?—if he is a lawyer, how much does he make out of his office after paying the necessary outgoings? We are not concerned with what he does with the money after he gets it; we are concerned with the amount of his net income. If he spends it on his family; if he wastes it; if he speculates in stocks with it, or if he buys lands for investment and pays taxes upon them, —we have nothing to do with that. But if he has some landed property outside from which, after paying the necessary outgoings in respect to that property, he derives additional income, we add to the salary which he gets in his official position the net amount which he receives from that investment, and the two together will make his assessable income.

Mr. LEMIEUX: In the case of a married man, $3,000 of the income is exempt; therefore the man with the $10,000 income is assessed for only $7,000.

Sir THOMAS WHITE: I was not referring to the exemptions in my illustration.

Mr. LEMIEUX: Suppose a man has a net income of $5,000 and, on account of unproductive property which he holds, he is obliged, by the law, to pay municipal taxes to the extent of $2,000. Of his income $3,000 is exempt. Do you assess him upon $5,000, or upon $3,000. In any case, he has to pay the municipal taxes. Will he have to borrow in order to pay the federal taxation?

Sir THOMAS WHITE: This measure does not and cannot provide how a man will find the money to pay his income tax. In the case mentioned, the income of the party is $5,000. If he is married, he is entitled to $3,000 exemption; therefore, he

will be taxed upon $2,000 and will be liable to pay $80. As to how he will get that money, I am not in a position to say, but he will be liable for it under this Act. I do not see how it could be otherwise, unless we reduce the Act to a nullity.

Mr. C. A. WILSON: Suppose a lawyer collects in fees $5,000 in a year, and the expenses of running his office are $3,000, his net revenue for purposes of taxation will be $2,000?

Sir THOMAS WHITE: Yes.

Sir WILFRID LAURIER: In section 3 it is provided:

> Income . . . shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment.

That is quite intelligible, but I want an explanation upon what follows:

> And, whether such gains or profits are divided or distributed or not.

Sir THOMAS WHITE: My right hon. friend has touched upon a very important provision of this measure, and he asks a very proper question. We have been desirous of assessing, not only the amount which a man may choose to take out from his business, but also his share of the profits which are actually earned by the partnership during the year. A partnership might earn $100,000, and if it was assessed as a partnerships, the assessment would be upon $100,000 less the exemptions. But the partners might say: There is an income tax and we will not take $50,000 apiece—if that was the share to which they were each entitled;—we will take only $5,000 apiece, and will pay income tax only upon that $5,000. That would not be fair. My right hon. friend would have to pay upon his income because it is definite and ascertainable; but if a partner were entitled to one-half of the partnership profits, and if he took only part of his profits out of the business and that were counted as his income, he would escape taxation on part of what he had really earned in the partnership. My right hon. friend does not agree with me in that? I think he is wrong if he does not agree with me in that. If we are going to assess an individual who is in business upon his profits in that business, then we should assess a partnership, or a joint stock company upon its profits in its business. But we assess the partners individually upon their incomes, and therefore it is necessary to assess them not only upon the profits that are actually distributed, but upon the profits to which they are entitled. There is one point in this connection to which my right hon. friend has drawn attention. Following the words which he has quoted, we have these words:

> The share of any gains or profits made by any syndicate, trust, association, corporation or other body, or any partnership, to which a taxpayer would be entitled if such profits or gain were divided or distributed.

I am not clear at present as to whether these words should be allowed to remain in the Bill or not. The intention was that we should assess shareholders in respect not only of the dividends which they actually receive, but also of their share in the earnings of the company though not actually distributed amongst them. The idea was to prevent the company from paying a small dividend and piling up large reserves which it could at any time distribute to its shareholders. But there is in the Bill a provision further on. Subsection 4 of the same section provides that:

> For the purpose of the supertax only, the income of a taxpayer shall include the share to which he would be entitled of the undivided or undisturbed gains and profits made by any syndicate, trust, association, corporation or other body, or any partnership, if such gains and profits were divided or distributed, unless the minister is of opinion that the accumulation of such undivided and undistributed gains and profits is not made for the purpose of evading the tax, and is not in excess of what is reasonably required for the purposes of the business.

There are some privately-owned companies which might defeat the purpose of this Act by paying a small dividend and accumulating profits instead of distributing them amongst their shareholders. This subsection is to prevent such an evasion of the tax. As I say, I am not at the moment clear whether in subsection 1 of section 3 the words "the share of any gains or profits made by any syndicate, trust, association, corporation or other body, or any partnership, to which a taxpayer would be entitled if such profits or gain were divided or distributed," should be left in the Bill. I shall give the matter further consideration and shall express my opinion to the House later on. If I decide they should come out, I shall move an amendment. I can see a possible hardship in that shareholders who are not seeking to evade any liability under this measure and who receive, let us say, a dividend of 10 per cent, would find themselves, under the express terms of this measure, assessable for, say 12 or 15 per

cent because the company earned at that rate.

Sir WILFRID LAURIER: I present my views to my hon. friend as I understand this Bill. The principle of the measure is that every entity should be taxed—a corporation, a partnership; and then besides that, the partners or the shareholders who receive their share of the profits. Every business ascertains its profits for the year. Then it considers its liabilities, the contingent possibilities in the way of losses or the need for improvements. After having provided for these things, it distributes to its shareholders or to its partners the excess profits. My hon. friend taxes first the profits of the company, and then he taxes what is left in the entity, that is to say, in the partnership or association. Then he taxes also what comes to the shareholders or the partners. I raise no objection. But the measure may work a very severe hardship to a corporation. Suppose a corporation has earned $100,000 of profits during the year and distributed $50,000 to its shareholders and retains $50,000 to provide for contingent liabilities, or necessities, or losses. The minister takes the power to assess the corporation in respect of what may be its intention in so acting. Every association, whether it be a partnership or a corporation, works for individuals. If it keeps its profits in its coffers, it is to that extent acting to the detriment of the partners or shareholders, but for the benefit of the partnership, and in that way for the ultimate benefit of the partners or shareholders. Therefore, if it keeps that amount back in good faith for the interest of the company, I think that should be taken into consideration. If on the other hand this action is taken to evade taxation and to cheat the revenue, that is a different matter. It seems that in this measure no distinction is made between an honest intention and a fraudulent intention. We presume that the intention on the part of the taxpayer would be to have the Bill honestly enforced. This should be taken into consideration.

Sir THOMAS WHITE: I think no difficulty is likely to arise in the case presented by my right hon. friend. Take such a case as he mentions—that of a company earning profits of $100,000.

It is proper for that company to deduct from its gross revenue enough to make allowance for bad and doubtful debts and for any contingent liabilities—I am not speaking of some liability of a fanciful nature that might be expected in the remote future.

When these items are deducted from the gross revenue the result is the net profits. Having done that—and it is open to a company to do that, and companies do it, because it is sound from an accounting standpoint—if the company has still a net income of $100,000, even although it distributes only $50,000 to its shareholders, it should pay the normal tax of 4 per cent upon the whole $100,000. That is its net income, just as my hon. friend's net income is the amount which he derives as an individual.

My right hon. friend, I think, is a little mistaken, possibly, as to how we assess partnerships. We do not assess a partnership as an entity; the assessment is not against the partnership, but against the individual partners. We assess a joint stock company upon its net earnings, according to the proper definition of that term, making them pay the normal rate of 4 per cent. In the case of the shareholders of that company, who pay upon income partly made up from the dividends received from the company, under a provision which we shall reach later on in the Act, an allowance is made to the extent of the dividends which were taxable which they have received from the company. The provision to which I specially draw attention is to prevent privately-owned companies—companies with a few shareholders, family concerns—from paying out small dividends and accumulating an immense reserve which could be distributed at a later date.

Mr. GRAHAM: A close corporation.

Sir THOMAS WHITE: Yes. In the United States it was found that there was a great evasion of the tax, and some of our provisions have been modelled on their measures in the drafting of which they have had a good many years' experience.

Sir HERBERT AMES: Let me cite a case in connection with undistributed profits which would work a very real hardship. The figures I shall give are not exact, but it is a case of which I have personal knowledge. We are going to tax the revenues of 1917. Now I know of a firm that ran behind $100,000 in the year 1915. In the year 1916 it came out about even, and in the year 1917 it made $100,000. They always carried forward from year to year a certain amount of profit and loss out of which the dividends are paid. Now in the third year, although $100,000 had been made, in view of the fact that nothing had been made in the previous year, and $100,000 lost the year before, no dividends were paid. The three years were

taken as one, and the business has practically stood still. I think the firm did a wise thing in paying no dividends. If you are going to tax this undistributed $100,000 which they made in the third year, you are going to do an injury, because you are asking them to pay on profits that were never made.

Sir THOMAS WHITE: That would be a case in which the discretion of the minister could be exercised, as provided in the subsection. It is only where the intent is to defeat the Act that these undistributed profits will be subject to the supertax.

Mr. NESBITT: There is a style of company that I am sure the minister thoroughly understands, and which I think he had in his mind when speaking a few moments ago. The section says:

> The share of any gains or profits made by any syndicate, trust, association, corporation or other body, or any partnership, to which a taxpayer would be entitled if such profits or gain were divided.

That means the individual shareholder. Now there are many companies in Canada at the present time that are working largely on borrowed capital, and if they are borrowing money from the bank, the bank will not allow them to distribute their profits in the form of dividends, because those profits are needed in the business. You are taxing them four per cent. Now, it is not the fault of the shareholders that these profits were not distributed—they, of course, would like very much to have them distributed—but as a matter of fact it might ruin the business if the profits were distributed. I would like the minister to take that into serious consideration, because he knows that a great many joint stock companies are in that identical position, and he knows further that since the war started, on account of the enormous advance in the cost of raw material, the money they have been able to borrow from the bank does not go nearly so far as it did before the war. Consequently, the firms require more money and the banks will not allow the profits to be distributed in the way of dividends. To punish the shareholder as he would be punished here is, in my judgment, rather harsh treatment.

Sir THOMAS WHITE: I think my hon. friend is right. I had considered this matter a little before coming to the committee, and I am now prepared to move that, beginning on line 7 of page 2, the following words be struck out:

> The share of any gains or profits made by any syndicate, trust, association, corporation or other body, or any partnership, to which a taxpayer would be entitled if such profits or gain were divided or distributed.

I also beg to move that after the word "also" in line 11, there be inserted the words "the annual."

Mr. A. K. MACLEAN: I was wondering whether the minister intended these words to cover the case of insurance companies,—or is there a special provision for that purpose in the Bill? An insurance company, for instance, whether mutual or otherwise, is in receipt of a large income in the shape of premiums. It is true that such premium income cannot be regarded as income in the ordinary sense of the term, and it would be unfair to the policyholders so to construe it.

Sir THOMAS WHITE: Subsection (f) of section 5 says that among the incomes that shall not be liable to taxation are:

> (f) The incomes of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof.

Would that cover the case my hon. friend has in mind?

Mr. A. K. MACLEAN: I wished to say a word or two about undistributed profits. There must be some provision in the Bill for taxing undistributed profits in some way or other.

Sir THOMAS WHITE: There is.

Mr. A. K. MACLEAN: I was going to give the minister the benefit of a suggestion contained in a proposed amendment to the United States Income Tax Act. I have merely a summary of it here, but probably the minister has seen it. By this amendment it is proposed to:

> impose a tax in addition to the income tax, of 15 per cent upon the amount remaining undistributed 60 days after the end of each calendar or fiscal year of the total net income received during the year, including dividends. The tax, however, does not apply to:
>
> (1) That portion of the undistributed profits used for the establishment or maintenance of reserves required by law, or
>
> (2) That portion of the undistributed profits of railroads used, with the approval of the Interstate Commerce Commission, or if not subject to the jurisdiction of the Commission, with the approval of the state or local authorities having jurisdiction over such expenditure, for extensions, renewals, or betterments, or
>
> (3) An amount of undistributed profits equal to 20 per cent of such net income of corporations directly engaged in the production or distribution of commodities or in banking, so long as it is employed in the business.

This might afford some suggestion by which we could provide for a direct statutory provision in taxing undistributed profits.

Sir THOMAS WHITE: By subsection 4 provision is made for the application of a supertax to undistributed gains or profits provided that the minister is of the opinion that the accumulation of such undivided and undistributed gains and profits is made for the purpose of evading the tax. In what my learned friend has read there is an attempt to make it statutory, which is a pretty difficult thing to do. Here it is left as a matter of discretion. My own view is there is not likely to be an attempt at abuse, except in the case of a close corporation, and in such a case I think wise discretion would have to be exercised to see that the corporation paid the proper share of taxation.

Mr. A. K. MACLEAN: You want to take sufficient power to have that discretion?

Sir THOMAS WHITE: It is there.

Mr. A. K. MACLEAN: Is it wide enough?

Sir THOMAS WHITE: Oh, yes.

Mr. LEMIEUX: If the minister will permit me, I would like to repeat a question I put this afternoon, in connection with, first, a corporate body, and, second, a shareholder. My hon. friend said there will be an adjustment after a while, and that what the corporate body paid to the exchequer would be deducted from what the shareholder will have to pay. How are you going to adjust it? Supposing a company has five thousand, six thousand, or perhaps ten thousand shareholders, each receiving more or less dividends, and therefore paying more or less to the exchequer, how are you going to adjust it as between the individual shareholder, the company, and the exchequer? There are companies which at the beginning of the war ceased paying any dividends. Those dividends are cumulative. Suppose this year or next year they make enough profits to pay the cumulative dividends to each shareholder, as representing the unpaid dividends since the beginning of the war, will you assess the whole of the cumulative dividends, which are really the earnings of the years before this Bill comes into force, or will you deduct what should appertain to the years when no dividends were paid?

Sir THOMAS WHITE: In regard to my hon. friend's first question, if he will look at subsection 2 of section 4, he will see that corporations and joint stock companies, no matter how created or organized, shall pay the normal tax upon income exceeding $3,000. That is quite clear. Every corporation will be assessed by the department in respect of its net income at the normal rate of four per cent.

Clause (f) of subsection (1) of section 3 provides that for the purpose of the normal tax, the income embraced in a personal return shall be credited with the amount received as dividends upon the stock or from the net earnings of any company or other person which is taxable upon its income under this Act. Having assessed all the companies, when we get a return from a shareholder, he will be entitled to credit of the amount paid by the corporation upon dividends he received which are embraced in this return.

Mr. LEMIEUX: Will he do that himself, or will the department do it?

Sir THOMAS WHITE: He will make a return showing how his income is made up. Say, part of his income was derived from shares in a company which has paid the normal tax upon its income. In that case he would be credited with the amount which was so paid. The department would scrutinize his return, and in preparing his assessment would make the necessary allowance. Subsection 4 of section 7 provides that all corporations, associations, and syndicates shall make a return of all dividends and bonuses paid to shareholders and members. That would help the department in making the necessary adjustments.

Mr. LEMIEUX: Would it not be better to have the companies deduct the tax of the individual shareholders?

Sir THOMAS WHITE: No, they pay their own in full, then we make the allowance in the case of the individual shareholders. It is different from what it is in England.

Mr. NESBITT: It is just the opposite.

Sir THOMAS WHITE: Yes. Answering my hon. friend's second question; if he asks the question from a strictly legal point of view, I should say that a shareholder receiving accumulated dividends would be liable to taxation on those dividends as part of his income.

Mr. LEMIEUX: Then, it is retroactive?

Sir THOMAS WHITE: If they were cumulative for a period of two or three years, my view would be that in the ad-

ministration of the Act it would be fair to make the assessment of the dividends for one year, that is if it was a preferred dividend. I shall consider the matter, because I do not like to have anything left to the discretion of the minister. I think, legally speaking, if a shareholder, gets cumulative dividends for three or four years in one payment in a year, it is part of his income for the year. But, my hon. friend suggests there may be a certain injustice in that, and there may be something in his suggestion. I will consider it.

Mr. GRAHAM: A difficulty might be that in all matters of assessment the assessment of one year is taken, in a measure, as the basis for the next year. No matter what the return may be the officer in charge will simply look it over and see that a man received, say, $800 in dividends last year from a certain company, and this year he only acknowledges $150.

There are, as the hon. gentleman has said, companies that have paid no dividends for several years, but within the last year they have been catching up on the arrears of dividends. There will be some injustice in charging what was really, or what should have been, their income for two or three years back as the income for this year. The minister said he would take it into consideration. I think it is worth thinking over.

Sir THOMAS WHITE: I doubt if you could deal with that expressly by statute.

Mr. LEMIEUX: When you speak of dividends you should speak of coupons which represent a fixed amount. A certain big hotel company issued coupon bonds, but a few months after the war broke out that company ceased to honour its coupons. It is expected that in a year or two the company will be in a position to pay the coupons. In that case I do not see any reason why you should not make an allowance for the coupons which were due, but unpaid, before this Bill came into operation.

Sir THOMAS WHITE: I am afraid we could not do that. In the back years they did not receive their interest in a particular year, but they do receive their interest after that and they will have to pay on that.

Mr. NESBITT: Does the minister propose allowing a corporation to deduct bond interest before assessing the profits at the end of the year?

Sir THOMAS WHITE: Without doubt, interest upon bonds is a fixed charge and net profits are only ascertained after deducting interest upon underlying charges, all interest payments, operating expenses and overhead—in other words, the net profits, according to a properly drawn balance sheet.

Mr. NESBITT: I realize that it is impossible to be perfectly fair to everybody, but a corporation having no bonds and having stock will be in a very much worse position than a corporation that just carries bonds.

Sir THOMAS WHITE: I saw that argument advanced in one of the newspapers, but I submit it is not sound. The corporation that has a share capital pays upon its net earnings and its shareholders, upon receiving their dividends, are credited with the tax that is paid by the corporation. Take the case of a company which has a large bonded indebtedness. The holders of those bonds, not the company, are assessable under this Income Tax Bill for the incomes which they receive. The holder of the bonds pays upon the earnings of the company which are used to pay its bonded interest.

Mr. NESBITT: My hon. friend is quite right as to the individual shareholder or bondholder, but he is not right as to the corporation, as the corporation with stock is paying the four per cent on the whole profit whereas the corporation with bonds outstanding has that four per cent deducted.

Sir THOMAS WHITE: I understand that the corporation in the one case would pay a considerable sum, let us say, and in the other case it would not. But if you take that corporation with only a nominal share capital and distributing all its net profits to its bondholders, its bondholders are the virtual proprietors of the company. I do not mean to say that they are legally the proprietors but they are virtually the proprietors of the company because they hold its bonds and they get, by way of interest, all of its earnings or practically all of its earnings. Now take the case of the company that has no bonded indebtedness but has a large share capital and pays out dividends to its shareholders. The shareholders there are virtually the proprietors of the company, not legally, but virtually the proprietors of the company as the bondholders in the former case are virtually the proprietors of that company. That is to say, they take all of its earnings. The net result is about the same because the bondholders are assessable as individuals in respect to the bond interest which they derive. It is true that the other company

is assessed upon its net earnings, but the shareholders in their assessment are allowed to credit the amount which the company paid in respect of the dividends which form part of their income. Therefore the bondholders in the one case and the shareholders in the other are virtually the proprietors of the two companies and they are both taxed and are taxed upon about the same basis.

Sir WILFRID LAURIER: Did I understand my hon. friend correctly to say that the Bill does not apply to partnerships?

Sir THOMAS WHITE: I am not quite sure as to the sense in which my right hon. friend puts the question.

Sir WILFRID LAURIER: Do you tax a partnership?

Sir THOMAS WHITE: We do not tax a partnership as such. Let us say that A and B are partners carrying on a business. We do not make an assessment against A and B for income which they jointly derive, but we make an assessment against A as to his interest in the income which he derived and his share of the undistributed profits, and against B similarly; and in that way we assess the partners.

Sir WILFRID LAURIER: I would call my hon. friend's attention to paragraph (d) of section 2:

"Person" means any individual or person and any syndicate, trust, association, etc.

The use of the word "association" would seem to include a partnership.

Sir THOMAS WHITE: If my right hon. friend will look at page 4—

Sir WILFRID LAURIER: Yes, I understand that. I asked my hon. friend if partnerships are taxed, and he says that partnerships are not taxed but that partners are taxed. Then, I call his attention to paragraph (a) of section 2. I would imagine that a partnership would be included in an "association."

Sir THOMAS WHITE: I should differ from my hon. friend. The word "association" in its broad meaning might be taken to embrace partnership but I think an association is different from a partnership. Even if the word "association" should embrace partnership, if my right hon. friend will look at page 4, section 4, subsection 3, he will see that it says:

Any persons carrying on business in partnership shall be liable for the income tax only in their individual capacity.

[Sir Thomas White.]

That would exclude partnerships.

Mr. LEMIEUX: I would like to call my hon. friend's attention to paragraph (b) of subsection 1 of section 3:

The proceeds of life insurance policies paid upon the death of the person insured, or payments made or credited to the insured on life insurance endowment or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender of the contract.

I am informed that there is an Ontario statute which provides that the proceeds of an insurance policy made in favour of a man's wife is not liable to any taxation. Will that be liable to taxation under this?

Sir THOMAS WHITE: My hon. friend is referring to paragraph (b) of subsection 1 of section 3. That is one of the exemptions.

Mr. LEMIEUX: I did not observe that. I notice among the exemptions:

Such reasonable allowance as may be allowed by the minister for depreciation, or for any expenditure of a capital nature for renewals, or for the development of a business.

That I understand.

And the minister, when determining the income from mining and from oil and gas wells, shall make an allowance for the exhaustion of the mines and wells.

There are other businesses in which something akin to exhaustion may take place. Take real estate. A man may buy three or four acres and derive income from their sale, but as the sales take place that source of income becomes exhausted; part of the income is a return of capital.

Sir THOMAS WHITE: Undoubtedly there is a return of capital in such a case, and even if no provision existed in the statute, we should properly make an allowance in respect to the exhaustion of mines and oil wells. In a real estate transaction such as my hon. friend mentioned, a certain amount of the return would be regarded as return of capital and a certain amount as profit. We would deal only with the profit.

Mr. PUGSLEY: From the minister's statement to my hon. friend for Rouville (Mr. Lemieux) it might be inferred that the proceeds of an insurance policy paid to a widow would be exempt. Did he not mean that it would not come in as part of the income for that year, but that later it would be subject to taxation as part of her capital? It becomes capital or principal upon the income from which this statute operates.

Sir THOMAS WHITE: True, later.

Mr. LEMIEUX: Again referring to the Ontario statute, would my hon. friend (Mr. Middlebro) say if it entirely exempts from taxation the life insurance collected by a widow?

Mr. MIDDLEBRO: I think my hon. friend is confounding its exemption from seizure for the debts of the husband with exemption from taxation.

Mr. LOGGIE: Referring to subsection 4 of section 3, and dealing with the supertax only, it is not uncommon to find companies in business for many years but never declaring any dividend. They may make some profit, but they never have money to pay dividends. They are borrowers from the bank and all the profits that are available go to pay indebtedness, yet the books may show substantial profits. Or these profits may be locked up in investment that are not liquid, and cannot easily be converted into money.

Subsection 4 of section 3 provides that surplus profit, undivided, may be assessable for the supertax if the minister says so. I would point out that when the profits of one year are distributed and left in the business, then the following year the net results of the business, having the benefit of the money so left in it, will be greater than if these profits had been distributed. The increased profits are, of course, subject to the normal tax each year. That is something that the minister ought to take into consideration. I wish to draw the attention of the minister to another matter in connection with the net income of private individuals. A man who conducts, say, a dry-goods business is known as a business man. A private individual earning a salary and receiving, besides his salary, rents from houses that he owns, so that his net income is $3,000 or $4,000, would be considered, I assume, as a business man, and his transactions would be treated in the same manner as those of any business firm?

Sir THOMAS WHITE: Yes.

Mr. PUGSLEY: Before this section is carried, the suggestion of the member for Brantford (Mr. Cockshutt)) ought to be considered. The minister has said that he will treat a man's income from his business, position or profession independently of his income from any property, for instance, that he may own.

Sir THOMAS WHITE: Not quite that.

Mr. PUGSLEY: It comes pretty near that. The minister has said that if a man receives a salary from his occupation of $10,000, has real estate from which he receives an income and has certain other real estate which is a burden to him and upon which he is obliged to pay various amounts by way of taxes and repairs, these amounts that he pays out will not be taken into consideration when the amount upon which he is to be assessed is being determined. In a case of that kind the man will be obliged to pay taxes upon the total income which he receives from one particular source. It ought to be made clear that that is not the intention of the law. Take the case of a company which, while not engaged in buying or selling, is engaged in the ownership and management of real estate. It owns a dozen different pieces of property; from some of that property it receives a good income, but in respect of other portions of it there is a loss. The company makes up its statement for the year, including in its statement all the property which it owns. It places on the revenue side its total receipts and on the debit side its total disbursements in respect to the entire property, and the balance is the income of that company for the year. Why should it be different in the case of the individual? If the law is to be administered differently in respect to the individual, the individual must convert his real estate holdings into the holdings of a joint stock company. It is a very easy thing to do that; but why should it be necessary? If a man wishes to hold his property, why should he be compelled to put it into a company in order to get the benefit of the exemptions which, it is admitted, exist in respect to a company? In the case of a man who owns a number of pieces of property which bring in an income and also other pieces of property the carrying of which inflicts a loss upon him, the income upon which taxation should be levied should be his net income from his entire holdings. I cannot for the life of me see why the minister should adopt any other course. In accordance with all the principles of fair play, he ought to amend the Bill so as to make it clear that the net income upon which taxation will be levied is the net income which a man gets in the fair and reasonable carrying on of his business and the fair and reasonable administration and management of the property that he owns.

Sir THOMAS WHITE: I am sorry that the member for St. John (Mr. Pugsley)

was not in the Chamber a little after eight o'clock when I dealt with this matter at some length, and, I think, to the satisfaction of the committee. I am surprised that a gentleman of my hon. friend's fine legal mind cannot see the clear distinction which exists between the case of a man who has an income of $5,000 and a further income of $1,000 from productive property outside, and the case of a man who has an income of $5,000 which he spends in paying taxes upon investments outside, or in stock speculations or otherwise.

The illustration which I use is this: Take the case of two officials of the Bank of Montreal and let us assume that they are each getting a salary of $10,000. One of them spends the money upon himself and his family. The other man owns $100,000 worth of unproductive real estate upon which he has to pay taxes. Does my hon. friend mean to suggest that we should tax the one man to the full extent of the $10,000 and that the other man should go scot-free because he happens to pay away $7,000, let us say, in taxes upon unproductive property which he holds? The people of this country would not stand for that for a moment. The true principle of the Bill and of every income-tax measure is to consider what is a man's income from, his trade, profession, or calling? If he is an official of a bank and draws $10,000 a year as such official, that, in the plain, ordinary sense of the term is his income, no matter what he does with it. If, in addition to that, he has five houses, which bring him in $2,000 a year gross, and he has to pay out of that $500 for taxes and other outgoings, he has a net income from those houses of $1,500, and his income in the plain, every-day, ordinary sense of term "income," is the $10,000, plus the $1,500 net which he receives from his investment. It would be absolutely impossible to administer a business tax if, having ascertained the net income derived by a man from his trade, profession, or calling, the department had to follow him through all his investments. My hon. friend's proposition goes as far as this. Supposing a man has an income of $10,000 from his official position as a bank manager, and let us say he engages in unfortunate speculation and loses it all; my hon. friend says that that man is not liable for income tax. I say that he is liable for income tax. The question is—what is the man's income from his trade, profession, or calling? It is $10,000. Then we need not care what he does with it, whether he spends it luxuriously, whether he loses it in stock speculation, or whether he uses it to pay taxes on $100,000 worth of property which he owns. My hon. friend, who is a good lawyer, knows that any court would uphold the contention put forward by me to-night, that the correct interpretation of the word "income" is a man's income from his trade, profession, or calling, no matter what he does with that income after he gets it.

Mr. PUGSLEY: My hon. friend would be perfectly right if the income tax provided for by this Bill was limited to a man's income from his trade, profession or calling, but the measure is not so limited.

Sir THOMAS WHITE: We were speaking about that aspect of it.

Mr. PUGSLEY: My hon. friend cannot pick out one clause of the Bill—

Sir THOMAS WHITE: Of course he can.

Mr. PUGSLEY: —and deal with that alone, and have this legislation construed as if this was the only clause in the section. The section provides that the term "income" shall mean:

> The annual profit or gain or gratuity, whether ascertained as being fees or emoluments, or as wages, salary, or other fixed amount, or unascertained as being fees or emoluments, or as being profits from a trade or commercial or financial or other business or calling, directly or indirectly received by a person from any office or employment, or from any profession or calling, or from any trade, manufacture or business, as the case may be.

It would be all right if it stopped there; but it does not stop there; it goes on to say:

> And shall include the interest, dividends or profits, directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment.

Sir THOMAS WHITE: Quite so—from any other investment.

Mr. PUGSLEY: Which means and includes an investment in real estate.

Sir THOMAS WHITE: True.

Mr. PUGSLEY: Therefore if you are to determine what a man's net income is, you have a right to take not only what he receives annually from his business, but what he receives from the investments which he has bona fide made with his money, and, if he is unfortunate enough to incur a loss from some of those investments, surely all that should be taken into consideration, and the man's net income should be taxed.

If my hon. friend were limiting his Bill to income from a man's trade, profession or calling, that would be a different thing; but he taxes his whole income, no matter from what source it is derived, whether from his profession, trade or business, or from the investments which he has made. The minister not only seeks—as he says he is going to have this Bill administered—to collect taxes from the full income which a man receives from his business, trade or employment, but he further says that, in construing this Bill, he will insist that if a man receives from his investment in certain real estate an income, he will be assessed upon that income even although in respect to some other investments in the same class of property he is sustaining a loss and compelled to bear a burden. That is pushing the matter to the very verge of the grossest possible injustice. I cannot understand why the minister should refuse to have the matter made plain. All I suggest is that the law shall be a reasonable one; that the man shall be obliged to pay a tax upon his net income. I do not mean to say that if he chooses to risk his money in wild speculation, any loss he might incur in that way should be deducted. All I mean is that where a man is engaged in real estate—

Sir THOMAS WHITE: Engaged in real estate?

Mr. PUGSLEY: Not engaged in buying and selling real estate, but owning real estate, investing his money in real estate—if from some of his property he gets a good income, and with other portions of that property he is unfortunate and it brings in no income and he has to bear a large burden in respect to the taxes, all I ask is that his whole income from his different properties shall be considered, and it shall be upon the net income that he shall bear the burden imposed by this Bill. To have the law different is going to bring ruin to many people in this country who are unable to bear such a heavy tax, especially under the circumstances which prevail at this time. In the city of Montreal there are friends of mine with whose circumstances I am familiar, who have put their money into real estate. From some of their property they are receiving a good income. Other portions of their property in regard to which they exercised the same judgment or thought they were doing so, into which they bona fide put their money, are non-productive, and they are bearing heavy burdens, paying out heavy taxes. All I say is that the incomings and outgoings in respect to those different properties should be considered together, and upon the net income the taxation should fall.

Sir THOMAS WHITE: I do not mean to say that, if a man had a row of houses from which he received rents, and if there were some vacancies in those houses during the year, he would not be allowed to deduct, from the total income which he received from the row of houses, the taxes which he would pay in respect of the vacant houses as well as of those not vacant.

Mr. PUGSLEY: Suppose there are two rows of houses in different parts of the city, or suppose the rows are in different towns. Why should there be any difference?

Sir THOMAS WHITE: There is no difference if there are two rows of houses. Let us take two rows of houses and say that a man derives from those $5,000 a year and that some of them during the year are vacant and others are occupied, but that they are two rows of houses from which he has been in the habit of deriving an income. Nobody would contend that he should not be allowed to deduct the taxes from the income which he would receive in respect of those two rows of houses. Let us go back to my former example. Two men have each a salary of $10,000. One man has a family to keep and spends the entire $10,000 upon himself and his family in their maintenance and education. The other man has a considerable quantity of real estate, and he has to pay out $4,000 or $5,000 of his income on taxes. We must not assume that that money is lost. He is paying it out to protect his own property; and the first man that I have mentioned would have every reason to complain if we assessed him upon the full $10,000 and explained to him as a reason why we did not assess his neighbour who drew precisely the same salary as he did, that he held a good deal of real estate and took a considerable amount of that income to pay taxes upon that real estate. I think the first man would have a real grievance. He would say: His income is the same as mine; I spent mine in keeping my family, and educating my children, and he spent his in paying taxes upon some unproductive real estate which may give him an excellent return in years to come. I do not believe we should go back of the man's income.

Mr. LEMIEUX: But, supposing the second man had investments in rows of houses.

Sir THOMAS WHITE: He would have an income from them.

Mr. LEMIEUX: Supposing he receives no income from them? Some of them may be vacant. You will deduct that from his annual income, I suppose?

Sir THOMAS WHITE: You mean deduct it from the $10,000?

Mr. LEMIEUX: The minister makes a difference between the man who has an investment in real estate and the man who has an investment in houses. What is the difference?

Sir THOMAS WHITE: There is no difference, in principle. What I have stated is entirely consistent. If a man has an income of $10,000, and diminishes that income by losses he makes on real estate, or by amounts paid for taxes, or otherwise, what is the difference between that and the man who has an income of $10,000 and loses $5,000 in a stock speculation? He might say, "I have lost $5,000 in stocks, therefore I want you to assess me at $5,000, instead of $10,000." We should say, "No, your income was $10,000; you speculated in stocks, which is not the ordinary course of your business at all, and you lost this money; that does not affect your income, which is $10,000." If you laid down the principle that you would allow a man to deduct losses made in business in which he is not engaged, such as stock speculation, or real estate speculation, you might just as well never pass the Act, because it would be evaded in numberless ways. The true principle of the matter is, what is a man's income? Every one knows what you mean. If you ask a man on the street "What is so-and-so's income?" nobody will misunderstand you. You will be told it is the amount he gets from his employer, if he is employed. If, on the other hand, his income is derived from stocks, bonds or securities, everybody understands it is what he receives in the way of interest and dividends upon those securities. It is a commonsense matter. My hon. friend quoted section 3, to show that not only was individual income included—that is to say the individual income of a man from his trade, profession or calling—but also his income from investments. We all know what that means. It means his income from investments after he pays any necessary outgoings in connection with those investments, whether it is house property or not, plus the income he receives in his trade, profession or calling. It is not for us to inquire what he does with his income after he gets it. We are not interested in knowing whether he loses it in a stock speculation, or spends it foolishly. If you have to follow what a man does with his income, and allow it to be urged that he lost it in a stock speculation, or in a real estate speculation, or spent it foolishly, you might just as well never pass the Act.

Mr. COCKSHUTT: I must say I think the minister is rather confusing a fixed income or a salary with the proposition I brought out, and which I think has been well re-stated by the hon. member for St. John (Mr. Pugsley). I made no mention whatever of a salary. If a man is getting $10,000 income from his calling, not in the way of salary, but from his investments in real estate—

Sir THOMAS WHITE: Is he a real estate dealer?

Mr. COCKSHUTT: No, he is not a real estate dealer.

Sir THOMAS WHITE: Is that his principal business?

Mr. COCKSHUTT: It is his principal source of support. He has received it perhaps after struggling for years and investing his money, or he may have had it bequeathed to him.

Mr. PUGSLEY: Or, he might have his real estate managed by a real estate agent. It may not be his business at all.

Mr. COCKSHUTT: I have a piece of property which has been in the family for three generations. It has come down to me as an inheritance and I would hesitate to part with it. I am not what you would call a real estate dealer, but I have my investments largely in real estate, and as a business man I have made my returns for years to the city of Brantford as to my income. I should be very sorry indeed to think I was deceiving them, but I have taken a course which I am bound to say is the course I would take if the Finance Minister asked me to tell him what my income was—I would do my best to tell him my net income, deducting all expenditures in the way of taxes, repairs, insurance and everything of that kind, which every man who owns property knows he has to make.

Sir THOMAS WHITE: There is no objection to that.

Mr. COCKSHUTT: But, according to the minister, there is an objection to it. He instances the case of a man who loses part

of his salary in speculating and real estate. When I make my returns to the Brantford assessors, I deduct the repairs, taxes, insurance, and everything. On the other side, I put the rent received, and the difference is my income. I think that is the fair way of doing it, and it was with a view to getting the matter settled and enabling a man to make a proper return to the department that I raised the question. I am, in a small way, a trustee for some real estate, and I know this method of making returns has been found equitable and satisfactory by the courts. If it is proper for a trustee, it ought to be proper for an individual. There is another point I wish to mention. If the Finance Minister tells a man he has an income of $25,000, and the man himself says "My income is only $15,000" it is up to the Minister of Finance to show him where the $25,000 is. If a man only has an income of $15,000, and it is sought to assess him on an income of $25,000, I think he has a very reasonable grievance against the Government. I am not saying this with a view to paring down at all, because I am quite satisfied and willing to pay anything I may be called upon to pay under this Act; but, as a man who has to make a report, I do not want to be subject to a $10,000 fine for making a false report. It appears to me the minister would be acting wisely if he were to consider the proposition made by the hon. member for St. John. I think it was a fair statement, and covers the point in perhaps a better way than I did this afternoon. I was not dealing at all with the matter of salary or with anything but an income from real estate, which income is the difference between the revenue and the outgo or expenditure. It seems to me that is equitable and right. I cannot see it in any other way.

Sir THOMAS WHITE: We are talking about entirely different things. Before six o'clock my hon. friend raised the question as to depreciation of real estate. After eight o'clock we were discussing the question raised by my hon. friend from Rouville (Mr. Lemieux), whether a man with a salary of $10,000 should be allowed to deduct from it the taxes which he might pay in respect of some unproductive property which he held. If a man's income is derived from real estate his calling, so to speak, is that of a landowner, although, of course, he is not a professional man in that sense. He has to take his unproductive houses and estimate the net return, as my hon. friend has suggested. The proposition I am laying down is that a man with an official salary of $10,000 should not deduct from it the $1,000 or $2,000 that he may have to pay in taxes on unproductive property. I am in the position where I shall have to pay in this respect just like other people. I have to pay taxes on unproductive property, and I certainly do not intend to deduct the taxes from my income. I think that is how the boards will construe the Act. That is the way they have construed the income tax legislation of the United States.

Mr. GRAHAM: There are two kinds of property. One is real estate. Suppose a man is not interested in real estate, productive or unproductive, but in some other kind of property—securities, for instance. Suppose the hon. member for Brantford (Mr. Cockshutt) had two securities, one of which paid him a regular dividend. All at once the dividend stops. Would he be entitled to deduct from his income the interest he had to pay on the money in that non-productive security?

Mr. COCKSHUTT: I do not think that is a parallel case.

Mr. GRAHAM: Nearly; it is a different kind of property that is all.

Mr. COCKHUTT: If, instead of it being a dividend producer, the dividend ceased and a call was made upon him to pay in more capital—that is the point which I raised. Instead of bringing in income, he is called upon to make good an outgo. The company says: "You have subscribed for so much stock, and to save it you must now subscribe for so much more." If the company said that, that would be a parallel case. The ceasing of the dividend is not sufficient. Taxes, insurance, repairs, all have to go on. If I have a caretaker, he has to be there, and snow shovelling and watering the street have all got to be done as though the property was occupied.

Mr. GRAHAM: I will go as far as my hon. friend has suggested. Suppose that a call was made, do you think he would be entitled to deduct the amount of that call from his income? I say no. Go just as far as you like. That is capital expenditure; it is not income. Suppose I invest $10,000 in stock and half of it becomes unproductive. A call is made, and I have to pay in that call. I have made an investment that I thought was going to pay, but it did not. My hon. friend has invested

$10,000 in real estate that he thought was going to pay, but it did not. We are, therefore, both in the same position, the only difference being that one is real estate and the other securities. Should we allow our loss in either case to be deducted from our income for the purposes of this taxation?

Mr. COCKSHUTT: That is not a parallel case as I understand it.

Mr. GRAHAM: I carried it as far as my hon. friend wanted me to.

Mr. COCKSHUTT: The hon. member carried it to an illogical conclusion. If the call was made because the company had encountered a loss, as frequently occurs, I say that he did not increase his capital by reason of the call having been made. He has really made a loss. He is being called upon to make up a call. Take a fire insurance company, for instance. They have been paying dividends every year as my hon. friend knows. Suddenly they have a disastrous year and the dividends cease. The fires have been so great that instead of having a dividend on his stock, all the premiums have been exhausted and the company has lost a portion of its capital. In order to keep the security good, a call is made to put it where it was. If the hon. gentleman figured out that that was income, I think he would soon find that he was living on air, and that the income was a myth. There is no income about that. It is a loan that has to be made. Surely if an income exists, the man that has it ought to know. If he is trying to evade the law, fine him. But if he says, "My income is $15,000, as I can show you by the net results in the bank at the end of the year." I would take that as prima facie evidence that that was his income.

Mr. McCREA: Suppose that a man has two properties that he is carrying on his books at a certain value. One of them he sells for possibly twice what he is carrying it at. Would that be considered as income for that year? The other property he sells at a loss. How would the minister treat that? If one is counted as profit, the other should be counted as loss. As I understand the minister, capital will have nothing to do with profits. If a man has a property and sells it at a profit of 20 or 50 or even a hundred per cent, that will not be taxed. If he sells his property at a loss, do I understand that he will not be allowed to deduct that amount?

Sir THOMAS WHITE: I think I agree with my hon. friend. It would not be fair to count as income in any given year the profit which one might make on the sale of real estate which a man had held for a number of years, for that would not be annual gain, and I do not think it would be possible to apportion a certain amount of it in respect of the year in question. The same argument would apply to the other property. A great number of the questions that have been raised here are of theoretical importance, but not likely to become a practical issue in the administration of the Act. In connection with the Business Profits War tax we had many cases where properties were sold at a profit after being held for a number of years. But in the working out of the Act it was recognized that that was not gain for that particular year, and no difficulty was experienced.

Mr. McCREA: That is as I understood it.

Mr. VERVILLE: Suppose I am paying $1,000 interest on a property mortgage? Would I be allowed to deduct that amount from my income? If I am taxed on that $1,000, and the man who receives it counts it as part of his income and is also taxed on it, that would be double taxation?

Sir THOMAS WHITE: In the case my hon. friend suggests, where he is paying $1,000 interest upon a mortgage upon some property which he holds, he would be entitled to deduct from the revenue which he derived from that property the interest which he paid on the mortgage. On the other hand, the mortgagee would derive from my hon. friend the thousand dollars which would be a part of his income. If the income be $3,000 more, he will be liable, under the provisions of this Bill, less $3,000 exemption.

Mr. VERVILLE: I brought that up because there are quite a lot of workmen having small properties and very heavy mortgages upon them. They were afraid they would be taxed for the amount of the mortgages, but according to the explanation they will not be.

Mr. LEMIEUX: Take the case of a man who buys some stock and makes only a partial payment and the stock is hypothecated with the bank. Let us say that I buy 500 shares of Ottawa Electric, and that I pay for 100 shares, the bank carrying the stock, how should I be assessed in that case?

Sir THOMAS WHITE: That case came under my observation many times years ago when I was connected with assessment

work. This Bill will work out in this way: My hon. friend, we will say, is entitled to $1,000 on those shares, out of which he has to pay $600 to the bank for carrying them. The balance of $400 would be the net earnings which my hon. friend would derive from the investment.

Mr. McCREA: The minister's explanation with reference to the question I asked does not seem to be satisfactory, and I do not think the Bill makes it quite clear.

Sir THOMAS WHITE: I think the words "net gain or profit" covers that.

Mr. McCREA: A person holding a property might sell it for $15,000 or $2,000 more than he was carrying it at, and that might be interpreted as profit. I think the Bill does not explain that, and I think the minister should make it clear, so that there will be no question about it.

Mr. PUGSLEY: Is the word "net" in the Bill?

Sir THOMAS WHITE: Section 3, subsection 1, says that:

> For the purposes of this Act "income" means the annual profit or gain.

Sir WILFRID LAURIER: Perhaps my hon. friend will insert the word "net" there?

Sir THOMAS WHITE: I do not like to insert the word "net," because I do not know whether it has been interpreted. I know that in the province of Ontario there are decisions that income for the purposes of taxation means net income.

Mr. LEMIEUX: Why not put it in?

Sir THOMAS WHITE: I will consider it, but I do not like to insert a word without having counsel look up the cases to see that it is apt. Lawyers will appreciate that. Income, to me, means net income in the case which my hon. friend has mentioned.

Mr. LEMIEUX: There is a distinction between net and gross income or net and gross gain, which is well understood. It is not gross gain or income but net income or gain, and I do not see why it cannot be so worded. I would like to ask another question. I was asked this evening by a gentleman if a subscription made this year to the Patriotic Fund or to the Red Cross Fund would be deducted in accordance with the explanation given by my hon. friend.

Sir THOMAS WHITE: Yes, this Bill applies to incomes for the calendar year. Therefore, any contribution made during this calendar year may be deducted from the income.

Sir HERBERT AMES: While we are on this subject, I would like to say I am rather sorry that my hon. friend the Finance Minister is not willing, for the year 1917, to consider any amount that has been subscribed and actually paid to the Patriotic Fund, or the Red Cross Fund, as having been contributed towards the support of the war and therefore having been paid as a tax. As I understand, he is only willing to go so far as to provide that whatever contribution has been made to the Patriotic Fund shall be exempted from the amount to be assessed for income tax. If a man has an income of $10,000 and he gives $1,000 to the Patriotic Fund, instead of having $3,000 exemption he has a $4,000 exemption, and it only means that he has a $40 concession made to him. That is all he gets really for his patriotic effort in giving $1,000, or one-tenth of his income, to the Patriotic Fund. I would like to have seen the whole $1,000 credited for the year 1917 as having been paid into the war fund. I wish the minister would take that into consideration for the year 1917 only, inasmuch as his income tax covers that year and inasmuch as during that year very many large contributions will be paid. For the year 1918 he can adopt the other method if he so desires.

There is another feature of this measure that I would like to speak of. The minister spoke about exempting from the operation of this Bill moneys that were contributed by taxation to patriotic funds. I just want to point out that, while it may be reasonably easy to exempt from taxation moneys that are voluntarily subscribed and paid, because these are usually given in round figures and easily obtainable, it is going to be a very difficult matter indeed to give credit to tax-payers for the amounts that they are paying into the Patriotic Fund through taxation. In New Brunswick, $500,000 is being raised for the Patriotic Fund entirely by levying a tax. It works out to about one mill on the dollar. A man with a $10,000 property will pay $10 to the Patriotic Fund in that way. Supposing that man has an income of $6,000, $3,000 of which is exempted, his tax, at four per cent on $3,000 will be $120. Are you going to say to him: We will not tax you on that $3,000, but we will tax you on $2,990 because you have given $10 through taxation to the Patriotic Fund; therefore, your tax will amount to $119.60? That is a deduction of 40 cents. I do not think it would be worth while to do all the figuring that would be necessary for

such a very small reduction. In the case of a man with $1,000 property there will be a four-cent reduction instead of a forty-cent one. Every city, town and county in New Brunswick is raising money by taxation; practically every city, town and county in Nova Scotia is making a contribution by taxation; Quebec province is contributing $1,000,000 raised by taxation; Montreal, Sherbrooke and other places are making contributions raised by taxation; practically every county council in Ontario is raising money by taxation, at the rate of one, two, or three mills on the dollar; Toronto, Peterborough, St. Thomas, London and many other cities and towns are raising sums by taxation; and throughout Canada three-eighths of the money that is being raised is being raised by taxation. If you are going to figure that all down to the tiniest sums in the case of individual contributors, you are going to have such an amount of book-keeping that it will hardly be worth while.

So I would not ask any recognition of moneys paid into the Patriotic Fund on a man's regular tax bill. But where a man voluntarily contributes a generous amount I should like to see that reckoned as money contributed directly to the war, and to see the whole amount deducted from what he would pay as income tax. Even if that is not done in 1917, certainly in 1918 he should not be taxed for income on the amount he generously subscribed to the Patriotic, the Red Cross and other funds.

Mr. A. K. MACLEAN: I have had many representations that patriotic contributions would suffer very much if the contributors were not given credit for their contributions upon the tax and not upon the assessment. I shall read a passage from a letter which I received to-day from a gentleman in Toronto, once a minister of the Crown:

> In my way of thinking, the only way to prevent such funds as the Patriotic suffering from heavy reduction is to let contributors, under the supervision of the department, deduct from the income tax the amounts they give to these funds.

In other words, he suggests that, instead of considering these contributions in calculating the assessment, they ought to be applied in reduction of the tax after it is fixed. If the tax results in a substantial diminution in the contributions to the fund we shall create a burden which the state must take up, and it may be a very sound conclusion to reach that the deduction be made upon the tax and not upon the assessment.

[Sir Herbert Ames.]

Sir THOMAS WHITE: I have endeavoured to bear in mind that if the tax is too heavy it may seriously affect contributions to the Patriotic and Red Cross Funds, which have been so generously supported by the people of Canada. But if we allow contributors to these funds to deduct their contributions from the amount of taxation to which they are liable under this measure, will that not be tantamount to our paying their subscriptions? There might be cases in which subscribers have subscribed, and will subscribe, more than the amount of their taxes, but it would seem to me that if we took their subscriptions as cash in payment of the taxes under this measure, the Government would simply be paying their contribution and assuming the burden of the fund to that extent. My hope was and is that this income tax, while undoubtedly heavy, is not unduly heavy, having regard to war conditions, and that the well-to-do people of this country who have done so well with the Patriotic and Red Cross Funds will still continue their subscriptions. I have believed it desirable not only that the Patriotic Funds and Red Cross should be sustained, but that these contributions should be continued in the interests of the donors themselves, because when a man gives to the Patriotic Fund or any other worthy object, he really benefits himself as well as the object to which he is contributing. In connection with the Patriotic Fund these contributions have made for patriotic spirit which has meant a great deal in connection with the prosecution of this war.

I assure the committee that it is from no lack or desire to be generous, in so far as the Government can be generous in this matter, that we have drafted the Bill so as to allow the contributions from the income rather than from the amount of taxes payable in respect of the income. I think it best to leave the Bill in its present form. We have been asked to make exceptions to the extent that a man contributes to religious and other philanthropic purposes. I did consider all these matters very earnestly when we were fixing the rates, particularly of the supertax. I was exceedingly anxious that the taxation should not be so severe as to dampen the patriotic enthusiasm of the people of Canada which has resulted in such splendid contributions to the Patriotic and Red Cross Funds.

Mr. SCHAFFNER: I understood the member for Montreal, St. Antoine (Sir Herbert Ames) to say that moneys voluntarily paid into patriotic funds would be deducted from

the amount assessable for income tax, but that amounts paid into such funds by way of municipal or provincial taxation would not be so deducted. If that is the case, it is most unfair. In Manitoba we have a very large tax, especially for the Patriotic Fund, amounting to about $8 upon each quarter-section of land. If the amount that a man pays into the Patriotic Fund in the ordinary course is deducted from his income assessable under this Act, surely the amounts collected from him by the municipality for the Patriotic Fund should be similarly deducted.

Mr. PUGSLEY: I think that paragraph (e) should be changed by striking out the words "subscribed and," so that it would read "amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds." I desire to press the view that people who contribute to these patriotic funds under a system of taxation authorized by the provincial legislatures should receive the same treatment as those who pay in a province where there is not such legislation. In New Brunswick the amount raised is, I think, about $500,000, which is a very generous contribution. Some gentlemen in the city of St. John have asked that their taxes for the Patriotic Fund should be very largely increased beyond what they would be liable for under the law. Their request has been complied with, and the amounts which they pay are very generous. They will feel that they are discriminated against if consideration is given to those who contributed voluntarily, while no consideration is given to the people of those provinces which have passed a law providing that all people shall pay according to their means. The member for Montreal, St. Antoine, says that it would involve a good deal of bookkeeping to take into consideration the taxes paid under provincial legislation, because in many cases the amounts are comparatively small. Well, it would lead to no more bookkeeping than the making of a record of all those who contributed voluntarily, because the voluntary contributions are not all large. In New Brunswick the amount of the tax for the Patriotic Fund is endorsed upon every tax Bill; it appears separately in the assessor's books and in the books of the collector in each municipality. If any taxpayer desired to have exemption in respect to such payments to patriotic funds, he could make out his statement just as the man who contributes voluntarily makes out his statement in order to secure exemption.

Sir HERBERT AMES: How would you divide up the million dollars that is given by Quebec in such a way that each taxpayer would have a fair share?

Mr. PUGSLEY: That, of course, is an indirect contribution.

Sir HERBERT AMES: Not at all; it is raised by taxation.

Mr. PUGSLEY: That is a contribution by the municipality. I suppose bonds were issued for the purpose of making the contribution.

Sir HERBERT AMES: They did that in many cases in New Brunswick.

Mr. PUGSLEY: In New Brunswick there is a direct tax upon every owner of real estate in the province. As soon as the law was passed there, voluntary contributions largely ceased, because it was considered that the amount raised by taxation should take the place of voluntary contributions.

Sir THOMAS WHITE: I should dislike very much there being any feeling that discrimination existed. Some citizens subscribe directly; others concur in legislation taxing themselves and others for the purposes of the Patriotic Fund. Probably each taxpayer will indicate in his return the amount for which he has been taxed for patriotic funds. The view of my hon. friend would be met if we struck out the words " subscribed and " in paragraph (e). I would move that these words be struck out. It is hardly likely that we shall get the administration of the Act down to the mathematical nicety of a few dollars. However, we will do the best we can with it; this amendment is to avoid the appearance of discrimination.

Mr. PUGSLEY: The striking out of those words meets the case.

Amendment agreed to.

Mr. LEMIEUX: What is the nature of the special war tax imposed in Ontario? I understand that this tax was imposed for war purposes, to assist the various funds which are incidental to the cause in Ontario.

Mr. NICKLE: It was put into a separate fund, as I understand the matter, and administered from time to time for various objects in connection with the war—Red Cross, Sailors' Relief, purchasing machine guns, Patriotic Fund and several others.

Mr. LEMIEUX: I am very glad for the explanation given by my hon. friend. I

may expect, as a taxpayer in Ontario, that the Minister of Finance will deduct this war tax which I have paid, in addition to my other subscriptions to the Patriotic Fund. Subsection (e) says:

"Amounts subscribed and paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds and other patriotic and war funds approved by the minister.

This war tax should come under this subsection.

Sir THOMAS WHITE: The amount is almost negligible in the case of an individual. For instance, one mill on $10,000 would be $10.

Mr. LEMIEUX: I am under the impression that in my Bill the tax amounted to something like $49.

Sir THOMAS WHITE: That is because my hon. friend is so wealthy.

Mr. LEMIEUX: No, I have an ordinary property here, and it is on that property I am taxed. The tax is not an insignificant one. At all events, it seems to me that under this subsection the taxpayer should be permitted to make a deduction in that respect.

Sir THOMAS WHITE: The amount is so very little in the case of an individual. One mill on $10,000 would be $10, so that if this war tax was permitted to be deducted from an income of $10,000, a man would be allowed to deduct, from the taxes paid under this Bill, forty cents, because the tax is only four per cent on the income.

Mr. MIDDLEBRO: I am rather of the opinion that the amount of exemption allowed in connection with contributions to the Canadian Patriotic Fund is not sufficient. On the 22nd of June, the Minister of Finance spoke in this House as follows:

The hon. member for St. Antoine (Sir Herbert Ames) said the other day that $40,000,000 had been raised or pledged in connection with those funds. Let us not overlook that; but unfortunately, in every community, there are one or two or three or more men who are rich and who are close and who have not contributed to those funds, and the people of this country feel that they should be made to contribute. If I can make them contribute, I will do so. I am not sure that it would not be well, in connection with an income tax, if we bring one down, to provide that a man should be exempted to the extent that he has contributed to the Patriotic and the Red Cross Funds, because, if you impose too severe taxation, you will tend to stop—I do not say you will stop—the voluntary flow of funds for those great purposes, and it is not only the money that is valuable, but the good will.

From that I rather concluded that we were going to be allowed to deduct patriotic contributions not from the income, but from the tax upon the income. That was the fair inference from what was said.

Sir THOMAS WHITE: Would not the Government then be paying the contribution?

Mr. MIDDLEBRO: I would not go as far as that, because I think that is too large a deduction, but that money that has been contributed to the Patriotic Fund is money that is necessary, and if we do not contribute to the Patriotic Fund, the Government will have to come to the rescue of that Fund. This Bill, however, does not sufficiently penalize the man who has not been contributing to the Patriotic Fund, because the man who has contributed is allowed a deduction of only four per cent on his contribution. That means that the man who has not contributed is penalized only to the extent of four per cent. The suggestion of the hon. member for St. Antoine (Sir Herbert Ames) is a good one, that is, that those who have actually been paying contributions before the Bill was introduced, should be allowed to deduct the amount of their contributions from the tax because if you do not do that, as the tax in respect of this Bill will be on the income for the year 1917—although paid in 1918—you will have this condition of affairs, that they will be paying a tax in respect of this year and they will also have been paying into the Patriotic Fund during the same time, and they are getting practically no relief in respect of that contribution because they are getting an exemption of only four per cent of their contribution.

Sir THOMAS WHITE: I shall be very glad to take the matter into consideration, but if we enact in this measure that contributions to the Patriotic and Red Cross Funds shall be deducted from income taxation, then many would prefer to give to those funds to giving to the Government. The tax will then not come in to the Government, but will go to the two funds. We are desirous that the funds should be maintained, but I would like this measure to be such that the well-to-do citizens of the country would pay the Government the amount of tax levied by it, and, at the same time, continue or even increase their contributions to the Patriotic and Red Cross Funds. The effect of giving exemption from taxation to the amount of the contribution means that the Government pays the contribution. Therefore, if a contributor gave to the Patriotic or the Red Cross Fund only the amount that he would be

liable for taxation under this measure, he pays to those funds only what he is obliged to pay to the Government and the merit of his voluntary contribution is largely gone.

Sir HERBERT AMES: The hon. member for North Grey (Mr. Middlebro) and I wish it clearly understood that it is only in regard to 1917 that we are pleading, the point being this, that we have had campaigns in practically every city throughout the Dominion of Canada, and we have secured a large number of subscriptions that are being paid in on a monthly basis. Practically all those subscriptions will be paid in by January, February, or, at the very latest, by March of next year. This income tax is retroactive in that it is on what a man's income was in 1917. All those men who are now giving generously to the Patriotic Fund are giving without any expectation of having an income tax placed upon them this year. They have a self-imposed income tax for the Patriotic Fund. In addition to that you are going to place upon them another income tax. All that we are pleading for is that the money which is subscribed and paid in 1917 by the comparatively small portion of our population who have an income of over $3,000, and who therefore come under this tax, may be regarded as having been paid to the Government. Three-eighths of all the money we get comes from taxation; probably as much more comes from small subscribers, and perhaps one-quarter of all we get comes from the large subscribers who have incomes of $3,000 and upwards, and who will therefore be hit by this tax.

Where a man with an income of $10,000 has deliberately settled down and said: "I will give one-tenth of my income to the Patriotic Fund," when you ask him to give three or four hundred dollars more by way of income tax in that same year you are making his burden pretty heavy. Furthermore, it must be remembered that there are in every community a certain number of extremely stingy men, who have not given a dollar to anything since the war began, who have dulled the edge of every campaign committee we have had, who have been the obstacle in every attempt we have made to raise money. Other people would say: "There is Jones, with a big income; he has not given a red cent for war purposes; if he won't give, why should we give?" We have met with that over and over again. We have frequently found two or three men in a community with big incomes who had contributed absolutely nothing, and I would like to have these men feel that they could not escape the 1917 tax by being stingy. I think it would have a helpful influence throughout the community if Parliament showed that we appreciate the patriotism and generosity of the men who have been subscribing so liberally. It would not take very much out of the minister's revenue this year. I do not say it should go beyond 1917, but it would be a recognition for that year of the generosity of these men. We shall have to make our plans for 1918 having in view the fact that this income tax has been imposed. People will subscribe then with their eyes open. They will say: "I know that I have to pay $500 income tax, and I therefore cannot give you as much for the Patriotic Fund as I did last year; I will only give you $250 this year." But for the year 1917, on which these people are pledged and have sent in their cards, making an engagement that cannot be broken, we want to feel that they are to some extent protected.

Sir THOMAS WHITE: I shall be very glad to take into consideration the observations which have been made. I think they are well worthy of careful consideration.

Mr. LOGGIE: The minister will not forget that the provincial taxation spoken of is spread over a number of years, I think twenty years in the case of New Brunswick, and even if you deduct the taxes paid it would not amount to much. When this taxation was levied there was no thought of this special taxation being imposed, and perhaps that is worth considering.

Mr. McCREA: I think it is very desirable to exempt everybody if possible; but nobody knows the financial affairs of this country better than the Minister of Finance, and they are in such shape that he has had to resort to this measure of taxation. Later on, I believe he will have to resort to still more serious methods. I think it would be a mistake to modify in any way the taxation he is now imposing, on patriotic or any other grounds. The trouble has been that in the past the minister and the Government have been lacking in the courage they should have had. They should have imposed taxes before now so that the people of this country would be carrying a more substantial part of the burden to-day. If more severe methods of taxation had been resorted to it would be

a great deal easier for the Minister of Finance to-day to raise funds in New York or elsewhere. I am not fond of taxation myself; I like my money as much as anybody, but I realize that we have to put our hands down in our pockets and pay the fiddler. We are performing pretty fast music just now, and the money is needed. I repeat that it would be a mistake to modify the taxation proposals because in my judgment the time is pretty near at hand when far more severe methods of taxation will have to be resorted to, and we might just as well face the music in the matter of money as in the matter of men. There is a great cry just now for the conscription of men, so let us consider means of paying these men.

Mr. MIDDLEBRO: I do not quite understand clause (c). This evening the hon. member for Brantford claimed that depreciation in value of his property should be deducted from his income. Subsection (c) seems to cover that point. It says that you may have exemption from income for:

> Such reasonable allowance as may be allowed by the Minister for depreciation, or for any expenditure of a capital nature for renewals, or for the development of a business.

That seems to cover the point. I am opposed to the principle of allowing depreciation to be deducted from income.

Sir THOMAS WHITE: This refers to depreciation in connection with a business enterprise.

Mr. MIDDLEBRO: It does not say so; that is my objection.

Sir THOMAS WHITE: I think it does. The whole section relates, and is intended to relate, to a business.

Mr. PUGSLEY: May I be permitted to call the minister's attention to the use of the word "net" in different parts of section 3—a fact which I think he ought to take into consideration in determining whether he will insert the word "net" before the word "profit" in line 2 of subsection 1. The minister said that he does not like the word "net," but he is using it in line 38 of page 2 in the phrase "the net earnings," and again on the next page in line 9, where he speaks of the "net profit or gain." Although the minister does not like the word "net" he has thought it reasonable to use it in those two cases, and he knows that it is a rule of construction that if in an Act a word is used referring to one subject and is omitted in reference to another subject, the court will draw certain inferences from that omission on the principle of "inclusio unius est silentio alterius." The minister, I know, will agree with me that it is very important to take that into consideration in considering the whole section. The court might hold that in simply using the word "annual profit or gain" in one case and "net profit or gain" in another, Parliament intended where the word "net" had been left out, that the gain or profit would be the gross gain or profit. I throw that out for the consideration of the minister.

Sir THOMAS WHITE: I shall be glad to take it into consideration, but it seems to me that profit or gain means net profit.

Mr. PUGSLEY: Then why use the word "net" in the two other cases?

Sir THOMAS WHITE: It is unwise to use two words where one will serve the purpose.

Mr. PUGSLEY: Why use it then?

Sir THOMAS WHITE: Net earnings as applied to a company is a common and ordinary expression. It has a well defined and well understood meaning, and is used by accountants in making up their statements.

Mr. PUGSLEY: Why do you use the words "net profit?"

Sir THOMAS WHITE: I do not believe the word "net" adds anything to the word "profit." I would rather strike out the word "net" in section 2. "Profit" is profit. I do not think you gain anything by saying "net profit." "Net earnings" is, of course, different.

Subsection agreed to.

On subsection 2, section 3—Holding Companies:

Sir WILFRID LAURIER: What is the meaning of this? Can my hon. friend give a concrete case?

Sir THOMAS WHITE: If a company owns all the stock of another company, there is no reason why it should not take the product of that second company at any price that may be agreed upon irrespective of whether it is a fair market price or not, because the first-named company owns all the shares of the second. There might be an international case in which a company in the United States would own all the shares of a company in Canada. The Canadian company might be doing a highly profitable business if it was carrying on its affairs in the usual course, but by rea-

son of a contract which it might have with the United States company to sell its product at a very low rate, it might show no profits at all. I may say this section is the same as the one in the Business Profits War Tax Act, inserted for the purpose of making such companies contribute reasonably under that measure of taxation.

Subsection agreed to.

On subsection 3, of section 3—Non-residents:

Sir HERBERT AMES: May I ask the minister what will happen in a case like this. I know a gentleman in Montreal who is manager of a large business concern. He is an American citizen, and still holds, technically speaking, his residence in the United States. He is taxed on his income in the United States, but he draws his income as a salary in Canada. Will he be taxed a second time in Canada, and therefore have to pay two income taxes?

Sir THOMAS WHITE: I should say the Government which should give way would be the Government of the United States. This gentleman is domiciled in Canada and is drawing his salary in Canada. There is no reason why he should not pay the income tax. If he is subject to an income tax in the United States, that is a matter he should take up with the United States Government. I cannot see how we could distinguish his case from the case of any one else drawing a salary in Canada.

Mr. LOGGIE: Does this subsection include a corporation?

Sir THOMAS WHITE: Yes.

Mr. LOGGIE: Does a corporation doing busines in Canada, whose head office is in the United States, have to make up a statement of the revenue from its Canadian business?

Sir THOMAS WHITE: Yes.

Subsection agreed to.

On section 5—Incomes not liable to tax; paragraph (j):

The military and naval pay of persons who have been on active service overseas during the present war in any of the military or naval forces of His Majesty or of His Majesty's Allies.

Mr. GRAHAM: I presume that, as a matter of fact, comparatively few incomes of men at the front will be taxable any way?

Sir THOMAS WHITE: Some. Their pay is exempt.

Mr. GRAHAM: I know that the pay they receive as members of the military forces is exempt but their entire incomes are not exempt. Has the Government considered the question of exempting the entire incomes, up to a certain amount, of men who are serving at the front?

Sir HERBERT AMES: They will be exempt to the extent of $3,000 besides by this Bill.

Mr. GRAHAM: I imagine they will be exempt up to $3,000. But suppose a man's income is $5,000, would it be unreasonable that, in consideration of the fact that he is serving at the front, he should be exempt to that extent? I have not thought of the matter very much. It was suggested to me to-day. I am not sure of the effect it would have on the finances but the minister might think it over and it might be worthy of consideration.

Sir THOMAS WHITE: I think it worthy of consideration. As a matter of fact there is no exemption we could give that would be more than these men deserve, but when we exempt the military and naval pay of those who have been on active service overseas we practically exempt them all from the income tax levied because there is a $3,000 exemption besides.

Mr. GRAHAM: That is for married men.

Sir THOMAS WHITE: Yes, and $2,000 for single. My own view is that there will be no taxation for those who are at the front.

Sir HERBERT AMES: What is the argument in favour of paragraph (h)?:

The incomes of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the minister.

Supposing a co-operative, mortgage or loan association was conducted for the benefit of people who were not farmers? In the cities there are co-operative building societies.

Sir THOMAS WHITE: Paragraph (f) exempts them:

The incomes of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof.

If a company is not operated for the gain of the shareholders it will be exempt.

Mr. McCREA: It appears to me that men who are at the front should not only have their pay exempt but also any other in-

come they may have. A man who has given up his business, left his property and gone to the front to defend the country should not be taxed on any income whether it be his military pay or any other.

Sir THOMAS WHITE: I think the present provision meets the situation reasonably well. There may be some who have gone overseas, or will have gone, who would not want to be exempt altogether from the provisions of this income tax. I think they would be satisfied to be exempt to the extent of their military and naval pay.

Mr. McCREA: I mean the men who have actually gone to the front, not the honorary or titled men who are floating around at home or in London, drawing pay and doing nothing.

Section agreed to.

Progress reported.

On motion of Sir Thomas White, the House adjourned at 11 p.m.

Friday, August 3, 1917.

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

RAILWAY MAIL CLERKS.

REQUEST FOR INCREASE OF SALARY.

On the Orders of the Day:

Mr. J. P. MOLLOY (Provencher): I would call the attention of the Government to this telegram which I received yesterday:

Winnipeg, Man., 1st Aug., 1917.

J. P. Molloy, M.P.,
Ottawa, Ont.

On behalf of the Manitoba Railway Mail Clerks' Association, we beg to draw to your attention the fact that we are almost the only public or private servants that have not had a salary increase to meet the higher cost of living. Post Office Bill 147 of 1914 was thrown out by the Senate owing to contentious clauses having nothing to do with our increase. Other departments received this increase. A recent deputation to the department begged that this Bill be reintroduced and made retroactive. Your influence would be highly appreciated.

Respectfully,
(Sgd.) R. A. Borland,
President.

Is it the intention of the Government to grant an increase at the present session?

Sir ROBERT BORDEN: The hon. gentleman's observations will be commended to the consideration of the Minister of Finance and the acting Postmaster General.

[Mr. McCrea.]

WAR TAX UPON INCOMES.

CONSIDERATION OF THE BILL IN COMMITTEE.

The House in committee on Bill No. 117, to authorize the levying of a war tax upon certain incomes—Sir Thomas White—Mr. W. H. Bennett in the Chair.

On section 4—Income tax:

Mr. MARCIL: In regard to paragraph (a), is any distinction to be made between a married man who has simply his wife and himself to support and a married man who has his wife and three, four, five, six, ten or a dozen children dependent upon him?

Sir THOMAS WHITE: There is no distinction made having regard to the number of family. So far as I know, there is no legislation in Canada based upon such a distinction. I think in France and in England there is a distinction, but there is this difference between our legislation and theirs, that the amount of exemption with us is $3,000. In framing the Bill, as I stated when it was introduced, we had regard to the cost of living and to the reasonable requirements of an ordinary family, and we fixed upon $3,000 as a fair exemption. It does not seem to me possible, although it appeals to one's sympathies, to make a distinction based upon the number of members of a family or of dependents.

It would be unfair to base the distinction solely on the number of the members of a family, because there are many citizens who have not only children to take care of, but other dependents as well. One man, for example, may have a wife and six children to take care of, and another man may have a wife and two children, and four or five others depending upon him. It seems to me it would be impracticable to hold an inquiry, because a question of fact would be involved as to whether or not a citizen had dependents to take care of. One can easily see how the tax could be evaded, and how embarrassing questions would arise. The essential feature of this measure, so far as regards my hon. friend's question, is that there is an exemption of $3,000, which is higher than the exemption granted in the United States legislation now before Congress, and very much higher than the exemption at present in England.

Mr. MARCIL: I have no objection to the explanation given by the minister. I do not know exactly how conditions are in England, but conditions in Canada are

very different from what they are in France. The French senate not long ago introduced a measure, which I think has become law, granting aid to the parents of a family of three or four children, for the purpose of encouraging the rearing of children. Under this measure the married man who has no children at all is placed on the same footing with the father of seven or eight or a dozen children, and families of that size are very often seen in Quebec. I think it is unjust to treat them both alike, and I hope the minister will see his way clear to granting exemption in the case of unusually large families. My hon. friend has mentioned the ordinary family. Now the ordinary family is a very uncertain quantity. In the province of Quebec three or four children would be considered a very small family. I trust that the minister will find it possible to make an exception in the case of men with, say, half a dozen children to provide for.

Sir THOMAS WHITE: I do not think my hon. friend need be unduly anxious because it is not probable, although there are no doubt exceptions, that the father of a large family will have an income of $3,000 or more. Usually the large family and the comparatively small income go together. I had the case that my hon. friend has mentioned in mind when framing this measure, and I am quite satisfied that 90 per cent, if not more, of the families he has in mind will not be affected by this taxation at all. It seemed to me impracticable to distinguish between families having regard solely to the number of children, because it is within my own personal knowledge, as I think it is within that of every member of this House, that there are many citizens who have not only their own family to take care of, but also the family of a brother or a sister, or perhaps they have to look after an aged father or mother. I have received many letters since this legislation has been introduced from unmarried men protesting against the discrimination against them on the ground that they had to take care of many dependents, and they gave particulars in their letters. In one case a man had to look after his sister and two or three children. In another, a young man had not married because he had to look after an aged mother and some invalid sisters, and a brother or two who were not doing very well. I think if we adopt the principle of a fair exemption of $3,000, we need not be anxious about the size of the family or the number of dependents. I do not see how it would be possible for the department to make the necessary inquiries to ascertain how many dependents a man had.

Mr. VERVILLE: I think an exception should be made in the case of large famlies. The minister is exempting single men up to $2,000. Personally, I think that is too high an exemption for a great many single young men in this country. I have always thought that half that amount would be plenty for a single young man. As the minister says, in some cases these men have many dependents, but it is obviously unfair to place a married man with no children on the same footing with the father of six, seven or a dozen children. I know it is not the minister's intention to penalize the parents of large families, and I think this measure affords the best possible opportunity for recognizing the importance of large families. No doubt there are some single young men who have as many depending on them as the father of a family, but I think the minister would find it a pretty big contract to find out the exact number of dependents a man had. I suppose sworn statements would be required. If I remember right, if a man makes a false statement about his income, his whole estate goes to the Crown when he dies.

Under the law of Wisconsin—there is no federal law in the United States on this subject—the parents are not allowed to send a boy to work until he is 14, or a girl until she is 16 years old. In view of the fact that the importance of children is thus recognized by the different states, I do not see why we should not make some recognition of them here. I am not speaking for myself, because I have no children, and whatever I have to pay I shall pay cheerfully. But I think it is absolutely unfair to put the man with no children on the same footing as the father of a big family, with the children to feed and clothe and send to school, and so forth. I hope the minister will see his way clear to allowing a certain exemption for each child under the age of 14. It may be said that married men with an income of $3,000 are pretty well off and will be sending their children to college, but that is not always the case. Another man may have to send his children to work. I again appeal to the minister to do justice to the parents of large families, and I claim that now is the time for the state to recognize the importance of rearing children.

Mr. GRAHAM: I am somewhat inclined to support the suggestions of the two hon.

gentlemen who have just spoken. The Minister of Finance has been preaching production all through the country. Now here is a chance for him to crystalize this encouragement into legislation in a businesslike way. The object of the exemption is to enable a man to support his family in comfort, before he is taxed. I regret that we cannot find many examples of large families in the province of Ontario. In Ontario, when you find a large family, it is extraordinary, whereas in the province of Quebec, when they have a small family it is extraordinary. It does not seem reasonable that a man without any children dependent upon him should be exempt to the extent of $3,000 income, and that another man in similar circumstances but with perhaps ten children to support should only have the same exemption. As a matter of fact, the man with the large family will probably not have anything left for taxation. The minister says all these details will involve an enormous amount of work.

Sir THOMAS WHITE: I was speaking of dependents.

Mr. GRAHAM: Would it be an extremely difficult thing to keep this record? As the hon. member (Mr. Verville) has said, the returns will be made under oath, and the individual will have to swear that he is married, or unmarried, and in one more line he could add whether he has one child, or five children. This could be done if it were considered that it would complicate matters too much to have the children designated individually. Take an Ontario family as a fair example. I think if they average three children they are doing fairly well, and let us say that in any family where the number of children exceeds three there shall be a certain amount of exemption per child over and above that number. I believe I could work out a scheme for the minister by which this could be arranged without any difficulty.

Sir THOMAS WHITE: What about dependents?

Mr. GRAHAM: I have convinced the minister so far as the children are concerned. As to the dependents, I suppose my hon. friend refers particularly to single men?

Sir THOMAS WHITE: To married men as well.

Mr. GRAHAM: The first dependents a married man has are his children. If he is only exempt to the amount of $3,000, and if he has ten children, he has nothing to give to dependents, with the cost of living as it is at present.

Sir THOMAS WHITE: Take a case where there are three children and seven dependents.

Mr. GRAHAM: My hon. friend will have to agree with me that the children must come first. We have some striking examples of unmarried men in this House. I am not in favour of encouraging a man to laxity in that regard, because I believe a man should get married, if possible, when he reaches a certain age. Of course, with some of them, it is not their fault. However, the fact remains that throughout the country there are thousands of men who are unmarried because they have dependents, and they have to keep, perhaps, a more expensive household than the man who is married, but has not any family. I urge upon the minister the advisability of considering making a distinction between an unmarried man without dependents and an unmarried man with dependents; let the latter show that he has dependents before you give him any better treatment than the man without dependents. If this was a war measure, to be wiped off our statute books in two or three years, we might take a general outlook and no one would be very seriously injured, but I take it for granted that the principle of an income tax having been once established in the Dominion, it is here to stay. That being so, we should start out on an equitable basis, and we should remember that in any form of taxation no matter how equitable you try to make it, you will find some injustice. I presume in this clause the minister will have to change the word "men" to "persons," because there are many spinsters who have taxable incomes, and who should pay upon them.

Sir THOMAS WHITE: I agree with my hon. friend (Mr. Graham) that in clause (a) of subsection 1, for the word "men" there should be substituted the word "persons," and I therefore beg to move:

That the word "men" in line 27 of clause (a) of subsection 1 of section 4 be struck out and that the word "persons" be substituted therefor; and that after the word "and" in line 27 there be inserted the words "widows or".

The subsection will then read as follows:

(a) Four per centum upon all income exceeding $2,000 in the case of unmarried persons and widows or widowers without dependent children, and exceeding $3,000 in the case of all other persons.

Mr. MARCIL: The minister might add to that " except in the case of fathers and mothers with more than say, three, four, or five children.

Sir THOMAS WHITE: I will take those representations under consideration. At the present moment I see certain difficulties in the way of carrying it out. You could add so much to the cost of administration of the Act in the way of the expense of making inquiry as to the number of dependents that it would take a very large toll from the proceeds. If you make a distinction of $1,000 in exemptions between the case of a man who has dependents and a man who has not, it will be found that ninety-nine per cent of the people of Canada will have dependents—in the returns. They will allege that they have dependents, and will prove it to their own satisfaction, and it will be impossible to disprove it. The only effect will be that you will increase your exemption by $1,000. The suggestions made are very important, and have been put forward fairly.

Mr. GRAHAM: I am afraid my hon. friend sees a lion in the path when there is not any. A few months ago he saw a whole herd of lions in the path on account of the expense of collection, but they have all disappeared with the exception of this one little cub. The regulations under which our soldiers go to the front provide for separation allowance to a dependent. Assigned pay is also given to a dependent. A mother or sister dependent on the soldier occupies the same position as if she were the wife, or a child. The information is given, and made good, by the soldier, and it does not seem to have caused any great trouble. I am inclined to think if the minister will consider the matter calmly—and he will have Sunday to think it over—if he is sympathetically impressed he can work out a scheme which would not be very expensive or impracticable, and which would start us on the right road with this income tax, which will be a permanent institution in Canada.

Mr. KNOWLES: I do not see why there should be any confusion between a man who has dependents and one who has not. If for any reason it is not practicable to grant a greater exemption to a man who has dependents, then unfortunately he must suffer, but what has that to do with the merits of the case of a man who has dependents, as contrasted with a man who has no children. If it is right that a single man should have a less exemption than a married man because the living expenses are less, then it is as clear as the chimney on the housetop that on the same principle a married man and his wife who have no children have less expense than a married man with a wife and children. That principle is not in the slightest way affected by introducing the question of some clerical difficulty in regard to the matter of getting at the condition of affairs, namely, that a man may have dependents who do not happen to be his children. There is no comparison between the position of the man and his wife with no child and the man and his wife with children. There is no comparison with regard to the household expense. The woman is free; she can go out whenever she wants to, or she can work and earn money, or she can look after her own household and save a lot of disbursements. I believe that a husband and wife with children should have a greater exemption than the husband and wife who have no children.

Sir THOMAS WHITE: I do not agree that the question of dependents can be dismissed from consideration. Take the case of a man who has a wife, two children and no dependents. Then, take the case of a man who has a wife and no children, but who also has a mother eighty years of age and an invalid sister. Does my hon. friend suggest that the latter should not be entitled to the exemption extended to the former? The man cannot turn his aged mother out of doors and he cannot allow his sister to starve. We cannot consider this question solely on the ground of children; we must take into consideration the question of a man's dependents if we want to deal fairly with every one. I have received several letters since this measure was brought down, which impressed me very much, stating that it was unfair to discriminate against unmarried men. These men, instanced their own cases, some with three, some with four, some with five dependents, whom they could not in honour, or with any regard for filial duty, turn out of doors. When we consider the question of children, we must also consider the question of dependents, and if we consider the question of dependents that would necessitate an inquiry, and, in my view, the effect would be that in nearly all cases some dependents would be put forward and the amount of the exemption would have to be increased. There is hardly a family in Canada that could not put forward some de-

pendents. I do not mean to say that in all cases they would sustain their claim under a legal inquiry, but for all practical purposes they would claim exemption on the ground of having dependents. You would have to deal with the claims of the man who had two children and one dependent and with that of the man who had one child and two dependents and it would give you a great dealt of trouble in the administration of the Act. I am quite willing to take this matter into consideration because the views with regard to it have been put forward very fairly and are entitled to weight. But, I think that when we made an exemption of $3,000 we avoided cases of hardship, even in cases of comparatively large families. With regard to those families in the province of Quebec who have been spoken of, where there are ten or twelve members, you also have to remember that there is the exemption of $3,000. There is another feature that must be borne in mind in connection with this exemption, and it is that incomes in this country may be subject to three sets of taxes. First, you have the federal tax which is about double, up to $6,000, the average municipal tax; second the provincial tax and, third, the municipal tax. If the provinces and municipalities do their duty in the matter of the administration of assessments covering income, the citizens of this country will be fairly heavily taxed. First, there is the municipal tax averaging two or three per cent; second, there is the provincial tax which may be one, two or three per cent, and on top of that there is this tax of four per cent. Do not let us jump to the conclusion that the citizens of this country will go untaxed because there are three sets of taxes which will constitute a very fair charge upon their incomes.

Mr. ROBB: Listening to the objections of the Minister of Finance the question occurred to me whether he had looked into the income tax law of the state of Massachusetts which was passed last year. There is perhaps no state on this continent where education is so free as in the state of Massachusetts; yet, in passing their income tax Bill, the state of Massachusetts recognized that a man bringing up a young family was entitled to a certain exemption. I have not the Act before me but my recollection is that provision is made for an exemption for the parent of a family bringing up three or four children of school age. It would seem to me that the minister might very well take into consideration children of the school age and make a certain exemption for a man with a family whose children are yet at school.

Mr. MIDDLEBRO: Assuming that $3,000 is the proper exemption for a married man with a family and a household to keep, my chief objection is that the unmarried man has too much exemption. Take the case of an unmarried man who is living in a hotel. He is entitled to an exemption of $2,000. He gets married and he and his wife live in the same hotel and it costs him twice as much before. Yet, in that case, he only gets an exemption of $3,000. If he takes up a house and has a family he will have more than double the expense that he had before and as his family increases his expenses will increase. I do think that the unmarried man is being shown an undue preference assuming that $3,000 is the proper amount for exemption of the married man. I would certainly think that we should reduce the exemption of the unmarried man to $1,500 to put him on a fair and equitable basis with the married man. The man who can go around unmarried with $162 a month coming in, who is not required to contribute anything to this war is, in my opinion, escaping too lightly. I quite realize the soundness of the argument of the Minister of Finance that there are some cases in which a married man has dependents but it is the exception rather than the rule and we are legislating for the rule and not for the exception. There may in some cases be an injustice but I venture to say that for every unmarried man who has dependents there are twenty-five or thirty who have not, and, as I say, we must legislate for the rule and not for the exception. For that reason, it would be dealing more justly with the married man with a large family if we cut down the exemption of the unmarried man. In that way you will get at the unmarried man, you are giving to the married man a certain measure of justice and on the whole the tax collected will be more. I move that the amount of the exemption to unmarried men be cut from $2,000 to $1,500.

Mr. NICKLE: The Minister of Finance might very well pay heed to what the last speaker has said in reference to the allowance to the unmarried man of $2,000 being too great because there is no man in this House who can speak with greater authority as to the responsibilities of the unmarried man than the hon. member for North Grey (Mr. Middlebro). He was for several years in that class.

Sir WILFRID LAURIER: He has changed his mind since.

Mr. NICKLE: Therefore, he knows well of what he speaks. It may be that I approach this question from a different standpoint from that of the other members of this House. It may be surprising to some members on this side, that, as a Conservative, I am thoroughly enthusiastic over this measure being introduced in this House, because I have always felt that the indirect method of taxation, in a country such as Canada, had this unfortunate effect, that it made the people blind to the fact that it was their money that was being expended, and that a good many things were got away with in times past that never would have been permitted if the people had realized that they were to be directly called upon to meet the expenditures that had been made.

Mr. MICHAEL CLARK: Hear, hear.

Mr. NICKLE: And I think there is another side to the question. When you raise your entire revenue by taxation by customs charges, there is no question whatever that the man who has a small income, the expenditure of the entire amount being necessary to meet his living expenses, is more heavily taxed than the man who has more than he actually needs to live——

Sir WILFRID LAURIER: Hear, hear.

Mr. NICKLE—because the man who spends every dollar he earns to live pays taxes on every dollar he spends, whereas the man who has sufficient to put away a surplus for a rainy day escapes paying taxes on the surplus that he saves. Certainly that is unfair to the man who earns a small income; and in a country like Canada, most men earn small incomes. One Finance Minister wittily said that the function of a Finance Minister was "to gather the most feathers with the least squawking," and I am afraid that principle has possibly influenced the Finance Minister in drafting this Bill. I approach the subject possibly more from the point of view of an evangelist than from a business man and tax collector. I believe that every man in this country should have some of the burden of this war thrust upon him, if I may use the word "thrust." To vary the phraseology slightly, I believe that every man who can should bear some of the burden of this war, and I think the exemption of $3,000 to the married man and $2,000 to the unmarried man is too large. I come from a small community, a city that has somewhere in the neighbourhood of 25,000 people. The great majority of the married men there do not earn $3,000 a year; the great majority of the unmarried men do not earn $2,000. When I was home last week I was told there were objectors to the exemptions because they wanted to pay a part of this tax, and felt they should. I was not surprised either, because the city from which I come sent many men to the war. The people there are enthusiastically in favour of conscription, and what they say to me is: If you are in favour of conscription, if you think that every man should go to the front who can go, then, to be consistent, you should support a lessening of the exemption, because those who cannot go and ought for national reasons to remain at home, should bear their share of the burden. I think they were right in saying this. For that reason I urge upon the Finance Minister that he lower the exemption in the case of married men to $2,000, and in the case of unmarried men to $1,000.

I direct the attention of the Minister of Finance to another aspect, and I am particularly immune from criticism because I have not within my riding a single farmer; I live within a purely urban district. The people in the cities who are earning from $1,200 to $2,000 a year are beginning to feel that the burden of taxation in this war is not fairly distributed. They have no way of increasing their revenue. I am speaking of people with fixed salaries or wages, not of the class who can increase their earnings owing to the increased demand for labour, the university Fellow, the university professor, the school teacher, the bookkeeper who earns $1,500, and that class of man. He says: The increased cost of living since the war began is taking anywhere from 40 per cent to 100 per cent more from me than before the war; the reason I am called on to pay more now than before is that the cost of the commodities that I have to buy for the maintenance of my family is determined by the export price, and I am in competition in my buying with the world; the result is that I am—and I am not objecting to it, I recognize it as necessary because I believe that the exigencies of the case demand it—not as well off as I was. But why do you not put some tax on the farmer, who is getting many of the good things out of the war, but is getting off practically scot free; he buys but little, and therefore he is taxed slightly; the increased price of the products of his farm is bringing him a much greater

return, and in this Income Tax Bill as it is drawn, the farmer is getting off scot free, because it is the income that the man has earned that is taxed, and in the case of the farmer there will be no tax at all because he takes his living out of what he grows. I should like to direct this matter to the attention of the Minister of Finance. I realize that this Parliament has always been singularly sympathetic towards the farmer, but I think the time has about come when we should see to it that those who are getting great advantage from the war on the principle that I enunciated a few minutes before should contribute something towards its maintenance, that those who are able best to pay should be willing to pay.

I wish to direct attention to one or two points in this same section 4. I cannot see the logic of giving the married man an advantage over the unmarried man of only $40, no matter how big the income on which the tax is paid. I do not know how carefully the gentlemen of the House have studied section 4, but it is based on the principle that the married man gets off, if I may use the expression, with a start of $1,000; that is, he saves $40 on the initial taxation. But it makes no difference whether the tax is paid on an income of $3,000 or of $100,000, the married man has an advantage of only $40. That, I say, is thoroughly illogical, and is not as it should be. Surely if you have two men, each enjoying an income of $40,000, one an unmarried man, the other a married man with all the responsibilities that are entailed by domestic life, it is unreasonable to say that the unmarried man should pay only $40 more income tax than the married man.

I quite agree with what has been said by the hon. member for South Renfrew (Mr. Graham). I quite realize that this is our first attempt in income tax legislation, and I realize that, as the days go on, there will be many amendments to this Act. I am impressed with the fact that the income tax, once established in Canada, will continue in force for a long time, and so it has to be drawn along scientific lines in order that the burden may be made to rest on those best able to pay, that is, that it shall be a tax on the ability to pay. While it may not come this year, for, perhaps, it is too late to consider it this session, the time is not far remote when the question of dependency and family responsibility will have to be considered, because the people will insist that the burden shall be borne equitably by all.

[Mr. Nickle.]

I am startled by the proposition that a man with an income of $10,000 is to be allowed to keep $9,640. The other day the Minister of Finance showed what the taxes would be. I want to approach it from the point of view of the income, and to show you how much the man is allowed to keep under this Tax Bill. The amounts retained by married men with different incomes are:

Total income.	Amount not taken.
$ 4,000	$ 3,960
5,000	4,920
7,000	6,820
10,000	9,640
12,000	11,460
15,000	14,190
20,000	18,740
30,000	27,540
50,000	44,740
75,000	64,990
100,000	85,240
150,000	120,740
200,000	156,240

In my judgment, the tax on the large income is quite inadequate.

Sir WILFRID LAURIER: Hear, hear.

Mr. NICKLE: You may say that in a war like this you cannot equalize sacrifice. But you can do one thing. You can try to apportion the burden. I admit you cannot equalize sacrifice. The wife who lets the husband go, or the parent who lets the children go, if the husband or sons do not come back, makes a greater sacrifice than any man who remains at home can make by monetary subscription or impost. But at a time like this, to tax the man with an income of $12,000 only $540, when you say to another man: "You must go to the trenches because your place is not important in the country," is in my judgment not apportioning the burden in a fair degree. I may be wrong, but that is my opinion. I think the opinion of the people of the country on this Bill will be that the large incomes escape too lightly, and I would bring this to the attention of the Minister of Finance at this time, so that if possible, before this Bill passes, he may see his way to increase somewhat the amount of taxes on these men. I do not want to use the word "somewhat," but I would say to increase radically the taxes on the large incomes. It is quite possible it may make many who have given refuse to give further, but I think it would have the effect of making some give who have never given, and if those men give, then the advantage to the State will be great, because previously some have escaped, but under this Act, if it had been framed as

I suggest, all would have to contribute to the burden the State is called upon to pay. I desire to direct the attention of the Minister of Finance to a remark made in the House the other day, as follows:

> The House is aware that liability to the Business Profits War Tax of 1916 and the amendment thereto of this year comes to an end on December 31 this year, and it is not the intention to renew that measure.

I do not know whether the intention is by implication to say that the Act we now have under consideration is to take the place of the Business Profits Tax, but I think it would be very objectionable if those making profits out of this war were to be relieved of the burden substantially great cast upon them by the Profits Tax. A man may be making just as large a profit if he makes a small percentage on a tremendous turnover that has resulted from a very excessive trade, owing to this war, as if he made a large percentage on a normal turnover on some business in which he was enabled to make a profit owing to the scarcity of the article. A man is a profiteer who has taken advantage of the exigencies of the State to unduly increase his income, and I trust the Minister of Finance will keep this in view in any legislation that he may have in contemplation, or the annulling of any legislation that may have existed in regard to war profit taxes.

4 p.m.

Sir THOMAS WHITE: Three questions have been taken up so far, all of which are important. With regard to the unmarried man and widows, or widowers without children, I think we might reasonably meet the suggestion of the hon. gentleman from North Grey, and make the amount $1,500 instead of $2,000. I would be prepared to move, in order to meet what I deem to be the view of the committee, that the words "two thousand" at the end of line 26 and the beginning of line 27, be struck out and that the words "fifteen hundred" be substituted therefor. While I still think it is a fact that many unmarried men have dependents upon them, and in fact have not married because they have such dependents, still, possibly, having regard to the average condition of the unmarried men, that change would not be objectionable. I do not know that there is any such discrimination in other Canadian legislation. There is a discrimination to the extent of a thousand dollars in the legislation of the United States against the unmarried man. So far as I know there is nothing of the kind in this country.

Mr. GRAHAM: There is in the provinces. I think, unless the statute has been changed, there was a greater exemption for married men given by municipalities than for single men.

Sir THOMAS WHITE: However, the matter is not of great importance, and if this is deemed reasonable I would move that the words "two thousand dollars" be made "fifteen hundred dollars." With regard to children, there is undoubtedly also the fact as to dependents, but I think that if $3,000 could be regarded as a fair exemption in the case of the average man, if we put aside the question of dependents—because that would really necessitate an inquiry as I stated—it might be reasonable to provide that the exemption should be increased somewhat in case of those who have a family, say, of six children. I do not know whether that would meet the views of the committee or not, but we might discuss it later. If the committee think it would reasonably meet the situation to give an exemption of $4,000 in the case of those who have six children or more, I think I would be prepared to consider that phase of it, and have an amendment drafted accordingly. I do not think we can deal so well with the case of dependents, because the principle is undoubtedly there. They have to be taken care of just like children. It might be fair to provide that if a man has six children his exemption should be $4,000 instead of $3,000.

Mr. A. K. MACLEAN: You might reduce the rate.

Sir THOMAS WHITE: I would very much rather reduce the exemption and keep the rate. The hon. gentleman from Kingston has referred to two or three other important matters. One is as to whether or not the rate is high enough, especially upon the larger incomes. In such experience as I have had with taxation—and it has been considerable—there is only one tax that I know of that is popular, and that is the tax that is on the other fellow. I have received hundreds of letters suggesting various forms of taxation since I have been minister, and in very few cases indeed has a suggestion been made of a mode of taxation which would immediately affect the writer. We are considering a serious measure of taxation at a serious time. I indicated when the measure was introduced that I had been guided by certain considerations which were regarded of importance in framing these provisions. In the first

place—and I desire to emphasize this now—I have regard to the fact that people of this country have contributed, and are contributing very materially indeed from their incomes, to support the Patriotic and Red Cross and other war funds. That had very considerable weight with me in fixing the rates which we have adoped in this measure. I think this country has raised $40,000,000, by voluntary contributions from the citizens.

Sir HERBERT AMES: Nearer $50,000,000.

Sir THOMAS WHITE: My hon. friend from St. Antoine says "nearer $50,000,000." That has been raised in three years by voluntary contribution on the part of the people of this country. When you are considering taxing a man with an income of $5,000 or $10,000, the question is not solely one of how much you can take out of that man; you must consider what that man is doing, or, at least, what most men of that class are doing with regard to those funds. I am perfectly satisfied that if we impose too severe a taxation upon men with substantial incomes, we shall at once, I will not say dry up, but very materially diminish the amount of voluntary contribution which will be made to the Canadian Patriotic, Red Cross, and other such funds. Whether the conclusion reached was sound or not, I submit that in considering a measure of income taxation, it would not be proper for us to disregard what the people of this country are doing with regard to those funds. If a severe income tax would dry up their bounty and stop the flow of contributions to the Patriotic and Red Cross Funds, then we should hesitate before imposing such a degree of taxation.

Mr. A. K. MACLEAN: Some allowance is made for those payments.

Sir THOMAS WHITE: Yes, but the allowance is comparatively small. My hon. friend knows the principle upon which we have gone in making those allowances. As I pointed out last evening, if we say that we will allow a man from his taxation the amount which he pays to the Patriotic and Red Cross Funds, then there is no bounty, no voluntary giving on his part at all, because the Dominion Government simply furnishes him with the money to pay his contribution. I pointed out last night, and I emphasize again to-day, that not only is it good that those funds should be maintained, but it is very much in the interest of the prosecution of this war that men should continue to give to those funds. It is a mistake to assume that if a man gives to a fund, that man is in some way damaged or injured by his giving. It has often been pointed out that A gives to the Patriotic Fund; that B does not, and the conclusion is drawn that A is injured as compared with B. On the contrary, A is benefited as compared with B. B is damaged by reason of the fact that he does not give, and A is benefited by reason of the fact that he does give. The more that a man gives, the better man he is; the more it makes for his character, and the more it will make for his interest in this war. As I stated when this Bill was introduced, I reached the conclusion that if we imposed unduly severe taxation, we would dry up the source of funds of the Patriotic, Red Cross and other funds, and I believe that is so.

There is another feature that I want to point out, and I do not believe it can be lost sight of. Unless for grave reasons of national necessity, this income tax should not be higher than the income tax imposed by the United States Federal Government. Why? Because if it is materially higher, you will find that men will decline to come into this country and contribute to its upbuilding by their energy, enterprise and capital, because this tax is a tax not only upon personal earnings, but upon the earnings of individuals, firms and companies engaged in business. Therefore, if we have a substantially higher tax than exists in the United States, we shall undoubtedly lose. We may gain more in immediate taxation, but we shall lose without doubt in ultimate results. In framing our taxation, we did not compare it with the existing income tax legislation in the United States, because there is before Congress now legislation increasing that income taxation, but we framed it having regard to the proposed increased taxation on income now before Congress. This is a comparative statement of the taxation of income in Canada and in the United States under the legislation now before Congress on persons other than unmarried men and widowers without children:

Amount of Income.	Taxation in the United States.	Taxation in Canada.
$ 4,000	$ 40	$ 40
7,000	180	180
10,000	355	360
20,000	1,180	1,260
50,000	4,780	5,260
75,000	8,880	10,010
100,000	14,180	14,760
200,000	42,180	43,760

Mr. A. K. MACLEAN: Within the last few days the Finance Committee of the American Senate have been considering a proposal to increase the tax on income from $20,000 upwards to such an extent that it will give them an increase in revenue of $230,000,000.

Sir THOMAS WHITE: They may be considering an increase now, but the figures given were the figures before me when I was framing this income taxation measure. This income taxation measure is not a finality. If it is found necessary to increase it, it may be increased, but the committee should bear in mind the two points I have mentioned: First, by the effect of severe taxation upon the Patriotic, Red Cross and other war funds—and that is what weighed with me very heavily—and, secondly, the question of income taxation in the United States.

Mr. ROBB: I would understand from the minister's argument that he concludes that the greater part of the contributions to the Patriotic and Red Cross Funds have been given by people who have revenues of over $3,000.

Sir THOMAS WHITE: I would not say that, because I do not know, offhand, whether that is so or not, but I know that many a man with an income of $10,000 has given $500 or $1,000 to the Patriotic Fund, and the question I have in mind is this: if you tax him to the extent of $1,000 or $1,500, will he continue to give to the same extent to the Patriotic Fund? My opinion is that he will not be likely to. Many such a man certainly will not.

I have not the slightest doubt that if we increase this tax to a certain point of severity we shall dry up the contributions to the Patriotic and Red Cross Funds, which mean so much to the dependents of our soldiers overseas. That would simply mean that the Dominion Government would have to take over the Patriotic and Red Cross Funds. If we came to that point, I would be the first to say, I shall increase the rates of income taxation under this measure.

Mr. ROBB: Does not the minister think that, perhaps unintentionally, his argument is a little unfair to the thousands of people throughout Canada who are drawing less than $2,000, but are contributing generously to the Patriotic and Red Cross funds?

Sir THOMAS WHITE: I am not reflecting on them in any way at all. They would continue to contribute, because they are not liable to this tax. I was speaking of those who would be affected by this tax, or by a severer one, and of their probable action in connection with the Patriotic and Red Cross funds?

Mr. MARCIL: If a man has invested in Dominion war loans and has derived a certain revenue therefrom, is that revenue exempt?

Sir THOMAS WHITE: All war loan issues are exempt from Dominion taxation.

Mr. MARCIL: If he invested in one of our domestic war loans, would that be treated the same as a contribution to the Patriotic Fund, and the revenue derived therefrom be exempt?

Sir THOMAS WHITE: Those issues of Dominion bonds which have been made in Canada for the purposes of the war, and were issued income-tax free are income-tax free there is no question about that.

Mr. MARCIL: The man who is wise enough to invest in Canadian war loans will escape taxation.

Sir THOMAS WHITE: The man who invests in Canadian war loans will not pay on income derived from that investment, but it must be borne in mind that these things adjust themselves. The imposition of this income tax should have the effect of improving the market for Dominion war bonds, which would mean that the rate of interest which they will yield will be less and less. My hon. friend might ask if it is fair that the holder should be exempt. My answer is this: It is open to an ordinary holder to invest money at 6 or 7 per cent on mortgage. If he takes the income-tax free Dominion bonds he will get a yield of a little over 5 per cent only. So the matter adjusts itself; substantially it is as broad as it is long.

I now come to the other point with regard to the Business Profits War Tax, and I am glad the hon. member for Kingston brought that up because it has been adverted to, and the situation has been entirely misunderstood. It has been stated that this income tax is to take the place of the Business Profits War Tax Act. It is intended to do nothing of the kind.

This income tax legislation does not refer to the Business Profits War Tax at all, except to this extent: If an individual or a firm or a company has to pay the tax imposed by the Business Profits War Tax Act, and if that is greater than the amount for which that individual or firm or com-

pany would be liable under this income taxation measure, then the individual or firm or company pays the greater tax, and does not pay the income taxation.

Mr. KYTE: That is for this year only.

Sir THOMAS WHITE: I will come to that in a moment. I say that that is the only reference in this income taxation measure to the Business Profits War Tax Act. Let us consider what the Business Profits War Tax Act is. It was introduced in 1916, and at that time it was stated, and it so appears in the measure itself, that liability to taxation under section 3 of that Act, which is the operative clause, would terminate on December 31, 1917. It was so stated at the time that measure was intrcduced; my remarks on February 1, 1916, were:

> The duration of the measure will be limited to August 3, 1917.

Afterwards, in committee, that was changed to December 31, 1917. So that before this income tax measure was introduced at all, it was well understood in this House that the Business Profits War Tax terminates, so far as its operative provisions are concerned, on December 31, 1917.

Now, when the matter was under discussion this year there were pretty strong protests from some hon. gentlemen opposite against continuing the tax. For instance, my hon. friend from Pictou, who I am sorry is not in his place to-day, said:

> When we point out to him that he is taxing industry, and to that extent checking the demand for labour as well as checking production of articles so essential to the country's welfare, that he is preventing capital from doing all that it might do for the development of the country, and ask why he does not tax accumulated wealth, he gives statements which, I submit, are not adequate reasons for the course he is pursuing.

Again, on May 3, 1917, the same gentleman said:

> He should have gone to other sources this year because the taxation which is paid by the business people of this country is so extraordinary and unusual that it is bound to create an onerous condition of such a character as will impair and interfere with industries. That is the criticism I make in regard to the policy, but not in regard to the principle of the Business Profits Tax itself.

Further on my hon. friend said:

> But my hon. friend's proposals do not come under that proposition, and the exactions he is taking will slacken the industry, impair the prospect of capital investment, and dampen the patriotic enthusiasm of the party who is being taxed.

What I am trying to establish is that it was fully understood before this income taxation measure was brought down, that the Business Profits War Tax Act, was a limited measure. My hon. friend from Assiniboia (Mr. Turriff) on page 1529 of Hansard, said:

> I hardly think my hon. friend is quite fair in this proposed legislation. I do not want to do my hon. friend any injustice. When he brought down last year the legislation that he is now amending he said that the legislation would be operative during a period of three years. Any one reading his speech would come to the absolute conclusion that that was a fixture for three years. My hon. friend now goes back on what we understood him to mean last year and is now putting an extra burden of taxation on the same shoulders on which he put it last year, after stating, as every one thought, that, that was the end of that system of taxation.

There are many other extracts that I could place on Hansard substantiating that position, but I do not think it will be seriously controverted, because in the measure itself it is provided that, so far as the operative section is concerned, it terminates on December 31, 1917.

Let us see what the position is. I pointed out to the House that this measure was introduced in 1916, and was retroactive in effect. It applied to profits made in 1915, although such profits had in many cases been distributed to shareholders or invested in plant. What is the position of the Business Profits War Tax Act today? It is this: the individuals, firms and companies who are liable under that tax paid out of their profits of 1916, because the tax was retroactive, the amount to which they were liable in respect of 1915, and they pay this year, 1917, upon their profits of 1916. Next year, 1918, they will pay a heavy taxation —I think the heaviest in the world—against their profits of 1917. There are firms in Canada which will pay next year $800,000, $1,000,000, and $1,500,000 in respect of their profits on this year's business.

Sir WILFRID LAURIER: They are lucky to be able to do it.

Sir THOMAS WHITE: I agree with my right hon. friend. They are fortunate to be able to do it, and that is what I told them when they complained. The point I make is that this was a three-year measure, retroactive for one year, and that is the feature which is lost sight of. They paid in 1917, and they will pay in 1918, the heaviest business tax in the world. That holds the situation until 1918, so far as concerns those who are making abnormal profits out of the war. This income tax provides that if by chance there should be any firms—and I

believe there will be very few indeed—whose taxation under the business profits war tax payable next year, in respect of their earnings this year, will be equal to or less than the taxation which they would pay under this measure, they may deduct it. That is all it means. The idea is simply they are not to pay the heavy business profits war tax and this income tax as well. I do not believe any one will say there is anything unfair about that.

Mr. PARDEE: Do they deduct the amount of the income tax under this Bill from their original business war tax, and pay the business war tax in full?

Sir THOMAS WHITE: No, it is the other way around. Supposing my hon. friend was fortunate enough to be taxable next year, 1918, to the extent of $100,000 under the Business Profits War Tax Act amendment of this year, and supposing if that Act were not in existence he would be liable under this legislation to pay $50,000, he would pay the $100,000. He pays the larger tax. The business tax in England is not nearly as severe as this, because it has relation to the average profits before the war, which were much higher than seven per cent in most cases. For the year 1918, there is not a Government in the world that will levy a more severe business profits tax than the Government of the Dominion of Canada.

Mr. MARCIL: Is not that largely because the profits are greater in Canada than elsewhere.

Sir THOMAS WHITE: No, I do not think so. It is because of the progressive tax. It is one-quarter up to fifteen per cent; one-half between fifteen per cent and twenty per cent, and three-quarters over twenty per cent. There are companies in this country which will earn $2,000,000 and they will pay the Government out of that $1,100,000 or $1,200,000. There was a case brought to my attention not long ago where a company makes $1,500,000, and it will pay us $900,000 in tax.

Sir WILFRID LAURIER: That is all right.

Sir THOMAS WHITE: I am not complaining at all. I take the same view as my hon. friend. He and I have the distinction of being poor, or comparatively poor—probably I had better speak for myself. I said to the party in question. " Well, it is true that I am taking $900,000 from you, but do not forget I am leaving you $600,000." We are coming towards the end of this war. I do not know how soon it will be. I do not think my opinion or the opinion of anybody on the point is of much value, but we are necessarily coming towards the end of the war with each year.

Sir WILFRID LAURIER: Next year.

Sir THOMAS WHITE: With the end of the war there will come a time in this country when business will be confronted with the trying period of dislocation, in which capital will be required, in which extensions will have to be made in order to increase the productivity of plants and business enterprises. It has been our view that so far as the average business firm is concerned, a tax of this character is not a good tax in peace time. That has been said in this House, not only by myself, but by many members, when the Business Profits Tax has been under discussion. When I refer to the welfare of business in the period succeeding the war—a period of dislocation, of unsettlement, when working capital will be required and when banking accounts should be kept strong—I speak also of the welfare of the labour community, because the welfare of the business community and the welfare of the labour community are tied up together. Upon the welfare of the one depends the welfare of the other, and we must have regard to both in our measures of taxation. Our first duty is the prosecution of the war. We have attended to that duty, and I emphasize the point, because in 1918 there will be collected upon the profits of 1917 the highest business tax in the world. My hon. friend (Mr. Graham), in his objection to my amendment to the Budget this year, in regard to the Business Profits War Tax Act, said:

> Not a few industries engaged in the manufacture of munitions and other commodities influenced by the war assert that after the war there will be a very critical period of readjustment. Some of them fear that during that period of readjustment they will be able to do nothing more than pay running expenses. The most conservative of these have been preparing for that period by placing to one side each year a reasonable reserve, feeling that when their present large business ceases —as we hope it will very shortly—they will find themselves, under the new system of taxation, in a serious financial plight. They tell me that during the two or three years succeeding the war these reserves will be used up in their effort to readjust themselves to new conditions and to prepare for a staple business in the future. Some of them, I understand, think that the action of the Government in taking such a large proportion of the amount they now have on hand will cause them to come to a condition of practical bank-

ruptcy during the period of readjustment. I feel confident that the minister, far from having that in mind, would like to protect our industries against this result. To my mind this is the most serious aspect of the matter; the figures that have been presented to me by some concerns lead me to believe that there is a good deal in the contention.

In the opinion of my right hon. friend's lieutenant—the hon. member for South Renfrew (Mr. Graham)—there is to be a period of readjustment, having regard to which this tax is so heavy that it will bring many firms in Canada to the verge of bankruptcy.

This Parliament will be in session in 1918. If this war goes on more and more money will be needed. The business of the country is the prosecution of the war and to find money with which to prosecute the war. We have done it up to date, and we are going to continue to do it. We have taken the largest portion of profits of any country in the world. I have been criticised, in this House and outside of it, as I believe no Finance Minister has ever been for imposing such heavy taxation. Nevertheless, this Government stands for the principle that, if abnormal profits due to the war are made by business, there must be abnormal taxation in order that the Government may take a substantial share of those profits. The situation is secure until the end of 1918. My own view is with respect to existing legislation that there are some defects in it. The question of allowance for extension of plant and the question of the amount of bank indebtedness present themselves. But I desire to say just this, that having as our guiding principle that this war must be carried on to a successful conclusion to the utmost of our power, and that the man at the front must be backed by the dollar at home, this Government can be depended upon at the next session of Parliament (if this war still continues and the financial demands upon us are increased) to take the step the moment it appears necessary that there should be abnormal taxation upon abnormal profits derived from the war.

I am glad that my hon. friend from Kingston has given me an opportunity of dealing with this matter. I just want to leave the thought with the House that the situation is held securely until the end of 1918. In 1918 we will know absolutely what the profits of concerns are in this country and what the outlook is both from the standpoint of war and the standpoint of business. In the light of those conditions we can take such action as may be necessary having regard to the public interest and our supreme duty to carry on this war.

I want to say a word or two with regard to the question of large profits. Take a balance sheet which shows that a concern makes, we will say, $1,000,000. The man who is not acquainted with a balance sheet thinks that that means that this firm has made $1,000,000 in cash. How are these profits carried? They may be in stocks of goods bought at the top of the market, at the high prices prevailing in war time, in raw material bought at higher prices than have ever prevailed before; they may be represented by extensions of plant which have been made during the year, and instead of the firm or company having $1,000,000 in cash, or they may owe the bank $100,000 or $200,000 at the end of the year. It has a bearing upon the amount of actual cash it is proper to take out of these firms by means of the Business Profits War Tax.

Sir WILFRIED LAURIER: The balance sheet will show that?

Sir THOMAS WHITE: The balance sheet will show that but the statement goes out to the country that a company has made $1,000,000 and an uninformed man might reach the conclusion that they made $1,000,000 in cash, whereas it may have gone into extension of plant, or stocks of goods which will depreciate next week or before they are sold, or into raw material which, when worked up into finished product, shows a loss. Thus, in dealing with the question of how much cash a company or a business has, you must have regard to the situation that prevails in that way. The situation is that the taxation power of the Government is not exhausted and it will be exercised at the proper time, having regard to the conditions that then prevail and to the necessities with which we are then confronted arising out of the war.

Sir WILFRID LAURIER: Under the conditions which my hon. friend has just stated, a balance sheet showing $1,000,000 of profits, one part of which has gone into extension of plant, another into goods on the shelf and another into raw material, is my hon. friend to tax the business in accordance with the principle laid down in section 3 of the Bill in the following words:

And shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment, and, whether such gains or profits are divided or distributed or not.

Sir THOMAS WHITE: There is no doubt that under this income tax measure, if a company such as my right hon. friend has in mind—let us say a commercial compa y —shows by its balance sheet that it has made a net profit of $100,000, even although that net profit is represented in goods, which will be taken according to the inventoried value, the tax will apply to the $100,000.

Mr. KYTE: I take it that this income tax Bill has been brought in by my hon. friend (Sir Thomas White) in obedience to the general demand that has been made throughout Canada, since the Bill providing for compulsory service of men was introduced into Parliament, for an equally drastic and universal conscription of wealth. It was pointed out from time to time that the term "conscription of wealth" was extremely misleading and did not actually convey the idea that was in the minds of the persons who desired that the wealth-producing portion of this country should contribute more largely towards the supplying of money to carry on the war than it had done heretofore. During every session of Parliament since the war broke out the suggestion has been made on this side of the House that the Finance Minister ought to introduce a system of taxation for the purpose of augmenting our revenue, but as frequently as it was argued and demanded from this side of the House that this step should be taken, the Minister of Finance argued that it could not be done. He proved to the satisfaction of his supporters that an income tax law ought not to be introduced as a part of the revenue-producing legislation of this country. But new light has come to the Minister of Finance, and in the language of the maiden who, vowing that she'd ne'er consent, consented, the Minister of Finance, after vowing that he could not introduce an income tax Bill, introduced it.

Sir THOMAS WHITE: Is my hon. friend quoting from Don Juan?

Mr. KYTE: He has made a point of the fact that the Business Profits War Tax is still in force in this country and that it will continue until 1918. But I would like to make it perfectly clear that the business profits war tax ceases on the 31st December, 1917, and that any tax payable in 1918 with respect to business profits will be paid upon profits earned during the present year. As regards individual companies, liability for this Business Profits War Tax will cease at that date in 1917 which corresponds with the accounting period of each particular company. Take the Ogilvie Flour Mills Company, whose period of accounting is the 31st August, the present month. They are liable in respect to the business profits war tax upon their income up to the 31st August. The tax will be payable in 1918, but they will not be levied upon with respect to any profits earned subsequent to the last day of the present month. Am I correct in respect to that?

Sir THOMAS WHITE: They will not unless they are taxed subsequently. As I said, the Government adheres to the principle of abnormal taxation of abnormal profits. I said that in 1918, that matter could be dealt with if there were abnormal profits. This is where my hon. friend is wrong, that while what he stated is legally correct, the Ogilvie Company paid in 1916 upon their profits of 1915; they paid in 1917 upon their profits of 1916; and they will pay in 1918 upon their profits of 1917. My hon. friend overlooked the fact that this Act has been in effect only two years, but there is a three years' term, and those companies, most of them I believe, are in that position, that they paid out their profits in 1915, and had to find, out of their profits in 1916, the tax which was imposed and which was retroactive. Similarly, in 1917, they paid out of their profits for 1917 their tax for 1916, and they will pay out of their profits for 1918 their tax for 1917.

Mr. KYTE: That only means that the excess war tax applies to the earnings of companies for 1915, 1916, and 1917, up to the end of the accounting period of each individual company. The Finance Minister has said that next session we shall consider whether or not there are abnormal profits earned, and if so we shall deal with them. But this is the language of the Finance Minister the day he introduced his Income Tax Bill:

> The House is aware that liability to the Business Profits War Tax Act of 1916 and the amendment thereto of this year comes to an end on December 31 this year, and it is not the intention to renew that measure.

Sir THOMAS WHITE: No, not to renew that measure.

Mr. KYTE: Then that is the end of the measure so far as it is applicable at the present time, according to the statement of the Minister of Finance.

Sir THOMAS WHITE: Of this particular measure.

Mr. KYTE: Parliament meets next year, and we may do things that we have not in mind at present.

Sir THOMAS WHITE: Supposing I had not said that, would the Act have come to an end by its terms or not?

Mr. KYTE: It would, and we are dealing with conditions as they are at present. We have no legislation upon the statute book to-day which provides for the levying of a war profits tax upon any concern in this country upon earnings after the 31st December of this year. This income tax has been introduced in consequence of an agitation throughout the country for the conscription of wealth. The Compulsory Military Service Bill, which passed this House some weeks ago, provides for the enlistment of 100,000 men during this year. The Solicitor General (Mr. Meighen) in piloting that Bill through the committee, said it was quite probable that at the next session of Parliament the Act would have to be amended to provide for the enlistment of another 100,000 men if the war were still going on. I think it is rather an unfortunate and disappointing circumstance that, while we shall have upon the statute book a Compulsory Military Service Act providing for compulsory military service of 100,000 men this year, and, in the language of the Solicitor General, of possibly 100,000 men next year, the Finance Minister, instead of making provision for continuing the excess profits tax as respects the manufacturers, is making no such provision, and that taxation will lapse at the end of the present year.

There is a vast difference in the scope of taxation under these two measures. The operations of the two Acts have been placed side by side by the newspaper press. It is pointed out that, for instance, a company with a capital of $100,000, upon which it earns 10 per cent, giving it an income of $10,000, would pay, under the excess profits tax, 25 per cent on the amount over $3,000, or $750, into the Treasury; under this Income tax it would pay 4 per cent upon $7,000, or $280. A company earning 100 per cent on a capital of $100,000, under the excess profits war tax would pay $64,500, and under the Income Tax, $3,880.

Sir THOMAS WHITE: Assuming that the business profits taxation applies to 1917; and assuming that the income tax proposals apply also to 1917, which of those taxes would the firm in question pay in 1918?

[Sir Thomas White,]

Mr. KYTE: It would pay upon its earnings of 1917 the business war profits tax.

Sir THOMAS WHITE: The larger one.

Mr. KYTE: But it will pay nothing in 1918 in respect of the excess profits, as the law is at present.

Sir THOMAS WHITE: My hon. friend is not able to say it will not, because abnormal profits will be taxed abnormally.

Mr. KYTE: I can only take the language of the minister, who said it was not intended to continue the Act after 1917. It is quite true that if one of these corporations had a limited number of shareholders, each shareholder drawing profits from that company, would pay upon his income the 4 per cent provided for in the present Bill. But where there is a large number of shareholders, and the dividends are distributed among that large number, each of them having an exemption of $3,000 if he should be married and $2,000 if he should be unmarried, these exemptions would probably dissipate the total income derived by shareholders from that company, and no further taxation would be collected in respect of it. For convenience of reference, I shall place in tabular form the amounts contributed by companies each having a capital of $100,000, according to the percentage earned, under the excess profits tax and under the income tax.

Tax Paid By Company With $100,000 Capital.

Earning, Per Cent.	Under Business Profits Tax.	Under Income Tax.
10	$ 750	$ 280
15	2,000	480
20	4,500	680
25	8,250	880
30	12,000	1,080
50	27,000	1,880
100	64,500	3,880
200	139,500	7,880

These figures will illustrate how the manufacturing concerns making large profits are relieved of the great burden of taxation by the provisions of the Bill that we are now considering. Some reference has been made to the Ogilvie Flour Mills company. According to the earnings of 1916, upon a total capitalization of $5,622,486, the war profits taxes for 1916 amounted to $280,8886. The war profits tax for 1917, assuming the company's earnings to be the same as in 1916, would amount to $547,478.

But under the income tax, in respect of its earnings for 1918, it will only pay $60,-564. I may say that in 1916 the Ogilvie Flour Mills company earned 27 per cent,

three times as much as the largest dividend ever earned by the company in its history. Another company, which is not unknown to members of this House, the William Davies company paid, during the year ending 1916, excess profits tax $223,063. For the year ending March 27, 1917, if its earnings amount to the same it will pay $1,380,000. But under the income tax, if its earnings in 1918 are equal to their earnings of 1917, it will pay only $55,200. Take the Steel company of Canada, its net profits in 1916 amounted to $3,728,494. Under the present law it contributed, by way of excessive profits tax, $308,240. Under the income tax in respect of its earnings in 1918, it will only pay $149,016. The net profits of the Nova Scotia Steel company, for 1916 were $2,104,478, excess profits tax, $237,252. But the income tax, payable in respect of its earnings for 1918, will only amount to $84,056.

Sir THOMAS WHITE: Which tax will it pay?

Mr. KYTE: In respect to its earnings for 1917, it will pay the excess profits war tax.

Sir THOMAS WHITE: How much in respect of its income for 1917, the same year?

Mr. KYTE: It will pay nothing with respect to its income in 1917.

Sir THOMAS WHITE: The Nova Scotia Steel company will pay in 1918 the larger tax my hon. friend mentions.

Mr. KYTE: It will pay in respect of its earnings for 1917.

Sir THOMAS WHITE: To what income is the hon. gentleman referring? The income in 1917 or not?

Mr. KYTE: 1918.

Sir THOMAS WHITE: But this Bill relates to 1917.

Mr. KYTE: I stated that in respect of its earnings for 1918, assuming they are the same as for 1917, instead of paying $237,252, it will pay $84,056.

Sir THOMAS WHITE: On the assumption that there was no other legislation.

Mr. KYTE: I am taking the language of the Minister of Finance, and I am justified in doing so. The Ogilvie Flour Mills company, net profits, 1916, $1,336,040. Its war tax was $280,885. In 1918, in respect of its earnings for that year, under the income tax, its taxation will be reduced to $53,440. Take the Canada Foundry, net profit, 1916, $653,852; war tax, $222,368. Under the income tax that will be reduced to $26,152. The Steel Company of Canada earned $3,728,494. It has distributed $814,741, a dividend of less than one-fourth of its earnings. This large company has not distributed, as is well known, all its earnings. Large proportions of earnings have been put to one purpose or another, all of

5 p.m. which goes to increase the value of its plant and stock, so that when it comes to distribute its earnings amongst the shareholders, it is done, I have no doubt, with a view to reducing its taxation as much as possible. Under the new income tax the balance of $2,900,000 would have been exempted entirely from taxation. The Canada Foundries distributed $249,600. The income tax on that would amount to $11,984. The corporation will pay $26,152, or a total of $38,136, compared to $222,368 paid under the war profits tax. The Ford Motor Car company, with a capitalization of $5,909,000, had profits in 1916 of $3,202,678, equal to 54·2 per cent. Under the old war tax profits tax, 1916, it paid $697,323. Under the present war tax it will pay $1,782,095, whereas under the income tax, which we are now considering, that taxation will be reduced to $127,987. The Canada Explosives capital employed $9,377,000; profits in 1916 were $3,094,410, equal to 33 per cent. The excess profits tax in 1916 were, $609,537. For 1917 the war tax would be $1,337,631. Under the present Bill the income tax will reduce the amount to $123,656. The Northern Aluminum Company, capital employed $3,860,000; profits, 1916, were $1,636,640, equal to 42.4 per cent. War tax, 1916, $341,679. War Tax, 1917, $822,332, but that taxation under the present Bill will be reduced to $65,565. The Nova Scotia Steel Company, capital employed $7,687,387; profits, 1916 were $1,487,125, equal to 19.34 per cent. Business profits tax, 1916, $237,752. Business Profits Tax, 1917, $30,754. The income tax for that company will be $59,365. The Canada Forgings, capital employed $1,455,526; profits, 1916, were $991,359, equal to 68.11 per cent. War tax, 1916, $222,368. War tax, 1917, $590,689. The income tax will be $39,534. Steel Company of Canada, capital employed $13,963,000; profits, 1916, were $2,210,343, equal to 15.83 per cent. War profits taxation, 1916, $308,240. War profits tax, 1917, $337,055. Income tax will be

$88,293. Imperial Oil Company, capital employed $27,161,000; profits, 1916, $4,837,374, equal to 17.81 per cent. Excess Profits Tax, 1916, $734,046. Excess profits tax, 1917, amounted to $924,849. The Income Tax will be $193,374. The Fairbanks-Morse, capital employed, $3,686,500; profits, 1916, $669,100, equal to 18.15 per cent. Excess Profits Tax, 1916, $102,748. Excess Profits Tax, 1917, $135,767. Income tax will be $26,640. Now, Mr. Chairman, these figures will illustrate in what respect the income tax will affect the companies earning the largest profits, and there are companies that have more or less direct concern with manufacturing commodities, the prices of which have been affected by the period of the war. The Canadian Explosives Company have a present tax amounting to $1,337,631. Under the income tax, its taxation will be reduced to $123,656; that is to say that the taxation on its earnings in 1917 will be $1,213,975, less than the taxation of the previous year.

This income tax will scarcely fulfil the expectations of the people of this country as regards the obligation of this Government to compensate as much as possible for the men who are going to the front and giving their lives in the service of the Empire, by making the wealth of this country contribute to the operations of the war. There are engaged in business in Canada concerns that, since 1915, have made profits as high as 800 per cent. There is no reason which the average man can see why such a change has come over the policy of this Government in such a short period of time. It is argued that the business profits war tax has a tendency to prevent capital from coming into this country, and that view is shared by a large number of business men, but when you consider that the burden of taxation in respect of excess profits is felt only after the earnings of those concerns exceed 20 per cent, it ought not to be a serious deterrent to the introduction of capital. Previous to the outbreak of war very few companies in Canada were earning more than 20 per cent, but since then the profits of many firms have increased so enormously that they can be calculated by the hundred per cent. There is, therefore, to the ordinary person no sufficient reason given for the Minister of Finance thus changing the basis of taxation.

The hon. member for Kingston (Mr. Nickle), in the excellent speech he addressed to the committee this afternoon, stated that he believed there were in this country certain interests that were not paying their full share of the financial burdens of the war, taking into account the sacrifice made by those who go to the front and lose their lives. In that category he included the farmers. He said that as the farmer bought but little, he was not suffering so much on account of the increased cost of the commodities of life as the man who was not a producer of food. The farmer is relatively quite as large a purchaser as any other class of persons in this country. In the West where mixed farming is not engaged in to any great extent, the farmer has to buy everything except his wheat and one or two other articles which he produces. In eastern Canada, although our farmers are largely engaged in dairying and mixed farming, there are still many articles of consumption which they have to purchase. While it is true the farmer in eastern Canada produces his own butter and, at certain seasons of the year, his own meat and vegetables, he does not manufacture such requirements of himself and his family as clothing, boots and shoes, sugar, tea, cotton, hardware, building supplies, all of which have increased in cost enormously since the war broke out. Therefore, the hon. member for Kingston did not speak with that reflection with which he usually speaks when he stated that the farmers were not paying their full share of taxation in respect of the increased cost of living which is being experienced in Canada on account of the war.

So far as the contributions by the people of Nova Scotia to the Patriotic Fund are concerned, at least half of the money subscribed is contributed by municipal taxation which falls equally upon all the taxpayers of that province, quite irrespective of individual contributions. Therefore, when the Minister of Finance states that under this income taxation measure he is relieving the taxpayer of that portion which he contributes in the form of a Patriotic Fund contribution, it is after all not so much a reduction as would appear on the surface, because the great majority of the people who contribute to the Patriotic Fund would not be included in this income taxation legislation, but would enjoy the exemption which is mentioned.

Mr. PARDEE: I wish to emphasize the opinion expressed by the hon. member for Kingston (Mr Nickle) in regard to the inequality of taxation upon the classes which this Bill affects. We must realize that when we conscript men, we conscript their all, and if we are to conscript wealth—or, not to use that term with which so much fault

is found—if we are to bring in an income tax, we must bring in an income tax which really does what it is intended to do, namely, make those pay who can pay. Although it costs much more to live in Canada to-day than it formerly did, we must realize that the well-to-do man is getting far more money than he ever had before, and that those men who are getting more money on account of the war are getting it without very much greater exertion. If that be the fact, then they ought to be able to pay more, and they ought be made to pay more. When one considers that after this tax is deducted, a man with an income of $7,000 still retains $6,820, a man with an income of $10,000 retains $9,640, a man with $20,000 retains $18,740, a man with $30,000 retains $27,540, a man with $75,000 retains $64,990, a man with $100,000 retains $85,240, and a man with $200,000 retains $156,240, surely no one will say that the sums that I have mentioned that are left to those men are not plenty, and more than enough, to keep them in affluent circumstances, no matter what their position may be. If we are really honestly intending to conscript wealth, or to take the well-to-do man's money in lieu of his blood, we should leave him with only enough to keep him in ordinary circumstances, and, even although we shall thus be depriving him of many luxuries, it is right that he should suffer at least some of the hardships that the man at the front is suffering in order to protect that wealth.

The Minister of Finance says: If you impose very severe taxation you will dry up the flow of contributions to the Patriotic and Red Cross Funds; or, in other words, if you touch the big man with the big income you stop the source of your Patriotic and Red Cross Fund subscriptions. No one knows so much about such subscriptions as the hon. member for St. Antoine (Sir Herbert Ames), and this is what he said last night when this matter was being discussed. He did not argue that the big man was paying those subscriptions. He said:

> All that we are pleading for is that the money which is subscribed and paid in 1917 by the comparatively small portion of our population who have an income of over $3,000, and who therefore come under this tax, may be regarded as having been paid to the Government. Three-eighths of all the money we get comes from taxation; probably as much more comes from small subscribers, and perhaps one-quarter of all we get comes from the large subscribers who have incomes of $3,000 and upwards, and who will therefore be hit by this tax.

So the hon. member for St. Antoine apparently does not take the same view as the Minister of Finance.

Sir THOMAS WHITE: I did not say all.

Mr. PARDEE: I quite agree, but I think the minister will agree that he left the impression on the House, and intended to leave it, that the big contributor would not contribute to the Patriotic Fund if he was taxed any more severely under this measure; that was the logical inference from the minister's statement this afternoon. I repeat again—and I cannot repeat it too often or too vehemently—that in view of the figures set out in this Bill there is to my mind no conscription of wealth at all in this country; this is not a real income tax. The Finance Minister says: "We have the most heavily taxed country in the world." That may be, but if we are the most heavily taxed country in the world there is no reason why we should not be the most heavily taxed country in the world, because no country stands to lose more through this war than Canada. If we are to keep our men at the front, if money has to be raised to purchase the necessary supplies, where do the rich men get off, and where do the people of this country get off? Why should a man with an income of $75,000, which is an enormous income, be allowed to keep $64,990 in his pocket, after paying this tax? I am bound to say that to me that does not savour of conscription in the slightest degree. It imposes no hardship whatever on that man, except that when he comes to tot up his bank book at the end of the year, he has not got quite so much as he had, but still has more than any man has a right to have.

Sir THOMAS WHITE: I do not believe there are many men in Canada who have an income of $75,000. My hon. friend is overlooking the fact that most incomes of that amount will be incomes of companies. A business that a man might engage in as an individual or as a partner might yield that amount, but it would be in competition with joint stock companies having a similar amount of income. It is not like the income of an individual.

Mr. PARDEE: I will take my hon. friend's own statement. He says that most of them will be joint stock companies.

Sir THOMAS WHITE: Most of them would, but there are other firms in competition with joint stock companies.

Mr. PARDEE: Why should not the joint stock companies pay?

Sir THOMAS WHITE: They do pay.

Mr. PARDEE: Only the amount stated here.

Sir THOMAS WHITE: In the case of a joint stock company there are many shareholders.

Mr. PARDEE: I quite understand that. What the minister says is that this tax shall be deducted from the profits, and then the rest shall be distributed as dividends. But that is not very much. You are leaving a tremendous balance there yet. What I cannot understand is why people with such an enormous income—I do not care whether they are firms of joint stock companies or anything else—should be left with such an enormous profit, when to-day we are sending men to be killed to save those very profits. You cannot get away from that argument. The people of this country are demanding to-day that the men who have made enormous profits out of the war should pay. Why should they not pay for this war? Why should they not pay for the men who go to the front? To my mind it is the one unanswerable reason why almost all that they have got should be taken in order that what they have left may be saved.

Sir THOMAS WHITE: They are fighting to save capital as well as income, are they not?

Mr. PARDEE: You are only taking their income. Their capital is so enormous that they are able to earn these enormous salaries, or dividends, whichever you like to call them. The minister has told us that the business profits war tax, or at least the proceeds of it, go on until the year 1918. From the figures we have examined we know that the business profits war tax would yield to this country vastly more than the sums that will be yielded under this income tax measure; there is no doubt about that. It is true that a very heavy tax might keep people out of this country, but at the same time the money that we need has to be raised from some source, and we might just as well be honest with ourselves now as later on. Taxation has to come if we are to stay where we are. There is no man of business acumen in the country to-day who looks facts in the face who does not say to himself: Taxes have to come because of the position we are taking in this war. So we might just as well make an early start and avoid a further piling up of the national debt. One hand practically washes the other, and it might just as well be done in this way as in any other.

[Mr. Pardee.]

In conclusion, I repeat that I do not think this tax is sufficient. I think it should be increased, and increased materially. I think that on an income of $20,000 to $30,000 the tax should be 15 instead of 8 per cent; on $30,000 to $50,000 it should be 20 instead of 10 per cent; on $50,000 to $100,000 it should be 25 instead of 15 per cent; on $100,000 to $150,000 it should be 30 instead of 25 per cent; on $150,000 to $250,000 it should be 35 instead of 25 per cent; on $300,000 to $450,000 it should be 40 instead of 25 per cent; on $700,000 to $1,000,000 it should be from at least 50 to 70 per cent instead of 25 per cent; on $1,000,000 to $2,000,000 it should be 75 instead of 25 per cent. I want to repeat that the corporations, firms, and others, are having their all protected. In order that they might be further protected, this Government has asked that there should be conscription of men. If you take the last reserves, as this House has voted, for the conscription of men, for the conscription of blood, and for the sacrifice of life, you have the right to make those who are protected pay, and they should pay to the last shilling.

Sir THOMAS WHITE: My hon. friend has an advantage which is always enjoyed by an opposition. I am quite satisfied if I had brought down a measure embodying the percentages my hon. friend has suggested as representing his views, he would rise in his place and double them. It must not be lost sight of that the men who will pay taxation under this measure on incomes of $3,000 and upwards, also have their sons at the front. It is quite easy to speak of the people of the country who have incomes of $3,000, $4,000, $5,000 or $10,000, but so far as my observation goes that class has been and is represented in the field just as much as any other class in this community. I think we must not assume the country is divided into two camps, one of which consists of those who will not be subject to this tax, but who have their sons at the front, and the other those who are subject to the tax, and who have no sons at the front. My own belief is that all classes in this country, the labouring classes, the artisans, the merchants, and the professional classes, are represented practically pro rata in the field. There has been an equal patriotism, and I think we should bear that in mind. It seems to me we must not reflect needlessly upon those who have been successful through their exertions, and who enjoy no undue profits from the war, but who are carrying on their professions as they did before

the war, in many cases with diminished incomes. We must not reflect upon their patriotism because of the fact that they are subject to this income tax, nor need we reach the conclusion that because there are men in the field, some of them being their sons, we must over-severely tax them upon income.

This measure is a stiff income tax. Even the normal tax is double the municipal taxation prevailing in this country. It is more than double the prevailing income tax in the United States. It is not a mild taxation. It is a heavy supertax, much heavier than the United States taxation. We must not reach the conclusion that it is mild as an income tax measure, because this is not the case by any means. I do not mean to say it may not be more severe, or that we may not have to increase it, but having regard to the present situation it is a fair measure, in its graduated scale, imposing a greater burden upon those who are enjoying a larger income. Taxation has many aspects. Personally, I do not believe it should be imposed for the purpose of punishing any citizen because he happens to have an income. That is not a sound principle. A Government must be sagacious in imposing taxation, else it will defeat its object. Place too heavy a tax upon liquid wealth—that is to say bank credits—and they disappear. Place too heavy a tax upon income, and you do not collect your tax, because people will not come into the country, and in many cases investments will be placed elsewhere. There is much more in taxation than the consideration of how much a man's income is, and how much he can possibly live upon, with a view to taking the balance away from him. It would injure this country greatly, and it would impair our power of raising money for the purposes of this war, and injure the prosperity we are enjoying, if our income tax measure was too heavy. I do not mean to say this is an ideal measure at all, but it is a pretty good start. Any Minister of Finance, myself included, could add to it as the necessity might arise. At the same time, it meets the situation as it is to-day. You cannot compare the sacrifice which is made by the man who goes to the front and offers his life for his country with the sacrifice made by writing a cheque, however large it may be.

Some hon. MEMBERS: Hear, hear.

Sir THOMAS WHITE: To me it is almost a sacrilege to talk of equalizing the sacrifice made when a man sends his son to the trenches in the one case, and when a man is called upon to pay a tax bill, no matter how large, in the other. The cases cannot be compared, because they are essentially and fundamentally different. One touches human life. It is a spiritual sacrifice.

Sir WILFRID LAURIER: No man makes that comparison.

Sir THOMAS WHITE: I am not accusing my right hon. friend of making it. The expression "equality of sacrifice" cannot be used, because it is not a true expression. There is nothing to equal the sacrifice made by the men who have gone to the front, and the sacrifice made by their parents, and their wives, in sending them.

I think it is advisable to adopt the suggestion made by the hon. member for North Grey (Mr. Middlebro), and make the exemption $1,500 in the case of unmarried persons and widows or widowers without dependent chilren, so that the section would read:

(a) four per centum upon all income exceeding fifteen hundred dollars in the case of unmarried persons and widows and widowers without dependent children, and exceeding three thousand dollars in the case of all other persons.

I have given careful consideration to the suggestions offered in regard to grading the tax according to the number in family. The difficulties I see and have seen in connection with that are such that I am against any amendment of the measure in that particular.

Mr. VERVILLE: Is the exemption of $1,500 for single persons?

Sir THOMAS WHITE: Yes, unmarried persons.

Mr. VERVILLE: If a single man has dependents, he is on exactly the same footing as a single man who has no dependents?

Sir THOMAS WHITE: Yes, he is.

Mr. VERVILLE: Does my hon. friend believe that is fair? As far as the $1,500 exemption is concerned, I claim that $1,000 is far more than any man can spend on himself alone, but the man with dependents really has a family to support. The single man who has dependents is in the same category as the man with no dependents; that is, both have an exemption of $1,500. When I asked the minister about the single man's exemption he spoke of his dependents, a mother or a sister, and, perhaps,

others. We are not looking after them at all now, if I understand the Act aright.

Sir THOMAS WHITE: I think there is a little misunderstanding here. I thought that "without dependents" would govern the case, but the wording here is "without dependent children." I think we can put in there "unmarried persons without dependent relatives."

Mr. McKENZIE: Why not say "dependents" and leave out "relatives?"

Sir THOMAS WHITE: I am afraid that they would all have dependents.

Mr. McKENZIE: They may have dependents who are not relatives.

Sir THOMAS WHITE: I move that it read: "unmarried persons without dependent relatives." I am perfectly satisfied that if we do not cover it in some way there will be no tax collected at all.

Mr. McKENZIE: A man might have his stepmother to support. His stepmother would be no relative, but she would be a very legitimate dependent. I think the word "dependents" alone would be better than "dependent relatives."

Sir WILFRID LAURIER: I would suggest to my hon. friend that he might let the section stand and think it over. There will always be difficulty in connection with a matter of this kind. You must have a rule, absolute, and, it may be, arbitrary. No matter how you place this taxation it will weigh upon some persons more than others. You cannot avoid that. The statement was made a moment ago that you should consider the case of a bachelor with dependents. It may happen that a man who has no wife, a bachelor, will have dependents. It may happen, also, that a bachelor will have no dependents and still further that a married man will have dependents. Besides his wife and children, he may have poor relatives to look after. But you have to apply a rule of some kind, and when you have applied that rule you must take the consequences. I would suggest to my hon. friend that he allow the question to stand over for further consideration later on.

Sir THOMAS WHITE: All right.

Sir WILFRID LAURIER: I would like to call my hon. friend's attention to the drafting of the Bill. Section 4, paragraph (a), reads:

> Four per centum upon all income exceeding two thousand dollars in the case of unmarried men and widowers without dependent children, and exceeding three thousand dollars in the case of all other persons.

That is intelligible. But, when you come to paragraph (b), which is the first provision in regard to the supertax, you find the following:

> Two per centum upon the amount by which the income exceeds six thousand dollars and does not exceed ten thousand dollars.

There is a gap between $3,000 and $6,000.

Sir THOMAS WHITE: The four per cent, normal tax, applies to that.

Sir WILFRID LAURIER: You collect two per cent upon all incomes exceeding $6,000 and less than $10,000. But between $3,000 and $6,000 there is no provision for collecting the tax.

Sir THOMAS WHITE: It is perfectly clear. In the first place four per cent is collected upon all incomes exceeding $3,000. That is the starting point. If a man has an income of $100,000 the way you start to determine how much he is to pay is this: You substract $3,000 from $100,000, that leaves $97,000 and of that you take four per cent.

Sir WILFRID LAURIER: The normal tax runs all the way up?

Sir THOMAS WHITE: All the way up to $100,000. Take the concrete case of a man with an income of $7,000. In the first place he is entitled to be taxed at the rate of four per cent upon all his income in excess of $3,000. Four per cent upon $4,000 is $160. Then, as the income exceeds $6,000 by $1,000, there is two per cent additional upon that $1,000 which is $20. Add $20 to $160 and you have $180 as his tax.

Sir WILFRID LAURIER: It is not aptly expressed but it is all right.

Mr. BUCHANAN: I may not have an opportunity of speaking on this measure again and I would like to enter a very strong objection to the lightness of the burden imposed upon the heavier incomes. This tax has a very close relation to the conscription measure, in my estimation. We must do our best to induce men to go under conscription to fight in Europe, we must put them in as good humour as possible and to put them in good humour we must impose a moderate tax on the wealth of this country. We cannot impose any taxation that will measure up to the sacrifice the man makes who goes to France and gives up his life or who receives wounds

that probably main him for the balance of his life. We should do our utmost to tax the people who are left at home and make them realize that they are sacrificing something. This taxation, in my judgment, does not bring a sacrifice to any person. It should be of a character which will be a real sacrifice. The man with $100,000 is not making any sacrifice. I would like to have $100,000 and contribute the percentage that is asked on such an income under this measure. I would be very glad to do it. I feel that the people with the smaller incomes are paying far more proportionately than the people with the larger incomes. The Finance Minister should aim to tax the heavier incomes until the people with those incomes realize that there is a war and that they must make a real sacrifice—something that will hurt. The President of the Patriotic Fund had a slogan—give until it hurts.

Let the Finance Minister adopt the same principle in connection with his income tax. He says it will have to be altered when the war is over. Then, while the war is on, make the income tax something that will hurt the wealthy people of this country, and, after the war, the taxation can be altered.

I also feel very strongly that the excess profit tax should be continued, that the industries that are making large profits, especially those engaged in the manufacture of munitions or of other goods used in connection with the war, should pay heavily during the progress of the war. We need the revenue, but we also need to impress upon the men whom we are going to force to fight for us that we are making the people who are staying at home and making money out of the war bear the real burden of its cost.

Mention has been made of the Canadian Patriotic Fund. I may be wrong, but I have believed in the voluntary system. I have always been able to go out and appeal for the Patriotic Fund on the ground that men were going to fight voluntarily and that the people at home should contribute voluntarily. I have been able to make the people in my neighbourhood see it in that light. But I am satisfied that in the next campaign for the Patriotic Fund the introduction of conscription will interfere with the raising of money by voluntary means, and I believe that the Government will eventually, if not immediately, have to raise by taxation all the money that has heretofore been raised voluntarily through the Patriotic Fund. I believe that is the only fair method, too. It may be possible that within the next year the Finance Minister may have to devote some of the proceeds of this tax to the carrying of the work now carried on by the Patriotic Fund. I do not mean to say that I would make the Patriotic Fund a Government undertaking; I am quite satisfied to have it operated as at present, that is, that the expenditure should be handled through the Canadian Patriotic Fund. But I should think that the money should be raised by taxation, and it may have to be raised through income taxation. For that reason we should keep in mind the necessity of making this tax as heavy as possible, at least during the war. I feel very strongly on this question because I do not want to see any men remain at home and make more money than will keep them comfortably while other men are going away to bear the hardships of war, and possibly lose their lives. I want to see the sacrifice as nearly as possible equal throughout the length and breadth of the country, and it cannot be an equal sacrifice until our taxation makes the people who stay at home feel that there is a war, and that they are doing something to help the men who have gone over to fight for us in Europe.

Mr. MARCIL: Has the minister decided that the married man who has only himself and his wife to keep shall be in the same position in relation to this tax as the man with half a dozen children?

Sir THOMAS WHITE: I have reached the conclusion that it is not possible to discriminate in this taxation, having regard to the number of children in the family. In justification of that, there is an exemption of $3,000, which I think is ample. I agree with the right hon. leader of the Opposition (Sir Wilfrid Laurier) that in a measure of this kind there are bound to be anomalies, and we must draw the line somewhere, decide upon a scale, and then allow the anomalies, such as they are, to exist. Otherwise you would be making so many exceptions that the measure would be unworkable.

Mr. MARCIL: I am sorry the minister has taken that stand, because it is placing Canada in a position different from that of any country in Europe. The nations of Europe are trying to increase their population. France, which, according to Lloyd George, in an interview of two days ago, is bearing the burden of the fight against Germany, pays a premium on families of three and four children in order to increase

the population. Lloyd George says that to-day, without France, the war would be at an end, that, great as is the sacrifice of Great Britain, it is nothing to that of France; that the spirit of the French people is the mystery of the present war. In France they encourage large families; here we do nothing. We declare by this legislation that the mere fact that the man is married, although he has no children, places him on the same footing as the man who may be called upon to rear half a dozen or a dozen children. The minister should reconsider that point. I make this appeal in the best interests of the country. Canada wants a native population in preference to a foreign population, and I think that, all things considered, we should make the married man or the married woman who assumes the responsibility of bringing up children—and we all know what a burden that is these days, with the high cost of living—is entitled to the first consideration of the state, not only for himself or herself, but for the sake of the children.

Mr. PROULX: The Minister of Finance said this afternoon that he intended to reduce the exemption for unmarried men to $1,500. Did he consider the dependents whom the unmarried may have to support?

Sir THOMAS WHITE: No.

Mr. PROULX: I think it would be more just to reduce the exemption to $1,000 to an unmarried man without dependents, $1,500 for an unmarried man with one dependent, and $2,000 for an unmarried man with two or more dependents. An unmarried man may have his mother or young brothers and sisters to support, and may be in the same position, in regard to the burden on his financial means, as a married man with children. In France the tax is graded on the principle of the number of dependents a man has to support, either children, or parents, or brothers, or sisters.

At six o'clock, the House resumed and then took recess.

After Recess.

The House resumed at eight o'clock.

PRIVATE BILLS.

Considered in committee—Third Readings.

Bill No. 105, to incorporate The English Valley and Hudson Bay Railway Company.—Mr. Webster.

Bill No. 114, respecting The Montreal Central Terminal Company.—Mr. Girard.

[Mr. Marcil.]

Bill No. 96, to incorporate Dominion Good Roads Association.—Mr. Achim.

Bill No. 113, for the relief of William Henry Bishop.—Mr. McCraney.

WAR TAX UPON INCOMES.

CONSIDERATION OF BILL IN COMMITTEE.

The House again in committee on Bill No. 117, to authorize the levying of a war tax upon certain incomes—Sir Thomas White—Mr. Rainville in the Chair.

On section 4—Income tax:

Mr. A. K. MACLEAN: I wish to join with those hon. members who have taken the position that subsection 1 of section 4 does not impose a sufficiently heavy rate of taxation. It has been urged as a justification for the imposition of an income tax that we are enacting a military service measure. It is said that because we are possibly to have conscription of men, we should, therefore, have conscription of wealth. That in itself is a pretty good ground for increased taxation, and I do not dispute that view as presented by hon. gentlemen this afternoon, but rather do I affirm it. There is a further reason for augmenting our revenues, and upon that ground alone this Bill is justified. We are spending in this country from $850,000 to $900,000 a day for war purposes. That will amount to something over $300,000,000 a year. The Minister of Finance informed us a few days ago that for the quarter ending June 30 of this year there was a surplus of about $37,000,000 which might be applied to war expenditures. If the balance of the fiscal year produces a similar result financially, there will be, from current revenue, a surplus of about $140,000,000 to apply to war expenditures. Our necessity in this country for a large revenue will be as great next year as this year. It will be almost as pressing five years hence as it is to-day. Therefore the maximum revenue from the present time on for a number of years will be the greatest amount that we can possibly exact from our people without doing injustice to any class. We should not model our rates of taxation under this legislation on the income tax legislation of the United States. They have barely entered the war. It is true that in their first year they contemplate an expenditure of about $11,000,000,000, and they have already increased the rates in their Income Tax Act. I anticipate that next year there will be a further increase and possibly the following year a still further increase. When comparing the two coun-

tries we must remember that in most of the states of the Union many forms of direct taxation that we have not in this country are imposed by the Federal Government and state legislatures. With few exceptions, I think direct provincial and municipal taxation in this country is very light, and, therefore, the example of the United States is not an infallible guide for us in the circumstances prevailing in this country. We must not allow our national debt to accumulate any more than we can prevent, lest we have national disaster in the future and find ourselves in a position of inability to meet the interest upon our national debt and at the same time carry on the public services of the country.

It, therefore, matters little how this legislation compares with the Income Tax Act of the United States, or with that of England. The question is rather: what is the utmost we can secure by taxation from the people of this country to meet our great financial necessities and augment our current revenues so as to keep down as low as possible our rapidly growing national debt? I think, therefore, the rates proposed under this measure are not sufficiently high, and I join very heartily in the statements made this afternoon by the hon. member for Kingston (Mr. Nickle) on the other side of the House, the hon. member for Richmond (Mr. Kyte) and other hon. gentlemen on this side. I cannot add anything to what they said this afternoon. The matter was put clearly and strongly by them. I have nothing further to say in reference to incomes under $5,000, nor as to the exemptions. When the resolution was introduced I stated that I thought, perhaps, $2,000 was too high an exemption in the case of unmarried men. What I really thought was that the amount should be reduced, but I thought possibly the rate was a little high and might be made lower than 4 per cent for incomes taxable below $2,000 in amount. There are in Canada a great number of unmarried men liable to taxation, and even if the amount of taxation is small, still the aggregate might be very large without any great burden being imposed upon them. I have, however, nothing further to say about that.

The tax on incomes of $10,000 and upwards might very well be increased. While that may impose a burden on many who will have to pay the tax, still that burden must be imposed upon some one in order to meet partially our war obligations. Business conditions in this country to-day are exceptionally good; they are better than the normal. It shall be much easier to secure a substantial amount this year, and possibly next year, than four or five years from now, and it is important that in the days of our plenty as much as possible be taken from our people to keep the Federal treasury in a healthy condition.

In the case of an income of $10,000 unmarried men and widowers without dependents are obliged to pay a tax of $400. If that were doubled to $800, do you think, Sir, that any taxpayer would object? Would it mean a very substantial additional burden on those liable to taxation under this Act? I do not think so. In the case of an income of $15,000, they have to pay $850. I do not think anybody would seriously object to paying a tax of $1,700 in such circumstances. A man with an income of $50,000 has to pay a tax of $5,300. I do not think there could be any valid objection if that were raised to $10,000. In the case of an income of $75,000, it is proposed to make the tax $10,000. If it were raised to $20,000 I do not think any legitimate protest would be made. It is true that in this country there are a very few people in receipt of such a large income, but there are undoubtedly some, and I think they would be content to pay a very much higher rate of taxation than is proposed by the minister. But whether they like it or not, I think they should be made to pay. I think that the rate of taxation might very well be doubled at least, on incomes of $12,000 up, if not from $10,000 up, and in many cases I think they might be trebled.

The minister would have us remember that very generous contributions have been made by the Canadian public to the Patriotic Fund, and that if we entrench too far upon incomes it will result in curtailing voluntary contributions to the Patriotic Fund. I submit that that is rather a weak principle upon which to base a taxation scheme. I agree with the remarks made by the hon. member for Lethbridge this afternoon, when he suggested that hereafter the Patriotic Fund had better be sustained directly from the federal treasury. I think that from now on appeals to the public to sustain the Patriotic Fund will not meet with the response which they have met with in the past. I think it is only fair and reasonable to expect some diminution in interest on the part of the public. It is true that a great section of the public will contribute to this fund to the extent of their ability, but I really believe there will be serious impairment of the fund in the future if we

are to rely solely upon voluntary contributions. It is worthy, I think, of serious consideration whether or not some special tax should be imposed directly upon the people to sustain the Patriotic Fund, and to be collected by the provincial governments. It might be better still if the provinces were to take this matter up and make an annual assessment on the citizens of the province, equal to the amount collected on an average during the last three years, and pay the money over to the fund. Some room, however, should be left for those who wish to contribute voluntarily to the fund. I repeat, I do not think that payments to the Patriotic Fund should be considered when establishing a taxation scheme of this nature.

Before closing, I just wish to say a few words in reference to the business profits tax. There has apparently been some confusion in the minds of hon. gentlemen in reference to the position of the Business Profits Tax Act after the end of this year, and I should like to feel that I understood this matter thoroughly. As I understand it, the excess profits business tax is in force for the years 1916, 1917 and 1918—and I want the minister to correct me if I am wrong—but the taxes levied come from profits of the previous year; that is, from the profits of 1915, 1916 and 1917.

Sir THOMAS WHITE: My hon. friend says that the taxes are paid out of the earnings of 1915, 1916 and 1917. I say, no. Although the taxation is in respect of those earnings, it was not possible that the tax should be paid out of the earnings of 1915, because the taxation was not imposed until 1916, and most companies and firms had distributed their earnings as dividends or invested them in plant or material. In the result, by reason of this taxation being retroactive, the taxes in respect of 1915 were paid in most cases from the earnings of 1916, and the taxes in respect of 1916 from the earnings of 1917, and the taxes for 1917 will be paid from the earnings of 1918, or from the accumulated earnings of this year.

Mr. A. K. MACLEAN: I understood the minister correctly; that is what I intended to say. For all practical purposes, the Business Profits Tax Act is in force in the years 1916, 1917 and 1918.

Sir THOMAS WHITE: Practically.

Mr. A. K. MACLEAN: It is true that the taxes payable in each of these years is from profits of the preceding year, but for the purposes of the revenues of the country, the Business Profits Tax Act is in force in the years 1916, 1917 and 1918. Now the minister stated the other day that the Business Profits Tax Act expires at the end of this year, and that he does not propose renewing it, although for all practical purposes, as a revenue producing Act, it is still in force in 1918. The last amendment to that Act imposed quite an onerous tax upon business, and may have had the effect of seriously hampering the extension of business in this country. I fear that business interests in the country will consider the minister's statement that he does not propose to renew that Act as equivalent to saying that he does not propose again to impose any tax of any nature upon business profits beyond the provisions of the Income Tax Bill. There was a great deal of objection to the last amendment to the Business Profits Tax Act, for the reason that when the minister introduced the Business Profits Tax Act he was understood to say that it would remain in force for three years, and that statement was taken as tantamount to a declaration that there would be no increase or modification of that tax.

I think it would be unfortunate to have the statement go abroad now that the principle of the Business Profits War Tax Act in part at least is not to be renewed without that statement being accompanied by a declaration that possibly, and probably, some substitute therefore will be imposed. If in 1918 a Bill is introduced imposing taxation upon business profits, it will meet with a great deal of opposition, and the statement now made to the effect that the Act would not be renewed will be construed as a promise that there would be no further taxation of that nature. I think that would be a very substantial objection to the statement made by the minister for some equivalent of the business profits tax after 1918. I am of the opinion that it would be better to provide in subsection 2 of section 4, so that business people will know in the future what excess business profits tax is likely to be. It would not me operative in 1917 or 1918, except as against companies with a capitalization of less than $50,000. I ask the Minister of Finance to take this into consideration, and I submit it would be better to spend a little time now working out some scheme of the nature of the Business Profits War Tax Act as against business profits, and make it a part of this Act. Surely some taxation is in contemplation further than income tax of corporations. That is not at all substantial.

I want to say a word in regard to subsection 2 of section 4 which imposes a tax of four per cent on corporations and joint stock companies on incomes exceeding $3,000. In the United States this particular tax has been increased, or at least a Bill has been introduced in Congress to increase it from four per cent to six per cent. I would like to suggest that this particular tax should be higher, and it should be graduated. As a matter of fact, a great number of small corporations in this country are making more money in proportion to invested capital than many of the larger corporations. There are exceptions, and of course the largest incomes are being earned by a few of the big industrial corporations. At the same time, there are scores of small corporations which are earning very large incomes and I think they might well be taxed more than four per cent on incomes in excess of $3,000. When the incomes reach $10,000, $15,000, $25,000 or more, the rate should be accordingly increased. I would like to call the minister's attention to the fact that there is no provision in this subsection in regard to taxing undistributed profits. Is there a general clause covering that later on?

Sir THOMAS WHITE: A corporation is liable to taxation upon its profits, whether distributed or undistributed. There is a clause, which we considered for a while last night, to the effect that undistributed profits which were in the opinion of the minister being held for the purpose of evading the tax would be subject to the supertax.

Mr. A. K. MACLEAN: I wish to repeat my opinion that the rate of corporation income tax should be increased very substantially in the larger incomes and it would be well to fix a special rate of taxation upon undistributed earnings. It is very difficult to tell when a corporation refuses to distribute its profits in order to evade the tax. It would be almost impossible, I would think, to determine this.

Mr. MEDERIC MARTIN: I do not want to take much part in this discussion, but I would like to know if the minister will consider the insertion of a clause in the Bill preventing big concerns which hold a great deal of property for increasing the rents on their tenants. Because if that is not done the poor people will pay the tax in the long run. There are some concerns in Montreal which have a great many tenants, and they have started already to notify those tenants that they will increase the rents. I suppose my hon. friend does not wish to see the poor people pay all the tax, so I think it would be a good thing to put a clause in the Bill to the effect that property owners will be prohibited from increasing their rentals with a view to reimbursing themselves for what they are called upon to pay under this Act. There are many large property-holders in Montreal receiving $100,000 a year and more in rent, if they increase their rents by five per cent it will simply mean that the poor people will pay the tax. Of course, it is always the poor who pay these taxes.

Sir THOMAS WHITE: We cannot exempt landlords who derive substantial rentals from their properties. The presumption is that they are now getting all the rentals they can. If a man derives a net income of $10,000 or $20,000 a year from a property he owns, I do not see how we can exempt him from taxation any more than we could exempt my hon. friend from taxation on his income as mayor of Montreal.

Mr. MEDERIC MARTIN: That is not what I mean. My point is, I would like to see a clause in the Bill prohibiting those people from raising their rents in order to reimburse themselves for the amount they have to pay as taxes under this Act. They are simply trying to get the tax back from the poor people.

Sir THOMAS WHITE: I would refer my hon. friend to the Quebec Government, because this is a matter of property and civil rights arising in the province of Quebec. I do not think it comes under the jurisdiction of the Federal Government. My hon. friend might take the question up with the Quebec Legislature. We have no power to intervene.

Mr. MEDERIC MARTIN: Certainly this Government has the power, to interfere if those large property holders increase the rents without good and sufficient reason. If they do increase the rents, it will be simply for the purpose of making the poor people pay the tax. In any event, I would ask my hon. friend to take the matter into consideration, and consult the Minister of Justice with a view to determining whether some such prohibition could be included in the Bill. They are starting in Montreal to tell their tenants that they will increase the rents. If they do so the tax will be paid by the poor people.

Mr. MURPHY: May I inquire from my hon. friend from Montreal, St. Mary's, (Mr. Martin) if he knows of cases of this kind having arisen?

Mr. MARTIN: Certainly, some of the big concerns have given notice about it since they have heard of the law.

Sir WILFRID LAURIER: Written notice?

Mr. MARTIN: Certainly.

Mr. McKENZIE: Following the remarks of my hon. friend from Kingston (Mr. Nickle), my hon. friend from Richmond (Mr. Kyte) and my hon. friend from Halifax (Mr. Maclean), I wish to state that the proposal of the Minister of Finance to allow the Business Profits War Tax Act to expire does not strike me as a fair proposition to the people of this country. I have no doubt that the idea of Parliament and the minister in fixing the end of the Business Profits War Tax Act for the 31st December 1917, was that the war would then be over. This was a measure intended especially for war conditions, and for getting money for the war, and when the grave and serious necessity would end, this Act would come to an end with it. I have a distinct recollection that when the first and second Bills were introduced by the minister, it was explained by him that they would continue for the same period as the war. Nothing could be clearer than the language in which the minister says that this Act should come to an end on the last day of December of this year. As reported at page 3915 of Hansard, July 25, 1917, the Finance Minister said:

> My hon. friend from Wright very properly asked as to whether those who are paying a very heavy business profits taxation are subject to this income measure. The House is aware that liability to the Business Profits War Tax Act of 1916 and the amendment thereto of this year comes to an end on December 31 this year, and it is not the intention to renew that measure.

Nothing could be clearer than that. The minister speaks not only for himself but for the Government, and as a minister representing and speaking for the Crown, he makes the clear cut declaration that on the last day of December this Act comes to an end and there is no intention of reviving it. That is very well understood. There may be some difference of opinion upon some things, and some language may be open to a great variety of constructions, but here is the proposition of the minister, put in clear-cut, plain language that is unmistakable.

There is one embarrassing situation which may arise in connection with this and which has been pointed out by my hon. friend from Halifax. If it turns out that the Minister of Finance should be compelled by conditions, over which he will have no control, to extend the lifetime of this Act, and if, between now and, say, January or February, 1918, large investments are made in this country, if people come in and open new establishments and invest large amounts of capital on the faith of this statement that on and after the last day of December, 1917, the business profits war tax will be at an end and shall no longer be law, and if the minister and the Government, some time in the year 1918, find it necessary to re-enact this legislation, they will be confronted with the protest, and properly so, of the people who came into this country and invested their capital, or of people in this country who invested capital upon the strength of the declaration of the Minister of Finance. I would like to know what kind of an answer the minister will have for them. He made the promise solemnly and clearly, and, no doubt, deliberately, that in 1918 and afterwards there should be no business profits war tax collected. I think the Government will find it exceedingly difficult to make an answer to people of this kind, and I think the minister will be obliged to leave them out, even although he believed to be true what he said, because people in this country, and particularly people from outside countries who may come in here, would have reason to have absolute and implicit confidence in the words of the minister. The statement, therefore, was rather premature, although, perhaps, deliberate, and one which he will, perhaps, find exceedingly awkward before the end of the war, or before the end of the great necessity for gathering large sums of money for war purposes.

We hear a great deal about "quitters." "Quitters and slackers" are regarded as very undesirable citizens, but it would seem to me that as far as getting money is concerned the minister is showing some of the signs of a "quitter" when he says he is going to allow these profiteers to go untaxed. I do not use the word "profiteers" offensively, because if a man works hard, puts his energy, brain and brawn into his business and makes a profit, I should not use the word "profiteering" or "profiteer" with regard to him in a disrespectful sense. But you must go for the money where it is,

and these are the people who have it, and they are the people who, in a mild way, we are going after. The minister should not quit until the occasion which he has for going after them ends and there will be no further use for pursuing the course which he has been following for the last three years in order to get this money.

The minister should be particularly careful about getting into any entanglement with these great concerns, or, as they are often called here, these combines, trusts and mergers. The minister knows that he has the reputation, whether he deserves it or not, of being the head of these concerns, that he is here as their patron saint, that he is here particularly representing them. That may, or may not be so, but you remember the old proverb about giving a dog a bad name. The minister has a reputation as well in some other quarters. We heard about him from the hon. member for Victoria, Ontario (Sir Sam Hughes), who had been the brother, compatriot, friend and adviser of the minister for five and a half years.

We found him reading mysterious letters in the House the other day—mysterious to me—that he had received from a man high up in the councils of the Tory party, and who will be still higher up, according to Sir Sam Hughes—I do not know who this great man is, but I have no doubt the minister does. He read a mysterious letter from that man, in which he talked about a man who was ready for recantation back into the hold of the rock from which he was hewn not many years ago. These considerations all go to show that a minister suspected of being mixed up with great concerns, which, of course, is an honour in some respects, is not trusted by the poor people, because they do not want to get into competition with those great powers.

The minister has introduced this income tax for the purpose of conscripting wealth, of going after the great bodies of wealth lying around in this country untouched by any legislation hitherto enacted. He was going to meet the great cry in the country that if we were going to conscript the manhood of the country we should also conscript the wealth. We were told by the Minister of Finance (Sir Thomas White) and the Minister of Trade and Commerce (Sir George Foster) that that cry of the people was at last going to be met, and that an Act was going to be introduced into this House that would accomplish what the people were looking for. But what has happened? No doubt a complaint came to the minister and to the Government from these wealthy concerns the minister is supposed to represent here saying: have you not gone far enough? Surely you have taken enough from us, can you not leave us alone? But the minister says to them: I have a trick for you worth a dozen of any stories you may hear of that kind. I am going to impose an income tax upon you, which will please the people who are appealing for a conscription of wealth, but I am going to let you out on the other end. I am going to remove this other tax, and instead of paying over $100 in the future you will not have to pay more than $25 or $20. While the ordinary man will think I am after you, I shall drop this other law and tax and you will not have to pay more than a half or a quarter of your present taxes. The figures placed on Hansard this afternoon by the hon. member for Richmond (Mr. Kyte) show that that is what will happen. When the business profits tax lapses we will have no weapon to go after the manufacturers except the Bill now before the committee. That is not what the people are looking for. They desire a continuation of the War Profits Act along with this income tax. The wealth of the country should be made to contribute its fair share towards the expense of the war. I submit to the minister that it is not yet too late to correct the mistake that has been made, and that he should provide for the continuance of the war profits tax. I submit that, instead of dropping the War Profits Tax Act, which bears heavily on some people who are well able to bear the burden, taxation might be dropped which bears heavily on the poor people and affects the everyday life of the wage-earner whose income is small, barely enough to meet his daily necessities. The additional duty of seven and one-half per cent which the minister has placed on all commodities, should be the first tax to be reduced or removed.

I do not see why, under present conditions the minister mentions the year 1918 in connection with the War Profits Act. It is true that in that year he may collect a debt which inures during 1917. I do not see why the minister talks about this Act being in force for 1918, as it will be in force only in reference to the collection of these taxes for 1917, as I have said.

The observations which I have made will make it plain to the common people that this Act cannot take the place of the business profits tax as a money-getting piece of

machinery, and that both Acts should be continued in force until the end of the war.

Sir THOMAS WHITE: I think I am in a position now to deal with some matters that were suggested for my consideration before six o'clock. An amendment was suggested whereby the exemption of $2,000 in the case of unmarried persons, and widows or widowers without dependent children, was reduced to $1,500. The question was raised as to whether we would extend any consideration in the case of dependents or dependents' relatives. I have reached the conclusion that the reason I gave before six o'clock, in dealing with the subject generally, why we should not make any allowance of that kind, is a proper one. The result, therefore, is that, so far as the Government is concerned, the exemption in the case of an unmarried person, and widows or widowers without dependent children, shall be $1,500, and in the case of all other persons $3,000. I think it better that the amount should be defined, and if there are anomalies they will have to remain.

Mr. VERVILLE: Then a single man who has a family to support will have to pay the same tax as one who has not a family.

Sir THOMAS WHITE: There is no allowance for dependents. I am satisfied that if there is an allowance for dependents it would defeat the exemption altogether.

Mr. VERVILLE: Then is it fair to reduce it? It would be very fair to reduce it to $1,500 or less perhaps, for those who have no dependents at all, living all alone, but is it fair to reduce it, when you are going to put the single men with dependents in such a condition that they are worse off than they were before?

Sir THOMAS WHITE: I do not wish to be discourteous to my hon. friend, but I have announced the conclusion I have reached on the subject, namely that in the case of unmarried persons or widows or widowers without dependent children the exemption shall be $1,500. In the case of all others it will be $3,000.

Sir WILFRID LAURIER: I am sorry to see that the reduction has been made, but if that is the conclusion of the Government, that is the end of it.

Sir THOMAS WHITE: Section 4 now reads: "Unmarried persons and widows or widowers without dependent children." I have an amendment to insert immediately after subsection 3 of section 4, which will be subsection 3 (a). It will be recalled that last evening the hon. gentleman from Halifax raised the question as to the husband assigning a part of his income to his wife for the purpose of evading the tax, which would be possible by reason of the double exemption, the exemption to the wife, and the exemption to the husband. I think it well that both wife and husband should be assessed in respect of their assessable income, and should be entitled to the exemption of $3,000 each, but in order to prevent evasion of the tax, I desire to move that the following be inserted as subsection 3 (a)after subsection 3, of section 4:

A person who, after the first day of August, 1917, has reduced his income by the transfer or assignment of any real or personal, movable or immovable property to such person's wife or husband, as the case may be, or to any member of the family of such person shall, nevertheless, be liable to be taxed as if such transfer or assignment had not been made, unless the minister is satisfied that such transfer or assignment was not made for the purpose of evading the taxes imposed under this Act, or any part thereof.

The effect of that will be that bona fide transfers, some of which might occur, will of course not be affected, but if the circumstances are such that the transfer is made for the purpose of evading the tax, in order that the benefit may be had of the double exemption, this subsection will meet the case. I understand the view of my hon. friend rather to be that the two exemptions should be allowed.

Mr. A. K. MACLEAN: I do not want to go back to what we were discussing, in regard to making an additional allowance for each child in the family, but I want to tell the minister that, in the United States Bill now before Congress, they make provision for $100 for each child under eighteen years of age.

Mr. MARCIL: I am sorry the hon. minister has not taken my view of this matter. This provision practically means that if you are married you might as well raise dogs as children. No advantage is given to those who have children. Many people in this country raise dogs instead of raising children. You can see them every day of the year. It is an unfortunate state of affairs, and I am not the first to say it. The man who is married without children is placed on the same footing as if he had a dozen children.

Sir THOMAS WHITE: I want to say that I think my hon. friend's observations are very unjust. There is an exemption of $3,000. No married person has to pay a cent of tax unless the income is $3,000 or more, and I have known some very large families raised on a fraction of $3,000, and most of the large families in this country are those of people who have no such income. I do not believe any hardship will result from this measure at all. The legislation referred to which is being enacted in the United States is easily differentiated, because there the exemption is less than $3,000. It is $1,000 less than our exemption. I think the section is all right in its present form.

Mr. KNOWLES: In regard to the assistance we get from the legislation in the United States, they do not give the double exemption to husband and wife, do they?

Sir THOMAS WHITE: They do not.

Mr. KNOWLES: The minister seems to follow their legislation with some confidence in one instance, and does not follow it in another.

Sir THOMAS WHITE: In this case I do not say that I have followed it, but the hon. leader of the Opposition agrees with what has been done.

Sir WILFRID LAURIER: I wish the hon. gentleman would pay me that compliment more often.

Mr. KNOWLES: The fact that the hon. leader of the Opposition agrees with it has nothing to do with the matter. I can do my own little thinking, and I do not think it is the kind of answer to give a grown-up man. I trust the minister will have a better answer.

Sir THOMAS WHITE: I did not desire to be discourteous to my hon. friend. I just made the observation. There is a good deal to be said on both sides, and I think the Act as it stands, with exemptions to each, is probably fair. The law of the several provinces recognizes the right of property in the wife as an individual, and it seems to me she should be entitled to exemption.

Amendment agreed to.

Section as amended agreed to.

On section 5—Incomes not liable to tax:

Mr. MURPHY: Have you passed section 5?

Sir THOMAS WHITE: Section 5 was passed last night.

Mr. MURPHY: Is the minister satisfied that under paragraph (g) of section 5 a club or association, with the ingenuity, for instance, of a racing association, could not bring itself within that exemption? If the minister has given the matter thought, I would ask him for an answer. If he has not, I would commend the matter to him.

Sir THOMAS WHITE: I think the word "non-profitable" would exclude such associations. It is not the intention to exempt a racing association that is operated for gain.

Mr. MURPHY: Racing associations would not admit they are operating for gain.

Sir THOMAS WHITE: The question is one of fact. If any gain were made, they would clearly be liable under this measure. The object of this exemption is obvious on the face of it.

Mr. VERVILLE: I was not here when section 5 was passed. I see the first exemption is "the income of the Governor General of Canada." Is His Excellency not to be taxed on his income in Canada?

Sir THOMAS WHITE: No.

Mr. VERVILLE: I am sorry.

Sir THOMAS WHITE: I may say, so that there may be no misunderstanding, that this is the Government's Bill. His Excellency has nothing whatever to do with the arrangement of this Bill, nor has he been consulted in any way about it.

Mr. MARCIL: His Excellency is exempt anyway. The fact that he is an Imperial officer would exempt him.

Sir THOMAS WHITE: I think the exemption is a very proper one.

On section 6—Payment of tax at source:

Mr. MURPHY: I assume the minister will have to make a change here to correspond with the one he made in section 4.

Sir THOMAS WHITE: I was just about to do that. I beg to move:

That after the word "unmarried" in line 23 there be inserted in place of the word "men" the words "persons or widows", and that in line 22, instead of the words "two thousand" there be inserted the words "fifteen hundred".

Amendment agreed to.

Mr. MICHAUD: In several municipalities in New Brunswick widows are to a certain extent exempted from taxation on their incomes or upon property owned by

them when the assessment is made upon their property. Has that fact been taken into consideration by the minister?

Sir THOMAS WHITE: I do not know that I quite understand my hon. friend. If a widow has children, she is entitled to an exemption of $3,000; if she has no children, she is entitled to an exemption of $1,500.

Mr. MICHAUD: She is not exempted then by reason of the fact that she is a widow?

Sir THOMAS WHITE: Not by the fact solely that she is a widow.

Mr. A. K. MACLEAN: Would the minister briefly state the purpose of this section and how and when it could be utilized? Could you use it for instance in the case of brokers on an exchange?

Sir THOMAS WHITE: This section covers a class of trustees in whom securities are vested in trust to pay over the income. It is to ensure that the Government will get the tax from that source. We look to the trustees. Of course, if he pays it on behalf of the beneficiary, the beneficiary is made the allowance. This is taxation at its source.

Mr. McKENZIE: Is there anything in the Bill to cover estates? There are in this country large estates where money is accumulating, perhaps by reason of the children not being of age.

Sir THOMAS WHITE: A trustee, having property vested in him and having an income in respect of it, is liable to pay. If he pays, in respect of the share of income which the beneficiary receives, the beneficiary receives credit for that payment; but if, under the conditions of the trust under which he is acting, he gets income which he accumulates for those who may come into being, say a generation from now, he is liable as a person in respect of that income, so that the estate is taxed.

Mr. McKENZIE: That is the case of a "trustee" estate, but there are many estates which are not "trustee" estates. Suppose a man makes a will and he appoints an ordinary executor.

Sir THOMAS WHITE: I was considering him as a trustee.

Mr. McKENZIE: If the minister considers him as a trustee possibly the Bill covers that case.

Section as amended agreed to.

[Mr. Michaud.]

On section 7—Annual returns to minister of total income:

Mr. MICHAUD: Are special forms to be sent to the taxpayers?

Sir THOMAS WHITE: There are certain forms in the schedule, but we have power given under a later provision of the Bill to call for such information as we require from the taxpayer, and the mode of administration will be just as under the business profits-tax, to send the necessary forms to citizens and to have them filled in and returned to the department.

Last night the hon. member for Rouville took exception to the word "suspected" in line 9, on page 6. It is a rather obnoxious word, although it has an apt meaning. Out of deference to my hon. friend's objection, I beg to move that the word "suspected," in subsection 2 of section 7, be struck out and the word "believed" substituted therefor.

Amendment agreed to.

Section as amended agreed to.

On section 8—Additional information.

Sir WILFRID LAURIER: Subsection 2 gives the minister power to require "the production, or the production on oath." Why this difference? Is it not sufficient to have simply the words "the production?"

Sir THOMAS WHITE: I think it is well that we should have the power to compel the production of these documents on oath, but, of course, the power should be exercised wisely. Suppose that you are not satisfied with the statement a citizen has made. It is an extreme case, but it is well that power should exist to make him make the statement under oath.

Section agreed to.

On section 9—Penalty.

Sir WILFRID LAURIER: By the preceding section the minister may compel a man to produce letters, accounts, etc., on oath. Subsection 2 of section 9 says that "any person making a false statement" shall be liable on summary conviction to a certain penalty. Now, if a man makes a false statement under oath he is guilty of perjury, and he ought to have the benefit of a jury, and not be tried simply by a magistrate.

Sir THOMAS WHITE: I think he would be liable to both. If a man commits perjury he would be liable under the Criminal Code. The provision in subsection 2 of section 9 for a penalty on summary conviction

is in addition to the penalties of the Criminal Code.

Mr. MICHAUD: Under subsection 2 he would be liable to 6 months' imprisonment, and he could still be brought before a high court.

Sir WILFRID LAURIER: A man should not be subject to two trials and two penalties. It should be either the one or the other. It is all right to provide for a penalty on summary conviction, but if a man makes a false statement under oath he ought to be tried by jury.

Sir THOMAS WHITE: I think it is very desirable that power should exist to ask for a sworn statement.

Sir WILFRID LAURIER: Possibly.

Sir THOMAS WHITE: If he made a false statement in the returns he would be liable to the penalties provided here, and I think he could be proceeded against for perjury.

Sir WILFRID LAURIER: The lawyers will have to disentangle it.

Sir THOMAS WHITE: I do not think any particular harm will be done by retaining this provision.

Mr. ROBB: I call the minister's attention to what seems to me to be a hardship. In line 26 of page 6 it is provided that:

> Such returns shall be delivered to the minister on or before the twenty-eighth day of February in each year, without any notice or demand being made therefor.

Then section 9 provides for a penalty of $100 for each day during which the default continues. Now firms or individuals may unknowingly default.

Sir THOMAS WHITE: Legislation of this kind always runs this way. There is confidence that the Government will not exercise the powers given here oppressively, in the case of a citizen defaulting unknowingly. It is necessary that the onus be put on the citizen of making the returns. But in the practical working out of the Act, just as in the Business Profits Tax Act, the various officials throughout the country will send the forms out and keep in touch with the recipients until the returns are made. I think I can assure my hon. friend that no such injustice as he imagines may result will be done to citizens.

Mr. MICHAUD: The word "shall' is imperative, and looks very severe indeed.

Sir THOMAS WHITE: As my hon. friend knows, it is a penalty not exceeding $10,000. There is always discretion within the limits fixed. It might be a fine of $10 or $50.

Mr. MARCIL: Ignorance of the law is no excuse, but how is an ordinary citizen, who does not read our deliberations and who does not get the statutes, to know that he must make his returns before February 28th?

Sir THOMAS WHITE: We will contrive to let him know. We will get the organization, and secure information as to the citizens thought to be liable, give them the forms, and have these forms filled in. I admit it is a big task.

Sir WILFRID LAURIER: What organization has my hon. friend in mind?

Sir THOMAS WHITE: At the present time we have the business profits war tax organization. We have a Commissioner of Taxation, an assistant commissioner, and a staff in the Finance Department. Then we have representatives in every province from Nova Scotia to British Columbia. That organization can be extended by the addition of other officials. We have the province of Ontario divided into districts, with, I think, four men in charge. They have stenographers and such other assistants as are necessary. The whole Dominion is covered, and by the expansion of that staff the business profits taxation assessment could be made, and this taxation as well.

Sir WILFRID LAURIER: There is a good deal of force in what was stated by my hon. friend from Huntingdon (Mr. Robb). Men in the country may forget they are assessable. Will your officers look after the assessment rolls in every municipality, and search out the parties who are likely to be assessable?

Sir THOMAS WHITE: We shall be obliged to do it. We would not expect to administer this tax upon the unsolicited returns of the public. It would not be possible to do it. The country will have to be covered. It will have to be ascertained, so far as it can be, who are properly liable to assessment, and those persons will be notified, just as the assessment department here notified taxpayers. It will take some time to get the system under way, and the organization will be more or less imperfect for a while. It took three or four years to get the United States organization working properly.

Mr. ROBB: Does not the minister think it would be better to impose a smaller penalty, and collect it as a tax? Give the

people proper notice, and if they fail to comply with it put on a small tax, and collect it. One hundred dollars a day might be more than the tax would amount to. The penalty might be greater than the tax. Under the Massachusetts law the penalty is five dollars for each day a person is in default. That looks like a reasonable figure, and it might be collected.

Sir THOMAS WHITE: I am quite satisfied from my experience in office that nobody will be harmed through the infliction of penalties. I think it is desirable that there should be legislation in regard to penalties, so that citizens may be compelled to make the returns called for. I do not think it is necessary to reduce the penalty. I am quite sure no hardship will result. It is a sanction to the Act.

Mr. ROBB: If the fine is not paid, what will happen? Will a distress warrant issue, or how will the amount be collected?

Sir THOMAS WHITE: There is provision later on for collection. It is a debt owing to the Crown, and is covered by section 20, which says:

> The taxes and all interest and costs assessed or imposed under the provisions of this Act shall be recoverable as a debt due to His Majesty from the person on whom it is assessed or imposed.

Section agreed to.

On section 10—Assessment:

Mr. ROBB: Does the minister not think it would be fairer if the tax were payable within thirty days from receipt of the notice, instead of thirty days from mailing of the notice?

Sir THOMAS WHITE: That brings up a difficult question. You can prove when a notice is mailed, but it is hard to prove when it is received.

Mr. MICHAUD: The notice would be sent by registered mail.

Sir THOMAS WHITE: It is hard to know, from the department's standpoint, when it is received. Of course, a citizen will be allowed a certain leeway.

Mr. ROBB: There might be instances where men would be travelling and would not receive their notices.

Sir THOMAS WHITE: I can assure my hon. friend that there will not be any harsh exercise of the powers given under the Act.

Section agreed to.

On section 12—Board of Referees:

Mr. McKENZIE: What is the duty of these referees?

Sir THOMAS WHITE: Section 13 defines them.

Sir WILFRID LAURIER: How many of these boards will you have and will they be distributed over the country?

Sir THOMAS WHITE: That would depend on the number of appeals. From our experience of the Business Profits War Tax Act I should say that it would not be necessary to appoint permanent boards but if there should be a number of appeals in, say, Nova Scotia, we would appoint a board of referees consisting of one, two or three members for the purpose of hearing and determining appeals. There may be very few appeals and there would be no use in appointing a permanent board in each province because that would involve considerable expense. We might appoint a county judge, or some lawyer of standing, or a business man, as the case might be, have a court of revision held and have the appeals disposed of in a summary fashion.

Mr. ROBB: What remuneration is provided for these referees?

Sir THOMAS WHITE: There is no remuneration fixed in the Act. It would be a matter of arrangement like the appointment of a commission under the Inquiries Act. I am told by the parliamentary counsel that it is not necessary to insert in the Act the amount of remuneration. It would only hamper us in the administration of the Act to do so. I should say that the usual fee of $20, $25 or $30 a day for a lawyer or county judge acting as a referee would be paid, but I should not like to be confined to that. At all events, we have not any large amount in view if that is in the mind of my hon. friend from Huntingdon (Mr. Robb).

Sir WILFRID LAURIER: The only advantage of having local referees would be that the appeal would be brought to the domicile of the taxpayer; otherwise it would be better to send it to the court at once.

Sir THOMAS WHITE: Precisely.

On section 13—Court of Revision:

Mr. McKENZIE: Does the minister propose to provide any machinery by which parties will have notice of their rights under this Act? People generally will never see this Act. When a man gets notice of

his assessment he should at the same time get notice that he is entitled to appeal because otherwise he would not know anything about it. There should be forms sent out by the minister which should contain notice that the party assessed is entitled to appeal.

Sir THOMAS WHITE: Surely. My hon. friend is aware that on an ordinary assessment slip sent out there is at the foot, or on the back, or in some conspicuous place, a notice that parties desiring to appeal must make a return within a certain time. If my hon. friend will look at the schedule, he will see that a form is provided, of a very simple character, on which a man is entitled to give notice of appeal against the assessment on the ground that he has been wrongfully assessed. There is nothing technical about it.

Section agreed to.

On section 15—Hearing and decision by board:

Mr. ROBB: Does paragraph one of this section mean that the board has only the right to increase assessments?

Sir THOMAS WHITE: The board shall determine the matter. The matter will be the matter of the appeal. The taxpayer will be appealing on the ground that he is wrongfully assessed and it will be for the court to reduce or confirm the assessment. Then the power is given, if the court thinks it is a proper case, to raise the assessment. It is the same power that is exercised by the ordinary court of revision in regard to the assessment of real property.

Mr. ROBB: Should it not read: "May increase or decrease the assessment"?

Sir THOMAS WHITE: I submit that the section as it appears is necessary for this reason: The appeal will be on the ground that the assessment is too high or that the assessment should not have been made. In determining the matter, it is clear that the board may reduce the assessment or hold that the party is not liable for it. The appeal will not be on the ground that the assessment should be increased. Therefore we think it necessary to provide that the court shall increase the assessment.

Sir WILFRID LAURIER: I think we should not use such power as that. The minister has power to increase the assessment himself. The poor taxpayer, who thinks he has been assessed too heavily, appeals to the board and the board should simply have the power to determine whether he has been assessed too heavily or not. It should not go beyond that. If he is not taxed sufficiently, it is for the minister to look after that and not for the board.

Sir THOMAS WHITE: It is extraordinary how often I find myself in agreement with my right hon. friend but I do not on this occasion. This is to be the law. If a party comes before the court and it appears that a mistake has been made, that he has not been assessed enough, he submits himself to the jurisdiction of the court and if the court says that his assessment shall be increased, it will only be because he is liable for an increased amount.

It is by no means an unusual provision, in fact I think there is a similar provision in many Assessment Acts. It is very seldom exercised, but I think it should be there because the purpose of the court is to see that a proper assessment is made. No hardship can result to the man in question, because the assessment depends upon his return, and if the court should find that he is assessable for more than the amount for which he has been assessed, it only means that he has not made a proper return. So, while in minor matters I usually agree with my hon. friend, I do not find myself agreeing with him to-night.

Sir WILFRID LAURIER: I have been brought up under a system, that of the civil code, under which the court cannot go beyond the prayer of the suitor. I think that is a very sound principle.

Mr. McKENZIE: I agree that if the assessment is not regarded as sufficient the department should have the right to appeal, that either party should have that right. I find no provision for the Crown to appeal. The man who is appealing is the party assessed. He comes before the court prepared to sustain his petition, but how is he to meet the case of an increased assessment sprung upon him there?

Sir THOMAS WHITE: My hon. friend has been a judge, and I have no doubt a very just judge. What hardship would likely arise if my hon. friend, sitting as a court of revision, should find that the man had not made a proper return and was assessable on a larger income than he had stated, either inadvertently or otherwise? That power is vested in the court, it will be observed.

Sir WILFRID LAURIER: I wish to call attention to section 8, which empowers the minister to ask for more information. The ratepayer has made his return to the min-

ister, and the minister may ask for more information. But here you are saying that the court shall have power to say to the man: You are not assessed fully. I say that is not what should be contemplated by the law. The appeal should be made and the prayer should be heard and decided only upon the complaint of the taxpayer that he is taxed too heavily.

Sir THOMAS WHITE: I cannot appreciate the point of view of my right honourable friend. If, in the course of the suitor's evidence, it transpires, under the questioning of the court, that his income, instead of being $5,000, is $20,000, the court says: Not only have you no cause for complaint, but it is clear that under this measure you should be assessed for $20,000. It is most unlikely that any injustice would result from placing this power in the hands of the court.

Mr. McKENZIE: I do not agree with my hon. friend's practice. If, for instance, an appeal is made against an assessment of $20,000, then the issue is whether $20,000 is the right amount. The position of the department in the court will be to sustain that $20,000 is right. The issue will not permit the minister to show that the assessment should be $30,000 instead of $20,000.

That issue will not allow him to do that. He can sustain what he was done, and the other man's position is to controvert that. But in supporting his assessment of $20,000 he will not be permitted to get an assessment of $30,000. That is a clear cut issue that will be before the court, and the court must stand by the issue.

Mr. DAVIDSON: In Nova Scotia we have an Act on the statute book for many years which has worked successfully, and just exactly the same powers are given to an Assessment Appeal court in that Act as are proposed under this Act. The Assessment Appeal court has the power to increase the assessment, even though the appeal be made to have the assessment decreased. Having acted in the capacity of a member of the Appeal Court, I find it works very well, because the ratepayer who thinks he is aggrieved must exercise his judgment before taking an appeal. These appeals are made in a frivolous manner sometimes, but if the person who feels himself aggrieved knows there is not only a chance of his assessment being decreased, but a possibility of it being increased, he exercises more care. That provision prevents frivolous appeals. It has worked out very well in Nova Scotia, and I think in nearly all the provinces that have a similar Act.

Mr. McKENZIE: I am quite familiar with the provision in the Act to which the hon. gentleman from Annapolis refers. That provision has been in our Act for many years, but I do not know of any cases where it was acted upon but one, and that was last winter, in the case of some milling concern in the neighbourhood of where my hon. friend lives, and there was the greatest possible row about it. They undertook, of their own motion, according to the language of our Act, to increase the assessment, without dealing with it under proper notice of appeal, and giving notice to the other side. It came up before our Supreme Court, and such men as Mr. Justice Harris decided it was absolutely wrong to use such powers in that way. Mr. Justice Ritchie agreed with him, and it was a divided court, but two such men as Mr. Justice Ritchie and Mr. Justice Harris said such power should never be used, that ample notice should be given to any litigant of any application to have his taxes increased, and the court should not act of its own motion, although the provision happened to be in the Act. I think the hon. gentleman from Annapolis will find that was the only time, in the history of Nova Scotia, that it was acted upon without proper notice being given to the other side that it was the intention to increase or decrease, as the case may be.

Mr. DAVIDSON: I think the hon. gentleman is in error with reference to that. He alludes to the case of the municipality of Annapolis versus the Davidson Lumber Company. In that case, when the Assessment Appeal Court raised the assessment, it was on the appeal of a ratepayer, and not upon the appeal of the owner of the property. There are very, very many cases in the county of Annapolis, and in other parts of the province, which have come under my observation where the assessment court raised the assessment, although the appellant had asked for a decrease.

Section agreed to.

On section 2, subsection (f)—Definition taxpayer.

Sir THOMAS WHITE: My right hon. friend asked that this section be allowed to stand. I think we might pass it now. I desire to amend this section by changing

the word "suspected" to the word "believed."

Amendment agreed to.

Section as amended agreed to.

Mr. McKENZIE: Section 15 provides for costs. I suppose as a rule the men who will be litigating here will be so wealthy that costs will not bother them very much, but some litigants will not be wealthy, and the question of costs will be important to them. I find that the minister in section 15 adopts as the scale of fees the tariff of fees in force in the Exchequer Court of Canada. If a man who has only a small amount at stake—the amount may not be very large, but it may be important to him —is thinking about appealing, and he knows there may be a counsel fee of $200 taxed against him, he may not feel that he is in a position to appeal. The scale of fees in the Exchequer Court is the highest in any court of Canada, and I do not quite see why this question of costs should not be left entirely in the discretion of the board which could fix a lump sum that would be commensurate with the proceedings. If the board has to say: You are entitled to costs, then they have no discretion but to allow the scale of fees prescribed by the Exchequer Court. This court of appeal should be a simple court, not restricted by any close or hard rules of practice. A lawyer should not be necessary. People should be able to go before this board without any formality, just as they do before the Railway Board. If the Exchequer Court fees prevail, and an appellant is up against a taxing master who will under this scale of fees tax the cost at $300 or $400, when the matter at stake is very much less than that, a man who may have a grievance will be afraid of risking the possibility of being mulcted to that extent.

Mr. MICHAUD: I agree with my hon. friend. I know from experience that costs are taxed fairly high in the Exchequer Court, and under this measure a man should be given an opportunity of appearing before an appeal board without having to pay too heavy costs.

Sir THOMAS WHITE: The suggestion is a very good one. The court should be one in which the fees are reasonable, especially as the appeal will be against the Crown. I beg to move that section 15 be reconsidered.

Motion agreed to.

On section 15—Hearing and decision by board:

Sir THOMAS WHITE: I beg to move:

That the last sentence of subsection 2, be struck out and the following substituted therefor:

The costs shall be as may be prescribed by the Board.

Mr. A. K. MACLEAN: Why not say: "The tariff of fees"?

Sir THOMAS WHITE: Very well. Make it read: "The tariff of fees shall be as prescribed by the board."

Mr. BUREAU: If the board does not order any costs, there will be no costs.

Sir THOMAS WHITE: The costs will be absolutely in the discretion of the board.

Mr. BUREAU: A man may succeed in his appeal and the board may, in rendering judgment, not assess the costs, and he will have to pay his own costs.

Sir THOMAS WHITE: The Board is a judicial body and the costs are in the discretion of the board, but the discretion should be a reasonable one and, I have no doubt, would be. I do not see how we could divest the board of discretion as to costs.

Mr. BUREAU: Then there will be no tariff; the fees are discretionary.

Sir THOMAS WHITE: The costs are discretionary.

Mr. BUREAU: As the subsection stands, the costs are as in the Exchequer Court. There you have a fixed tariff. Under this amendment you may have any tariff.

Sir THOMAS WHITE: It has been pointed out that the Exchequer Court fees are higher than the ordinary court fees.

Mr. BUREAU: No, lower.

Sir THOMAS WHITE: They are lower than the ordinary court fees in Quebec, but not lower than the ordinary court fees in Nova Scotia. The costs might be fixed by the board, and probably they would have regard to the tariff in force in the several provinces, because we shall appoint a board to deal with Nova Scotia appeals and one to deal with Quebec appeals. On the whole I think the amendment makes the matter fairly satisfactory.

Amendment agreed to.

Section as amended agreed to.

Bill reported, amendments read the first and second time and concurred in.

On motion of Sir Thomas White, the House adjourned at 10.30 p.m.

Saturday, August 4, 1917.

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

COAL SUPPLY IN THE MARITIME PROVINCES.

COAL TRANSPORTS FOR HALIFAX AND ST. JOHN.

On the Orders of the Day:

Hon. WILLIAM PUGSLEY (St. John): Can the Minister of Trade and Commerce give the House any definite information in regard to the statement made in the press of St. John that the Government, through the Minister of Marine and Fisheries, had made arrangements for securing steamers for the purpose of transporting coal from the United States to the port of St. John, and whether the vessels will be at the disposal of the local authorities, or will be run by the Government themselves?

Sir GEORGE FOSTER: I can add this to the information I gave my hon. friend the other day. The Government has intervened in the matter to the extent of arranging for the necessary transport for supplying hard coal to the cities of Halifax and St. John and the districts supplied therefrom. The difficulty at present appears to be the finding of suitable accommodation for these vessels, which are of large size, and have to be unloaded quickly to avoid unnecessary expense. This matter is being looked into by the authorities of Halifax and St. John, and it is hoped that they will be able to arrange for the docking and unloading of these vessels. If so, they will be at their disposal at reasonable rates for carrying the coal that is required to supply these two cities and the surrounding districts.

INSURANCE ACT AMENDMENT.

CONTINUED CONSIDERATION OF THE BILL IN COMMITTEE.

House again in committee on Bill No. 53, respecting insurance.—Mr. Steele in the Chair.

On section 59—Investment of company's funds:

Mr. PUGSLEY: The only change in the securities, I understand, is what is shown in italics on the preceding page.

Sir THOMAS WHITE: That is correct.

On section 60—Deposits outside Canada:

Mr. MARCIL: May I ask the minister if this Bill applies to the so-called friendly or mutual benefit associations?

[Sir Thomas White.]

Sir THOMAS WHITE: There is a later section covering them.

On section 63—Investment by companies other than life companies:

Sir WILFRID LAURIER: What is the change?

Sir THOMAS WHITE: Hitherto this provision only applied to life insurance, now it applies to all insurance.

Mr. PUGSLEY: Might I ask why the last three lines of subsection 3 have been struck out? They provide that an amount at least equal to two-thirds of the total liabilities of a company in Canada shall consist of investments in or loans upon Canadian securities. I think it is very desirable that insurance companies, which derive their assets from the masses, should make their investments largely in Canadian securities, instead of in foreign securities, and I think there should be some good reason to show for striking out this provision.

Sir THOMAS WHITE: That point was carefully considered, and it was feared that the retention of the provision might lead to retaliatory legislation on the part of some of the States in which Canadian companies are doing business. I think it is a fact that most Canadian companies doing business almost solely in Canada invest their funds in Canadian securities, but there are Canadian companies doing a large business in many States of the Union, and it was thought inexpedient, for the reason I have mentioned, to retain that provision. I admit it might seem upon its face as if what my hon. friend says is reasonable.

Mr. PUGSLEY: I do not see how it would lead to retaliation, because this section only applies to Canadian companies.

Sir THOMAS WHITE: But they might be doing business in the United States also.

Mr. PUGSLEY: The section does not apply to foreign companies doing business in Canada, therefore, the retention of this provision should not lead to retaliation. I do not see how the fact that Parliament requires a Canadian company to make an investment in Canadian securities proportionate to its liabilities in Canada would cause any retaliation against Canadian companies in respect of business they might be doing in the United States. If our legislation affected foreign companies in Canada, the case might be different, but we are only dealing with Canadian companies. I think there is every reason in favour of retaining this provision.

Sir THOMAS WHITE: I confess it looks like a reasonable provision, but the arguments put forward in the Banking and Commerce Committee were very strong, and were considered very carefully, and it was thought the retention of the provision might lead to retaliation, which would result to the detriment of Canadian fire insurance companies doing business outside of Canada. My hon. friend asks how it would invite retaliation.

Canadian companies may lodge Canadian securities in the United States with the superintendents of insurance in the states in which they are doing business. It was contended that a state legislature may say: As your legislation requires you to invest an amount equal to two-thirds of your liabilities in Canadian securities, we shall require you to invest a certain amount in our securities. What about our insurance companies? They might resent legislation requiring them to make investments in foreign securities equal to two-thirds of their foreign liabilities."

Mr. PUGSLEY: It says "liabilities in Canada."

Sir THOMAS WHITE: I follow my hon. friend perfectly, and yet one meets this contention of those who are practically engaged in the business and who appear to have a well-founded apprehension that retaliation might result. It appears to be the case that legislation affecting insurance companies is pretty carefully followed by the different administrations, and retaliation is likely to occur if there appears to be any discrimination against the securities of the foreign countries in which our companies are doing business.

Section agreed to.

On section 65—Investments, how taken:

Mr. PUGSLEY: I suppose there is some general penalty clause?

Sir THOMAS WHITE: Instead of having the penalty clauses in this Act, there is a Bill, standing in the name of my hon. friend the Minister of Justice (Mr. Doherty) and which has passed the Banking and Commerce Committee to which it was referred, dealing with the matter under the criminal jurisdiction of Parliament.

Mr. PUGSLEY: That would not appear to cover a case like this. Suppose section 65 is violated, what is the penalty for it?

Sir THOMAS WHITE: That is enacted by section 187.

Mr. PUGSLEY: That is all right; there are penalties.

On section 68—Appraisement of real estate by direction of superintendent:

Mr. MURPHY: What is the change in this section?

Sir THOMAS WHITE: Merely a change in phraseology, the substitution of "British or foreign company" for "company incorporated elsewhere than in Canada."

On section 69—Penalties and forfeitures:

Sir THOMAS WHITE: The sections which have been omitted, sections 71, 72 and 73, are now covered by the Bill to which I have referred and which is an amendment to the Criminal Code. I am advised by the Department of Justice that in order to give clear jurisdiction it is desirable that instead of dealing with the penalties in this Act they should be dealt with under the criminal jurisdiction of Canada. Then, there is no doubt as to the jurisdiction.

Section agreed to.

On section 74—Assessment Company failing to make attested returns:

Mr. PUGSLEY: This section, No. 74, becomes 70?

Sir THOMAS WHITE: They will be renumbered.

On section 75—Contracts prior to 20th July, 1885:

The CHAIRMAN (Mr. Steele): Section 75 is struck out.

Sir THOMAS WHITE: Section 75 is transferred to page 4 of the Bill which was dealt with the first day we took up the Bill. It was transferred by the Banking and Commerce Committee and it is now included in section 3, (a2). It was thought it should be dealt with among the exemptions, the wording being:

> To any contract entered into, or any certificate of membership or policy of insurance issued, before the 20th day of July, 1885, by any assessment life insurance company.

It is only a change of position in the Act. On Section 77,—Disposal of unauthorized investments; liability of directors for unauthorized investments:

Sir WILFRID LAURIER: The director who, within a certain time, protests against an unauthorized investment, relieves himself of any liability?

Sir THOMAS WHITE: A director who is present at a board meeting at which it is determined to make an unauthorized investment and who opposes that investment should not be held jointly liable with the directors who favour the investment. This case of the director who is over-ruled, came before the committee, and in order to meet this difficulty this proviso has been inserted. I think that the publication in a newspaper of the protest as here provided would be very rare, but it would be very effectual in preventing improper investments. Investments have been made, rarely I am glad to say, which were quite unauthorized by the Act and which have entailed heavy losses. I would move to amend the proviso by substituting for the word "made" the word "authorized." That would make it refer to the meeting at which such investment was "authorized"—an investment would not be "made" at the meeting.

Mr. PUGSLEY: Suppose all the directors protest against it?

Sir THOMAS WHITE: Then they would not authorize it.

Mr. PUGSLEY: Why not? The investment is authorized. One director protests, and the other follows his example. I think that they should cease to be directors. A man ought not to be allowed to continue to be a member of the board and to exonerate himself from liability by making publication in a newspaper, where the investment is made contrary to the provisions of this statute. There ought to be some more stringent provision than that.

Sir THOMAS WHITE: Does my hon. friend seriously contend that, if a board authorized an investment and then protested against it, the court would relieve them of joint responsibility under this provision?

Mr. PUGSLEY: If the statute says so.

Sir THOMAS WHITE: Would not the court look through the form to the intent and ascertain who, as a matter of fact, did protest in the proper sense of the term, and who, as a matter of fact, put forward sham protests in order to protect themselves under this Act? In the Companies Act there is an almost identical provision, section 162, relating to the payment of dividends when a company is insolvent. That has been in the Companies Act for many years and I believe is a useful safeguard against the payment of dividends when a company is insolvent. The practical effect of this provision would be to make boards of directors exceedingly careful with regard to the investments they make.

Mr. PUGSLEY: It is very important that some provision should be made. I have known two or three cases where very considerable losses occurred. Let me illustrate what might occur under this provision. There might be two wealthy men on a board of directors, both of whom would be absent from a meeting. They might desire to make investments in certain securities on which they looked with favour. Three directors, of little or no means, in the absence of the other two, might pass a resolution authorizing the investment. Those who were absent would publish a protest in the newspapers.

But they still remain directors, the illegal investments still remain, and the wealthy directors who would be able to respond are freed from liability. After three or four years, or longer, the company gets into difficulties. It may be discovered that its difficulties have arisen very largely, if not wholly, through the illegal investments which have been made. The wealthy directors, who are the only ones able to respond in damages to the stockholders or policyholders, are freed from liability because they have published a protest; yet they are still allowed to remain members of the board. It seems to me they should be compelled to take some effectual means to have the securities disposed of and the funds restored to the company. They should not be allowed to escape liability merely by publishing a protest, they still remaining directors, and the illegal investment still allowed to continue.

Sir THOMAS WHITE: I think that case is a very fanciful one, and not likely to occur in practical experience. In such a case, in which there would be collusion, the absent directors would be liable. But the real safeguard is publicity, which is the best safeguard in matters of this kind. An illegal investment is made; months afterwards, on an inspection it comes to the attention of the department that there is depreciation and loss, and a certain amount of damage is done. This section will have the effect, so far as honest directors are concerned, of making them notify the Superintendent of Insurance, or publish this protest. If the Inspector of Insurance were made aware at once of the unlawful investment, there would be no loss, or very

little loss, in most cases, because action would be taken at once to make them return the security to those who sold it, if it were a fraudulent transaction. I think it is a valuable safeguard in connection with the investments of these companies.

Mr. PUGSLEY: Yes, it is a safeguard, but it would be extremely more valuable if it were left as it stood in the original Bill. The Banking and Commerce Committee have emasculated the salutory provisions of the section to such an extent that they might be rendered nugatory. One of the difficulties with insurance companies, as with all companies, is that many directors do not give personal attention to the affairs of the company, and under this proviso they are only liable if, after they become aware of the illegal investment, they give notice. Investments might be made by the acting directors, by the small executive committee which companies often have, and the directors, really capable of responding in damages to the policyholders, might have no personal knowledge of the matter. It seems to me there would be no great hardship in leaving the section just as the minister had it in the original Bill.

Mr. MURPHY: As I gathered the sense of this amendment while the Chairman was reading it, I understand there are two conditions to be complied with before a director can relieve himself of liability for an investment of which he disapproves, and which may have been authorized at a meeting at which he was present, or not present. One of these is that he shall have his protest entered on the minutes, and the other is that he shall later publish that protest. There is a similar provision in a section in the Companies' Act, on which the proposed amendment is based. I did not hear the language.

Sir THOMAS WHITE: It is the same language.

Mr. MURPHY: What are the words?

Sir THOMAS WHITE: The words are: "and is able to do so." The section is taken from the Companies' Act.

Mr. MURPHY: I am familiar with the section in the Companies' Act.

Sir THOMAS WHITE: The committee felt—and one can quite understand the feeling—that a protesting director who desires to do his duty, but is overruled by his fellow-members of the board, should have some means of protecting himself against liability on a loss which might be very heavy. On the whole, I think it is a wise proviso.

Mr. MURPHY: The minutes are usually in the custody of the secretary, and it is not always easy for a director to have access to them as would be necessary if he is to protect himself.

Mr. PUGSLEY: There are directors in these companies, residing in the various sections of the country, and upon the reputation and high standing of these directors the policyholders are induced to accept policies in the companies. Suppose the directors choose—as directors often do—to allow two or three of their number to carry on the business of the company, and that those so carrying on the business make illegal investments through which the company sustains loss. Suppose that the company gets into litigation, and it is found that the assets are largely dissipated through this illegal investment, the directors should not be allowed to plead that they did not know of these illegal investments being made. The directors ought to know of the investments of the company; they ought to know whether the money of the shareholders is being invested in duly authorized securities or not. It seems to me that if the minister insists upon the amendment, it ought to be provided that an absent director should within thirty days after the investment has been authorized, publish his protest. He should not be allowed to escape liability—by saying, perhaps after a lapse of years, that he was not at the meeting, did not know of the investments which were being made, and had not the slightest idea they were illegal. This law will enable him to escape.

Sir THOMAS WHITE: I do not think so.

Mr. PUGSLEY: Yes, it will.

Sir THOMAS WHITE: No.

Mr. PUGSLEY: When the case comes before the court, he can say: I was not present when that investment was authorized; I did not know anything about it, and it was only when a suit was brought by the policyholder that I learned that this illegal investment had been made. It seems to me that thirty days would be long enough for an absent director to find out whether an illegal investment has been made or not. It is his duty to do so. He holds himself out to the shareholders and policyholders as taking an active interest in the management of the company and he should within thirty days, or say within three months,

publish his protest. That would make it obligatory upon every director to keep himself in touch with the investments which are being made from time to time. I would allow reasonable time, because a director might be absent from the country; but he ought not to be allowed, after a lapse of many months or of years, to come before the court. as he is permitted to do under this proviso, and say he had no personal knowledge, and the investment therefore ought to be excused.

Sir THOMAS WHITE: I think my hon. friend has misunderstood the effect of the subsection and the proviso. I need not tell my hon. friend, who is a lawyer, that there would be liability on the part of any director for negligence; that is to say, if this proviso did not exist at all, the general law of negligence would apply to the director he has spoken of. It would be for the court to determine whether, having regard to his duties and to all the circumstances of the case, the director was negligent in his duty towards the shareholders of the company. The subsection says:

> The superintendent may request any company to dispose of and realize any of its investments not authorized by this Act, and the company shall within sixty days after receiving such request absolutely dispose of and realize the said investments, and if the amount realized therefrom falls below the amount paid by the company for the said investments, the directors of the company shall be jointly and severally liable for the payment to the company of the amount of the deficiency.

That is the law in the case of the superintendent taking the action mentioned. In order to protect a director who was present at the time the investment was authorized, and, though honestly desirous of doing his duty, was overruled by his fellow-directors, a proviso is inserted enabling him to escape from the liability imposed by the subsection. I do not think that the insertion of the proviso in any way relieves a director from his liability under the general law relating to negligence.

Sir WILFRID LAURIER: What is the use of it, then?

Sir THOMAS WHITE: It makes a specific instead of a general provision.

Mr. PUGSLEY: It helps the directors.

Sir THOMAS WHITE: It helps an honest director; that is what the proviso is intended to do.

Sir WILFRID LAURIER: But it injures an innocent policy-holder. If a loss occurs to the company by reason of an illegal application of funds, the loss falls upon the policy-holders. Somebody has to suffer for it; either the innocent policy-holder, or the innocent director.

Sir THOMAS WHITE: If a director neglects his duty, he is liable under the general law of negligence. But this is a case in which an honest director attends a meeting at which an illegal investment is authorized. His objection to the investment is overruled by his fellow directors, and, desiring to put himself right and avoid liability, he publishes his protest and has it entered upon the minutes of the meeting. If my right hon. friend (Sir Wilfrid Laurier) were a director of a company and was overruled by some fellow directors, who had not as high a sense of
4 p.m. duty as he had, with regard to an investment upon which a loss was made, I do not think he should be held liable, provided he did everything possible to give notice of the improper transaction. That is the purpose of this proviso. The general law of negligence still applies. As I say, the precedent for this is found in the Companies Act.

Mr. MARCIL: Is the publication of this protest intended to serve as notice to the shareholders of the company?

Sir THOMAS WHITE: It would have that effect.

Mr. MARCIL: In the province of Quebec a man could publish a notice of that kind in an obscure paper and the great bulk of the people interested in the company would never see it. Thousands of English people in Quebec never read French papers, and vice versa. The common law of that province ought to be followed; publication of such notice should be at least in at least one paper in either language.

Sir THOMAS WHITE: If the protest were published in any paper of Canada against the action of directors of an insurance company, the rivals of that company would at once fasten upon it; it would become public property very soon.

Sir WILFRID LAURIER: I think it would be better if, under such circumstances, the director should at once notify the Superintendent of Insurance.

Sir THOMAS WHITE: I had that same idea in my mind when the matter was under consideration. There is a great deal of wisdom in that suggestion. I beg to move that all the words after the word "thereafter" he struck out, and that the following words be inserted in lieu thereof:

"gives notice of his protest by registered letter to the superintendent."

Mr. PUGSLEY: This is the way a case of the kind referred to would work out: an illegal investment would be made by the manager. After the lapse of some months, the Superintendent of Insurance, during the course of an inspection, would discover the illegal investment. The thoroughly respectable directors who were merely figureheads on the directorate of the company, having learned that the Superintendent of Insurance had discovered the illegal investment, would proceed immediately to absolve themselves from liability under the Act by giving notice as set forth in the proviso, or by notifying the Superintendent of Insurance. That is like locking the barn door after the horse is stolen.

Sir THOMAS WHITE: They are liable for negligence.

Mr. PUGSLEY: Not at all. I do not think it is negligence not to attend meetings.

Sir THOMAS WHITE: Not necessarily so.

Mr. PUGSLEY: I do not think it is even prima facie evidence. I think, therefore, the result would be as I have just stated. Under this proviso the shareholders or policyholders who have been transgressed against are freed from all liability. I think that is the way it would work out.

Sir THOMAS WHITE: My hon. friend knows that it is not possible to provide legislation covering all phases of fraud, but if this provision was not in the Act, in a case such as my hon. friend has mentioned, it would be a question whether or not, according to the law of negligence, the directors were liable. We are not changing that, but are providing for the cases—and there have been many of them—in which the board of directors make an unauthorized investment and one of them objects to it but is overruled. We are giving him an opportunity of notifying the Superintendent of Insurance, so that prompt action may be taken. I think the proviso has been improved by the suggestion of my right hon. friend.

Mr. PUGSLEY: It expressly provides the means by which the director may exonerate himself from liability. Does not my hon. friend think that there ought to be a clause to the effect that nothing in the proviso shall be held to relieve the directors from liability for negligence?

Sir THOMAS WHITE: This would only apply to the specific case. I do not think the director would be relieved from the general law.

Mr. PUGSLEY: It would relieve him from any presumption of negligence by reason of his not attending the meetings and having some oversight over the investments. A court would say that Parliament had made an express provision pointing out the means a director may take to relieve himself from liability. I think we ought not to take away the ordinary remedies which might exist against a director for negligence in not properly attending to the investments of the company.

Sir THOMAS WHITE: I follow my hon. friend's argument, but I would point out that the corresponding provision in the Companies Act has stood and has not affected, so far as I am aware, the question of general liability for negligence on the part of a director. I would suggest that we pass this section, and in the meantime I will think over my hon. friend's suggestion. I might add that in deference to my hon. friend's request I consulted further with the Deputy Minister of Justice on the point of our declaring by this Act a foreign company to be a Canadian company after it has taken out a license, and the Deputy Minister of Justice is of the opinion that we should not change the language of the Act by inserting the words "for the purposes of this Act" which my hon. friend suggested.

Section as amended agreed to.

On section 82—Form of Act of incorporation:

Mr. PUGSLEY: I do not see any schedule to this Act.

Sir THOMAS WHITE: The schedule has not yet been printed, but I am going to ask the committee to add the schedule as printed. If my hon. friend has an amended copy of the Act he will see by section 188 that the schedule to the Insurance Act of 1910 is enacted by reference, which is not a very desirable way of doing it. After the schedule is printed, we could have it inserted before we pass the Bill.

Section agreed to.

On section 95—Form of Policy to be approved:

Mr. PUGSLEY: This requires that a copy of every policy shall be mailed to the superintendent.

Sir THOMAS WHITE: That part is not new, but part of the section is. It is in order that the Dominion may exercise this authority, as a condition of the license. The point is that in the case of a provincially-incorporated company, question might arise unless this provision was inserted.

Section agreed to.

On section 98—Companies having capital stock:

Mr. PUGSLEY: Is it the intention that section 98 should be limited to life insurance companies, or is it to apply to fire insurance companies as well?

Sir THOMAS WHITE: I think this part applies only to life insurance companies.

Mr. PUGSLEY: What becomes of section 108?

Sir THOMAS WHITE: That was a section inserted in 1910 to meet a particular case which has since disappeared, so the section is no longer necessary. It was not general in its application.

Mr. PUGSLEY: I do not like the idea of putting through a Bill with the sections wrongly numbered. It is very apt to lead to mistakes.

Sir THOMAS WHITE: This is a very important matter, but it will probably meet my hon. friend's views if the Bill is reprinted before the third reading, and allowed to stand for a while. I have spoken of it many times to the Superintendent of Insurance, and he has given his closest attention to it. It will be properly numbered before the third reading.

Mr. PUGSLEY: My right hon. friend (Sir Wilfrid Laurier) suggests that before taking the Bill out of committee we should have it reprinted, then it can be formally adopted.

Sir THOMAS WHITE: Yes, that will be done. I may say I did not expect to get the Bill out of committee to-day. I intended asking that one or two sections should be allowed to stand.

On section 135—Assets, minimum amount of:

Sir THOMAS WHITE: This is a change with the object of strengthening the fire insurance companies. Formerly they were required to keep only a fair margin; now there is a 15 per cent excess required. I understand there is no objection on the part of the companies to that.

Section agreed to.

[Mr. Pugsley.]

On section 142a—Hail surplus fund:

Sir THOMAS WHITE: There is a change in this section. For the word "said," in line 2, page 63, there are substituted the words "net hail."

Section agreed to.

On part 5—Provisions applicable to companies hereafter incorporated by Parliament.

Mr. PUGSLEY: I would suggest that in the numbering of the subsections of the Bill a number should be placed before the first paragraph of each section. When that is not done it is very awkward in making citations. I brought the matter up in the Railway Committee, and the solicitors have made the changes in the Railway Bill. There should be uniformity.

Sir THOMAS WHITE: I entirely agree. I could never understand why the first subsection was not numbered. The Superintendent of Insurance assures me that the Bill is being set up numbered in that way.

On section 184a—Expenses of organization, to what limited:

Mr. PUGSLEY: I have noticed that some companies charge up their organization expenses as an asset. I could never understand why that should be done. They are in no sense an asset. The money has been expended in procuring the charter and getting subscriptions for stock. It seems to me to be entirely a fictitious asset and ought not to be so charged.

Sir THOMAS WHITE: The practice of the Department is to disallow it.

Mr. PUGSLEY: Quite right.

On section 184b, subsection 8—If license not obtained, shareholders control payments:

Sir THOMAS WHITE: Subsection 8, which deals with balance of moneys to be returned to subscribers, is an important provision, which follows largely the language of a similar provision in the Bank Act. The object is to protect the shareholders during the period of organization. Some rather shocking cases have been brought to our attention, in which promoters have obtained fairly large sums from shareholders and have dissipated them in connection with the promotion of the company.

Section agreed to.

On section 188—Schedule to Insurance Act, 1910, enacted as schedule to this Act:

Sir THOMAS WHITE: I move that this section be struck out and that the Bill be amended by adding the schedule, without reading it. This is on the understanding, of course, that before the Bill leaves committee it will be reprinted, including the schedule.

Motion agreed to.

On section 189—Repeal of inconsistent Acts; exceptions:

Sir THOMAS WHITE: An amendment is required to this section. I move that after the words: "The Canadian Order of the Woodmen of the World," on line 16, the following be added: "The Royal Guardians, the Grand Lodge of the Loyal Order of Moose in the Dominion of Canada; La Société des Artisans, Canadiens Français, Alliance Nationale." Those companies have special charters, containing certain provisions that are very inconsistent with the provisions of this Bill, and they all combine life and accident insurance. It is not desired to cut down their powers; therefore it is necessary, as this is a general Act, that they should be specially named. I think that finishes the Bill except 142b, which we reserved.

Mr. MARCIL: Are those all the friendly societies incorporated by Dominion charter, or are there others?

Sir THOMAS WHITE: These are all friendly societies incorporated by the Dominion of Canada, and licensed.

Amendment agreed to.

Section as amended agreed to.

Mr. J. E. ARMSTRONG: I suggest it be left to the law clerk to decide whether the schedule should come before the last clause or after. I should think it should come after.

Sir THOMAS WHITE: I think the hon. gentleman is right. I move that the schedule be added after section 189.

Motion agreed to.

Progress reported.

SUPPLY.

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

Public Works—Chargeable to income—Public buildings, Nova Scotia — Halifax, customs house—improvements, $3,000.

Mr. A. K. MACLEAN: Is this to cover contingent expenses?

Mr. ROGERS: It is to complete the stonework.

Stellarton, public buildings (revote of $4,000 lapsed)—including cost of site with interest at 5 per cent thereon, $5,500.

Mr. A. K. MACLEAN: Why is interest added? It is rather difficult to obtain interest from the Government upon anything.

Mr. ROGERS: That was added by direction of the Exchequer Court.

New Brunswick—St. John, new post office, $5,000.

Mr. PUGSLEY: Has this building been entirely paid for?

Mr. ROGERS: Yes. This amount is to provide for pavement and for fixing up around the lot.

Mr. PUGSLEY: Has application recently been made to the department for the placing of lights in front of the building?

Mr. ROGERS: The matter has not come to my notice, neither has it been brought to the deputy's attention. It may be in the department; we will look it up.

Mr. PUGSLEY: I saw a statement in regard to the matter in a news-
5 p.m. paper some time ago. If the minister could see his way clear to grant the request, it would be a great public convenience.

Mr. ROGERS: I will see if there is any report on it.

Montreal General Post Office—Remodelling old building, $20,000.

Mr. MARCIL: Is this work about completed?

Mr. ROGERS: Yes, practically completed. This is for the heating apparatus.

Mr. MARCIL: Has postal station "A" been completed?

Mr. ROGERS: It is now in use.

Mr. MARCIL: Is that on St. Catherine West?

Mr. ROGERS: On St. James street, I think.

Quebec Post Office, enlargement and alterations, $80,000.

Mr. MARCIL: Is the work at the Quebec post office about completed?

Mr. ROGERS: We expect that it will be completed this year. This vote is supposed to complete it.

Cardinal, Ontario—Public building, $4,000.

Mr. ROBB: Is this a new building?

Mr. ROGERS: This building is for a post office. It is suitable and can be had at a small price.

Kingston Royal Military College—Covered drill hall, $8,000.

Mr. PUGSLEY: Does the minister's department retain control of drill halls and armouries after they have been built, or are they handed over to the Militia Department?

Mr. ROGERS: They are handed over to the Militia Department, and are under their entire control.

Mr. PUGSLEY: The reason I ask is this. The magnificent armoury which was constructed at St. John and which was intended to be used for the troops, has been converted into a hospital, I am told. It is certainly not adapted to that purpose, and it certainly is diverting the building from the purpose for which it was constructed, even though it is only for a time. I think it is unfortunate that a hospital could not have been got somewhere else, or other arrangements made. I have heard that there is quite a strong feeling amongst the citizens of St. John that a great mistake has been made in this respect. I thought the minister might know something about it, but if the matter is entirely in the hands of the Militia Department, information, of course, can be sought from the Minister of Militia.

Mr. ROGERS: It is entirely under his control.

Mr. PUGSLEY: The minister can see that the building is not at all suitable for a hospital.

Ottawa departmental buildings—Building and macerating plant for Currency Branch of Finance Department, $22,000.

Mr. PUGSLEY: Would the minister explain what a macerating plant is, and the process?

Mr. ROGERS: It is used for the purpose of destroying old bills that have been withdrawn from circulation.

Mr. PUGSLEY: I should have thought they could have been burned in a furnace.

Mr. ROGERS: The Finance Department wanted this plant, as it is the modern way of destroying old bills. The bills are ground into pulp, and the pulp is sold.

Saskatchewan—Sutherland — Water supply for Forest Nursery Station, $8,000.

Mr. PUGSLEY: Is this near Saskatoon?

Mr. ROGERS: Yes. This vote of $8,000 is required for laying a six-inch water service pipe from the town system at Sutherland to the Nursery Station. The charge to the department for consumption would be by meter at 11 cents per 100 cubic feet, as follows: Estimated cost of laying water service pipe inclusive of materials and labour, $6,784.87; contingencies and superintendence, say, $1,215.13; total, $8,000. Approximate distances: From town's main to boundary of Forest Nursery Station, 2,950 feet; from boundary of Forestry Station to pressure tanks, 3,110 feet; total, 6,060 feet. The water supply for the Saskatoon Nursery Station is asked for by the Department of the Interior, April 28, 1915, and August 30, 1916, and recommended by Mr. N. M. Ross, Chief of Tree Planting Division.

Flags for Dominion public buildings, $5,000.

Mr. KYTE: Are these flags to be provided for public buildings all over Canada?

Mr. ROGERS: Yes.

Mr. KYTE: I am very pleased to see this vote. While I am not much of a flagwaver myself, I have always thought, and am quite sure, that a more judicious supply of bunting on the public buildings of this country would meet with the approval of the great majority, if not all of the people. Whenever I visit the United States I am always struck with the great contrast between that country and our own, and the great frequency with which one sees the United States flag flying. This has been particularly noticeable since the United States have joined the Allies in this war. There is now even a greater display of flags than ever before. The occasion for flying the Union Jack in this country is quite as great as that for flying the Stars and Stripes in the United States. I am very much pleased to think that in future the contrast between this country and the United States will not be as noticeable as it has been in the past.

Mr. ROGERS: We share the idea of flying the flag from every public building in Canada every day in the year. This amount is in the estimates in order that we may have an additional supply, because, by reason of the fact that we adopted that

course some time ago, it is necessary that we should have more flags. I am glad my hon. friend approves of our action in flying the flags everywhere.

Mr. McKENZIE: In contradistinction to my hon. friend from Richmond, we are such flag-fliers in my town that the flag we have on our public building is pretty well worn out. I hope the deputy minister has made some report in regard to the matter. We had a very good flag, but it has been flying every day. The minister will understand that particularly in winter when a flag is left out and the rain falls upon it and freezes, and this is followed by a heavy wind, the flag is destroyed very quickly. I was sorry to see that for some months past the flag on our post office has been much dilapidated and worn out. It should be replaced by a new one.

Mr. ROGERS: Of course, it is the duty of the caretaker to bring the matter of this kind to our attention. We will take it up, and see that a new flag is supplied.

Dominion public buildings, generally, $30,000.

Mr. DEVLIN: Before the items are passed I would like to ask the minister if any part of the war profits tax goes to pay for those buildings, improvements, and so on.

Mr. ROGERS: All the taxes go into the consolidated revenues fund, and we get our money from that fund.

Mr. DEVLIN: Then, what we understand as war taxes are not devoted exclusively towards the carrying on of the war and the winning of the war?

Mr. ROGERS: The war tax is levied for the purpose of carrying on the war. We have the Customs tax, the Inland Revenue tax, etc., from which it has always been the practice to pay the items in the different departments of the Government. The war tax is a special tax for the carrying on of the war.

Mr. DEVLIN: Is it the intention of the Government to set aside the tax directly levied for war purposes towards carrying on the war? Take the income tax, for instance, which we are about to collect—will that income tax also go to pay for the repairs to public buildings, repairs to wharves, the building of post offices, etc., or will it be devoted entirely to war purposes?

Mr. ROGERS: I am not quite clear as to the form adopted by the Finance Department in regard to the manner in which they earmark the income tax or any other particular tax in the payment of the moneys necessary for works, or necessary for the war. If my hon. friend will renew his question when the Finance Minister is here, no doubt he will be very glad to explain.

Mr. DEVLIN: I do not want to quibble over this item, but I would like to place myself on record as being one of those who would like to see all items relating to the war tax, whether by way of stamp tax, income tax or otherwise, devoted entirely to the purpose of carrying on the war. According to the minister's statement a large portion of that money might be devoted to the construction of buildings, which might not be absolutely necessary and might not contribute in any way towards the winning of the war. Then, again, it might be devoted to other general purposes which have nothing to do with the winning of the war. If the people of Canada are to be taxed, and believe they are being taxed for the purpose of winning the war, I would like to say, as emphatically as I can, that every cent of that tax should be set aside for war purposes exclusively.

Sir THOMAS WHITE: There is no advantage by earmarking special funds. My hon. friend is no doubt aware that from the ordinary revenues of the Dominion, that is to say, the revenues derived from customs duties, excise duties, and other miscellaneous sources, we have more than sufficient to pay the ordinary expenditure of the Dominion including all the ordinary expenditure upon public works and all the capital expenditure of the Dominion as well, and we have in addition a surplus devoted to the payment of capital on our war expenditures, so that my hon. friend need not be anxious as far as the special taxation is concerned, because it and more is devoted to the purposes of the war.

Mr. MARCIL: Will the minister tell us if it will be possible to find out what has been collected since the declaration of war, under the special taxes imposed in the post office, in the inland revenue, in the customs, and generally in the so-called war taxation?

Sir THOMAS WHITE: It has been placed upon Hansard two or three times during the present session. If my hon. friend is interested he will be able to find it without difficulty.

Ottawa public buildings—Telephone service, $47,000.

Mr. PUGSLEY: I notice there is an increase of $5,000 in this item, and I think the minister should give some explanation

in regard to it. I should suppose there would not be as many telephones in this building as there were in the Parliament Buildings which were destroyed by fire. The amount, $47,000, seems to be very large indeed for telephone service in connection with the public buildings in Ottawa. Could not a great saving be made in the case of telephones? I should suppose it would be possible to instal a central switchboard so that the officers in the different buildings would be served in that way, and that this would mean a very large reduction in the cost of the service.

Mr. ROGERS: The increase is due to the increase in the number of employees, largely in the Militia Department, for example. We had many, many hundreds more during last year in the Militia Department than before. Then we have the pension board, the assigned pay office and various other branches, all of which make a demand at once for telephones. We have switchboards in the Militia Department and the Printing Bureau. Outside of the Militia Department and the Printing Bureau I do not know that a switchboard would be desirable. The increase of $5,000 is not very large in view of the increase in the Militia Department and in the other services that we have to supply. We have to provide telephones for the Food Controller, the National Service Board, the Fuel Controller and various offices of that kind.

Mr. KYTE: What company supplies the telephone service?

Mr. ROGERS: The Bell Telephone Company.

Mr. KYTE: Is there a special rate of rental agreed upon between the Government and the company, or do you pay the ordinary rate?

Mr. ROGERS: We have a special rate.

Mr. KYTE: What is it?

Mr. ROGERS: Thirty-five dollars.

Mr. KYTE: That would mean almost two hundred extra telephones this year over last year. That would supply a very large number of additional offices.

Mr. ROGERS: This item is to take care of any possible increase for the coming year.

Mr. DEVLIN: Is there any special building in the city used as a garage for the militia automobiles, or are they distributed in different garages throughout the city?

[Mr. Pugsley.]

Mr. ROGERS: I would not be able to answer that question.

Mr. PUGSLEY: From what I hear, they are so much on the street that they would not need a garage. They are rolling about the streets all the time.

Mr. ROGERS: That shows that they are necessary or they would not have them.

Mr. PUGSLEY: The telephone charge strikes me as very high taking one telephone with another. There must be over 2,000 telephones. While in certain of the offices there might be a charge of $35, I would suppose that for the great majority of the offices a very much smaller charge would be made. I know it is customary on the part of telephone companies to charge more for offices than residences. The reason for that, I suppose, is that there are more calls for offices than is the case with residences. But that would not apply to the offices of hundreds of clerks in the different departments in Ottawa. Thirty-five dollars strikes me as being a pretty high charge on the average for all these different instruments. However, that is a matter for the officials of the department to look into. An expenditure of $47,000 would strike the public as a pretty heavy charge for telephone service for a year. The increase of $5,000 is very large. As my hon. friend from Richmond (Mr. Kyte) points out, while there is an increase in the number of employees, they would not all have the telephone service. I think some effort ought to be made to get some reduction in the charge for telephones.

Mr. ROGERS: The item does seem rather large but I find on looking at the record that we have 1,014 phones altogether, 800 odd of which are office phones and only 100 odd house phones.

Mr. PUGSLEY: That would be considerably over $45 for each phone.

Mr. ROGERS: Probably all of that amount has not been expended—I do not know,—but that is the number of phones that we have on the departmental record. Of these 817 are in offices and 190 in houses.

Mr. PUGSLEY: As the total last year amounted to $47,000, the minister will see that it will amount to an average of $47 a phone, which is very high indeed, some $12 apiece greater than what the minister said was the amount which was paid. There must be some error in that because the minister surely does not pay $47 a phone?

Mr. ROGERS: No. Last year our vote was only $42,000 and we did not spend all of it. We have increased it this year by $5,000 by reason of the increased number of buildings which are necessary to house the increased staff, especially of the Militia Department, and probably that amount will be short. The deputy put in the extra $5,000 with the object of taking care of the requirements during the coming year.

Mr. PUGSLEY: The total vote of $42,000 was not expended last year?

Mr. ROGERS: Less than $42,000 was spent last year.

Mr. MARCIL: How many buildings are occupied for governmental purposes here?

Mr. ROGERS: I am afraid I have not the number of buildings but we will look it up before we rise.

Mr. MARCIL: The number is very large?

Mr. ROGERS: Yes.

Dominion public buildings—Rents, $700,000.

Mr. PUGSLEY: This is a very big item. Will the minister tell us how much is paid for the rents of the buildings in Ottawa and how much throughout the Dominion?

Mr. ROGERS: This amount is required for buildings leased for the various departments in all parts of the Dominion including all phones, municipal rates, etc., the whole in accordance with an estimate submitted by the chief architect. The approximate amount required for rent of buildings—and the charge for phones is included in the rents for buildings outside of Ottawa under our form of book-keeping—is as follows: in Nova Scotia, $13,000; in New Brunswick, $511; in Prince Edward Island, $176; in Quebec, $37,000. In Ottawa we pay $452,000.

Mr PUGSLEY: Could the minister furnish a statement showing the different buildings rented in Ottawa and the rental paid for each building, and the same information for each city in Canada.

Mr. ROGERS: I have such a statement here, but it is very long. It is very complete and gives the rents in all cities. Perhaps it could be inserted in Hansard.

Mr. PUGSLEY: That will be quite satisfactory.

Mr. A. K. MACLEAN: Does the statement show that in some cases part of the building is rented to one firm and part to another?

Mr. ROGERS: Yes.

Mr. PUGSLEY: The rentals paid in Ottawa strike me as very large, indeed, $452,000. Thus, in addition to the buildings owned by the Government, including the buildings expropriated in the neighbourhood of Vitoria street, many of which are available for occupation by the Government, nearly half a million dollars is being paid. The minister has been going some since he came into office. There has been an extraordinary increase since the change of Government. When I was minister I was criticised very severely by hon. gentlemen opposite, who seemed to take a real, lively interest in the affairs of the country. The hon. member for Souris (Mr. Schaffner) used to be concerned over the rents which were being paid out.

Mr. SCHAFFNER: Just as much now.

Mr. PUGSLEY: He does not appear to be, now. He remains silent now when he has before him figures double and treble, in many cases, what they were then. I used to think I was modest and economical, but hon. gentlemen opposite did not think so. I should suppose they would be appalled at the tremendous figures which these rents have reached to-day. The Government ordinarily could borrow money easily at four and one-half per cent. This rental paid in Ottawa represents the interest, at four and one-half per cent, on $10,000,000, and that, too, in times of stress, when greatest economy should be exercised. Would the minister also give a statement of the rents paid in Ottawa in the year 1910, the year before the great disaster? Then the minister might later explain the reasons for the very great increase. For the rental of the two upper stories in one building in Ottawa, $43,000 is paid. That is for the use of one department only. The portion of the building suitable for commercial purposes is used for those purposes, and the two upper stories are used by one department, the Marine and Fisheries Department, and this enormous rental of $43,000 is being paid. If that is a fair sample of the liberality and even generosity of the minister in dealing with the owners of buildings, we can well understand how the amount runs up to nearly half a million a year. It may be that the greatest economy has been exercised, but it is hard to believe that that is the case. I have been particularly impressed with the fact that the rental recived for the two upper stories to which I have referred ought to yield a

pretty handsome interest on the total cost of the building, not only on the part used by the department but also on what is used for the carrying on of a very large commercial business. I refer to the Rea building, to which a story was added some time ago. The two upper stories, the additional story and the one below it, were rented to the Government for $43,000.

Mr. A. K. MACLEAN: I have been informed that the Government was paying $2,000 per year rental for the building on Argyle avenue occupied as a restaurant.

Mr. ROGERS: Yes.

Mr. A. K. MACLEAN: It would not be worth much more than that.

Mr. ROGERS: The owner pays the taxes. Our rentals are all figured out by the officers of the department, and we pay on the basis of six per cent of the actual cost of the building. A very careful examination was made of the Rea building, and we are paying only six per cent on the actual cost of that portion of the building we use. My hon. friend was in error when he said we only used two stories and that we had one department. We use three stories and there are departments, Marine and Fisheries and the Naval Department.

Mr. PUGSLEY: Both under the one minister.

Mr. ROGERS: Yes. The rental has been figured on the basis of the cost, and we consider it a fair way to figure it. The rentals are very moderate and reasonable. It is true, there has been a necessity for a large increase in the number of buildings rented in the past few years, by reason of the number of employees, and I may say we have requests almost every week for increased accommodation. The staff has complained very bitterly in some cases that they had not room provided under the law, and we do not come within the Factory Act, which provides so many feet for each person. The Militia Department is only allowing 17 feet to each employee, and the Factory Act provides for 30 feet. Therefore, there is a special demand at the present time for increased space for the Militia Department, to correct that condition. Hon. gentlemen can see the difficulties we are up against. When there is necessity to rent a building, to rent it at the lowest possible amount, which we ourselves have figured on the basis of 6 per cent of the actual cost. That is calculated by the deputy and architect in every case.

[Mr. Pugsley.]

Mr. SCHAFFNER: It occurred to me that perhaps those buildings on Wellington street were not used to the extent to which they could be used. We may be paying too high a rent for individual buildings, but I think any medical man looking over a great many buildings would feel sure that there were too many people in certain rooms. The minister refers to that point, and it is very noticeable. The buildings have not the floor space required for the people employed in them. What I particularly wanted to know was whether the Government was utilizing the buildings on Wellington street. It seems to me, from casual observation, that they are not using the buildings as much as they could.

Mr. PUGSLEY: That is, the buildings expropriated by the Government?

Mr. MICHAUD: I understand the Government is going to discharge about 1,700 civil servants. That will give ample space and will prevent overcrowding just now.

Mr. ROGERS: That will help some. I understand that we are utilizing every one of the buildings on Wellington street which is suitable for use. We sometimes have difficulty in getting various branches of the department to go into individual buildings of that kind, because they cannot all have the accomodation together, but we are utilizing the buildings so far as we possibly can.

Mr. PUGSLEY: Might I ask where the National Service Board have their offices?

Mr. ROGERS: The Canada Life Building.

Mr. PUGSLEY: What rent is paid for the premises occupied by that board?

Mr. ROGERS: I have not that information, but will get it.

Dominion public buildings—Salaries of caretakers, engineers, firemen, etc., $550,000.

Mr. PUGSLEY: Why is there an increase of $65,000 in this item?

Mr. ROGERS: That is owing to the increase in the number of caretakers and the increase in salaries that we have been obliged to make at the present time, due to the high cost of living. With the additional buildings rented we have additional expenses.

Mr. McKENZIE: Is there a general increase in the salary of caretakers?

Mr. ROGERS: We are proposing 10 per cent increase, but it has not been made yet.

Mr. McKENZIE: That will apply to public buildings?

Mr. ROGERS: Yes:

Water, $50,000.

Mr. KYTE: There is an increase of $3,000 in this item. I suppose that is due to the fact that prohibition is in force in Ottawa.

Mr. ROGERS: I might say that this item represents water all over the Dominion, so that it is due to the fact that we have prohibition in so many parts of Canada as well as Ottawa.

Progress reported.

On motion of Hon. Rogers, the House adjourned at 6 p.m.

Monday, August 6, 1917.

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

REPORT.

Extract of an order in council with reference to the scale of subsistence allowance to officers and men in the Naval Service, also an extract with reference to the scale of allowance in lieu of lodging, provisions, fuel and light for officers and men in the Naval Service.—Hon. Mr. Hazen.

QUESTIONS.

(Questions answered orally are indicated by asterisks.)

EMPLOYMENT OF G. O. AIKEN.

Mr. GRAHAM:

1. Is G. O. Aiken in the employ of the Government in Kingston?
2. If so, what are his duties and his salary?
3. When was he retired from the position of guard, and why?
4. What was the date of his new appointment?
5. Who previously performed the duties of the position to which Mr. Aiken has now been appointed?
6. Why was not a returned soldier given this position?

Sir GEORGE FOSTER: Stand.

Mr. GRAHAM: Might I suggest that this question has been standing for quite a while. It is an inquiry of the Government, and my own view is that no member of the Government has taken any interest in it. I would like to have the question answered.

Sir GEORGE FOSTER: I will try to get an answer for my hon. friend.

WILLIAM DAVIES CO., LTD.

Mr. ROSS:

1. In regard to Commissioners appointed to investigate the William Davies Company, has the Price Waterhouse Company, of which Mr. Brodie, one of the Commissioners, is a member, ever been employed, or is it now employed by the William Davies Company, or other Flavelle affiliations?
2. Has Mr. Jeffrey Clarkson, now on the said Commission, or the firm to which he belongs, ever been similarly employed?

Mr. CROTHERS: 1 and 2. No.

CANADIAN EXPEDITIONARY FORCE, RECRUITS AND CASUALTIES.

Mr. SINCLAIR:

1. What was the total number of recruits enlisted in the Canadian Expeditionary Forces during the month of July, 1917?
2. What was the total number of casualties in the Canadian Expeditionary Forces during the month of July, 1917?

Sir EDWARD KEMP:

1. 4,257.
2. 3,637.

IMMIGRANTS LANDING AT RIMOUSKI.

Mr. LANCTOT:

1. How many immigrants have landed at Rimouski during the years 1911, 1912, 1913, 1914, 1915 and 1916?
2. What are the names of said immigrants and their respective destinations?

Mr. ROCHE: 1 and 2. Rimouski is not a regular port of landing for immigrants. Occasionally steamship passengers destined to the Maritime Provinces desire for their own convenience to leave the vessel at Rimouski instead of continuing the journey to Quebec where the regular examination and debarkation takes place. Such persons are examined either by the agent at Rimouski or by Quebec officials who meet some of the vessels at Rimouski for the purpose of conducting the examination of passengers on the trip between that point and Quebec. No separate record is kept of persons leaving the vessel at Rimouski, and for statistical and other purposes they are reported as having landed at Quebec. Number and names asked for are therefore not available.

HECTOR CARON.

Mr. LANCTOT:

1. Is Hector Caron employed by the Government at Rimouski?
2. If so, what is his occupation and salary?

Mr. ROCHE:

1. Yes.

2. Immigration agent and immigration inspector. Salary $50 per month.

THOROUGHBRED ANIMALS.

Mr. DELISLE:

1. Has the Department of Agriculture placed at the disposal of the county of Chicoutimi certain thoroughbred animals to be distributed among the farmers?
2. If so, how many animals, and for how long a time?
3. Who made the request to the department for the said animals?

Mr. BURRELL:

1. Yes.

2. 84. These are loaned really by the year subject to extension or recall.

3. These pure-bred sires were applied for by various associations of farmers formed according to the regulations which govern the loaning of these sires.

ASSISTANT FUEL CONTROLLER.

Mr. LANCTOT:

1. Has an assistant fuel controller been appointed?
2. If so, what is his name, place of residence and previous occupation?
3. What is his salary?
4. What was his salary previous to this appointment?
5. What are his special qualifications which induced the Government to appoint him?

Sir GEORGE FOSTER: I suppose this question may be answered by the appointment which was made by the fuel controller of an assistant chiefly for work in the United States, to which I referred on Friday or Saturday last. If the question refers to that, and this gentleman is the only assistant who has been appointed, the answer is:

1. Yes.

2. His residence was in the United States. He was a high official in a coal and railway company, in Pittsburgh, I think.

3. His salary is at the rate of $25,000 a year.

4. I do not know his salary previous to his present appointment.

5. His special qualifications are that he has an intimate knowledge not only of coal and its supply, but of railroad transport in respect to coal, particularly to the border. He was appointed on the recommendation of Mr. Peabody, chairman of the United States committee which has the coal problem under its supervision. He was recommended as being the very best available man Mr. Peabody could think of.

Mr. PUGSLEY: What is his name?

Sir GEORGE FOSTER: Mr. McCue.

Sir WILFRID LAURIER: An American citizen?

Sir GEORGE FOSTER: Yes.

[Mr. Roche.]

ENLISTMENTS IN CANADIAN EXPEDITIONARY FORCE.

On the Orders of the Day:

Hon. Sir EDWARD KEMP (Minister of Militia and Defence): The junior member for Halifax (Mr. A. K. Maclean) asked me for certain information with regard to the number of enlistments as of June 30, 1917. The request was made on August 1, page 4280 of Hansard. The hon. gentleman may also be referred to a statement I made in respect of enlistments as of May 31, 1917, on pages 3206 and 3207 of Hansard for July 6. The following statement will show the figures:

Canadian Expeditionary Force.

Reported enlistments to 30th June, 1917	424,456
Overseas to same date	329,943
of whom 142,779 in France; 756 elsewhere than in France; 124,399 in England (of whom 23,265 in hospitals and convalescent camps as of 31st May); 31,955 killed, died, missing, and prisoners; 3,944 en route from Canada, and about 26,000 discharged or returned for discharge after wounds, etc.	
In Canada	18,475
Discharged, etc., in Canada	76,038

NOTICES OF MOTION FOR PRODUCTION OF PAPERS.

Mr. LANCTOT:

For a copy of all documents, correspondence, letters, telegrams and reports concerning the dismissal or the resignation of Dr. Alfred Bouillon, of Matane, as medical officer of the harbour of Rimouski.

LETTERS READ BY SIR WILFRID LAURIER IN CONNECTION WITH THE JUSTICE LANDRY COMMISSION IN NEW BRUNSWICK.

On motion of Hon. Mr. Hazen (Minister of Marine and Fisheries) that the House go into Committee of Supply:

Sir WILFRID LAURIER: A few days ago my hon. friend from the city of St. John (Mr. Pugsley) rose on a question of privilege, intending to deny certain statements made in this House, which he held to be unfounded in fact and deemed injurious to his honour as a citizen of Canada and a member of this House. My hon. friend did not only deny the words of which he complained, but he proceeded to read certain letters which had been long dormant in the archives of the provincial government at Fredericton, and which more than confirmed the denial he had made before the House. He was, however, stopped in this, on an obejction of the Prime Minister. It

was held that on a question of privilege my hon. friend the member for St. John was particularly restricted to a denial, and could not go beyond it.

You, Sir, ruled that the point was well taken and I have no fault to find with your ruling. Technically, I think it could not be impugned. You, Sir, held at the same time that the letters might be brought before the House in some other form or at some other time if my hon. friend from St. John deemed it advisable for his own sake to call attention to the matter.

The question has taken on a broader character than was at first indicated or than the simple question of privilege which was raised by my hon. friend. As I shall show the question involves not only the honour, the dignity and character of my hon. friend from St. John, but it involves also certain principles which apply to the Government of the nation and which it is well to settle, if possible, here and now. The question to which I want to refer arose out of the discussion which took place in this House on the 6th June last, when my right hon. friend the Prime Minister informed the House that the hon. the Minister of Public Works (Mr. Rogers) had complained to him that the report made by Justice Galt, to which I need not refer now, was not an impartial report and that he had asked for a further investigation. He apprised the House that the Government had thought well to appoint another commission to review the report of Judge Galt which was to be composed of two members of the judiciary, the chief justice of New Brunswick, Sir Ezekiel McLeod, and a retired judge of the province of Quebec, Mr. Justice Tellier. I interjected in the debate that in my judgment, if this matter was to be reopened, the investigation should take place not through a Royal Commission composed of judges, or through a Royal Commission at all, but before a committee appointed by this House. In the course of the observations which I then made I referred to the attack which was made by the Minister of Public Works upon the character of Mr. Justice Galt. In reply to me the Prime Minister used these words:

> My right hon. friend challenges the action we have taken and challenges the reflections which have been made upon Mr. Justice Galt in the letter written to me from the Minister of Public Works. I should like to remind him that on a certain occasion one of his colleagues who sits beside him used infinitely stronger language, if my memory is correct, with regard to Mr. Justice Landry of the Supreme Court of New Brunswick, and he did so without any reproof from my right hon. friend. I am perfectly willing to contrast the action which we have taken in this matter with that which my right hon. friend took on that occasion. Findings had been made by a commission of which Mr. Justice Landry was a member. Those findings reflected seriously upon a member of my right hon. friend's Government. The matter was brought to the attention of Parliament, and it was urged by a motion in this House that such finding should be disregarded.

The memory of the Prime Minister was altogether at fault when he stated that the report to which he referred of Mr. Justice Landry had been brought to the attention of the House and that my hon. friend (Mr. Pugsley) had urged that it be altogether disregarded. The report was brought to the attention of the House but it was brought not upon a motion to disregard it, but, on the contrary, it was brought upon a motion which was moved at the time by the hon. member for West Elgin, now the Minister of Labour (Mr. Crothers), to affirm the report and make it the basis of a motion of censure against my hon. friend from St. John who was at that time my colleague in the Government as Minister of Public Works. On the 5th May, 1909, the present Minister of Labour who was then, as now, the member for West Elgin, made a motion in this House but before doing so he recited that a commission had been appointed by the Government of New Brunswick to investigate the application of certain railway subsidies by the Government of New Brunswick at the time that my hon. friend the present member for St. John was a member of that Government, and he concluded:

> The unanimous findings of the commission consisting of the Hon. Mr. Justice Landry and Messrs. F. MacDougall and A. I. Teed, appointed by the government of the province of New Brunswick by order in council dated June 5, 1908, and the authorized reports of the proceedings of the legislature of the said province during the session of 1908 set forth serious matters touching the public acts and conduct of Hon. Wm. Pugsley, formerly a member of the government of said province and now Minister of Public Works;
>
> That persons occupying high offices of state as constitutional advisers of His Excellency ought to be free from just reproach and from reasonable suspicion in respect of their public character and reputation;
>
> That to this end the said findings in so far as they impugn acts or conduct of the said Hon. William Pugsley deserve the serious consideration of this House and demand such action thereupon as may be necessary to enforce worthy and proper standards of public duty.

I should observe here that in proposing this motion of censure against a member of the then Government, the present hon. member for St. John, the hon. member for West

Elgin relied altogether upon the proposition that a Royal Commission is a court of law and that the report of such a commission is the equivalent of a judgment. He refused altogether to consider the evidence upon which the report was founded and when challenged with the statement that the report was not in accordance with the evidence, he repeatedly stated that he did not care for the evidence, that he founded his accusation upon the report. Again and again he took the position that the report of a Royal Commission is equivalent to the judgment of a court of law.

It is important here and at all times, and perhaps more at this time than at any other, that we should exactly understand what is the effect of a Royal Commission, its purport and its object. We have only to refer to the statute, which is familiar to everybody in this House, to satisfy ourselves upon that point. The Government is required to institute a Royal Commission for the purpose of obtaining information, for the purpose of looking into some question of public concern, to find out the facts in connection with it and to report the result to the Crown. A commissioner may simply hold an investigation and place the report before the Crown without expressing any opinion of his own, or he may, if he thinks fit, express an opinion of his own, as he generally does. But it was impossible to maintain for one minute, and no one would do so in this House under existing circumstances, that the report of a Royal Commission is equivalent to a judgment of a court of law. We have not only to look at the statute but at the practice. The Crown appoints a commissioner to investigate certain matters, the commissioner reports to the Crown, and the Crown presents the report to Parliament, where it may become the subject of discussion by Parliament. It is a matter of elementary knowledge on the part of everybody that the decisions of a court of law are not to be reviewed by Parliament.

The judges are absolutely independent. Their decisions may be right or their decisions may be wrong, but they are the supreme arbiters appointed by the State to settle disputes between subject and subject, between man and man, and under no circumstances are they to be taken as amenable to Parliament; whereas, on the contrary, the reports of commissions are essentially to be reviewed by Parliament. The report of a commissioner, as is stated by all authorities on the matter, is a useful form of information for the Government and for the public generally, but the opinion which is given by the commissioner is not binding. It is simply an opinion, respectable by the character of the man who expresses it, but it has no value except what value it can find from the truth and the correctness of the report which it places before the public. The present Minister of Labour and then the member for West Elgin (Mr. Crothers), when he made this motion, relied altogether on the report, refused to discuss the evidence, refused absolutely to go back of the report, and when it was objected to him that the report was not according to the evidence, he took the ground that it was of no concern to him that the judgment was equivalent to the judgment of a court. This is what he said on the occasion to which I refer, as reported at page 5655 of the Hansard of 1909:

> Mr. Pugsley: I wish to correct the statement of my hon. friend, I was not the managing director of the company.
>
> Mr. Crothers: I am simply making my observations based upon the judgment of this court.
>
> Mr. Pugsley: My hon. friend must pardon me. I say that there is nothing whatever in the evidence which would justify a statement of that kind, and the statement is absolutely untrue.
>
> Mr. Crothers: I am not here for the purpose of discussing the evidence in this case.
>
> Some hon. Members: Oh, oh.
>
> Mr. Crothers: Mr. Speaker, I do not propose to discuss the evidence in the case.
>
> Mr. Pugsley: I am not surprised at that.
>
> Mr. Crothers: I am here standing on the judgment of a court.
>
> Mr. Pugsley: If my hon. friend can find anything in the evidence which will justify some of the statements in the report, I shall be greatly obliged if he will refer to them.
>
> Mr. Crothers: As I said a moment ago, I am not here for the purpose of discussing the evidence in this case. I am standing on the judgment of a court and while that judgment stands we have a right to assume that it is a righteous judgment.

I repeat that the case which was presented to the House in 1909 was certainly a very weak one when the hon. Minister of Labour in asking that censure be passed upon a member of the Government, upon a man who had been for more than 30 years in public life, a prominent citizen of Canada, basing this demand on certain alleged evidence, and making himself responsible for the charge, stated in so many words that he would have nothing to do with the evidence, would not look at it, said that he relied simply on the judgment. Well, I think, for my part, and I believe everybody will agree with me, that the case must have been

a very weak one, when any man, standing on the floor of this House to impugn the character of a fellow-member, will not at least refer to the evidence on which he bases his charge. It is quite true, as was said the other day by the Prime Minister, (Sir Robert Borden), that the hon. member for St. John (Mr. Pugsley) on that occasion impugned the report of Mr. Justice Landry and his fellow Commissioners; he challenged it in many particulars and in so many words he showed discrepancies between the report presented by the Commissioners and the evidence. Again and again the hon. member for St. John challenged the hon. member who made himself responsible for the charge to bring forward the evidence of the charge which he made, but upon every point he was met by a refusal to produce the evidence. It now appears that there was a reason why the hon. member for West Elgin (Mr. Crothers), would not, on that occasion, go into the evidence, but relied upon the report. Let me repeat that the judgments of a Court are not to be reviewed by Parliament. It does not follow, and we cannot expect, that the judges never make mistakes. Judges are fallible like all other men. But judges are generally selected from amongst a class of men trained in the law, trained to take evidence, and whose character gives a suggestion of security that their judgment will be impartial, the judgment of trained men, and will be generally correct. Although we are all prepared to admit that the judges of the land generally give satisfaction, yet no one can pretend that they are infallible. They may make errors like everybody else; but if they make errors we must take them as they are, and Parliament has no right to pass upon them. But I repeat that no one will say that this Parliament can treat in the same the way the report of a commissioner, even if that commissioner be a judge. When he sits upon a commission he does not sit as a court of law; he is there simply as Mr. Justice So-and so, and his opinions gain what value they may have from his character and what value there is in the report and the opinions which he expresses will be in accordance with the support which is given to them by the evidence. In this case, I repeat, my hon. friend the Minister of Labour, then a simple member of the House sitting for West Elgin, would not look at the evidence. I say that we can now understand why he would not go into the evidence. A report was made some time ago to the Legislature of New Brunswick, in reply to an address moved by a member of that House in the following terms:

That a humble address be presented to His Honour the Lieutenant Governor, praying that he cause to be laid upon the Table of the House copies of all correspondence between the Premier or any other member of the Provincial Government in the year 1908 and any person or persons relating to the appointment of Commissioners to investigate matters connected with the Central Railway Company and the New Brunswick Coal and Railway Company; and also copies of any correspondence between the Premier or any other member of the Provincial Government and any person or persons relating to the report of such Commissioners.

The report which was brought down by the Government in obedience to this order of the Legislature is composed of three letters which bear directly upon this subject. The first of the letters, not in order of the report, is dated May 21, 1908, and is addressed to the Hon. J. D. Hazen, K.C., M.P., Attorney General, Fredericton, by Mr. Fowler, then member for Kings and Albert, in this House, and now a senator.

House of Commons, Ottawa, May 21, 1908.

My dear Hazen:

Yours to hand. I am sorry Trites has declined and I cannot understand why since I spoke to him and had his consent before I mentioned his name to you. There is a very good man, Fred C. Harris by name, who is manager of the Cape Tormentine Railway. There is also Capt. Geo. A. Coonan, of Harvey, A. Co., who built a portion of the Albert Southern Railway, and J. S. Armstrong, C. E., of Rothesay, so you can take your choice. I suggested to the surveyor-general that A. I. Teed, of St. Stephen, might be a good man if Mr. Thorne or W. S. Fisher would not act.

I presume this refers to acting in the capacity of commissioner for the investigation.

I still think that you should have a junior counsel to assist Powell in this matter and the small additional expense should not stand in the way as this is a very important thing for us. I believe we can put the genial Wm. out of business if this matter is properly handled.

There was the animus—"we can put the genial Wm. out of business." The letter proceeds:

Mr. Borden was much pleased to hear that the boys in New Brunswick were so strongly with us on the Aylesworth Bill.

Sincerely yours,

George W. Fowler.

Then there is another letter from Mr. H. A. Powell, who was employed as counsel in the case, which went to show that, as suggested in the letter, if the matter were properly handled, they could put "the

genial William out of business." The letter reads:

Powell and Harrison, barristers, solicitors, notaries, etc.,

Hon. J. D. Hazen, Attorney-General, Fredericton, N.B.

St. John, N.B., March 31, 1909.

Dear Hazen:—As I 'phoned you last evening, the report of the commissioners was sent forward by express. The Act authorizing the investigation directed the report to be addressed to the Provincial Secretary to be by him laid before the Governor. This language we interpreted literally and the report is directed to the Provincial Secretary and he can lay it before the Governor, which I presume will be done at once. After that I suppose it will be laid on the table of the House. The Times has printed a number of copies, I do not know how many, which they will forward to you in a day or two.

You will notice in the report there are some corrections made in writing and the errata are gathered into a fly leaf and will be bound with the report. I regret very much that this errata had to be made. Mr. McDougall was very strongly of the opinion that I should have as little as possible to do with the final making up of the report, inasmuch as the charge might be made that I and not the Commissioners got up the report. I spent all day Monday with them in Moncton. At that time the report had not been completely drafted and a good deal of the proof had not been read. It was arranged between us that Mr. McDougall would send me down the proof and I would revise it and make all necessary corrections. On Saturday Judge Landry rang me up and arranged that I would go up on Monday morning to finally revise their work. On Sunday, however, Mr. McDougall rang me up and told me that he and Judge Landry had finally revised it themselves and the report was all printed, and consequently not to come up.

On Monday morning Judge Landry rang me up again wanting to know why I had not gone up. Monday night the Commissioners all gathered at St. John with the report completely printed. There are a few things that I would like very much to have had different from what they are. In the first place, I urged on them the great undesirability, in view of you pushing your claim against the Dominion Government for increased subsidy, of minifying the cost of the fifteen mile section and branches as is done on pages fifty-six and fifty-seven of the report, and I drew up myself a statement which could not be used against your contention, but the Commissioners determined to insert the statements on pages fifty-four, fifty-five and fifty-six.

The reference to the Intercolonial on page fifty-five struck me as affording scope to Pugsley and the newspapers to attack the Commissioners on the absurdity of the comparison between the fifteen mile section and the Intercolonial so I had them insert the words "As was intimated." They had an error of fact in respect to the bridges on the fifteen mile section which I had them correct. Another error was the reference to the provincial engineer having made the estimate; it was the company's engineer.

Another matter which I am sorry has gone in as it did inasmuch as it will give the Opposition press an opportunity to make an attack on the commissioners is the statement at the bottom of page 18 and top of page 19 to the effect that it appears conclusively from the evidence that the whole $250,000 par value of the 3 per cent bonds had been guaranteed and delivered to the company up to August 6, 1903. The only evidence to that effect was an impression Mr. Shadbolt had that the whole $250,000 of 3 per cent bonds which were delivered to him at that time had the provincial guarantee on them. Mr. Shadbolt may have been right in his impression, but the statement is not consistent with the Order in Council with reference to guaranteeing the bonds. In the following two paragraphs the reference to the guaranteeing of the whole $450,000 bonds is somewhat misty. The criticism in this connection should be directed solely to the $250,000 of bonds which were guaranteed for the construction of the fifteen-mile section.

I drafted the portion of the report referring to the guaranteeing of the bonds, but Judge Landry himself changed it in the respects I have mentioned. Fortunately—

And this is why I understand the hon. gentleman from West Elgin (Mr. Crothers) was so chary about touching the evidence:

Fortunately the fellows on the other side will know nothing about the matter, and if the statement is challenged the reporter has Mr. Shadbolt's evidence much stronger than he gave it. Furthermore, I think the judge is right in the statement he makes and it is literally true although the whole $250,000 of the bonds had not then been made use of by the company. Since there is evidence to support the finding I suppose their finding will be accepted.

I suppose both you and Mr. Fleming will go into the matter of the report quite thoroughly when the discussion of it comes up in the House. If there is any matter that you want light thrown upon, or if you want to know the particular source of any information used in the statements, let me know and I will give it to you. It might be a good thing for me to run through the report and mark in the margin the sources of information. Although I would like to have seen several things put more forcibly than they have been and the responsibility for the misappropriation shown to rest more on Pugsley's shoulders, I think you will find that the report is pretty strong.

Yours very truly,

(Signed) H. A. Powell.

Then there is another letter from my hon. friend, the then member for North Toronto, now Minister of Trade and Commerce (Sir George Foster), which reads as follows:

House of Commons,
Ottawa, April 14, 1909.

Dear Mr. Hazen:—

I telegraphed you this morning re the Comm. Reports and trust you have sent me a number. As to copy of evidence I put that in in case you have it printed which probably you have not. It is, I suppose, voluminous.

Why I did so was for this reason. Pugsley so far as now appears will try to bluff the matter out of the House here as not pertaining to Federal affairs. He will say that the report is not based on evidence and that he will, after getting a copy of the evidence, issue a statement showing this to be so. That will be his defence. We propose to get after him here before he gets a copy of the evidence, but if by any possibility he does get it then we need the evidence to meet him here.

I presume the evidence will not be available in printed form for some time. If he gets a copy I hope you will see that several copies are made at the same time and that we get one or two here.

I have not seen full report but what I have seen is pretty straight goods.

Yours very truly,

(Sgd.) G. E. Foster.

Now, Sir, this is the case to which my hon. friend, the member for St. John (Mr. Pugsley) wants to call the attention of the House. In 1909 it was sought to censure an hon. member—and a motion was made to that effect—upon a report which is in contradiction in many points of the evidence; upon a report taken by itself independent of the evidence. I lay this as the foundation. I am sure nobody will contradict the statement that any report of a commission without the evidence is simply the opinion of a man, and has no foundation whatever upon which can be based any ground at all for a motion of censure. Nobody in this House, I am sure, will contend that an hon. member is liable to censure upon the report of a commission, no matter who the commissioner is, unless evidence accompanies the report to justify it. It would be monstrous; it would be unfair; it would be unjust, to condemn a man simply upon the opinion of a fellowman without the production of evidence to substantiate that opinion. The opinion may be right or it may be wrong, but whether it is right or wrong, the Parliament of Canada, when it is asked to pronounce upon a matter of this kind, has the right to have the evidence before it so that every member may come to a conclusion whether the report is or is not justified. The correspondence which I have read to you, Sir, has proved conclusively that this matter was placed before the House before the evidence was brought out, so that there should be an ex parte verdict upon the opinion of the commission, not upon the evidence itself. Luckily, the truth has come out at last, and the member for St. John city, upon the evidence that has now been presented, is fully vindicated out of the mouth of his own adversaries.

SUPPLY.

ANNUAL STATEMENT OF THE MINISTER OF THE NAVAL SERVICE.

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

Naval Service—to provide for the maintenance and upkeep of ships, Naval College, dockyards at Halifax and Esquimalt and Royal Naval Canadian Volunteer Reserve, $1,000,000.

Hon. J. D. HAZEN (Minister of Naval Service): It has been my custom, Mr. Chairman, when taking up the estimates of the Naval Department that relate particularly to naval affairs, to make a statement covering the operations of the department during the twelve months ended March 31 of the last fiscal year. It is desirable, I think, that I should follow that custom on the present occasion.

ACTIVITIES OF THE NAVAL SERVICE DEPARTMENT.

During the last session I gave a summary of the operations of the Naval Service Department from the commencement of the war. That statement will be found on page 3002 of Hansard for the session of 1916. While it is unnecessary again to submit the information already given in that report, I desire to bring it up to the end of the fiscal year 1916-17.

Headquarters.

During the last year the work of the department continued to increase and expand. Some idea of the increase in the amount of work at headquarters may be had from the following statements:

Letters and telegrams received:	
January, 1916	5,079
March, 1917	8,464
Increase	3,389

Mr. MARCIL: Were these letters of congratulation or of complaint? What was the nature of them?

Mr. HAZEN: They were letters in connection with the business of the Naval Department.

Mr. NESBITT: Why did the minister not give the figures for the same months in each year?

Mr. HAZEN: I gave the figures for the last month before the end of the fiscal year ended March 31, 1917, to show the tremendous increase that has taken place since my last statement was made.

On August 1, 1914, the total personnel of the headquarters staff amounted to 127 persons. On March 31, 1917, the total personnel amounted to 256 persons.

Naval Staff Office.

The work of the Naval Staff Office may be divided into two main portions: (1) Naval Intelligence; (2) Transport Service.

Naval Intelligence.—With regard to (1), in order to deal with the work there is a staff on duty day and night without intermission. It is their duty to handle the telegraphic correspondence of the department, the greater portion of which is in code or cipher.

This branch also collects and distributes naval intelligence from its officers, the Admiralty and other Imperial officers. It is responsible that all merchant vessels receive their proper orders on leaving Canadian ports with regard to their route and instructions for avoiding enemy submarines and other vessels. All matters, so far as they appertain to naval policy, regarding prohibited exports, detention of ships, supply of bunkers to merchant vessels, censorship of cables, press and wireless telegraph messages, arming of merchant vessels, suspected persons and kindred matters, are dealt with by the branch. It is responsible also for the distribution of all confidential books and documents, of which there are a great number, to Canadian naval officers. This branch is also responsible for all matters connected with the defence of Canadian coasts.

Transport Service.—With regard to (2), the Naval Staff Office is closely associated with the Acting Director of Overseas Transport, whose activities will be reported upon in another section.

This branch is responsible for the movements of all transports, carrying either troops or munitions; for the provision of any necessary escorts at sea, and that the Imperial authorities receive detailed information by telegraph of the cargoes of all transports before they arrive in England. The Admiralty and War Office are then able to make the necessary arrangements for handling the cargoes on arrival.

H.M.C. Ships and Establishments.

The general administration of H.M.C. Ships and Establishments has been continued on the same lines as during the previous year.

The Rainbow has been maintained in full commission, as have also the Shearwater (submarine depot ship) and the submarine flotilla.

The Niobe has been utilized as a depot and receiving ship, and a large number of men has passed through her in addition to the number required to be kept on board as her complement and as drafts for patrol vessels, etc. The crews of the latter are accommodated in her from time to time, as are also Imperial ratings on passage. All Canadian naval ratings on the east coast are borne on her books.

Naval Dockyards.—With respect to the naval dockyards, the establishments at both Halifax and Esquimalt has been worked to the full cutput, a considerable amount of overtime having been put in. The nature of the work done has been practically all repairs.

Halifax is being used as the base for vessels of the North Atlantic fleet, which has lately been strengthened. The dockyard is being used for carrying out repairs to these vessels and keeping them in going order.

At Esquimalt yard, work has been carried out on Imperial vessels as well as those of the Canadian service.

The floating dock at Prince Rupert has been completed, but it has not been operated for the use of the mercantile marine. It has proved very useful in connection with the repairing of men-of-war of the Royal Navy.

Wages.—The total amount of money paid per month in wages for the two yards is approximately 300 per cent more than that customary to be paid for the same period prior to the war.

Repairs.—In addition to the repairs to the vessels of the fighting fleet, the dockyards are carrying out the large number of small items of repair needed to the various vessels now employed for auxiliary purposes for patrol and other defensive work of the coasts. Having regard to the facilities available, this work has been carried out satisfactorily. Considerable overtime has been necessary in order to expedite the completion of the repairs.

Subsidiary work in the nature of repairs and refits of the various vessels belonging to the different branches of the Naval Service has been undertaken during the year, and repairs of vessels of other departments of the Government have also been effected. Repairs to buildings and plant incidental to the upkeep of the establishment, in accordance with conditions of transfer, have also been completed.

Royal Naval College.—The largest entry of cadets, since the original entry, was made after a competitive examination in May, 1916. The training of the cadets is continuing satisfactorily, and excellent reports are received concerning former cadets

who are now serving in Imperial ships as midshipmen and sub-lieutenants.

Officers Lent.—Nearly fifty Canadian officers, the majority graduated from the college, are serving in vessels of the Royal Navy, mostly in the Grand Fleet.

Casualties.—One Canadian officer was killed in His Majesty's Ship Indefatigable when that ship was sunk in the battle of Jutland. Six men were lost from His Majesty's Canadian Ship Grilse when that vessel met with extremely rough weather on the 12th December, 1916.

Naval Hospital, Halifax.—The building formerly used as Admiralty House, Halifax (the residence of the Commander in Chief, North American and West Indian Station) is being converted into a naval hospital for the use of both the Canadian Naval Service and of Imperial naval ranks and ratings.

Patrols.—The patrol and other subsidiary services have been maintained and expanded as requisite.

Personnel.—The personnel has been expanded to meet all requirements up to the present.

Recruiting for British Admiralty.

Royal Naval Air Service.—The selection and entry of officers for the Royal Naval Air Service has continued. Up to the present three hundred and eighty-two officers have been entered and sent to England. Since the 20th July, 1916, candidates have not been required to obtain their Aero Club certificates before proceeding overseas. Several Canadians entered in the Royal Naval Air Service have been decorated for good war service.

Royal Naval Volunteer Reserve, Auxiliary Motor Boat Patrol Section.—In addition to the Royal Naval Air Service, recruiting has also been carried on for the Royal Naval Volunteer Reserve (Auxiliary Motor Boat Patrol Section). With the assistance of the Naval Service Department, a Recruiting Committee sent out from the Admiralty entered nearly three hundred sub-lieutenants and over one hundred men for duty as chief motor mechanics and motor mechanics in this branch of the Imperial Service.

Royal Naval Canadian Volunteer Reserve, (Overseas Division).—The Dominion Government offered to place at the disposal of the Admiralty a number of men belonging to the Royal Naval Canadian Volunteer Reserve, which offer was accepted by the Imperial authorities. An Overseas Division of the Royal Naval Canadian Volunteer Reserve was established and recruiting therefor commenced.

The same rates of pay and separation allowance in force for equivalent ratings in the Canadian Navy are paid to the Overseas Division of the Royal Naval Canadian Volunteer Reserve. The pay actually paid while serving in Imperial ships is the same as that of men of the same rating in the Royal Navy, the balance being either paid to their dependents by monthly allotments, or placed to the men's credit and retained until their discharge or return to Canada.

A provincial recruiting committee was appointed in each province, under whom a secretary was appointed. Sub-committees were established at the principal centres, the members of which were responsible to the head committee, while the head committee were responsible to the department. The members of these different committees throughout Canada gave their service gratuitously, and they spared no effort to advance the work of recruiting. From the fall of 1916 to the end of the fiscal year 1,331 men were enlisted in the Royal Naval Canadian Volunteer Reserve (Overseas Division), of whom 1,188 have been sent overseas.

4 p.m.

I wish to take this occasion to express, on behalf of the Naval Service Department, great appreciation for the valuable work done by the members of the recruiting committees.

Radiotelegraph Branch.

The policy of the Government to develop and maintain, under Government control, the radiotelegraph service of the Dominion has been continued during the past year.

As reported last year in my statement to the House, all the amateur stations were closed down at the commencement of the war; these stations have not yet been allowed to re-open.

The radiotelegraph service is playing an important part in carrying on the war, particularly in providing means of communication with such vessels of war as may be operating in the vicinity of Canadian waters. As already stated, Canadian stations located on both the Atlantic and Pacific coasts occupy positions well adapted to such communication, and by reserving certain of the stations solely for naval work, adequate radio facilities for such purposes have been provided.

At present there are 156 coast, land and ship stations in Canada; 67 of these are Government land and ship stations; 76 are

commercial ship stations and the remaining 13 are commercial land, coast and instructional stations.

The personnel employed in radiotelegraphy in the Dominion is 404, of whom 137 are in the Government employ.

Of the 43 coast stations 42 are owned by the Government. Those located on the west coast and Hudson bay are operated directly by the Department of the Naval Service. Those situated on the Great Lakes and east coast with certain exceptions, are operated by the Marconi Wireless Telegraph Company, Limited, under contract. Since the outbreak of the war certain stations on the east coast have been taken over and operated directly by the department exclusively for naval purposes.

As regards construction, the department has maintained the different stations under its charge in an efficient and up-to-date condition, so that the Canadian service compares favourably with that maintained elsewhere.

The enforcement of the Radiotelegraph Act has been carried out by the responsible officers of the department in an efficient manner. That section of the Act calling for compulsory equipment of wireless apparatus on certain steamers has been well observed by the shipowners, and no attempts to evade the requirements of the law have been reported.

During the year 141 radiotelegraph operators were examined for certificates of proficiency in radiotelegraphy, of whom 87 were successful. To date there have been 176 certificates of proficiency issued by the department.

The regular work of the stations has been carried out so far as permissible under war conditions, and a surprising increase in both the number of messages handled and revenue collected is shown. The west coast stations operated directly by the department handled 1,741,420 words, as against 1,103,395 last year, and the total revenue accruing was $18,201, as against $7,394.50 last year, an increase of 146 per cent; this is the largest revenue credited to the west coast in the history of the service.

In conclusion, I may say that the operation of the radiotelegraph service has, during the past year, continued to prove the wisdom of the Government's policy of government ownership and control, and the expenditures made on its account are being fully justified.

Stores Branch.

During the year ending March 31, 1917, the activities of the Stores Branch have been maintained and extended as the requirements of the service demanded.

As in the past, the requirements of the following services have been filled in addition to the Naval Service proper (Imperial and Canadian), viz.—Hydrographic Surveys, Tidal and Current Surveys, Radiotelegraph Service, Fishery Protection Service, Life Saving Service, Fishery Patrol Service, Fish Breeding Service, and other fishery services.

Notwithstanding that considerable difficulty has been experienced in obtaining supplies, more especially metals and textiles, the requisite reserves have been maintained at both dockyards, and in certain instances, very materially increased. A further agreement with the Admiralty to supply Imperial ships in the Pacific with clothing and victualling stores has necessitated a considerable addition to the stock previously carried. The recruiting of the Royal Naval Canadian Volunteer Reserve for service overseas in the Royal Navy and for the Canadian Patrol Service has also necessitated the maintenance of further reserves of clothing supplies.

Purchases aggregating in value to $3,884,760 have been made. The following is a summary of the values of the various classes of supplies purchased:

Provisions	$ 407,220
Clothing	893,471
Medical stores	8,262
Naval stores, not including fuel	723,286
Fuel	1,658,706
Ordnance and ammunition	53,815
Stationery and printing	140,000
Total	$3,884,760

These purchases have been made by Headquarters, Halifax dockyard, Esquimalt dockyard, and the various ships and establishments, as follows:

Headquarters	$1,636,544
Halifax dockyard	125,374
Esquimalt dockyard	195,675
Fuel purchased on direct charge at Halifax	1,004,190
Fuel purchased on direct charge at Esquimalt	74,452
Ships and establishments	848,525

Included in the purchases made by Ships and Establishments are the following amounts, for which contracts are arranged by headquarters, viz.:

Provisions	$150,786
Fuel	606,560
	$757,346

The amount, $757,346, does not include purchases of fresh provisions by Imperial ships, nor fuel for certain Admiralty and

other transports, which is not purchased through the dockyards.

Considerable purchases have been made on account of the Imperial Government, and, in a lesser degree, on behalf of allied governments.

Contracts have been made for the charter of thirteen vessels of varying dimensions. The charter of ten others expired during the year, and were not renewed. The total expenditure involved was $294,266.85.

The facilities for issuing supplies of all descriptions to the various services have been fully maintained. The total issues made from Halifax dockyard were $592,926, and from Esquimalt dockyard, $411,270. In addition to the service rendered to ships and establishments of this department and other Canadian Government departments, material assistance has been afforded to Imperial ships calling at Canadian dockyards. Issues to Imperial ships from Halifax dockyard amounted to $254,309, and from Esquimalt dockyard to $183,624. In a lesser degree, similar assistance has been afforded to ships of allied governments.

The Imperial authorities continue to avail themselves of our facilities at both dockyards to keep large reserves of special stores for His Majesty's ships in the Atlantic and Pacific. These are accounted for and in every way cared for in the same manner as Canadian stores. Particular care has to be given to ordnance stores and ammunition, for which special facilities are provided.

The value of the stores in stock at the beginning of the year was $409,618 at Halifax, and $351,611. at Esquimalt. The value of the stores in stock at the end of the year was $628,006 at Halifax, and $477,989 at Esquimalt.

Supplies of coal have been well maintained on both coasts for Imperial and Canadian ships. The total receipts at Halifax amounted to 78,575 tons, and at Esquimalt to 31,711 tons. The issues at Halifax were 77,733 tons, and at Esquimalt 29,626 tons. In addition, the following were handled on direct charge to the ships: At Halifax, 138,509 tons, and at Esquimalt, 16,545 tons. The following fuel oil was purchased at Esquimalt and Halifax: 107,000 gallons.

Transportation.

During 1916-17 the work in connection with transportation has greatly increased. The director of overseas transport has general control of the traffic inland, by rail or otherwise, its reception and storage at points of shipment, the allocation of the cargoes to the different ships, and the storage on board. The Department of the Naval Service is responsible for the movements of these ships, the supply of sufficient tonnage to meet transportation demands, and the routing of same, as well as the responsibility of keeping the Admiralty informed on all questions of transport.

Through co-operation between the director of overseas transport and the Naval Service Department, the transportation problems have been, to a large extent, overcome, and a high degree of efficiency has been maintained. All expenses in connection with this service are defrayed by the department on behalf of the Imperial Government, on presentation of duly certified invoices.

Contracts have been made for the supply of bunker coal as necessary. Two hundred and thirty thousand tons have been purchased from Canadian firms for transports during the past year. Arrangements have also been made as necessary for repairing, and fitting ships for special purposes, and for the supply of such provisions, stores, and gear as are required while the ships are in Canadian ports.

The average export movement for the year ended 31st March, 1917, amounted to more than 200,000 tons per month, or roughly, eight fully loaded freight trains of material per day. The monthly total now exceeds 360,000 tons, and the sailings average two per diem. The Overseas Transport Organization has worked with the greatest regularity and despatch. Practically no delays have been experienced throughout the period of the review. The movement has been rendered possible only by the ready co-operation of all transportation companies with the staff of the service, in all matters. During the financial year of 1916-17, a total of 386 sailings, comprising 2,429,829 tons cleared from Canadian ports. These figures show a large increase over 1915-16 in which year 198 sailings comprising 970,911 tons cleared, an increase amounting to 206 sailings, comprising 1,458,918 tons. The following is a table of disbursements on account of overseas transport service:

April 1, 1916, to March 31, 1917.	
Bunker coal	$1,195,000
Stevedoring ships accounts, etc.	2,697,000
Repairs, fittings, and alterations	215,000
Total	$4,107,000

The thanks of the department are due to the Canadian Pacific Railway company, for the service of a number of experienced

transportation officers, as well as for their ready co-operation at all times. To the efforts of the director of Overseas transport and his staff are largely due the success of the whole service. To the success of this service is undoubtedly due the increasing magnitude of the orders now being placed for the products of the mines, forests, fields, and factories of Canada by the Imperial and allied governments.

Fisheries Protection Service.

The vessels of the Protection Service have, during the past year, carried out the duties of guarding the fishing grounds along the east and west coasts and in the Great Lakes, and enforcing the fishery laws. Particularly valuable work was done by these vessels in watching the United States fishing vessels operating outside the three mile limit.

The Fisheries Protection Service vessels were also utilized under the Naval Service in connection with mine-sweeping and patrol duties.

Life Saving Service.

The Life Saving stations were kept in an efficient condition throughout the season of navigation. Owing to the increased use of motor-boats by the fishermen along the coasts the demands upon the Life Saving stations for assistance have been gradually reduced, in many instances one boat being able to render assistance to another without aid from the Life Saving crew.

Tidal and Current Survey.—This survey has been successfully carried on in new areas along the coasts and rivers of Canada. A large portion of the navigable waters have now been covered by the survey and navigation has been greatly facilitated as a result thereof. The information obtained is published annually in Tide Tables and pamphlets.

Hydrographic Survey.—Work has been carried out on the east coast at Halifax harbour and at the mouth of the St. Lawrence; in the Great Lakes along the shores of Lake Superior and in Kingston harbour on the west coast, in the vicinity of Queen Charlotte Islands and in the different navigable passes. A number of new charts of the areas surveyed have been prepared and will be published shortly. The activities of this branch of the service have during the past three years, been greatly reduced owing to the enlistment of a number of the permanent staff for active service overseas.

Accountant's Branch.—The total expenditure of the Naval Service Department during the fiscal year 1916-17 was $16,416,839.36. Out of this amount $4,242,489.99 were expended from the regular appropriation and $4,761,991.96 out of the war appropriation; $7,412,357.41 were expended on account of the Imperial Government, which amount is recoverable.

That in brief measure, is an account of the activities during the year of the Department of Naval Service. There are a great many details which would be interesting but which it would not be proper to make public at the present time. The work of the department, due in very large measure, I feel satisfied, to the active efforts and energies of the deputy minister, the Director of Naval Service and the other heads of departments, has proceeded most satisfactorily. This work has very greatly increased as was shown by the increase which has occurred among the clerks of the lower classes employed in the department. The work will likely increase during the coming year if the war continues. Our work in connection with dockyards and the ships of the Allies coming and going has been of the most satisfactory character. There has been little or no trouble in dealing with them and little or no irritation has been caused in any respect. The different items will come before the committee, and I will be very glad to furnish such information as I can to hon. members.

Mr. MARCIL: The minister only mentioned one ship, the Niobe. What has become of the other?

Mr. HAZEN: The Rainbow is still in British Columbia.

Sir WILFRID LAURIER: What about the Niobe? I have seen a report that the Government contemplated breaking up the Niobe and sending her to the scrap heap.

Mr. HAZEN: No.

Sir WILFRID LAURIER: I saw something of that kind in the newspapers, but I do not always believe what I see there. I would have been shocked if that had been the intention of the Government, although I have seen worse things done by this Government. Where is the Niobe?

Mr. HAZEN: We are making the only use of the Niobe that is possible. It was not possible to use the Niobe for active service. We are using her as a depot ship in Halifax harbour. Naval people are constantly coming and going from the West Indies and other places, and we use the

Niobe for what you might call a naval barracks. She is also used as a training ship. But it is impossible to use her for any defensive purpose at the present time.

Sir WILFRID LAURIER: The Niobe was purchased for the purpose of being used as a training ship.

Mr. HAZEN: At the outbreak of the war and for a short time afterward we used the Niobe for certain patrol purposes on the Atlantic coast. The patrol has been carried on by the ships of His Majesty's navy and the Niobe has for some time not been in a position for service in that respect.

Sir WILFRID LAURIER: The Rainbow, I understand, is being used for the protection of the fisheries on the Pacific?

Mr. HAZEN: It has been used all along on the Pacific.

Mr. LEMIEUX: How many sailors have you on board?

Mr. HAZEN: The Rainbow carries about 270 men.

Mr. LEMIEUX: Are they all Canadians?

Mr. HAZEN: I do not think so. I would think that a good many would be Britishers. A great many are men who have been in His Majesty's navy.

Sir WILFRID LAURIER: How many boats have we engaged in the protection of the fisheries on the Pacific ocean?

Mr. HAZEN: We have three fishery protection vessels on the Pacific coast. Two, of the type that is employed in the protection of the Irish fisheries, were built at Dublin four or five years ago. The other is an older boat and has been in the service a longer time. In addition to that we charter another vessel called the Lillooet.

Sir WILFRID LAURIER: What about the Naval College? How many students are there?

Mr. HAZEN: The college has had its best year in its history. At present I think there are between 30 and 40 students, practically all we can now accommodate. These come from all parts of the country. There is one from Dawson City, but most of them are from the interior, from Ontario, and a number from Montreal and other points in Quebec. The college is doing well, making good progress, and were it not that the Minister of Finance is urging us to keep down our expenses, I would have asked for a considerable appropriation for the erection of a more suitable building. The old hospital in the Naval Yard, which is now used as the main college building, has become inadequate for the purpose. A new building must be provided, and when that is done, if we continue to have a Naval College, as I hope we shall, the building should be entirely adequate. Those who have gone through the college and entered the Navy have had splendid records. Even if a student does not enter the Navy, the training and education which he receives at the Naval College are of great value to him in civil life, just as the course at the Royal Military College equips a young man for other callings than military life. I am satisfied that, from the development of the last few years, especially the last two years, the college will become one of the most important public institutions in Canada.

Sir WILFRID LAURIER: What is the nature of the education? Does the student, in addition to instruction in astronomy, geography, mathematics, etc., receive any practical naval instruction?

Mr. HAZEN: Of course, all of the instruction looks towards service in the Navy. During their course at the college the young man receives minor practice on small ships. If he decided to enter the Navy, he spends two and a half years on one of His Majesty's ships.

Sir WILFRID LAURIER: How many years is the college course?

Mr. HAZEN: Three years.

Mr. LEMIEUX: What success has attended the recruiting for the British Navy under Sir Rupert Guinness.

Mr. HAZEN: It is almost a mistake to say that the recruiting was under him. He came here with a letter addressed to me by Mr. Balfour, who was then First Lord of the Admiralty, and he had authorization from the Admiralty, with our approval to enlist men from Canada for the navy. But his authorization was to enlist them at the rate of pay of the Royal Navy, which is, I think, 36 cents a day. It would have been impossible to enlist men in Canada on those terms. That was explained to him. We communicated with the Admiralty and told them that we were willing to receive and enlist men for the navy, paying them the same rate as is paid in the Canadian navy, which is practically the same as the rate of pay to the troops for overseas service, and that we were willing to place those men at their disposal. We feared that

this might not be acceptable to the Admiralty owing to the objection to having men on the same ship under such different rates of pay, but, on consideration, the Admiralty saw no objection. So we arranged to recruit the men with the assistance of Sir Rupert Guinness. We organized recruiting boards and great service was rendered by some gentlemen, for instance Mr. Æmelius Jarvis, of Toronto. We turned the Montreal commissioner's office into a recruiting office under the direction of Mr. Ross and the officials of the department, including the assistant secretary, Mr. Fennell, who were most active. In this way we succeeded in enlisting 1,600 men. We found that a great many men who would have preferred service in the navy if the Admiralty had asked us for recruits early in the war, at the time when we suggested such recruiting to them, but when the British Government said that they preferred that we should confine our attention to recruiting for the land forces, had already enlisted in the army and had gone overseas. But we enlisted 1,600 men, who were sent overseas, and who, I have no doubt, have been of very considerable help. Sir Rupert Guinness and his wife, who is a talented speaker, were of great assistance. They addressed recruiting meetings and Canadian Clubs in different parts of the country.

Mr. GRAHAM: The minister has given us a sketch of the work of his department. I presume that most of that work will be paid for out of the War appropriation.

Mr. HAZEN: I said we had spent about $17,000,000. About $4,000,000 in all was paid out of our appropriation for the ordinary work of the department.

Mr. GRAHAM: For the year?

Mr. HAZEN: Yes. Another $4,000,000 to be charged up to the War Measures Act and to the War Appropriation, and the balance of the money spent for supplies and purposes of the Imperial navy, and of certain of the Allied navy, because at times Italian and French ships come to our ports, and we have to furnish supplies. That money all comes back to us, but the moneys we have spent ourselves would amount to $9,000,000, of which one-half would be payable out of the appropriation made by Parliament. The other half would come under the War Measures Act.

Mr. GRAHAM: Would the minister be at liberty to tell us what progress Mr. Norcross is making in connection with his shipbuilding for the British Government?

[Mr Hazen.]

Mr. HAZEN: We have been following that work with a very great deal of care. Mr. Norcross, I am glad to say, volunteered his services and rendered us very valuable assistance. We had not enough officials in the department to undertake it, and we had to accept the services of volunteers. This work is progressing satisfactorily, but not so rapidly as we hoped. There is difficulty about getting boilers and engines, which has caused delay. However, a number of vessels have been launched, and we hope to have a number of them in patrol service in such places as the British Government desires to place them. The British Government asked our department to undertake that work, and we are doing it, greatly assisted by Mr. Norcross and certain other gentlemen. The work is being performed in certain places in Canada. In Quebec the work is being done by George Davies, in Montreal by the Canadian Vickers, in Toronto by Norcross and Polson. At Collingwood and Port Arthur, and different points in Canada, work is being done. On the whole, I think it is going ahead satisfactorily, but there are delays in obtaining material, and it has not proceeded as quickly as we hoped it would at the time the orders were placed.

Mr. GRAHAM: We have sent over a number of young men who are active in the motor-boat patrol service. From along the St. Lawrence several young men have gone, and my information is that they are in the motor-boat patrol, although some of them did not go over for that purpose. It is interesting to know that the education they received as a matter of pleasure on the rivers and waters of Canada has proved of such great benefit to them and to the Empire at the present time. Has the minister any information he can give us about the number of young men who are in that service and what they are doing?

Mr. HAZEN: Nearly 300 young men entered as sub-lieutenants, and over a hundred young men for duty as chief motor mechanics and motor mechanics in this branch of the Imperial service. It is known as the Auxiliary Motor Boat Patrol System. We have practically sent over about four hundred young men for that purpose.

Naval service—To provide for the maintenance and upkeep of ships, naval college, dockyards at Halifax and Esquimalt and Royal Naval Canadian Volunteer Reserve, $1,000,000.

Mr. PARDEE: What vessels does the minister consider naval vessels?

Mr. HAZEN: All vessels practically engaged in naval service. For instance all vessels that are engaged in the patrol service all around our coast, watching to see that no naval base is established, and on the lookout for any submarine that might appear.

Mr. PARDEE: How many of them are there?

Mr. HAZEN: Something like thirteen or fifteen, I think.

Mr. LEMIEUX: Of the larger types?

Mr. HAZEN: I will get the list.

Mr. KYTE: But there is a larger number of motor boats employed, is there not?

Mr. HAZEN: Yes, but they are hardly regarded as naval vessels. There are a number at Sydney and Halifax used in connection with the vessels at those ports.

Mr. MARCIL: Has anything been seen of the enemy in Canadian waters since the war broke out?

Mr HAZEN: It is pretty hard to answer. In the early days of the war there was scarcely a day we did not receive a report of submarines being seen. All shipping was stopped on the St. Lawrence. No ships were allowed to go out of Quebec.

This was done because the statement came from lighthouse keepers that several submarines had been seen in the lower part of the Gulf. We used to hear reports, too, of submarines being seen around the Island of Cape Breton; the member for Richmond (Mr. Kyte) no doubt remembers the report that was sent in about their having been seen in the Bras d'Or lakes. They were reported also as being off the coast of Maine. At one time the reports were backed by such evidence that the Naval Department of the United States sent ships down there and were in communication with us in regard to the matter. In nearly all these cases, however, investigation proved that the reports were unfounded. My own belief is that enemy submarines have not been near our coast. We have received even this year reports of that kind that seemed to be well verified, but on investigation we came to the conclusion that it could not have been submarines that were seen.

Mr. GRAHAM: New York harbour was closed for part of one day.

Mr. HAZEN: Yes. We have thought that there would be more possibility of enemy ships operating further to the south if they were on this side of the Atlantic at all. Of course, the submarines can do much more effective work by remaining near the other side, near their bases, in the path of vessels crossing to the British Isles. Most probably it would only be for spectacular purposes that they would make a trip over to this side. We are taking every step that we can take in order to combat this danger. I do not think it is possible, having regard to the means of protection that are being adopted, for a submarine base to be established anywhere along the coasts of Newfoundland or the Maritime Provinces, or in the Straits of Belle Isle. At one time there was a general theory that a submarine base might be established along the Straits of Belle Isle, and that district was quite carefully watched. Up to the present, however, we have had no evidence to lead to the conclusion that any submarine base has ever been established on this side of the Atlantic in Canadian territory.

Mr. LEMIEUX: How many submarines and destroyers have been built at Vickers?

Mr. HAZEN: I do not think it is desirable that that information should be given.

Mr. LEMIEUX: There has been no difficulty between the British Admiralty and this country since the war began in respect of naval matters?

Mr. HAZEN: No, the arrangements have been very satisfactory. Everything in connection with dockyards, stores and all such matters has gone very smoothly indeed.

Mr. LEMIEUX: My hon. friend, who has spoken so favourably about the Royal Canadian Navy, will, I assume, do nothing to repeal the Naval Act?

Mr. HAZEN: The hon. gentleman must not ask me to pledge myself; it is very dangerous to make a promise in these times.

Sir WILFRID LAURIER: At all times.

Mr. LEMIEUX: My hon. friend says that everything is smooth as between the Canadian Naval Department and the British Admiralty. We are building ships for the British Government; we are employing many men; the patrol of our sea coast is under the direction of the Canadian Naval Department. My hon. friend has excellent officers; he has naval cadets; his naval college is working in perfect order. Besides, my hon. friend has been able to recruit for the British Admiralty during the

year. On the whole, in this respect, my hon. friend is possibly the least objectionable of all the ministers. We are very fortunate indeed in having our Royal Canadian Navy, not only for election time, but for all times.

Mr. MARCIL: The member for Rouville (Mr. Lemieux) might have added that, as a fortunate and happy conclusion of the anti-naval campaign, the present Government has elevated to the Senate Mr. L'Esperance, the late member for Montmagny, who had given notice in the House of a resolution to repeal the law creating the Canadian Navy. He was impelled, however, to withdraw the notice of this resolution. Subsequently he was made Chairman of the Quebec Harbour Board, and, as a faithful reward for his services, he has been raised to the Senate and has voted for conscription. This gentleman was roundly denounced in 1911.

Mr. KYTE: Is there any objection to stating how many motor boats are leased in Nova Scotia, their sizes, the names of the parties from whom they are leased, and the rate of pay?

Mr. HAZEN: That information ought not, perhaps be given publicly, but I will send my hon. friend the list if he wants the information for himself.

Fisheries Protection Service—To provide for the repairs and maintenance of fisheries protection steamers, $375,000.

Sir WILFRID LAURIER: I am not surprised that there is no increase in this vote. I would imagine that the protection of the fisheries is almost a sinecure now. There is no poaching in Canadian waters.

Mr. HAZEN: Oh, yes; we have to watch our waters all the time. Only the other day an American vessel was seized within the three mile limit on the Nova Scotia coast. A few weeks before that, another one had been seized. A large fishing fleet is off the Nova Scotia coast now, and we have to watch the vessels as a cat watches a mouse to prevent their coming within the three mile limit. We have not, however, spent the money voted last year. We are asking for the same amount this year as last. Last year the gross amount spent was $299,000. A portion of the gross expenditure was transferred to the War Appropriation vote, which left the net expenditure at $145,000. I doubt if we shall spend more than half of the amount we are asking for this year.

Mr. NESBITT: Why was part transferred to the War Appropriation vote?

Mr. HAZEN: Because after these boats had finished with the patrol service they were used in connection with the Naval Service.

Mr. NESBITT: On the Atlantic coast?

Mr. HAZEN: Yes.

Sir WILFRID LAURIER: I quite realize that we must keep a watch in our territorial waters, because if our cruisers were not there the American fishing vessels might indulge in poaching. I am happy to believe—indeed, I have reason to believe—that relations between Canada and the United States are very much more friendly to-day than some years ago, when we had very serious trouble over the fisheries question. In view of this, I think the expenditure on the fisheries protection service, especially on the Pacific coast, might be very much reduced. Pelagic sealing has been abolished, and I should think that we have not much to fear from American poachers in our northern Pacific waters, although farther south, in the vicinity of the San Juan straits, a closer watch no doubt has to be kept. Perhaps my hon. friend will tell us just what the conditions are.

Mr. HAZEN: I do not think the fisheries protection fleet ever had anything to do with the protection of the sealing. As my right hon. friend says, pelagic sealing is now a thing of the past, and there is no expenditure necessary for that purpose. In a very short time we expect to receive a very considerable sum of money under the terms of the treaty that was made. We received $200,000 in advance, when the killing of seals was prohibited for a period of five years, contrary to the opinion of our scientific men, who thought that step undesirable. In a very short time we shall be getting 15 per cent of the hides from America, 10 per cent from Japan, and 15 per cent from Russia.

Although excellent relations exist between Canada and the United States at the present time, that does not prevent individual American fishermen from coming within the three-mile limit and taking our fish if they think they can get away in safety. It is just as necessary to keep a close watch to-day as when our relations were not so good as at present. The right hon. gentleman referred to the protection service on the Pacific. We have to keep a watch upon

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the northern Pacific waters where there is a great deal of poaching by American fishing vessels. A large American fleet goes up to the North every year for the purpose of catching halibut, which are caught nearly altogether outside of territorial waters.

Sir WILFRID LAURIER: What is the base of that fleet?

Mr. HAZEN: Ketchican, in Alaska. Farther south, near the international boundary, a watch has also to be kept. I would again point out that the fact of our good relations with the United States at the present time does not to any extent reduce the expense of our fisheries protection service, because there is just the same temptation now as formerly for an American citizen to get the best fishing he can wherever he can get it, and if he is allowed to come within the three-mile limit, he will do so.

Sir WILFRID LAURIER: Of course, we must not be careless, even though the relations between the two countries have improved. But in my remarks I had reference to the time when the United States claimed the privilege which is now denied to them under the treaty. I should have thought that the service could be maintained at very much less expense to-day, when the American authorities no longer countenance poaching by their vessels as they did formerly.

Mr. LEMIEUX: Would the minister say what action was taken in regard to the proposed regulations?

Mr. HAZEN: My hon. friend refers to the treaty that was entered into. The treaty provided that each country should appoint a commissioner, and that the commissioners should prepare regulations for the control of the fisheries in waters contiguous to the international boundary. The Congress of the United States never passed the legislation that was necessary to make that treaty effective, and that the Government of which my hon. friend was a member appointed Professor Prince, and that the United States Government appointed Prof. Starr Jordan. Those gentlemen made the regulations, and they were published. The Parliament of Canada at once, under the terms of the treaty, passed the necessary legislation in good faith to make them effective, but the United States Congress refused to pass such legislation on their part. I had a talk with the present President, Mr. Wilson, about it, and came to the conclusion that nothing could be done. Special interests in the United States prevented Congress from doing what they undertook to do under the treaty.

Mr. MARCIL: Does the minister find that the returns from the Atlantic fisheries this year are satisfactory?

Mr. HAZEN: Fishing was not good in the early part of the season. It is improving, and on the whole I think it is better than it was last year. In regard to the sardine fishery, which is an important industry in my province, the catch was light in the early part of the season, but the prices were very high. The fishermen never received such prices before. The salmon fishery has been very good in many parts, but in other sections it was not so good. I think on the whole we shall have a very satisfactory return.

Mr. MARCIL: What about the cod fishery.

Mr. HAZEN: It is good.

Mr. MARCIL: Are there as many fishermen employed as in other years?

Mr. HAZEN: I have not the figures for this year yet.

Mr. LEMIEUX: The statement has been published in the papers that Mr. Hanna, Food Controller, had succeeded in arranging for the transportation of fresh fish from the Atlantic coast to inland points. I know the department had an arrangement with the Intercolonial some years ago with the same object in view, and I would like to ask if there is anything new in what Mr. Hanna has done in this regard.

Mr. HAZEN: So far as I can learn, the railways are extending to Toronto the service which previously only came as far as Montreal.

Mr. LEMIEUX: Can my hon. friend give any details of that service? For instance, how many cars are in the service?

Mr. HAZEN: I think I gave that information when my fishery estimates were before the House.

Mr. LEMIEUX: Is there a daily service?

Mr. HAZEN: There is one express car service a week, and there is a regular refrigerator car service, by freight, on the other days.

Mr. NESBITT: What boat, if any, is protecting the fisheries in Lake Erie?

Mr. HAZEN: The Vigilant.

Mr. KYTE: Might I ask if the list the minister handed me contains the names of all motor boats employed by the Government in Nova Scotia waters?

Mr. HAZEN: The purchasing agent tells me that the list contains all the names. Of course, these are motor boats. In addition, steamers and tugs are employed.

Mr. KYTE: I understand some of those motor boats were purchased by the Government. From the sums stated here as having been paid—$1,900, $900, $6,000—I should presume they were purchases. I see some of them are set down as being chartered at $275 a month.

Mr. HAZEN: I think the return states which were purchases and which were not.

Mr. KYTE: No, it does not.

Mr. HAZEN: My hon. friend will see, the return does convey that information. For instance, if he will look at the head of the page he will see "price per month," then, down below, he will see lump sums, such as "$1,900," "$900." Those lump sums are purchases outright.

Mr. KYTE: Has the minister a list of the steamers and tugboats in the service of the department?

Mr. HAZEN: Yes. I will have it sent to my hon friend.

Mr. PUGSLEY: Some little time ago, I referred to a scheme which was favourably considered by the minister in connection with the sardine fisheries in the counties adjacent to Charlotte. The idea was to give to Canadian buyers of sardines a preference over other buyers. My hon. friend stated that the object was to encourage the establishment of canning interests in Charlotte county promoted by the late Sir William Van Horne. After the decision had been arrived at to impose a condition upon the license that they should give a preference to the Canadian buyers, the resolution of the department was rescinded, and, to use the expression of my hon. friend the Minister of Finance (Sir Thomas White) the rescinding "synchronized" with the coming on of the provincial election. Owing to the agitation, I think, decision was suspended, and it never became operative afterwards. I am sorry my hon. friend who represents the county of Charlotte (Mr. Hartt) is not in his place, because I should like to give him an opportunity of explaining a letter which he wrote in this connection, which I propose reading. He wrote the Deputy Minister of Marine and Fisheries approving of this proposed policy, but suggesting that the change when made should be printed in the regulations so as not to attract the attention of the fishermen. My hon. friend did not remember any such letter, but afterwards he was good enough to send me a copy of it. I do not wish to do my hon. friend from Charlotte any injustice and I think it only right that the letter should be placed on Hansard so that the fishermen of Charlotte county may have an opportunity of judging as to the action of the hon. member in that respect, and the hon. member may also have an opportunity of explaining his action, if he desires so to do.

Mr. HAZEN: Did not the hon. member for Charlotte suggest that this be printed in the license so that the fishermen should know it?

Mr. PUGSLEY: If that were so, it would have been a most admirable desire on the part of the hon. member for Charlotte, but his suggestion was that it should be printed in the license so as not to attract the attention of the fishermen. It is a curious letter. Let me read it:

House of Commons, March 2nd, 1912.

A. Johnston, Esq.,

Deputy Minister of Marine and Fisheries,

Dear Sir,—Your letter of February 29th re the proposed change in the wording of "Weir Licenses" received.

I approve of giving buyers for the Canadian sardine factories the second but similar privileges as the buyers of bait.

This will not injure the Canadian fishermen, but will make the supply to Canadian factories more certain. I think new licenses should be printed including this provision, and as licenses are not in the hands of fishermen yet, there must be time to make the change, and licenses that are in the hands of fishery inspectors I hope can be recalled and the new form sent out.

Please let me know if this can be done. I know the fishermen will pay less attention to the change if done in this way.

Yours truly,

T. A. Hartt.

What does that mean?

Mr. HAZEN: Does it mean that this being printed in the license, and the fishermen seeing it there will recognize it as being correct, whereas, if it is not in the license, they will imagine something is being done which is improper and against their interests, and will suspect it is desired to keep them in the dark about it? That is what Mr. Hartt tells me he meant by it—that he wanted the greatest publicity given to it.

Mr. PUGSLEY: Yes, but the hon. gentleman (Mr. Hartt) has stated that it should be printed in the license, and he says:

I know the fishermen will pay less attention to the change, if done in this way.

If it is printed in the license they will pay less attention to the change.

Mr. HAZEN: The hon. gentleman is attaching to the word "attention" a different meaning from what the hon. member (Mr. Hartt) intended. What he meant to convey was that if this is printed in the license the fisherman will see it at once when he gets his license, he will know what the conditions are, and therefore it will give him less trouble, annoyance or worry than if this is not done later on when his attention is called to it in some other way. The word "attention" is being used in one sense by the hon. member for Charlotte and in another by my hon. friend (Mr. Pugsley).

Mr. PUGSLEY: What other word would convey what was meant?

Mr. HAZEN: Perhaps he meant to say "disturbed" or something of that sort. I think I would have phrased it differently.

Mr. PUGSLEY: Would be "disturbed" less?

Mr. HAZEN: Yes.

Mr. PUGSLEY: Well I think that is about what the hon. gentleman (Mr. Hartt) meant. He meant that if it was printed in the license the fisherman would not realize that it had been done and there would be less dissatisfaction among them. It would not attract their attention. But the word "attention" is an ordinary English word the meaning of which is very well understood.

Mr. HAZEN: I think it is a most extraordinary thing to argue that the writer of the letter meant that it would not attract their attention so much if it was right there in the license where they could see it. Surely it was the very thing that would attract their attention.

Mr. PUGSLEY: But if it were interlined the fishermen would see that the minister meant imposing upon them the obligation to give Sir William Van Horne's canning industry the first right to buy. In other words, the policy which my right hon. friend determined upon at the request of Sir William Van Horne was that the fishermen would proceed with their catch first to the American buyers and if the Americans offered $4 per hogshead, Sir William Van Horne's company would say that they would give $4 and then the fishermen would be obliged to sell to Sir William Van Horne's company. In a few years the result would be that the American buyers would be driven out of the market completely and the fishermen would be at the mercy of Sir William Van Horne's company.

Mr. NESBITT: Would they be obliged to sell?

Mr. PUGSLEY: Yes, obliged to sell to the Van Horne Company at whatever price the American buyer would offer. Right up to time the fish are actually taken off, the Van Horne company had to have the first right, just as it was also provided with respect to bait. Such a condition was to remain in full force until the fish were taken from the weir and unloaded from the licensees' boats to the boats of the buyer. So that the fishermen were placed absolutely at the mercy of Sir William van Horne's company. The fishermen were greatly opposed to it. The hon. member for Charlotte (Mr. Hartt) saw, as a sensible man, that it would be opposed by the fishermen. He was so anxious to encourage the establishment of Sir William van Horne's canning industry that he favoured the change, and he requested the deputy minister to see that the license was changed, and that the change should be actually printed in the license and not interlined as he believed it would attract less attention from the fishermen. He says:

I think new licenses should be printed including this provision, and as licenses are not in the hands of the fishermen yet, there must be time to make the change, and licenses that are in the hands of fishery inspectors, I hope, can be recalled and the new forms sent out. Please let me know if this can be done. I know the fishermen will pay less attention to the change, if done in this way.

I would say that what the hon. member for Charlotte had in mind was that if this restriction were interlined it would attract the attention of the fishermen and possibly cause an uproar among them, but if it were printed it would probably attract less attention.

Mr. HAZEN: It is impossible for my hon. friend and myself to say what the hon. gentleman (Mr. Hoitt) did mean. I am sorry he is not here, but from a conversation I had with him I think he meant the very reverse of the construction that my hon. friend places upon his letter. However, perhaps before the session is over, the hon.

member for Charlotte will have an opportunity of explaining. From what I know of the hon. gentleman, I know that he would not for one moment entertain the idea of doing anything which would not be in the greatest interest of the fishmen and of the public generally.

Mr. PUGSLEY: He is an old school teacher, and he knows what the word "attention" means.

Mr. NESBITT: Is that regulation still in force?

Mr. HAZEN: No, it never was in force.

Mr. KYTE: Some months ago tenders were invited for a patrol service on the coast of Newfoundland. I am aware that a tender was put in by Captain Charles A. Stewart, of Wood's Island, Newfoundland. He received information from the department that his tender was the lowest, but I was never able to ascertain whether a contract had been awarded. I had some correspondence with the deputy minister of the Naval Service on the subject, and the last I heard from Captain Stewart was that an inquiry was being made at St. John's, Newfoundland, to ascertain whether his boat was suitable for the service.

Mr. HAZEN: How long ago?

Mr. KYTE: In April. Perhaps the minister would be good enough to write me a letter giving a statement with regard to the position of affairs.

Mr. HAZEN: I will ask my officials to take note of it, and I will have the information sent to my hon. friend.

Mr. GRAHAM: I know the department are very anxious to keep in Canada all the boats we have. Had they anything to do with the sale of a steamer called the John Webster to the United States Government last month?

Mr. HAZEN: That is a matter the Department of Naval Service has nothing to do with. It might come under the attention of the Marine and Fisheries Department, but it has not come under my attention. I saw that a steamer named the John Webster had been sold to parties in the United States. The steamer was one that went between Brockville and an American port.

Mr. GRAHAM: A new steamer.

Mr. HAZEN: If she is a Canadian-registered steamer the registry could not be transferred to the United States without the approval of the department and the approval would not be given without my sanction. It has not come to my attention. Possibly the steamer was registered in the States, and that being so we should have nothing to do with it. Does my hon. friend happen to know whether it was American or Canadian registry?

Mr. GRAHAM: No.

Mr. HAZEN: If it is registered in the United States they could sell it to whomever they choose without let or hindrance on our part. If it is registered in Canada, before Canadian registry can be closed they have to get the consent of the department.

Fisheries Protection Service—To provide for new vessels, $100,000.

Mr. HAZEN: I have kept that item in the estimates because it was in last year, but under existing conditions we do not intend to expend the money. We feel we ought to have better fishery protection on Lake Erie than we have at the present time. We have one vessel, the Vigilant, but in spite of the greatest vigilance the Vigilant can exercise there is no doubt that there is more or less poaching from the American side.

This item was inserted to provide a faster boat for that service, but owing to the general cutting down of expenses we have not proceeded with that work, and we shall try to get along for another season.

Sir WILFRID LAURIER: Has the minister given up hope of having the treaty passed some years ago between the two nations, for the protection of these contiguous waters, ratified by the American Senate? It is a very valuable treaty and was pressed upon us by some Americans as vigorously as by our own people. I know that special interests have so far been able to prevent the ratification of the treaty.

Mr. HAZEN: I think Canada went almost to the very limit it could go without humiliating itself with regard to the matter.

Sir WILFRID LAURIER: Hear, hear.

Mr. HAZEN: And I might say to my hon. friend, in all candour, that I think there is practically no chance of it at all.

Mr. GRAHAM: At one time it looked as if Congress were about to consider the matter favourably, but, as the minister said, private interests intervened and were sufficiently influential in Congress to prevent ratification. In reference to the fishing in the St. Lawrence river, particularly in the

Thousand Islands where it is mostly sporting fishing, owing to the conflict of interests between the federal and provincial authorities, what was the business of both for a time became the practical business of neither, and Americans were fishing in our waters among the Thousand Islands with impunity. An arrangement was entered into, largely through the efforts of the Thousand Islands Anglers' Association, by which, while perhaps the letter of the law was not adhered to on either side, the fishermen on each side were controlled. It is difficult to say whether a fisherman is on one side of the line or the other, and thus many poachers escaped. Does the minister know anything about that arrangement and is it still being carried out?

Mr. HAZEN: The Government of Ontario has taken over the administration of its own fisheries. Under the decision we make the regulations, but they are administered by the provincial government. We make the regulations at their request in matters of that sort.

Mr. NESBITT: The province has nothing to do with the enforcement of the law on lake Erie.

Mr. HAZEN: Those are commercial fish. We prevent encroachment on our waters by people from the American side, but the province would have control so far as its own people are concerned.

Mr. NESBITT: I shall be glad when the Government can afford a swifter steamer on lake Erie because there is undoubtedly a good deal of poaching by fishermen from the other side.

Mr. GRAHAM: Has the Government changed its attitude in respect to extending the season for fishing every autumn? Regularly, particularly at election times, certain extensions in the open seasons are asked for. It is always suggested and argued that the season has been a bad one up-to-date, and that the fisherman will not have had the full fruition of his year's toil unless a certain extension is made. Whenever there has been a kind of undertone from the country that there is going to be an election, the fishing season has been bad, judging by the extensions. I think the minister made an announcement in the House at one time that they were not going to do that any more, that they were going to have a certain stated close season which was going to be adhered to, and that it would be fixed after all due consideration. Would there be any chance this autumn of the minister extending the fishing season, or is he obdurate on that, and will he refuse to do anything?

Mr. HAZEN: We will always be open to reason. If the hon. gentleman would advance good reasons, in the public interest, why it should be done, we will consider it. My hon. friend refers to what I stated in the House. I said I thought the close season should be fixed by statute. At present it is fixed by order in council. Practically every year there are demands for an extension of the fishing season.

Sir WILFRID LAURIER: Would it not be better to have it fixed by statute?

Mr. HAZEN: Perhaps it would be. I know the hon. members from Northumberland (Mr. Loggie), Gloucester (Mr. Turgeon), and Kent (Mr. Robidoux) would not agree to that, because, they say, there are certain exceptional seasons when it would be a hardship to fishermen if an extension were not granted. Sometimes for weeks in the early season the ice will set in along Northumberland Straits and the Gulf of St. Lawrence. The hon. gentleman from Pictou (Mr. Macdonald) made a strong appeal on one occasion for an extension. For weeks people could not get out to fish at all. There are certain seasons when the weather is so stormy that they cannot set out their nets. A great many people are dependent on fishing for their livelihood, and when the seasons are not extended they are without the means of livelihood. Sometimes requests are made which are not justified, when these conditions I refer to do not exist. If my hon. friend has any particular fishery in view, I will give consideration to the matter.

Mr. PUGSLEY: But the hon. gentleman will not get credit for it, if an election is held.

Mr. HAZEN: I think my hon. friend will see he gets the credit.

Mr. MARCIL: Was there a request made in regard to the extension of the season for salmon fishing on the Restigouche?

Mr. HAZEN: I cannot say. A request came in to-day for an extension of the season for salmon fishing on the Miramichi.

Mr. MARCIL: I received a letter from Mr. H. C. Gillis, Tide Head, N.B., who said he was not able to put out his net before June 27.

Mr. PUGSLEY: Will the minister make a statement as to the regulations regard-

ing the size of lobster? Some years ago the late Colonel Tucker who represented St. John's county in Parliament, was appointed on a commission to examine into the whole question of lobster fisheries—I think that was the subject—and I remember how greatly he prided himself upon the fact that no lobsters could be caught of less length than nine inches. He took great credit for that. It occurred to me that his views were sound, because I understood that until a lobster reached that size it had not arrived at the age of maturity, and that it would prevent reproduction of a most valuable species, and would be very injurious to the public interest, if the small lobsters were killed. About two years ago I received a letter from a gentleman who carries on a large business in fish in St. John, enclosing me a little bit of a lobster about two and a half inches in length, which was a sample of lobsters of the waters of the province of Nova Scotia, which were on the market in St. John. It was a great surprise to me. I made inquiries, and I was informed that lobsters at that time could be caught of any size in the waters of Nova Scotia, whereas in the waters of St. John and Charlotte they could not be caught of a less size than nine inches. The lobster fisheries are of enormous value. I think the lobster is the most valuable shell fish that can be found. It is in very great demand in all the cities of the United States, and before the war was in great demand in Europe. Canned lobster is a very great luxury, and is a most delicious article of food. I am sure the minister will agree with me that it would be a great pity to have any regulation which allowed the sale of these small fish, and I hope he will be good enough to make a short statement with regard to the regulations respecting the size of lobsters which may be caught.

Mr. HAZEN: The hon. gentleman is quite right. In St. John and Charlotte county there has been a limit for many years. There are no lobster factories in St. John and Charlotte—no licenses are granted lobster factories in either of those two counties. The lobsters are accordingly shipped away, very largely to the Boston market for sale. The result of there being no lobster factories in St. John and Charlotte county is that in the last few years there has been a small increase in the catch of lobsters in those two counties. The lobsters which my hon. friend refers to in the store in St. John no doubt came from the south shore of Nova Scotia, where there is no size limit to the lobsters that may be caught and canned. There are many canneries there, the business having been long established. It was claimed on behalf of the canners that fresh lobsters could not be sent to market and sold at a price which would be profitable to the fishermen. The season there is very much shorter than in St. John and other places where there is a size limit. I agree with my hon. friend as to the impropriety and undesirability of allowing the catching of immature lobsters, and I believe in a very short time it will be possible to pass a law that will prevent any lobster canneries existing in Nova Scotia at any point west of Halifax. When you get beyond that there is no line of railway across the country, and it is a very long distance for the canner to bring lobsters around to Canso, and ship them to the United States. But we are right up to the time when it will be possible to prohibit the canning of lobsters altogether, and to enact a size limit such as we have in the counties of Charlotte and St. John.

Mr. PUGSLEY: How is it on the northern coast?

Mr. HAZEN: If you come to the northern coast you will have to observe the rule there, for the reason that the people in Northumberland county, Kent county and Prince Edward Island cannot get lobsters fresh into the American market, because it is too far away.

Mr. PUGSLEY: There is no size limit?

Mr. HAZEN: No. In all these districts there is a difference in the length of the season, having regard to the habits of the lobster. In spite of that, last year, along the Northumberland Straits, up at Point Sabin, there was the largest catch of lobsters in the district in forty years.

I am told that they were caught in such large numbers that in some cases the factories could not handle them, and they were sent to other factories some distance further down the coast. This year the catch has been very small.

Sir WILFRID LAURIER: That may be owing to the catch being so large last year.

Mr. HAZEN: Possibly. I agree with what my hon. friend says with regard to the catching of the little lobsters at points where there is fair chance of shipping live lobsters to the market to be used in fresh state. I hope that in a short time a regulation may be passed for the Nova Scotia

coast similar to those now in force in St. John and Charlotte counties.

Hydrographic surveys, $290,000.

Mr. NESBITT: How much was spent on this last year?

Mr. HAZEN: In 1915-16 the expenditure was $231,000 and in 1916-17, up to December 31, $170,000.

Sir WILFRID LAURIER: Upon what basis is this work done?

Mr. HAZEN: This work is for the purpose of having charts made of harbours and coasts. The chart with respect to Nova Scotia is pretty well completed; the same may be said of the lower St. Lawrence. Formerly the Admiralty charts were used, but in many cases they have been found to be inaccurate. The work is done at different places in different years. The survey is in charge of the gentleman who has been engaged in that work for many years, Mr. W. J. Stewart, chief hydrographic officer.

The following is a statement with respect to this work:

Atlantic Coast, C.G.S. Acadia.—This survey is being conducted along the south-east coast of Nova Scotia, starting from Halifax harbour to modernize the present charts of that locality.

Lower St. Lawrence, C.G.S. Cartier.—The work of this party is being gradually extended eastwards from the river and work has now been completed as far east as Point des Monts on the north shore and Cape Chat on the south shore. It is intended to carry the work along the south shore embracing the route of vessels approaching the St. Lawrence, during the coming season.

Lake Superior, C.G.S. Bayfield.—During the coming season it is intended to use this party in surveying the more exposed coasts of Lake Superior, in the vicinity of Caribou island and Michipicoten.

Lake Superior, C.G.S. La Canadienne.—This steamer, owing to her age and small power, is employed in surveying more sheltered waters. Last season she completed the survey of Nipigon bay. This year she will complete Black bay which was omitted in the general coast work. If time permits she will be moved to work in the North Channel of lake Huron.

Pacific Coast, C.G.S. Lillooet.—This steamer is working around Queen Charlotte islands and Hecate strait and it is proposed to continue in that locality.

Radiotelegraph service—to provide for the building and maintenance of wireless stations, $295,000.

Mr. MARCIL: I saw an item in the paper this morning that the wireless telegraph service between United States and Canada and Great Britain had been suspended. That, I suppose, would affect the service in Canada.

Mr. HAZEN: The deputy minister tells me that that was confirmed this morning.

Sir WILFRID LAURIER: I suppose that is a proper measure. I have heard that our signals were being tapped by the Germans.

Tidal service—to provide for the maintenance of tidal stations and surveying steamers, $35,000.

Sir WILFRID LAURIER: How many steamers are employed in this service?

Mr. HAZEN: Only one; it is really employed for the purpose of the naval service. This is for the maintenance of tidal stations and the preparation and publication of the tide tables, which are published not only for the Atlantic and Pacific coasts, but also for Hudson Bay. The expenditure in 1915-16 was $16,000, and 1916-17, up to December 31, $13,682. I do not think the expenditure will be any larger this year. These scientific services are suffering because of the loss of some of our young men who have gone to the war and whose places we are unable to fill. We are unable to carry on the work, therefore, as accurately as we have done in previous years.

Patrol of the northern waters of Canada, $50,000.

Sir WILFRID LAURIER: What is being done under this head?

Mr. HAZEN: We expect this will wind up everything in connection with the Stefansson expedition. The hon. gentleman will remember that some years ago Stefansson went north under the auspices of the Canadian Government. He has been gone now for over three years, and is expected to return in the course of a few months. His southern party has already returned. I hope that we shall not have to ask Parliament for any further appropriation in connection with this expedition.

Sir WILFRID LAURIER: I must say that I never had much faith in Stefansson's expedition. I think it would be very inopportune to give up the patrol of these northern waters, because up there we have

lands of great value, which will be of greater value still by-and-by, when their mineral resources are developed. American poachers invade not only these northern waters, but the mainland too, for fur-bearing animals, and I think we should have cause for regret if the service were discontinued.

Mr. HAZEN: The work my hon. friend refers to is carried on largley by the Mounted Police. Stefansson went up north to find new lands, mineral deposits, and anything of that nature that might be of value to Canada.

Progress reported.

At six o'clock the House took recess.

After Recess.

House again in Committee of Supply, Mr. W. H. Bennett in the Chair.

Civil Government—Royal Northwest Mounted Police—Salaries, $21,712.50; contingencies, $1,700.

Mr. GRAHAM: How many Northwest Mounted Police are there now?

Mr. ROGERS: We have about 800, I think. There is a proposal to increase the staff, but it is very difficult to carry it out, because the men who would join the mounted police are the ones who join the army and go to the front.

Mr. GRAHAM: Is it not the case that a good many of the mounted police have gone to the front?

Mr. ROGERS: Yes, a good many of the police have gone over too; but it is necessary to keep the force up to reasonable strength.

Civil Government—Departments generally, $275,000.

Mr. GRAHAM: What wages are now being paid to the poor women who clean up the buildings?

Sir THOMAS WHITE: They get one dollar per day for a few hours' work. They do not work the full day.

Mr. GRAHAM: Although it may not be relevant to this particular item, as an expert maker of lawns I would like to tell the Minister of Public Works (Mr. Rogers) that so long as he allows the sprinkling of his lawns in the middle of the day when the sun is hot, so long will he not have good lawns around these buildings. You might just as well pour hot water on a lawn as to sprinkle it when the sun is shining as it has been for the last few days. I do not wish to steal any person's job, but if the minister will inquire from any one who has had experience in making lawns, he will find what I say is correct.

Mr. ROGERS: We do not usually sprinkle the lawns until between four and five o'clock in the afternoon, but during the recent very hot spell we changed the hours of sprinkling, particularly around this portion of the buildings. This was done because the sprinkling had a very cooling effect, and seemed to be much appreciated by those who were working in this Chamber. Immediately the temperature changes we will go back to the old hour of sprinkling.

Mr. GRAHAM: The reason I spoke was because I saw a man sprinkling about half-past one the other afternoon, and I suggested it was not a very good time for the work. He said his orders were to sprinkle the lawn in the middle of the day. I could understand using a good deal of water on the roads, or even on the building itself, but sprinkling the lawns at that hour of the day will simply kill the grass.

Mr. ROGERS: The employee my hon. friend refers to was evidently making a mistake. Not only was he mistaken, but he was violating the rules of the city, because we are not allowed to sprinkle except at certain hours of the day. When we wanted to change the hour we had to get permission from the city authorities to do so.

Royal Northwest Mounted Police, $1,158,169.

Mr. GRAHAM: Every person is in favour of any reasonable vote for the Northwest Mounted Police. I was asking some questions as to the number and the Minister of Public Works gave me some explanation. I think it would be interesting if the right hon. the Prime Minister (Sir Robert Borden) would say a word about the Royal Northwest Mounted Police force. How many men have gone overseas and how many are in the force now?

Sir ROBERT BORDEN: There was a very earnest desire on the part of practically the whole force at the commencement of the war to enlist for service overseas. But it was not practicable for them all to do that because they were needed in the West. Especially during the past three years they have done very excellent work indeed. Occasionally, from time to time, we have permitted discharge a little in advance to men who wanted to enlist. How many men have enlisted and gone to the front? I am not prepared to say just how many. A few years ago we

increased the force by 500 or 600 men. The term of enlistment was altered at that time from three years to one year. I think nearly all of the men took their discharge at the end of the year. The force now is about 800. In view of the reduction in the military forces in Canada, authority has been given to increase the mounted police by about 500 men. In addition to that, I have had communication with the commissioner as to the possibility of raising a regiment, or even a brigade, of cavalry, from the Northwest Mounted Police if the time should ever come when cavalry would be needed in any of the theatres of war. We have communicated with the War Office from time to time, but they cannot say at present that any mounted force is needed. However, the commissioner has been authorized to announce that it is the intention to permit enlistment of a mounted force should it eventually be necessary. Some preparation has been made with a view to carrying out this proposal, should it be practicable to do so. The force has been provided with machine guns and a certain number of motor cars for expedition in case of certain contingencies that were at one time apprehended. I believe that at the present time the force is in a highly efficient condition. That is the report made to me by Commissioner Perry. I do not know of any further information that I can give, but if any hon. gentleman would like to ask any question, I shall of course answer it to the best of my ability.

Mr. PARDEE: I saw in a newspaper four or five months ago an article headed "The Passing of the Northwest Mounted Police". It read as if the Northwest Mounted Police had been done away with. Am I mistaken in supposing that that is the case?

Sir ROBERT BORDEN: They are not done away with at all. Perhaps the article originated from the fact that the arrangements with the three Prairie Provinces, Alberta, Sackatchewan and Manitoba, were abrogated and the force is now used entirely for Dominion purposes. That was done upon the recommendation of the Commissioner who thought that in view of certain changes in the laws of the western provinces the men were being called upon to perform duties which would not tend to keep the force up to that high degree of excellence which has always characterized it. Under a very old arrangement the force performed the duties of a local police force for the Northwest Territories and afterwards for the new provinces. Legislation in regard to the liquor traffic and other matters was recently enacted and the Commissioner made reports to this effect: In the first place, that there was ample scope for the time and energies of the force in dealing with conditions as they presented themselves in time of war, and, secondly, that a force called upon to enforce local police regulations was hardly able to maintain the morale and the efficiency which had always been maintained in the past. He recommended that there should be consultation with the provincial government. Negotiations were carried on and an arrangement, by common consent of all the provinces, was made by which the amount payable by each province to the Federal Government for the services of the force was to be discontinued and on the other hand the force was to be entirely under the direction of the Commissioner and used for purely Dominion purposes. I imagine that this charge is the foundation of the report to which my hon. friend alluded.

Civil Government—Department of External Affairs—Salaries, $34,512.50; contingencies, $15,500.

Sir ROBERT BORDEN: The increase is due to the fact that the Department of External Affairs has had imposed upon it much more work than in previous years, notably in connection with the issuing of passports. The number of clerks has been considerably increased and they work very hard, to my personal knowledge. On the other hand, the revenue from the passports issued more than counterbalances the increased cost.

Mr. GRAHAM: We had some discussion the other evening with reference to the issuing of passports to ladies to go to England under exceptional circumstances.

Sir ROBERT BORDEN: There have been two or three cases where that has been permitted since the order in council was passed. The subject is under the general direction of a small committee of the Privy Council, of which Sir George Foster is chairman. I have asked Sir Joseph Pope to be guided by the direction of that committee in respect of such matters.

Mr. GRAHAM: We had some discussion as to what would be considered exceptional circumstances. To be candid, I am interested in a case of this kind. A bright young man was engaged to be married to a young lady. The ceremony was to take place within a few weeks, when he was ordered overseas. On the advice of friends, it was arranged that the ceremony should take

place in England, and he was to send for the young lady after his arrival there. It does seem a hardship that in such a case the young lady should be refused permission to cross.

Mr. HAZEN: I think I shall have to join hands with my hon. friend and see if we cannot influence the obdurate hearts of Sir George Foster and Sir Joseph Pope. I have been for some time urging the case of a young lady, but I have been able to make no more impression than my hon. friend.

Mr. NESBITT: What would be done in a case where a woman's husband had gone to England and obtained a permanent position there? Would she be allowed to go?

Sir ROBERT BORDEN: I am afraid I could not answer my hon. friend. I have not had much to do personally with these cases. While I was in England I made an application in a case of very severe illness. In another case where I sought to secure some modification, at the instance of one of the members of the House, I was entirely unsuccessful. I think if my hon. friends would speak to Sir Joseph Pope it would be the most effective course.

Salaries and contingent expenses of the Board of Pension Commissioners for Canada, $375,000.

Mr. GRAHAM: Was not an Act passed establishing this board?

Sir ROBERT BORDEN: No Act was passed. An order in council was passed to give effect to the committee of last year.

Mr. GRAHAM: We had something before us the other day in the House.

Sir ROBERT BORDEN: There is a resolution on the Order Paper.

Mr. GRAHAM: We had a resolution on it, had we not?

Sir ROBERT BORDEN: The resolution relates to the scale of pensions. This is intended to be the foundation of an Act.

Mr. NESBITT: It has nothing to do with the matter we are discussing.

Sir ROBERT BORDEN: Not directly. This item represents the expenses of the board which would administer the regulations that are now carried out under an order in council, but will eventually be carried out under statute.

Mr. NESBITT: This is an increase. Could anybody tell us how much of that was used last year?

[Mr. Graham.]

Mr. HAZEN: It is a new item.

Mr. GRAHAM: In the House the other night we were discussing the question of pensions, not on an item in the estimates, but on a resolution.

Sir ROBERT BORDEN: I do not think we discussed that question.

Mr. GRAHAM: Some member of the Government explained that what had hitherto been done by order in council or regulation in reference to the appointment of a pensions board was now to be done by statute.

Sir ROBERT BORDEN: Yes, but the statute has not yet been enacted.

Mr. GRAHAM: At what stage is it?

Sir ROBERT BORDEN: At the stage of a resolution on which to found a Bill.

Mr. GRAHAM: The resolution is in the name of the Finance Minister (Sir Thomas White) and reads: "Resolved that it is expedient to establish a commission to be known as The Board of Pensions Commissioners for Canada"—and so on—

This board is to be established by statute?

Sir ROBERT BORDEN: Yes, the commission made a unanimous report. There was no time to pass an Act last year. The recommendations of the commissioners were made effective by order in council under the War Measures Act. This resolution on the Order Paper is intended to be the foundation of the Bill.

Mr. GRAHAM: Are any members of that board acting without salary?

Sir ROBERT BORDEN: The chairman of the board does not receive a salary, although he is entitled to it.

Mr. GRAHAM: That is Mr. Ross. What are the salaries of the other two gentlemen?

Sir ROBERT BORDEN: Five thousand dollars.

Mr. NESBITT: Would this item include salaries of the commissioners after the Bill is passed?

Sir ROBERT BORDEN: Salaries and contingent expenses.

Mr. NESBITT: Salaries would be included?

Sir ROBERT BORDEN: Yes.

Mr. GRAHAM: How much money has been paid out of the pensions fund?

Mr. REID: When we take up item 79 we will have full information in regard to that.

Mr. PARDEE: Will information be given later which will show what that $375,000 is made up of?

Mr. REID: Yes.

Mr. PARDEE: The item says: "Salaries and contingent expenses, Board of Pensions Commissioners." The salaries cannot amount to very much, but the contingent expenses must be a very large item.

Sir ROBERT BORDEN: They have a pretty large staff. They have taken over a good many of the officers in the Department of Militia and Defence who were engaged in doing this work on a much smaller scale before the board was established. Besides that, they brought in a considerable additional staff. I have no information about it here, but when we take up item 79 I think we can give my hon. friend full information.

High Commissioner's Office, London—Salaries, $21,650; contingencies, $58,151.

Mr. GRAHAM: How big a staff has the High Commissioner as High Commissioner?

Sir ROBERT BORDEN: I cannot give my hon. friend accurate information as to the number of the staff, but I know that it has been very considerably increased, and contingent expenses in the way of telegrams and expenses of that character generally have naturally been very considerably increased since the war broke out. Sir George Perley has received, during all the time he has been over there, no salary whatever as High Commissioner, nor as Minister of the Overseas Service, and I understand that he is not willing to receive a salary in either capacity, although there is a resolution on the Order Paper providing for a salary to him as Minister of the Overseas Service.

Mr. GERMAN: Does the right hon. gentleman not think it would be more becoming, and more seemly to Canada, for our High Commissioner to be really High Commissioner, and draw his salary, and not represent a constituency in Canada, when he is really not sitting in Parliament and not actually representing the constituency at all? He is acting in a treble capacity: He is member for Argenteuil; he is High Commissioner; and he is Overseas Minister of Militia. It seems to me it is placing too much of a burden on one man, particularly when he is not drawing any salary in any of these offices. It looks very much to me as though he should fill one capacity, and the man who fills one capacity and does it well is doing about all that one man is able to do. It looks to me as though he were overburdened with duties. He cannot perform all these duties and do them properly. I submit, the High Commissioner should be the High Commissioner and should have a salary commensurate with the duties of the high position which he fills. He should not occupy the three positions I have named. I think that instead of considering a union Government the right hon. Prime Minister had better disunionize that position.

Sir ROBERT BORDEN: I think that particular union has worked very well indeed so far. With a good deal of what my hon. friend says, I should be inclined to agree. It must be remembered that Sir George Perley went over in June, 1914, intending to return in September of the same year. The war broke out, and he has remained at his post ever since, with the exception of a couple of months last year, when he visited Canada. The duties of the High Commissioner are very important, and sometimes pretty onerous. I know that he has had a great deal to do during the past three years by reason of matters connected with the war, and I agree entirely that his duties as overseas minister are also important and sufficiently onerous of themselves. I realize that the arrangement which has been going on for some months is not one that could be made permanent, but I hope my hon. friend will give us till after the session to consider what may be the future disposition, and to endeavour to effect some arrangement which will be satisfactory, even to his critical judgment.

Mr. GRAHAM: That is enlightening so far. It would appear that the Prime Minister has in his mind a change of some kind in connection with the High Commissionership at London. I am not going to argue whether it ought or ought not to be made. To be frank, it has been rumoured that he was going to insist on the Minister of Public Works (Mr. Rogers) accepting that high position.

As the Prime Minister has intimated that something is going to be done in this respect after the close of the session, now would be a good time for him to take the committee into his confidence and tell us whether he is going to appoint the Minister of Public Works as High Commissioner for Canada in London.

Sir ROBERT BORDEN: I am afraid that my hon. friend's curiosity is quite too ex-

cessive. I really have nothing to take the committee into my confidence about just at present. I may say in reply to the member for Welland (Mr. German) that I see a good deal of force in his observation and that after the session is over I will give my most careful and attentive consideration to what he has urged.

Miscellaneous—Amount required to meet expenses of the Technical Board appointed to consider questions relating to the level of the Lake of the Woods, $8,000.

Mr. NESBITT: Has that work been finished?

Mr. HAZEN: I think that the work has been finished; I am surprised that the amount is so reasonable. Hon. gentlemen will remember that the International Waterways Commission had referred to them a question with regard to the level of the lake of the Woods, affecting interests in Manitoba and Ontario and in the United States. It was necessary for that International Commission to arrive at what would be a proper minimum and a proper maximum level for the lake of the Woods, taking the season throughout. In order to decide this, they had to consider questions affecting navigation, power, fisheries. and many other matters. If the level of the lake were raised to a certain height, some land would be flooded, and there was a question as to what damages should be paid. Moreover, if the lake were raised to a certain level, certain advantages would result to people upon the United States side of the lake, while certain interests there would be injured; the question was how to adjust satisfactorily these various conditions resulting from the raising of the level. An immense amount of information was scattered among the departments in Ottawa—the Interior Department, the Department of Marine, the Public Works Department, and others—and in order to get that information consolidated and in such form as to be of use for the Canadian Commissioners, it was found necessary to appoint a Technical Board for that purpose. I was assigned by council the duty of organizing the board and of acting as chairman. As a matter of fact, I was chairman only in the sense of organizing and consulting. The real chairman of the board, the one who had the scientific and technical knowledge enabling him to do the work far better than I could, was Mr. W. J. Stewart, Director of Hydrographic Survey. We had on that board also representatives of the Public Works Department —Mr. Challies and Mr. Chapleau—together with representatives of the other departments in which there was information of this kind. A great many meetings of this committee were held. It was found necessary to employ surveyors and others in order to get the necessary information together and be able to advise the Canadian members of the International Waterways Commission.

Mr. NESBITT: Outside of the surveyors, the personnel of the commission consisted of men who were at that time civil servants?

Mr. HAZEN: Yes; they got no extra pay for their services. Certain clerical assistance, however, had to be provided; travelling expenses had to be paid, and certain surveyors and engineers had to be employed to take observations from time to time. This item is for the purpose of covering that expense. I have been informed by members of the International Waterways Commission that the information thus obtained was invaluable—indeed, was indispensable; that without it, it would have been impossible to get along at all. The result has been that the International Waterways Commission has been able to come to an arrangement with regard to the many diversified interests that were affected—an arrangement that will work out satisfactorily and will be acceptable to the people of both countries.

Mr. NESBITT: The result of the work of the commission was satisfactory to the United States Commissioners?

Mr. HAZEN: The commissioners of both countries agreed to it, yes.

Mr. NESBITT: And they have fixed the level?

Mr. HAZEN: Yes.

Mr. NESBITT: Without land damages?

Mr. HAZEN: They made some provision with regard to land damages, and with regard also to the water-powers on the lake and on the Winnipeg river, which is entirely, I think, in Manitoba. My understanding is that both the Canadian and the United States sections of the International Waterways Commission have been able to agree upon a finding that is mutually satisfactory.

Mr. NESBITT: But this item does not include any provision for land damages?

Mr. HAZEN: No. There may not be any land damages for a long time to come; indeed, there may never be any.

Sir ROBERT BORDEN: The report has not yet been completed, but pending its completion the hon. gentleman will remember that I read a summary of the results of the investigation not long ago. The report is being printed and will be distributed, but it is pretty voluminous and there will be some delay.

Mr. MURPHY: Has the Commission to which this item relates concluded its work?

Mr. HAZEN: I do not think there will be anything more for the Commission to do. Its functions were to gather this information for the use of the Canadian section of the Commission. That having been done, and an understanding having been arrived at, I do not think there will be anything further.

Special allowance to the Chief Justice of the Supreme Court of Canada to cover travelling and other expenses in connection with his services while acting as Deputy to His Excellency the Governor General, $2,500.

Mr. LEMIEUX: Why is this item reduced by one-half, to $2,500?

Sir ROBERT BORDEN: We might pass the item and I will find out what the reason is. If there is any mistake it can be corrected in the supplementary estimates.

Mr. NESBITT: What are the travelling expenses in connection with this item?

Sir ROBERT BORDEN: The Chief Justice of the Supreme Court acts as Deputy Governor when the Governor General is absent, and there has always been an allowance for travelling and other expenses in that connection.

Expenses under the Naturalization Acts, $11,000.

Mr. McKENZIE: This item stood for information which the Minister of Justice was to get for the committee.

Sir ROBERT BORDEN: Perhaps the item might pass, and if my hon. friend will give me a little memorandum of the information required I will have it prepared.

Mr. McKENZIE: A question arose as to the amounts paid to the officers of the different courts for signing orders and so forth. In our province there is no fee for signing an order of this kind, and when this item was up before a question was asked as to what really was the purpose for which this money was to be voted. No explanation was given at the time.

Item stands.

Mines and Geological Survey—Investigation of ore and other economic deposits, structural material, expenses of Fuel and Ore Dressing Plant, collection of mining and metallurgical statistics, $71,620.

Mr. LEMIEUX: I have had occasion to consult some of the geological survey reports of late, and I find that the translation is certainly of a high order. I understand that the translation is under the direction of Mr. Sauvalle, an old journalist who sat in the press gallery here for many years. I want to pay tribute to his work as translator of the geological survey reports. The matter is very difficult and technical to translate, and the translation is certainly done in a most commendable way. I understand that Mr. Sauvalle has been ill through the winter, and I trust that the department will take that into consideration and see that Mr. Sauvalle gets a good rest, because I am sure it would be difficult to find in the whole Dominion a man capable of replacing Mr. Sauvalle in the very important post of translator of such technical matter as the geological survey reports.

Sir ROBERT BORDEN: My attention had not been directed to this particular work, but I know that Mr. Sauvalle is a very capable man.

Mr. MURPHY: Would the minister explain how and where this money is spent?

Sir ROBERT BORDEN: I am afraid I am not able to give my hon. friend precise particulars with regard to it. I do know, however, that investigations are made along a great many lines by the appointed officers of the department, and occasionally they come to my attention in a more or less casual way.

Mr. MURPHY: Perhaps the Prime Minister would secure information for the committee as to how much money is spent at Ottawa and outside in connection with this item?

Sir ROBERT BORDEN: Certainly.

Mr. NESBITT: I wanted to ask the same question. I can understand the item "collection of mining and metallurgical statistics," but I cannot understand what is being done under the heading of "Investigation of ore and other economic deposits, structural material, expenses of fuel and ore dressing plant," and I should like to see the expenditure under these three heads,—separate, if possible. I know some-

9 p.m.

thing about the mining business, and I do not see what good is being done by this expenditure.

Mr. HAZEN: Certain investigations have been going on in connection with peat deposits, asphalt, and so forth.

Mr. NESBITT: I thought it had reference to peat. We have been carrying on investigations along that line for a number of years, and, to my certain knowledge, nothing has come of it. As for the men that lay down our asphalt, they are perfectly capable of investigating for themselves. Nothing whatever has come of these investigations so far as I know.

Mr. PROULX: Is the department still making experiments with regard to peat?

Mr. HAZEN: I do not know.

Sir ROBERT BORDEN: I think they do work of this character. Where there is a well-founded rumour of the discovery of an important mineral, sometimes a rare mineral, like molybdenite, the Geological Survey makes investigation and assists in procuring information which might be useful to show whether the deposit would be capable of commercial development. That is one thing which occurs to me at the moment. I am not sure about structural material. The collection of mining and metallurgical statistics is, of course, perfectly obvious.

Mr. NESBITT: I quite understand the last item, but where there is a discovery of any valuable ore the commercial interests of the country will very soon find out whether it could be worked on a paying basis or not. The mining men do not depend on any one else to tell them whether it is worth their while to work it or not. They see for themselves.

Sir ROBERT BORDEN: I do not think my hon. friend has the right idea. I know something about this matter in my own province, and I can tell him that work of that character done by the Geological Survey has been worth a great deal to the people of the province. For example, in the determination of faults. In a particular district a fault will be in a particular direction and of a certain distance; in an adjoining district, under different geological conditions, the fault may be different—the push may be in a very different direction and of a different length. I am quite sure the Geological Survey of Canada in investigating that, which is only one, I dare say, of a score of features in which they have been of assistance, has rendered important service to those who come with a view to possible development. It is very important to a man who is operating a gold mine, for instance, if he strikes a fault, to know that the faults in that particular district mean a displacement for a certain distance in a certain direction.

Mr. NESBITT: I quite understand that, but the mining men themselves employ geologists to find out the nature of the faults, and where to test for them.

Sir ROBERT BORDEN: In Nova Scotia it has been done to a very great extent by the Geological Survey, and the service which can be given by general survey of the whole province and an examination of the differences between different districts is one that would hardly be rendered by private enterprise.

Mr. MURPHY: My right hon. friend mentioned the possibility that some of this money was expended in connection with the development of properties in which molybdenite, for instance, had been discovered.

Sir ROBERT BORDEN: In connection with their examination, not in connection with their development.

Mr. MURPHY: The discovery of molybdenite just north of the city of Ottawa has been rumoured. I understand the greater part of the output from that district is sold to the Imperial Munitions Board, and presumably sent out of the country. I would ask my right hon. friend if the Government has taken any action with reference to regulating the export of this mineral.

Sir ROBERT BORDEN: In all these matters, where the mineral is of importance for war purposes, we act in thorough co-operation with the Imperial Munitions Board. I do not know what may have been done in the particular instance to which my hon. friend refers, but we have tried to act in absolute co-operation with the Imperial Munitions Board, in order that they may be supplied with all mineral necessary for their purposes.

Mines and Geological Survey, Geological Survey Branch—For explorations, surveys and investigations, wages of explorers, draughtsmen and others, $150,000.

For publication of English and French editions of reports, maps, illustrations, etc., $65,000.

Mr. LEMIEUX: Are the explorations for oil begun some years ago in the peninsula of Gaspé still being carried on? I remember about twenty-one years ago a company known as the Petroleum Oil Trust controlled some twenty or twenty-two borings, and I was told by reliable people in that section, who were not interested in the syndicate, that there were indications of oil. I would like to know if the explorations have been continued by the department, and if there is any hope that those wells will be operated. Twenty-one years ago, when I first ran in Gaspé, the oil business was an important element there. The syndicate controlled some large stores, and employed several hundred people. They had even built a large refinery about five or six miles from Gaspé Basin. I remember reading in some of Dr. Dawson's early reports very favourable comments on the oil possibilities in that region. The whole district of Gaspé is rich in minerals. Quite recently, the firm which is now engaged in the reconstruction of the Parliament Buildings became the owner of a large copper mine not far from Paspebiac, in the county of Bonaventure which forms part of the peninsula of Gaspé. To my knowledge large deposits of asbestos have been found in the vicinity of Douglastown. I should be glad to know if the explorations which were very actively conducted in that district by the Government some twenty-five years ago are still being carried on.

Sir ROBERT BORDEN: I really could not give my hon. friend any information on that point. I am not very familiar with the administration of the department, and the acting minister is not here at the moment.

Mr. NESBITT: Is not the carrying on of the investigations provided for under the first item?

Sir ROBERT BORDEN: I could not tell my hon. friend. If the item is allowed to stand, we will get the information for him.

Mr. NESBITT: I think it ought to be struck out. It should be covered by the item above—"investigation of ore and other economic deposits, etc." There are two large items.

Sir ROBERT BORDEN: We would hardly agree to have it struck out. Let it stand.

Mr. NESBITT: There is no use in letting it stand as it will simply go through at some other time. I move that it be struck out.

Mr. DEVLIN: A careful study ought to be made of a region within close proximity to Ottawa known as the Gatineau region. Most members of this House are familiar with it. There are large mineral deposits in that region. Up to date the most productive finds have been in mica. It is perhaps the greatest mica-producing country in the world for its size. I would like to see some of this money, since it is going to be spent, directed towards mineral researches in the Gatineau region.

Mr. GERMAN: What benefit does the country derive from the expenditure of $134,620 for the Mines branch and $430,020 for the geological survey? I think that the people would be very much interested in knowing what financial benefit the country derives from this expenditure. These services get information, it is true, but that information is of no financial benefit to the country. It may enable certain interests to go in and take possession of the land. The Government do not sell the land and they have no control over it. They may acquire some information which they give to private interests and by means of which the private interests derive some advantage, but how does any advantage come to the country? As stated by my hon. friend from North Oxford (Mr. Nesbitt), private interests find these things out themselves. I never could understand wherein the country was deriving any financial benefit commensurate with the very considerable expenditure that is being made from year to year on these surveys and explorations.

Mr. DEVLIN: Has any of this money been expended towards finding minerals in the Ungava region? There was a report some time ago that diamonds had been found there. There were reports that there were other mineral deposits.

Sir ROBERT BORDEN: I really am not in a position to answer my hon. friend about that.

Public works chargeable to capital—Ottawa Parliament Building, restoration—The plans for the said building and the method to be adopted for securing the reconstruction thereof to be subject to the approval of the Joint Committee appointed by the Prime Minister and the leader of the Opposition, $2,000,000.

Mr. NESBITT: Would the Minister of Public Works (Mr. Rogers) please give us a little information about what is being done up there? They do not allow us to go and investigate for ourselves. What room will we have?

Mr. ROGERS: We are going to have a very largely increased space, very nearly

a hundred per cent more. Members will have more room. The work upon the building is getting on very satisfactorily, as I am sure hon. members will see if they will take the trouble—and I hope they will—to go up and view the work that is being done. The building is up three stories above ground and there is a story and a half to go on top of that. We expect the roof to be on this fall. We shall be able to carry on the work during the winter months.

Mr. NESBITT: Will there be plenty of accommodation for the members in the so-called office rooms?

Mr. ROGERS: Yes, plenty.

Mr. NESBITT: I went to see it the other day but they would not allow me in.

Mr. ROGERS: They did not know you. You have to get a ticket. I had the same experience myself not long ago.

Mr. DEVLIN: When is it expected the building will be completed?

Mr. ROGERS: The contract has to be through by next December and I think it will be completed in the contract time.

Mr. GRAHAM: There was a rumour in the House the other day that work had partially ceased on the construction of the building. Is there any truth in that?

Mr. ROGERS: No.

Mr. GRAHAM: That a large number of men had been laid off.

Mr. ROGERS: There was some delay for want of steel; that was all.

Mr. GRAHAM: Is there any trouble in getting steel now?

Mr. ROGERS: Yes, we have had a little trouble in getting steel, but it is coming forward now.

Mr. GRAHAM: Where do you get the steel?

Mr. ROGERS: Most of it from the Dominion Bridge Company.

Mr. LEMIEUX: How much has been spent so far?

Mr. ROGERS: I have not the exact amount, but I am glad to be able to say that they are keeping well within the estimate laid down by the architect.

Mr. GRAHAM: I have been through the building. I happened to be a member of a committee in connection with the commemoration of the anniversary of Confederation, and, being on that committee, I suppose, secured me a safe passage into and out of the building. I was very much interested in the work being carried on. I think the accommodation, judging from the general plan of the building, will be highly satisfactory to the members of both Houses when they come to see it in the actual construction. For myself, I never could tell anything about an architect's plan or an engineer's drawing. To me, they bring no more information than a map brings me—none at all. I have to have some other means of getting the locations and situations into my mind. But when one goes in the main entrance and looks east and west, it gives him some idea of the size of the structure. As far as I could see, I think it is a wonderfully convenient edifice for the purpose for which it is being erected. I was impressed with the stone that was being cut and prepared for the erection of the building. Where is that stone secured?

Mr. ROGERS: It is the same stone that all the buildings have been erected from. It is from the Nepean quarry about six miles out. It is from the same quarry that the original building was erected, and it is the same stone that was used in the construction of the Customs building.

Mr. GRAHAM: I suppose the minister is making sure that we shall have a proper system of ventilation.

Mr. ROGERS: We hope we are.

Mr. GRAHAM: While the appearance of the old buildings was magnificent, the ventilation was not just what it ought to have been. I am inclined to think that the lack of proper ventilation has brought ill-health to more members of the Commons than the real hard work of the session. Any building erected to-day that does not provide for proper heating, with an ample supply of fresh air, is not a success, particularly when it is to house any large number of people.

Mr. ROGERS: The committee in charge of the work have given great attention to the ventilation, and every effort is being made to make it as perfect as possible. The architect is satisfied that he has a plan that will be entirely satisfactory, and he convinced the committee that he was on the right track.

Mr. DEVLIN: Will the seating in the new chamber be on the same plan as the old one?

Mr. ROGERS: The Speaker's chair, as the plan is now laid out, may be either in the centre or at the end. My own opinion is that it should be at the end, and I think that hon. members who inspect the proposed chamber, which is partially constructed, will agree with me.

Mr. DEVLIN: There will be seating capacity for only two parties as at present?

Mr. ROGERS: Yes.

Mr. DEVLIN: Does the minister think that wise? There are rumours of a union Government, of a coalition Government, and of different parties. For instance, we hear of a Sifton party in the West, and of other parties. If the seats are arranged as before, there may not be proper seating capacity for all these different parties.

Mr. ROGERS: So far as I understand conditions in Canada, there are only two parties. Of course this building will not be completed for a year and a half, and probably conditions will change. You know we are getting closer all the time to the millennium, and possibly there will be only one party by the time we get into the new building.

Mr. GUTHRIE: Has the minister or the committee considered the removal of the desks and the adoption of the ground floor plan of the British House of Commons? I believe that our debates are greatly lengthened by having desks in the chamber. In England no newspapers are allowed, and no writings except such as a member can take on his knee or on his hat, and the result is that the speeches are much more concise. If the desks were abolished you would have a more compact chamber, shorter debates, and speeches more to the point.

Mr. LEMIEUX: I beg to differ with my hon. friend. Not that I care for desks, but I do not think they have the slightest influence in relation to the length of speeches. If you read the history of parliamentary eloquence in England you will find that at the beginning of last century, with Pitt and Burke and Sheridan, the speeches were long and lasted sometimes for two of three days. If you read the debate on the famous case of Warren Hastings, not the trial but the debate, in which some of the finest addresses were delivered, you will see the debates were very long. According to Lord Curzon, who lectured on the subject of parliamentary eloquence at one of the English universities, it was only in the last part of the nineteenth century that the speeches in the House of Commons became more matter-of-fact, and that the practice of making long speeches died out. To-day Asquith, Balfour, Lloyd George and all the leaders—there are no Sirs amongst them, all the leaders of parliamentary eloquence—they are very short and pithy.

Mr. NESBITT: If I have the honour to sit in the next House, I will guarantee that the desk will not lengthen my speeches, and I will suggest to my hon. friend (Mr. Guthrie) that he should move over to one of these seats beside me to-morrow and leave the desk which is now in front of him. I should like to see the desks remain.

At the close of the last session, the minister told us it would not be necessary to take down the walls of the old building. Would the minister tell us why they were taken down?

Mr. ROGERS: The walls were in such a very, very poor condition that it would be absolutely out of the question to attempt to construct a new building such as this on them. The brick was separated from the mortar, or the filling, and the stone was separated from that again, and they were standing in three different parts. It would be ridiculous to attempt to utilize those walls.

Mr. NESBITT: The hon. minister told us the walls would not come down.

Mr. ROGERS: Yes. The first report of the architect was that it would not be necessary to take them down. But when they opened them to see whether they were sound or not they decided that they must come down. We acted entirely on the advice of Messrs. Pearson, Marchand and Ewart. They were all of one opinion, and the minister has to follow the united opinion of the architects in such a matter. In fact, the condition of the walls was so bad that they did not even consult me. I was not aware of the fact that they were going to take them down until most of them were down. The necessity was so apparent to them that they did not think it necessary to consult the department. In reply to the question by the hon. gentleman from South Wellington (Mr. Guthrie) in regard to the seats, I may say that this is a very important matter, and one that concerns the committee very much, because we have no opinion of our own to advance as to which would be the best plan. There is sure to be difference of opinion between the members of the House, but let me say

that it will not be necessary to arrive at a decision in regard to the matter of arranging the seats for some months yet. We shall probably have another session before this matter will have to be decided, and then the members of this House will have an opportunity, and, if I have charge of affairs, they will have an invitation, to come and give the matter careful consideration, because the seating of the Chamber is one which interests every individual member of the House, and all should have their say. That matter will not be settled till, probably, this time next year.

Mr. DEVLIN: When will the next session be called? Is the minister referring to the session after the general election?

Mr. ROGERS: We will have to have a session in January or February.

Mr. DEVLIN: This coming January?

Mr. ROGERS: Yes.

Mr. GRAHAM: It might be well to remember that the ministers of the Crown in the Old Land are represented in Parliament when details have to be explained, minor details particularly, by under secretaries, and the ministers can retire to their offices, go on with their work and attend to their correspondence. With us, if an item is being discussed in the House in which a minister or his department is at all interested, the minister must of necessity be in the House. I submit that both the members of the Government in Canada and the members of the House are in a somewhat different position from that occupied by a majority of the members in the British Parliament. The ministers of the Crown in Canada not only have their public duties here, but most of them have a lot of correspondence outside of that as well. The members are in the same position. I suppose there is not a man in this House who has not a business he is trying to look after, in a degree at least; and if he has a desk in the Chamber, a lot of his correspondence is signed while he is sitting here, taking part—spasmodically it may be, but yet taking part—in the business of the House. If we were to have no desks in this House, the man who is actively engaged in business, as nearly every member of this House is, would have to absent himself from the House a good deal more than he does, looking after his correspondence. Speaking for myself, I think I do twenty-five per cent of my outside business while I am in the House. I think nothing of importance escapes me. But I would be in the House much less if I had no desk before me on which I could attend to these little matters when I have a moment or two in the House, to get them off my hands. These things will have to be considered. The position of members of Parliament in Canada, including the members of the Government, is not identical with the position of the majority of the members in the British Parliament.

Mr. GERMAN: Would the hon. gentleman be good enough to satisfy the curiosity of a great many people as to why the outside decorations of the new building have not been in keeping with the old buildings that are standing there. The hon. minister knows that round the windows and doors there is a red stone, which gives a very rich and beautiful apearance. The new building is a dead white, without any relief whatever. A great many people say they would like to see it covered with something that would relieve the monotony of that dead whiteness. I should like to know why the difference exists, as between the old building and the new. I understand the red stone has been purchased. Why was it not put in? It would have made a more elegant appearance.

Mr. ROGERS: That is a matter to which we have given a great deal of attention, and we had a great deal of difficulty in deciding. I may say that I, and a few more, have held the same idea as my hon. friend, but we were overruled by every architect, and we finally called in His Royal Highness, who was very strongly against us, and ruled with the architects that the matter of a red stone around the window was not desirable or suitable, or not an improvement, but rather a detriment to the building; and it was finally decided, after many meetings, that we should take the stone that is being used to-day for reasons I have given.

Mr. GRAHAM: Where do we get the white stone?

Mr. ROGERS: I do not know. I am not sure which stone is being used around the windows. It is perhaps Ohio sandstone.

Mr. LEMIEUX: Is it finally decided what stone shall be used for the interior decoration?

Mr. ROGERS: I think Tyndall stone will be arranged for the interior. We have had meetings about it, and the matter was discussed at our last meeting. We had hoped

to get another kind of stone, but it was not possible to get a sufficient quantity, and the architect recommended us to go back to Tyndall stone. It is a very nice stone, and it will look very well.

Mr. GRAHAM: Will there be any residences provided for in the building?

Mr. ROGERS: We have not reached that point yet. The construction of the building is such that we could very easily place a residence at each end.

Mr. NESBITT: Cut them out.

Mr. ROGERS: That has not been decided. We are economizing as much as we can during war time, but the buildings are always open to extension in that way.

Mr. LEMIEUX: Does the hon. gentleman mean residence for the Speaker?

Mr. ROGERS: Yes.

Mr. LEMIEUX: What has been decided regarding the library? There was a plan extending the library out to the covered walk? Has anything been changed in connection with that library?

Mr. ROGERS: No, I do not know that there has been any change. There was a plan prepared, not for an extension of the library, but of the stack room, to be built at the back of the present library at an expenditure of $250,000. We decided that, for the present at all events, we would not go on with that expenditure; that we would use the vacant space in the basement of the main building as stack rooms for the library. We tried to economize in that way, saving the estimated cost of $250,000 for the library extension.

Mr. LEMIEUX: What about the power house?

Mr. ROGERS: I do not think that we are going on with it on the far side; there was some objection to putting it near Nepean point. That was decided on some time ago.

St. John harbour improvements...	$1,000,000
Quebec harbour — dry dock at Lauzon	1,000,000
Quebec harbour—River St. Charles —improvements to navigation ...	700,000
Toronto harbour—improvements....	1,000,000
Port Arthur and Fort William— harbour and river improvements	750,000
Victoria harbour—improvements ...	1,000,000
	$5,450,000

Mr. ROGERS: This is an item about which many members may like to say something. There will be an item in the supplementary estimates upon which hon. members may discuss anything which would arise under this item.

Mr. GRAHAM: Is the work at Courtenay bay still going on?

Mr. ROGERS: Yes.

Mr. GRAHAM: Who are the contractors?

Mr. ROGERS: We have not any just now. The original contractors did not succeed; their contract has been closed, and specifications are now being prepared with a view to calling tenders immediately to finish the work. We have built several docks in West St. John; we are preparing to build dock 17 this year. We are calling for tenders also for an extension of the Negro Point breakwater. This has been recommended by all the engineers as a very necessary and desirable work in connection with the improvement of the harbour of St. John. Trouble has been experienced with the high tide and with the sea coming in at a terriffic pace; it has been found necessary, therefore, to extend the breakwater from Negro Point to the mainland. St. John harbour will then be improved in such manner as to make it almost as perfect a harbour as can be found anywhere. That is the judgment of the engineers.

Mr. NESBITT: Three of these items are revotes. Is it the minister's intention to go on with all these improvements this year?

Mr. ROGERS: We have a good deal of work to do at St. John harbour. The business there has grown more rapidly than the business at any other harbour in Canada Last year we suffered a great deal through lack of the necessary accommodation for the trade that was pressing itself upon St. John harbour, and it is necessary that certain improvements there be carried out in order to meet requirements. At Quebec harbour we are building a large dry dock which will be completed some time this autumn. There is pressing need for it; we are frequently urged by the Admiralty to hurry it up as fast as we can. Dry docks are at a premium just now, because all ships find their way into dry docks from time to time for purposes of repairs. That work will have to go on to completion. As to the Quebec harbour and River St. Charles improvements, we are trying to have that work closed down for the time being; we think we can get on without spending much

more money there at present. The work at Toronto harbour is under contract; it is getting on very well. Probably the total amount will not be expended, but a reasonable amount will be required.

Mr. NESBITT: There is no rush for that.

Mr. ROGERS: We are not rushing it; we are proceeding as quietly as we possibly can. The Port Arthur and Fort William harbour improvements are very important works; there is always a demand for additional work there. Last year two or three of the grain growers organizations of Western Canada established large terminal elevators at these places, entailing a considerable cost upon the Government for the providing of the necessary dredging and breakwaters in front of the elevators. The same applies at Victoria harbour; we have done a great deal of work there. The work is practically completed; this amount will be required to finish it and to pay the balance of the contract price. We have two splendid docks there. The Munitions Board are asking us to rush immediately the erection of a large shed on one of these docks, to be used in connection with the assembling of machinery for the ships that they are constructing at that point. We are hurrying the completion of this shed as fast as we can in order that the Munitions Board may have the accommodation that they are asking for. We are allowing them the use of our docks for the very important work that they are carrying on in the construction of ships.

Mr. NESBITT: Will that shed be useful after the war?

Mr. ROGERS: Oh, yes; it will be used for storage, and that sort of thing.

Mr. McKENZIE: Is the Victoria harbour not under a commission?

Mr. ROGERS: You are thinking of Vancouver.

Mr. McKENZIE: Are fees charged in that harbour?

Mr. ROGERS: Not yet.

Mr. McKENZIE: When the war broke out we in Nova Scotia were willing to give up all our public works. We had large votes in the estimates, and even before the war began, on account of the fall in the revenue, we were advised that we should cease pressing for improvements that had been promised, or from pressing for the expenditure of money that had already been voted. We were told by the minister that large expenditures had to be dropped; that practically all public expenditures that were not absolutely necessary were to cease. Accordingly, we have not been pressing the minister for any expenditure, although some of these works are very necessary. It has been brought to the notice of the House several times that the fisheries of Canada are becoming more important every day; that fish as a food commodity is of the highest importance. In order to catch fish, ample facilities must be provided in the way of harbours, wharves and breakwaters. Facilities of that kind are very much needed in the part of the country from which I come. There was a very substantial item in the estimates of 1910 and 1911 fo the opening of a harbour at Ashby Bay in the county of Victoria. The question of the opening of that harbour was before this House and the Government for a good many years, and at last they reached the conclusion that the harbour should be opened. It would not involve the expenditure of a great deal of money, and once it was opened it would be of the greatest importance to the fisheries and the trade of the country generally. The vote was dropped some years after this Government came into power. I did not press the matter very much then, by reason of the fact that the war had broken out, and there was a fall in revenue and great need for economy. But now, the Minister of Public Works is spending large amounts of money on St. John harbour, for instance, which is an old harbour which they have got along very well with for a great many years, and I venture to think they could get along fairly well with it as it is now. Although a layman, so far as the engineering business is concerned, I wish to warn the minister that he may find he has made a very grave mistake if he expects to make a good harbour at St. John by building a breakwater across the harbour. We had a trial of that sort of thing as a protection to the entrance through the Grand Narrows in the Bras d'Or lakes. A breakwater was built with the expectation of diverting the current and getting calm water where a very rapid current used to run. A large amount of money was expended, but the result was simply to make the thing worse than it was before. I am simply warning the minister that by the building of this breakwater at St. John, the currents he disturbs may make the water more treacherous than before. I think the item providing for the expenditure of this large amount of money on an old harbour could very well stand over, and preference should be given to

such places as I have mentioned, where there is crying need for improvements that could be made at comparatively small cost. If the minister would undertake this work, the fishermen, not only of my county but of the whole coast of Nova Scotia and in parts of New Brunswick, where they go for mackerel, cod and other fish, would be given a shelter that would enable them to carry on their work very much more conveniently and at a greater profit than at present.

Now that the minister is starting out to spend money, I must, in justice to that part of the country which I represent, emphasize as strongly as I can the necessity of restoring those votes in the estimates of 1910, 1911 and 1912, providing for substantial improvements of the character I have mentioned and going on with the work.

Mr. ROGERS: If my hon. friend, who says that I am undertaking new work, will only look at the item he will see that there is a reduction in it of over $2,500,000, which is an evidence that we are adhering to our policy of economy during war time, even in such important matters as the great harbours of this country. The harbours enumerated here are our national harbours. Before the outbreak of the war large contracts had been let for the purpose of improving the harbours to meet the trade requirements of the country, and the amounts here asked for are simply to carry out the contracts that were then entered into. I quite appreciate the importance of harbours such as my hon. friend has mentioned, and no one will be more pleased than I when conditions will allow me to restore any vote that is required in the interests of the fishing industry of Nova Scotia, or any other place. There was great need for additional accommodation at the harbour of St. John last winter. It is our great winter port, and the traffic has greatly increased on account of the war. New docks are urgently required. Only a few months ago several ships had to lay off the harbour awaiting their turn to dock, so great was the need for additional dockage. We hope, with the money we are here asking for, to be able to complete the docks now under way, in order to relieve the congested condition that has existed at the port of St. John for some time. In regard to the harbour of Victoria, the contract had been let and there was a pressing need for the completion of the work at the earliest possible date. I can assure my hon. friend that when the opportunity presents itself the needs of that part of the country from which he comes will not be overlooked.

10 p.m.

Mr. HAZEN: I might point out that the goods that were exported through St. John during the last winter season amounted in value to nearly $200,000,000. There has been an enormous development in the business of that port during the last two years. New wharves have been erected, but they are not yet capable of handling the tremendous business that is offering every winter. The expectation is that this winter the exports through that port will be even larger than last year, when they far exceeded the exports through the port of Boston. I want the committee to understand that the money that has been spent on these new wharves at St. John is not lost to the country. These wharves are revenue producers and when they have been completed, they are handed over to the administration of the Marine and Fisheries Department. Last year we collected at the port of St. John a revenue of something over $100,000 in round figures, and that figure will be largely increased during the present winter, and will go a long way, at 3½ per cent, towards paying the interest on the money that these wharves cost. It is absolutely necessary for the protection of these wharves that the breakwater that was built many years ago and extends from Negro Point to Partridge island, should be extended the whole way across. Otherwise the wharves would be in danger of being destroyed. I would be the last to urge the Minister of Public Works to spend the public moneys at the present time unless it was for an absolutely necessary purpose, and this particular work, as I have pointed out, is absolutely necessary in order to protect the trade of the country and to protect the investment which the country now has in the wharves which have been erected there of late years, and which are substantial revenue producers for the public exchequer. Tenders for this work had been asked for before the war broke out—before there was any idea that war would be declared.

Tenders were received after the outbreak of the war, but in view of the fact that it was felt that economy should be exercised, the deposits made by the tenderers were returned to them, and it was decided not to proceed with the work. The action of the Public Works Department in proceeding with the work now is because of the fact that it is necessary in order to protect the country's property which was constructed at an expenditure of a good

many hundred thousand dollars and has been of such tremendous benefit to the trade of the country. Not only has the country spent money in developing it, but the Canadian Pacific railway, of which St. John is the terminus on the Atlantic coast, has spent a very large sum during the last two years, lengthening its sidings, extending its yard room, improving its track and roadbed, and in other respects, so that last winter it was able to handle about twenty per cent more traffic than it had been able to handle the year before. During the coming winter it will be able to take care of more still. The work is an absolute necessity if we are to maintain properly the trade facilities of the country.

Mr. McKENZIE: I quite understand that the hon. member from St. John, the Minister of Marine and Fisheries, should stand up for his county and for his port. No one appreciates the enterprising people of St. John more than I do. At the same time, there is no use concealing the fact that the harbour of St. John is taxed beyond what God and nature ever intended it to be.

Mr. HAZEN: Not by any means.

Mr. McKENZIE: Practically speaking, it is not a harbour at all. It is just a sort of bay, into which the magnificent St. John river rushes, and where there is continually a battle royal between the tides of the Bay of Fundy and the rushing waters of the St. John river. That is the kind of harbour my hon. friend is trying to tame into a mill-dam for vessels to get into. We can have harbours anywhere where there is an island off the coast, if we get people generous enough to build any sort of structure between the mainland and the island, and then some extension beyond the island, but it is costing the country too much, to satisfy the ambition of my hon. friend the Minister of Marine and Fisheries. At the same time, I think it would be better to give more attention to places where there are harbours. I am sorry the magnificent harbour of Halifax seems to be forgotten to-night. There is also the magnificent harbour of Sydney and North Sydney, which nature intended as a harbour, but it is neglected. No attempt is made to develop a number of places where there are proper harbours, but the minister asks to spend millions of dollars to fight the tides of the Bay of Fundy and the rushing torrents of the river St. John, in order to make a harbour to please my hon. friend the Minister of Marine and Fisheries.

Mr. HAZEN: I am very much surprised that my hon. friend, usually a well-informed man, is so much at fault regarding the geography of the Maritime Provinces, and I extend to him an invitation to come to St. John this summer, when I am at home and may have the pleasure of entertaining him. I am sure when he looks over our harbour and its possibilities, that he will—I will not say apologize,—but he will admit he was wrongly informed and making a mistake in crying down one of the great harbours of Canada. I think it is a great pity that a Nova Scotian should cry down the harbour of St. John, and I think it is a great pity that a New Brunswicker should decry the harbour of Halifax, I do not think that is the way to promote the interests of the Maritime Provinces. I think we should give credit to one another, and help one another, having more of a feeling of patriotism for our own province rather than seek to spread disunion and create discord in reflecting upon the merits of the different localities. My hon. friend is a bit of a joker, I know, and says things in a facetious way; but it is really absurd to speak as the hon. gentleman has spoken of the port which has been selected as the terminus of the Canadian Pacific railway on the Atlantic coast and from which goods to the enormous value of nearly $200,000,000 were shipped last winter. The fact I have just mentioned carries with it the refutation of what my hon. friend has said in regard to the merits of the port. I think the port of St. John has enormous possibilities, not only because of its geographical position, but because of the enterprise of the people and because of the fact that the Canadian Pacific railway, the greatest of Canadian carrying companies, has made it its terminus on the Atlantic coast, which will lead to its constant development year by year, and to an enormous increase in the traffic which will pass through it. So far as results are concerned, St. John is to-day, without question, the greatest port on the Atlantic coast.

Mr. GRAHAM: We have been asking the farmers all through the West and all through Canada to produce more in order that the Allies may be fed. One of the greatest requisites to production on the farm or anywhere is the expedition and cheapness with which those products can be shipped to the market. I notice there is nothing in these items for elevator accom-

modation at Quebec, Saint John, and Halifax.

Mr. REID: The hon. gentleman will remember that is in the railway estimates.

Mr. GRAHAM: I remember the railway estimates. An elevator system should be a part of the development of those harbours. The elevator system which is being constructed by the Railway Department is part of the Government railway system, as the Halifax elevator is part of the Government railway system. We are not making a concentrated effort in the development of our harbours to make them in uniformity and have them completed harbours when we are through. At the head of the Great Lakes there are a large number of elevators. On this side of the Lakes there are a large number of elevators. We have spent millions of dollars in Canada to get through lines of transportation by land. Without elevator accommodation at Quebec, Saint John, and Halifax, a portion of the year when those railway facilities could be used and navigation is closed is of no avail to us at all. At the present time, there is no means of rushing by rail the products of the West and having them stored at Quebec, say, during the winter, awaiting navigation.

Mr. HAZEN: There is a million-bushel elevator at Quebec now.

Mr. GRAHAM: But that is a small-sized elevator for the purpose required. It is only the size of the elevator at the head of the Welland canal.

Mr. COCHRANE: That is a two-million-bushel elevator.

Mr. GRAHAM: It started out as one of 500,000 bushels. The foundations were provided so that enlargement could be made, which has since been done. With a two-million-bushel elevator at the head of the Welland canal, a one-million-bushel elevator at Quebec is of minor importance. In order to encourage the farmer in the West to produce we have to complete our transportation facilities to the seaboard, otherwise there is no use building railways to the seaboard, and there is no use urging the farmer to produce because he cannot get his product to the seaboard. Then you will tell me that there is no tonnage to take it across when we get it there. I think the honourable member for Frontenac (Mr. Edwards), a year ago, brought up the matter, which I consider of very great importance. At that time, if the Government had taken some means of providing against what was inevitable, the loss of tonnage, and had gone on with the erection of elevators, we should have been in a magnificent position to encourage the farmers of the West to produce, because we not only could have taken their grain to the seaboard but we would have had elevators to handle it and a certain number of ships to carry it across. My honourable friend the Minister of the Naval Service (Mr. Hazen) informed us to-day that the shipyards of Canada were largely engaged in building ships of various capacities for the Imperial Government. It is our duty to do that but we ought not to leave the other undone. I believe, as much as I believe anything, that the whole country would have been well served, and perhaps better served, if we had set the shipbuilding capacity of Canada to work constructing ships a year or two ago for Canada herself, either through private or Government enterprise; because at that time when the submarine menace was becoming very serious we might have looked sufficiently far ahead to realize that one of the difficulties of our Allies would be to get their food supply, through lack of tonnage. Even at this moment, because we do not know when the war is going to cease, it would not be out of place for the Dominion Government to utilize certain of the shipbuilding establishments for the construction of vessels for ourselves to carry the products of the country overseas. The United States is doing a good deal in this way but she is not doing it for us; she is doing is for herself and the Allies. The links in our transportation system are altogether lacking when we have not elevator facilities at the seaboard and when we do not seem to be making any provision to secure tonnage to carry our products overseas.

Mr. ROGERS: In so far as giving consideration to the carriage of the products of the farmers is concerned, I think the Government can reasonably claim that they have taken a very great interest in matters of that kind. With respect to the question of elevators, we have built for the producers of western Canada large interior elevators which are of great benefit. We have also established a Government terminal elevator at Fort William and we have established practical control of all the elevators at that terminal, which control is sufficient to regulate all the conditions incident to the transport of our grain through the elevators at that point. My hon. friend quite

appreciates, I am sure, that so far as the producer of western Canada is concerned, he is almost entirely dependent upon the elevator space at Fort William and Port Arthur. The space at the points named is quite sufficient at present to take care of the trade of western Canada. I quite appreciate the importance of additional elevator space at the seaboard, at such points as St. John and Halifax, but I do not see that any special purpose can be served by additional elevator space at Quebec, for example. Quebec is only a summer port, and any grain stored in an elevator at Quebec in the fall, or at the close of navigation, would have to remain there until navigation opened in the spring. It would be of very little importance in the matter of the placing of grain whether it was at Quebec or at Port Arthur or Fort William. By placing it at Quebec you would probably have the long rail haul which would make it very expensive to the producer, and I do not think it would be a point at which additional elevator space would be particularly necessary. There is no doubt that we should have additional elevator space at St. John but the Canadian Pacific have already a large elevator there and the Government have erected one in connection with the Intercolonial railway. If my hon. friend the Minister of Railways and Canals (Mr. Cochrane) is assured that there is a pressing need for elevator space at a point of that kind, I am sure he will meet the requirements as soon as it is possible for him to do so.

Mr. ROBB: For many years the Canadian people have been spending millions of dollars deepening harbours and building docks at different ports, not only on the Great Lakes but on the seaboard, and whenever a harbour has been completed or a splendid dock erected, with possibly great elevators for the storage of grain and sheds for facilitating the handling of the products of the farms, we discover that some privately-owned railway controls the right of way along the docks and this railway, in its selfishness, places all sorts of obstructions against other railways. It would be well that every precaution should be taken to see to it that the nation shall own the right of way and the railway tracks to all harbours in Canada and provide for running arrangements so that privately owned railways shall be able to receive and discharge freight on these docks without being hampered by another privately owned road which would naturally look after its own business. Is the minister making provision for this in the new works that are going on at these harbours not only on the Great Lakes but on the sea coast?

Mr. ROGERS: I do not know to what points my hon. friend makes particular reference when he says that privately owned railway companies are in possession of the right of way and obstruct others from getting access to the harbour, where the work has been constructed by the Government. Now that we have a Railway Commission, it has full power and authority to deal with and regulate any conditions such as my hon. friend suggests. If there is any particular point at which the difficulty that he mentions exists, I am sure it will only be necessary to bring it to the attention of the Railway Commission. If the Railway Commission has not sufficient power to regulate such a condition, if the complaint is genuine, as I am sure it is or my hon. friend would not have mentioned it, then I can assure him that the Government will be only too glad to take it up and find a remedy in some form or other.

Mr. ROBB: I have no special reference to any particular port or railway. I think it is generally admitted that this has been the policy for years, and everybody in the trade knows that a railway is always able to hamper other railways, notwithstanding the efforts of the Railway Commission.

Mr. ROGERS: Of course they will do that if they can.

Mr. LEMIEUX: Have the works at River St. Charles been resumed?

Mr. ROGERS: Owing to the policy of economizing as much as possible, a portion of the work under the existing contract is being delayed, but a portion has been resumed; that is the providing of a bridge across the river, which was necessary, and preparation for the erection of a shipbuilding plant under the programme of the Imperial Munitions Board, which awarded contracts for the erection of four ships to parties at Quebec. The board have been in communication with the Department of Public Works for some time with a view to getting a piece of ground which we had expropriated there, for the purpose of establishing a shipbuilding plant.

Mr. GERMAN: Representations have been made to the minister in connection with a public building for a post office and custom house at Thorold, and I was given to understand there was to be something in the estimates for that purpose. Thorold

is a growing town, with large numbers of extensive factories, and the post office facilities are absolutely inadequate for the public service. It is almost imperative that there should be a public building there for post office and customs purposes. I trust the minister will have something in the supplementary estimates for this and will at least make a beginning this year, even if he does not have money enough to complete the enterprise.

Mr. ROGERS: I should be very glad to accommodate my hon. friend but, in view of the existing conditions, I am afraid it will be impossible, especially as I have not one single new item in the estimates.

Mr. GERMAN: What about the Cardinal building?

Mr. ROGERS: That is the only one, and it was arranged for previous to the change of policy of the Government. When we come to the next item I hope my hon. friend will give me credit for practising economy in the construction of public buildings. I hope the day is not far distant when we shall be able to accommodate my hon. friend at Thorold.

Mr. McKENZIE: In the Island of Cape Breton there are quite a number of telegraph lines owned by the Government, and they are very useful institutions, serving an excellent purpose in many sections where there are no other telegraph lines. I understood it was the intention of the department to change these telegraph offices into telephone offices. Is that so? And have any been converted?

Mr. ROGERS: It was the desire to make many changes along that line, but they have not been made up to date because we have been keeping down expenses and putting off the work from time to time.

In the Supplementary estimates we are making some extensions in Cape Breton, and I shall be very glad, when the deputy is here, to give any information that is available in the department in reference to the telegraph system of the Maritime Provinces.

Mr. McKENZIE: In the county of Inverness there is practically a new line running from Margaree through lake Ainslie into Whycocomagh and on, connecting with the Intercolonial at Orangedale. It is quite a lengthy line and very serviceable indeed. This place called Lake Ainslie is my birthplace, and I am quite familiar with the conditions there. There is a settlement about ten miles along the east side of this beautiful lake, and I think they have only one office in the ten miles. There has been a good deal of negotiation back and forth in the effort to get another office. There is a place of resort and a fishing place called Trout Brook, where there is a little hotel, and where many people go, and a telegraph office near that point would be a great convenience and would be of great public service. The minister might inquire as to some of his friends who might get the office there; I am not seeking for patronage, but only want to see that this public convenience is put in the most central place in that part of the county, particularly on account of the great number of strangers who go there and sometimes desire to communicate with the outside world. The nearest telegraph office would be at Whycocomagh or the first telegraph office on the other side of this place at three miles down. It is not a matter of very great expense, and I wish the minister would make a note of it and see that something is done.

Mr. ROGERS: I think I had this matter before me two or three days ago, and on the recommendation of the officers of the department some action was taken—just exactly what it was I have no idea—with a view of meeting the necessity which appears to exist, which my hon. friend describes. I shall be glad to take a note of it, and get the details.

In reference to item 142, "Public Works—Miscellaneous—$936,641.50," hon. gentlemen will find a reduction of eleven or twelve millions, so they will see how full of economy we are, in reducing the expenditure during war time. This item was passed the other day.

Life saving stations, including rewards for saving life, $125,400.

Mr. GRAHAM: How many of these on the Pacific, and how many on the Atlantic?

Mr. HAZEN: In British Columbia, four; Ontario, ten; New Brunswick, four; Nova Scotia, fifteen; Quebec, one, and Prince Edward Island, five.

Mr. LEMIEUX: Might I renew my humble request that life-saving stations be established around Gaspé?

Mr. HAZEN: I will be glad to make a note of the suggestion.

Progress reported.

On motion of Hon. Mr. Rogers, the House adjourned at 10.40 p.m.

Tuesday, August 7, 1917.

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

COMMITTEE TO REVISE RULES GOVERNING DIVORCE.

Sir ROBERT BORDEN moved:

That the following members be appointed a special committee to consider and report on the desirability of revising the Rules and Regulations governing the granting of divorce, and if, in the opinion of the committee, a revision is advisable, to submit to the House such amendments as are deemed necessary, and that the committee be empowered to meet in joint sittings with a like committee of the Senate: Messrs. Boyce, Maclean (Halifax), Northrup, Pugsley, and Steele.

Motion agreed to.

SALE AND USE OF INTOXICATING LIQUORS.

BILL IN AID OF PROVINCIAL LEGISLATION INTRODUCED.

Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 121, to amend "An Act in aid of provincial legislation prohibiting or restricting the sale or use of intoxicating liquors."

Sir WILFRID LAURIER: Explain.

Mr. DOHERTY: Mr. Speaker, the purpose of this Bill is to make certain amendments to the Act which was passed at the last session of the House in aid of provincial legislation prohibiting or restricting the sale or use of intoxicating liquors. There are five provisions. The first is merely to reinstate in the Act a clause which was in it as it passed this House and which was struck out by the Senate. That clause provided that for an offence under the Act the party accused could be tried either at the place whence he sent the liquor in contravention of the Act, or within the province into which he sent that liquor. The Senate amended the Bill by striking out the provision permitting of a charge being brought against a person in the province into which the liquor was sent.

The second provision authorizes the seizure of liquors in connection with charges made of violation of the Act. The Act as it stands provides that liquor, in regard to which any such offence has been committed, may upon the conviction of the party accused, be confiscated. But it has been found in practice that the provision was defeated by reason of the disappearance of the liquor between the laying of the charge and the obtaining of the conviction.

It is proposed that there should be power to seize the liquor and hold it pending the determination of the charge.

The third provision is to supplement provincial legislation prohibiting the circulation of advertising matter seeking to promote the sale of liquor. The proposed clause prohibits sending through the mails into or within any province advertising matter looking to the sale of liquor, the circulation of which is forbidden by the provincial law. Certain provinces have enacted legislation prohibiting the circulation of such literature and it was thought that it would only be proper that the post office should not carry matter in violation of a provincial law.

Sir SAM HUGHES: Does that cover an advertisement in a newspaper?

Mr. DOHERTY: It covers any advertising circulated in any form provided the legislation of the province itself prohibits that sort of advertising. It is a general provision supplementing and protecting provincial legislation.

Mr. MARCIL: Will this prevent an Ontario house advertising in Quebec papers?

Mr. DOHERTY: As far as circulation in Quebec is concerned, this law would not touch it unless the provincial legislature of Quebec prohibited the circulation of such advertising. But if a province, say the province of Ontario, prohibits the circulation within the province of advertisements looking to the sale of liquor, this Act will make it an offence for any one to use the mails to send these advertisements into that province, or to use the mails for the purpose of circulating them in that province. It is following up the principle of the measure that, where a province prohibits a thing in the exercise of its power, the legislation enacted will protect that provincial legislation from being violated from an outside source.

Sir SAM HUGHES: It would prevent an English or American paper, or a paper from any other province, containing an advertisement of that character, from coming into the province of Ontario without contravening the provincial law?

Mr. DOHERTY: If the provincial legislature forbids the circulation of such advertising, then this law will prohibit the use of the post office to send such literature in. The next clause is introduced at the request of a large number of persons interested in temperance. It provides for

the suspension of the Scott Act wherever it is in force in counties upon the petition for an election, but without an election, in all cases where there is in force in that province legislation prohibiting the sale of liquor which in the judgment of the Governor in Council is not less restrictive than the Scott Act. This is in response to a very widely expressed desire on the part of those who are interested in the temperance movement.

Finally, there is a provision to avoid a clash which it has been pointed out exists between a provision in the Proprietary or Patent Medicines Act and the prohibitory laws of certain provinces. The Proprietary and Patent Medicines Act contains a provision imposing a penalty for the fabrication or sale, under the names of patent or proprietary medicines, of preparations containing certain quantities of alcohol. It appears that the courts have held that by reason of that provision, even though the so-called patent medicine may be clearly an alcoholic beverage, as prohibited by the provincial legislation, that clause in the Proprietary and Patent Medicines Act, the Act being Dominion legislation, superseded the provincial legislation. It is proposed by this clause, inserted in the present Bill, to enact that any of the penalties imposed by the Proprietary and Patent Medicines Act shall be in addition to, and not in substitution for, any penalty provided under provincial legislation for the sale of the same article, treating it as the sale of liquor for a beverage.

Sir SAM HUGHES: What is the penalty, under that advertising section, in case a person should happen to address a paper innocently to a friend in Ontario? Would the party sending it, or the friend in Ontario receiving it, be liable?

Mr. DOHERTY: The penalty is not less than ten dollars and not exceeding one hundred dollars or imprisonment on any person who, by his clerk, his servant or agent, or any person who as servant or clerk or agent, etc., sends or attempts to send through His Majesty's mail, to or from or within the province, advertising matter the circulation whereof is forbidden by the law of the province.

Sir SAM HUGHES: How would you get at an American citizen who sends such matter into Canada through the mail?

Mr. DOHERTY: I cannot devise any criminal law that will apply to people in the United States. It is not within our legislative jurisdiction.

Motion agreed to, and Bill read the first time.

CONFLAGRATION OF PARLIAMENT BUILDINGS.

LOSSES INCURRED BY SOME MEMBERS.

On the Orders of the Day:

Mr. ROCH LANCTOT (translation): Before the Orders of the Day are called, I should desire to hear from the Government when they intend to bring down the report asked several weeks ago, about the losses incurred by some members at the time of the fire that destroyed the Parliament buildings.HrdI

Mr. DOHERTY: Any provision to meet claims of that sort would require to be dealt with in the supplementary estimates, the question of what claims, if any, should be recognized, and to what extent there should be compensation, is presently receiving consideration.

MILITARY SERVICE BILL—LOCATION OF TRIBUNALS, ETC.

On the Orders of the Day:

Hon. C. J. DOHERTY (Minister of Justice): I desire to announce to the House, for the information of hon. members, that there is and will be in attendance in the office of the Solicitor General, room 260 of this building, an officer of the Department of Justice, for the purpose of receiving information which any members of the House may desire to give with regard to conditions in their respective localities which may be useful to enable us to facilitate, in the carrying out of the Military Service Act, ready resort to the proper tribunal of any persons interested in presenting themselves. It is necessary to provide the proper number of tribunals and to determine their locations, and we feel that nobody better than a member of this House, is in a position to give us information as to the particular conditions in each locality which might necessitate a large or small number of tribunals, and which also might affect the places at which it would be desirable to locate these tribunals. We shall appreciate it very much if hon. members will take pains to put at the disposal of this officer local information of which they are possessed. I think it will be recognized that it will be in the interests of their respective constituents that means should be afforded, in the administration of this Act, to meet, so far

as may be possible, the reasonable requirements of each locality.

Sir SAM HUGHES: Who is the officer?

Mr. DOHERTY: Mr. Plaxton.

Sir WILFRID LAURIER: Would the minister repeat what information is desired? Is it simply geographical information?

Mr. DOHERTY: All information of any kind that would be helpful in determining how many tribunals would be required to meet the reasonable convenience of the population and also as to the location of tribunals that would most readily lend itself to the convenience of the population. We would be glad to have any information in regard to local conditions that would make it easier to adjust arrangements so that they would be convenient to the people affected by the Act.

Sir SAM HUGHES: I do not want to interfere, but I think it is quite undignified to ask a member of parliament to go around and call on any clerk or officer, no matter how distinguished he may be. It is the duty of the clerk to hunt up a member of parliament if he wants information concerning a riding. If this officer wants any information concerning my riding, I shall be very glad to give him that information if he calls on me.

DR. BRUCE'S REPORT.

On the Orders of the Day:

Mr. MURPHY: Has the Prime Minister or the Government received an answer from Sir George Perley as to the Bruce report?

Sir ROBERT BORDEN: We have received a cablegram from Sir George Perley.

Mr. MURPHY: When may we expect to receive the report?

Sir ROBERT BORDEN: I do not know whether the hon. gentleman will receive the report or not. The Government have not come to a conclusion to lay the so-called report upon the table of the House. In any event, we shall not lay it upon the table of the House until the communication which Sir George Perley says he has posted has arrived.

Mr. MURPHY: The right hon. gentleman may have noticed a cable message published in yesterday's Montreal Gazette referring to the fact that Sir George Perley has said he had sent the report and going on to detail what purported to be an outline of its contents, so that there is nothing very private about it.

Sir ROBERT BORDEN: I do not know anything about that.

Sir SAM HUGHES: Sir George Perley has seen fit to go on and answer certain data which I presume are found in Colonel Bruce's report on the Babtie Commission, so I think it very strange that the House is not permitted to have it.

Mr. SPEAKER: Order. The hon. member is not in order in discussing the subject.

Sir SAM HUGHES: I am perfectly in order.

Mr. SPEAKER: The hon. member is not in order.

Sir SAM HUGHES: I am entitled to ask why—

Mr. SPEAKER: Order. Discussion is not in order; there is no motion before the House.

Sir SAM HUGHES: I can surely ask a question. I desire to ask the Government why Sir George Perley has purported to publish to the world an answer to the Babtie report without communicating it to the House.

Sir ROBERT BORDEN: I am not aware that Sir George Perley has done anything of the kind.

Sir WILFRID LAURIER: Somebody has done it.

EXCHANGE OF PRISONERS OF WAR.

THE POSITION OF HON. MR. BELAND.

On the Orders of the Day:

Hon. RODOLPHE LEMIEUX: I notice in the press a statement that there has been an agreement for the exchange of prisoners between the British and the German Governments. I do not know if my right hon. friend the Prime Minister has read that agreement, which is published in the press. What I am anxious to know is if, under that agreement, there is any hope that our colleague, Dr. Béland, may be released or exchanged.

Sir ROBERT BORDEN: There is always hope. My hon. friend knows that on every possible occasion effort has been made to secure the release of Dr. Beland, but up to the present without success. Under the new arrangement which has been alluded

to it may be possible to accomplish something. In view of the new arrangement that has been entered into, I shall direct the attention of the British Government to his case.

MINISTER OF OVERSEAS MILITARY FORCES AND PARLIAMENTARY SECRETARIES.

INTRODUCTION OF RESOLUTION FOR THEIR APPOINTMENT.

On the motion of Sir Robert Borden, the House went into committee on the following proposed resolution:

That it is expedient to provide for the appointment of a Minister of the Overseas Military Forces, a Parliamentary Secretary of the Department of Militia and Defence, and a Parliamentary Under Secretary of State for External Affairs, and that the salary of the said minister be $7,000 per annum, and that the salaries of the said Parliamentary Secretary and of the said Parliamentary Under Secretary be $5,000 per annum. The said offices to continue during the war and until the end of the session of Parliament held next after the war, or, if Parliament is sitting when the war ends, then until the end of such session of Parliament.

Sir ROBERT BORDEN: The documents relating to this resolution have been laid on the Table.

Sir SAM HUGHES: I must respectfully ask that hon. members speak a little louder. I have not heard a word uttered by the Chairman or by the minister.

Sir WILFRID LAURIER: I am sorry the ex-Minister of Militia has not heard what the Prime Minister stated, because he has already expressed himself on this question, and pronounced himself against it. There are three propositions involved in this resolution. I think, perhaps, it would have been better if they had been kept separate, instead of being bulked together. One proposition is for the creation of a second Minister of Militia, to reside in England. Another is to appoint a parliamentary under secretary for the Department of Militia and Defence, and the third proposition is to appoint a parliamentary under secretary for external affairs. It provides that the salary of the minister shall be $7,000 per annum and the salaries of the under secretaries $5,000 each. Here are three distinct motions, to create three different offices.

Let us take them separately. The proposition to create a second Minister of Militia seems to be one of very questionable wisdom. We are to have two heads of the Department of Militia, one residing in London and one residing in Ottawa. The matter was discussed between the Prime Minister and the ex-Minister of Militia when the latter was in office, and the judgment of the ex-Minister of Militia, was very strongly pronounced against the creation of the second office. I believe the conclusion arrived at by my hon. friend (Sir Sam Hughes) was absolutely correct. It is impossible for me to conceive why there should be a second head of the Militia Department. There must be confusion, there must be delay, and instead of expediting business, result must be the very reverse. We have this very day a case in point. We have had as hon. gentlemen know, a report sent in by Dr. Bruce in answer to a report which has been before the House for a long time. Last year the ex-Minister of Militia, when he was in office very properly I believe, appointed Dr. Bruce to examine into the conditions of the military hospitals in Great Britain. Everybody remembers that just twelve months ago the newspapers were filled with complaints against the treatment of our wounded in the military hospitals of Great Britain. Although I followed the matter pretty closely at the time, I could not understand what the nature of the complaint was, but I knew, and everybody knew, that there was dissatisfaction. My hon. friend the ex-Minister of Militia very properly tried to have the matter cleared up, and he appointed one of the most eminent surgeons in Canada, Dr. Bruce, to look into the matter. Dr. Bruce went into the matter very thoroughly, and made a report. The report was not given to us in Canada, but it was given circulation in Great Britain, and it became at once the subject of very severe comment in the press of Great Britain, for what reason it was impossible to conceive.

Another commission was then appointed to investigate the investigation which had been made by Dr. Bruce, and so we had the Babtie report. That report condemns Dr. Bruce in many respects, but it agrees with him in sveral things, and the disagreement, after all, was only confined to one or two matters. Upon everything else the Babtie report confirmed the judgment pronounced by Dr. Bruce. The report dealt especially with what is known as the segregation of wounded and sick in the hospitals. Dr. Bruce thought it advisable, and rightly so, I believe, to propose a review of this report. It is to be borne in mind that the committee of investigation never heard Dr. Bruce, never gave him opportunity to reply, and never called upon him to give his views or state the reasons why he had come to his

conclusion. He was condemned ex parte. Dr. Bruce very properly, under such conditions, thought he should state his own view of the case, and he made a rejoinder to the report of the Babtie Committee. We have this spectacle at the present time—the report was made here to the Minister of Militia; the Minister of Militia in Ottawa sent it to the Minister of Militia in Great Britain, and so we cannot have from the Government a decision upon a matter of such moment as whether or not a report of that kind shall be communicated to Parliament. In my humble judgment, all these reports should have been communicated to Parliament without any comment at all, or without any demand being made for them. This is a matter which specially concerns Parliament. It cannot be said that these reports should not be communicated to Parliament because they were of such nature that their publication might be prejudicial to the service. No information detrimental to the service could be given to the enemy by these reports. The enemy could not possibly get any information which would be serviceable in military operations from anything that is contained in this report. All that is contained in the report is simply a statement as to the treatment which our wounded and our sick received in the hospitals in Great Britain.

Why, therefore, is this report not communicated to Parliament? We were told the other day by the Minister of Militia that this report had been sent to Sir George Perley, the Minister of Militia Overseas, and that without the consent of Sir George Perley we cannot have it. There you have at once a conflict of authority. I understood from the Minister of Militia the other day that he had no objection to communicating the report to Parliament, but he thought that it should be sent here through Sir George Perley. Sir George Perley has it; he has been communicated with, and so far as we can gather from the answer given to-day by the Prime Minister, he has not even given an opinion as to whether this report should be submitted to Parliament. Parliament, therefore, is blocked in its work by the fact that we have a second Minister of Militia who is to-day in Great Britain.

I do not see what advantage can result from our having two heads of the Militia Department, one here and one on the other side of the ocean. The Minister of Militia is responsible to this Parliament. Another Minister of Militia, sitting in Great Britain, is responsible also to this Parliament. What control has Parliament over him? If the Department of Militia is to be properly administered, the gentleman who holds the office of minister should sit in this House. It is unheard of; it cannot conduce to good administration, to have a Minister of Militia who does not sit in this House. The gentleman who administers the Department of Militia, or any other department, should be a member of the Senate or of the House of Commons, sitting each day in his place, ready at all times to give information and to account for the business with which he is entrusted. I may be told: you must have somebody in England to look after militia affairs. Certainly, you must. The gentleman who should be in England to represent the Militia Department should be an officer of that department, responsible directly to the Minister of Militia, who, in turn, is responsible to Parliament. Take the case of the administration of the fighting forces in Europe. The general in charge of the British army fighting in France is responsible to a minister, who is responsible to Parliament. A condemnation of this new proposal of my right hon. friend is found in the fact that we have two ministers of the Department of Militia, one here, from whom we can get no information and answers to any questions that may be put, and one in England, from whom we cannot get information in relation to a matter of such moment as that to which I have referred.

Sir ROBERT BORDEN: The right hon. gentleman continually comes back to the report of Dr. Bruce, whatever subject may be under discussion by Parliament. He entirely overlooks the fact that since Colonel Bruce's report was made there has been an entire reorganization of the army medical service overseas. That service is now under the direct control of General Foster, of whom I spoke yesterday. General Foster is the Director of Medical Service so far as the Canadian Expeditionary Force in Great Britain and France is concerned. The management, therefore, which was the subject of Colonel Bruce's report and animadversion has been changed in the meantime, and I have not heard any criticism of the management or administration of General Foster since he took charge. So far as the comment of Colonel Bruce is concerned, I have explained over and over again that in the ordinary course it should have gone to the Minister of Overseas Service, because it related to matters which are under his

jurisdiction. The jurisdiction is not common to the Minister of Militia and Defence and the Minister of Overseas Service. The jurisdiction was divided, just as in Great Britain the ministry of munitions took over part of that jurisdiction which had previously been exercised by the Secretary of State for War, and just as the ministry of shipping in Great Britain has taken over part of the jurisdiction formerly appertaining to another department.

I could name twelve, fourteen, perhaps twenty different instances in Great Britain where a part of the jurisdiction of one department was transferred to another department, for the very simple reason that the exigencies of the war demanded it.

Mr. MARCIL: Do these new ministers sit in the British House of Commons?

Sir ROBERT BORDEN: I think that nearly all are members of the House, but they do not pretend to sit in the House all the time. Sir George Perley is a member of this House. He cannot be here and at the same time attend to his duties overseas; questions have to be answered here on his behalf. The Minister of Marine and Fisheries (Mr. Hazen) informs me that Sir Joseph Maclay, Minister of Shipping, is not a member of Parliament in Great Britain. Sir Joseph Maclay has direction of all matters respecting the providing of shipping. He directs where it shall be employed; whether it shall be employed on the Atlantic or on the Pacific; whether it can be most usefully employed in transportation between Great Britain and Australia and New Zealand, between Great Britain and Canada and the United States, or between Great Britain and Argentine. He has under his direction the building of additional shipping, not only in Great Britain, but in all parts of the world. He has an exceedingly important jurisdiction. One of our last duties in our recent visit to Great Britain was to confer with him.

Sir WILFRID LAURIER: He does not sit in Parliament, but he must be responsible to some minister who does sit in Parliament. He cannot be independent; I am sure of that.

Sir ROBERT BORDEN: So far as that is concerned, Sir George Perley, as I have already mentioned, is a member of and is responsible to this Parliament.

Sir WILFRID LAURIER: At long range.

Sir ROBERT BORDEN: It is true that he does not happen to be here. But the Prime Minister of the United Kingdom, although a member of Parliament, does not attend all the sittings of Parliament. He goes there only on very exceptional occasions.

Sir WILFRID LAURIER: Oh, he does attend.

Sir ROBERT BORDEN: I beg my right hon. friend's pardon. An arrangement was made under which Mr. Bonar Law, the Chancellor of the Exchequer, was appointed leader in the House of Commons, with the direct intention, which has been carried out very fully, that the leader of the Government should not be burdened with parliamentary duties, but that he should direct the whole of his time and energies to matters concerned with the carrying on of the war. He does go there on important occasions, but very rarely indeed. While we were in Great Britain, during more than two months I do not think that he went to the House of Commons half a dozen times. The leadership of the House of Commons is carried on by Mr. Bonar Law, not by the leader of the Government.

As far as the remaining criticism of my right hon. friend is concerned, I do not know that it calls for any answer at the present time. The duties which have been imposed upon the Minister of Overseas Service are very considerable; his jurisdiction is complete with regard to the troops that are overseas. He reports to Council through the Prime Minister; the reports that he makes are submitted to the Minister of Militia and Defence in order that Council may have the benefit of the suggestions of the Minister of Militia and Defence with regard to any recommendations so made. There has been no friction; there has been no difficulty, so far as I am aware, and I think the system has worked out very well.

Mr. MARCIL: What is the object of having a Minister of Militia and Defence overseas? The Overseas Minister must report to the minister here so that his recommendations may reach Council. Why would not a deputy minister in England responsible to the Minister of Militia here serve the purpose?

Sir ROBERT BORDEN: We did not think that would serve the purpose as well as a Minister of Militia overseas.

Sir WILFRID LAURIER: My right hon. friend states that a Minister of Shipping has been appointed in England. I am not aware of the circumstances of this new

creation. There may be such an officer there, but I am satisfied that if he is not a member of one branch or the other of the British Parliament, he is serving under a minister who is responsible to Parliament, who sits in Parliament and answers for him. Without knowing the circumstances, I am satisfied of that. My right hon. friend is surely not serious in comparing the position of Sir George Perley as Minister of Militia overseas with that of Mr. Lloyd George, Prime Minister of England. When Mr. Lloyd George became Prime Minister and reorganized the Government, he divested himself of many of the duties which hitherto appertained to the Premiership. He has not undertaken to lead the House himself, having handed over that duty to Mr. Bonar Law, who is to-day the leader of the House and who attends to all the business of the House, because some member of the Government must be in the House to look after the business of the House generally, and, if needs be, to support before the House the policies of the Government. Although Mr. Lloyd George has to a large extent divested himself of the burdens appertaining ordinarily to the Premiership of Great Britain, still he is the Prime Minister and a member of the British House of Commons, and when some great occasion arises he comes to Parliament to explain the policy of the Government and to lead the House. Is my right hon. friend going to compare Mr. Lloyd George's position with that of Sir George Perley? It is true that Sir George Perley has been elected a member of this House, and that he can sit here at any time, but for all the practical purposes of his appointment as Minister of Militia overseas, he does not sit in this House, and under those circumstances there would be confusion. This appointment, so far from working with advantage, would, I think, work with great disadvantage, and a better way would be to make the position the same as that of the new Minister of Shipping, Mr. Maclay, who serves under a minister who is responsible for him in the British House of Commons.

Sir ROBERT BORDEN: I do not understand why my right hon. friend attributes to my remarks some meaning which I did not at all intend to convey. I understood my right hon. friend to raise the objection that Sir George Perley was not here to answer questions. In reply I pointed out to him that even a gentleman so directly responsible as the Prime Minister of the United Kingdom has found it necessary, for the purposes of this war, to divest himself almost wholly of his parliamentary duties and to hand those duties over to another member of Parliament. I was drawing the conclusion that, under our present conditions a minister of the overseas forces should stay at his post in Great Britain and devote himself to his duties there instead of coming here to discharge duties in this House. I was not comparing their relative positions. I was comparing the two facts that in both cases there was urgent need; in the one case that the Prime Minister should relieve himself of his parliamentary duties, and in the other case, as we think, that the Minister of Overseas Service should devote himself to his duties on the spot in Great Britain and not cross the seas, leaving those duties to take care of themselves, and sit in this House to answer questions.

Sir SAM HUGHES: Would the Prime Minister explain to the House what the functions of the overseas Minister of Militia may be, what those of the Minister of Militia in Canada may be, wherein they harmonize, and wherein they clash?

Sir ROBERT BORDEN: They do not clash at all; they harmonize in every respect. The Order in Council already laid on the Table defines the duties of the Minister of Militia for Overseas Service. He assumes a part of the jurisdiction formerly exercised by the Minister of Militia and Defence. He assumes in respect of the Canadian forces overseas the duties which had been previously exercised in respect of that force by the Minister of Militia and Defence.

Mr. MARCIL: If Sir George Perley is to receive a salary from the day of his appointment, he will be violating the independence of Parliament Act because, having accepted an office of emolument under the Crown, he should vacate his seat in this House and return to his constituents to seek re-election. Does the salary date from the date of his appointment or from the date of the closing of this House?

Sir ROBERT BORDEN: The point raised by my hon. friend is provided for in the Bill to be founded on this resolution, and we have in regard to it numerous precedents in Great Britain since the war began.

Mr. MARCIL: Are there precedents in the cases of the other two appointments?

Sir SAM HUGHES: I have no objection whatever to the portion of this resolution

referring to the Parliamentary Secretary for Militia and the Parliamentary Under-Secretary for External Affairs, and I shall be only too pleased to assist in the passing of the resolution as regards them. Their appointment is a very good idea.

I object, however, to the appointment of a Minister of the Overseas Military Forces, to be stationed in England, not only on the ground of the administrative character of the office, but on the ground of the manner in which it is being conducted. In the first place, we have the fact that although the second Bruce report in answer to the Babtie report has not yet been laid on the table of the House, we have a commentary upon it published yesterday in England by Sir George Perley. This report should be withheld until this House is in possession of it. From Sir George Perley's admissions yesterday, we have for the first time a clear idea of what the Militia Department has been up against so far as that gentleman as High Commissioner is concerned. From the outset of this war, Sir George Perley has taken the stand that Canada is in the position of a Crown colony and that we should have no right, nor recognition, nor control, over our troops beyond the seas, other than what may be accorded to us by the British War Office. Since 1914, Sir George Perley took the position that I, as Minister of Militia of Canada, had nothing whatever to say or to do in connection with the troops in England, and that any arrangements from a military viewpoint were absolutely under the control of the British War Office. The letting of contracts, purchases for the troops, the establishment of the V.A.D. hospitals and matters of that kind, of course, would be arranged, as they evidently, according to the report published yesterday, have been arranged, through Sir George Perley's influence with the British authorities.

The findings of the Bruce report of a year ago have been more than justified by reason of the fact that the V.A.D. hospitals in England are being practically wiped out to-day by the British medical authorities themselves. In fact, they are no longer in existence, orders having been issued that they are all to be congregated together and run as proper hospitals. I think the statement has been made that they will contain not less than 500 beds in place of the small number they used to contain, and I understand that the control is to be entirely different. As I have said, I have no objection whatever to this resolution, provided the Department of Militia overseas is left under the control of the Department of Militia in this country. There is no use shutting our eyes to the facts. There is not a member of this House who has had dealings with the Militia Department since Sir Edward Kemp took control who has not felt sorry for that gentleman on account of the humiliating position which he has been obliged to take again and again in connection with military matters.

Sir EDWARD KEMP: Oh, no.

Sir SAM HUGHES: He has no say in these matters. I understand that he has been reprimanded repeatedly for presuming to ask certain questions of those in control across the sea. He bears it all with very good grace, but there is not one of us who has not realized the humiliating position in which he has been placed. I would sometimes write a letter to the department for some mother asking for information about her son, and would receive a printed reply saying, "We understand from Sir George Perley's Office that so and so," and I would be told to proceed under such and such a section of the Act, and in the course of a year or two I might get the desired information.

But apart from the personal element, there is also this fact: Officers sail from this country under pay, under discipline, under an allowance and under the administration of the Department of Militia in this country, but when they get to the other side they are subjected to an entirely different set of conditions. For instance, the Minister of Militia here, no matter what his knowledge of an officer may be, has no say in promoting him once he gets across the water. There is another very serious objection—I am giving these objections very briefly—and that is the tremendous expense involved. The statement is made that whereas General Carson administered the whole of Canada's war department in England with less than 50 men, and did it well, despite the fact that Sir George Perley attempted to thwart him at every turn by interfering, there are now 1,200 to 1,500 men, not counting the pay officers, doing the work of the Adjutant General's office and other offices. In fact, I understand that only about 30 men were employed by General Carson for this work. I challenge any member of this House who has taken a battalion overseas to stand up in his place and say that he has received satisfactory treatment from the Overseas Militia Office in England.

4 p.m.

Without going into details, I would simply point out that this division of the work is contrary to the principle of responsible government. There would not be the same objection if something similar to the plan of the British Government in respect of munitions had been followed; they have a minister in charge in England, and representatives in this country looking after certain work. There was also some justification for turning over the work of letting contracts to the War Purchasing Commission, because whatever difference of opinion there may have been as to the best form of administration, the administration by committees of the Privy Council was certainly very unsatisfactory, and the appointment of the Commission was a step that no serious objection could be taken to. But to divide the responsibility as is proposed by this resolution, to give control in Canada to one minister, and then for the troops to come under the control of the Overseas Minister of Militia immediately they arrive in England, is doing something which from a constitutional standpoint is quite illogical, and as to the working out of it I challenge any one to prove that the plan has worked satisfactorily. There is not a member of Parliament who knows how the department has been administered who has not stated over and over again, publicly and privately, that the plan has been very unsatisfactory, and the officers who have gone overseas have not hesitated for a moment to speak out in regard to this matter. The Prime Minister knows what is contained in the reports. At all events, gentlemen who know what the conditions are in England have no hesitation in giving their opinion publicly as to the administration of Sir George Perley and of the dual ministry of Militia.

Mr. MARCIL: Were the 1,200 men that my hon. friend speaks of appointed under the Civil Service Act, and what salaries are they paid?

Sir SAM HUGHES: I don't know anything about that. They are under the Militia Department, but I cannot say whether their appointments are civil or military.

I certainly cannot see why the Bruce report in answer to the Babtie charges has not been published; but that is neither here nor there. As it has not been published, I certainly think it was a strange proceeding on the part of Sir George Perley to seek to answer it in advance in the press of England yesterday. I will not say that his statement was given to his subsidized press, who have been sending out a continual stream of reports from his office during the last three years on lines suitable to him, but his statement was certainly calculated to prejudice public opinion in advance of the publication of the Bruce report after Parliament has been prorogued. Under all the circumstances, I think that that part of the resolution referring to Sir George Perley's salary should be withheld until the Bruce report is published.

Sir ROBERT BORDEN: I am informed by the Minister of Militia and Defence that the printed fly-leaf to which my hon. friend refers emanated from the department here. It is entirely attributable to the Minister of Militia and Defence.

Sir SAM HUGHES: All I have to say then, is that the Minister of Militia and Defence has fallen very greatly in my estimation for permitting it to go out.

Sir ROBERT BORDEN: The blame will have to lie where it belongs, if it is a document of the character described by my hon. friend. It was really prepared, I think, for the purpose of giving certain information and suggestions in a convenient form, as the inquiries were very numerous.

I do not find that the press despatch in the Montreal Gazette contains any reply to Colonel Bruce's report. There is a reference to what Colonel Bruce's report contains, but the comments upon it are not set forth in the despatch in the slightest degree.

As to the number of men employed overseas in connection with the administration of the forces in England, I should be greatly surprised if the number exceeds the number employed under the administration of my hon. friend (Sir Sam Hughes). I cannot speak positively as to that, because I have never made any computation, but I know that most of the men at the head of departments over there are men in whom my hon. friend had a great deal of confidence. There is Colonel McRae, for instance, who was at the head of the Quartermaster General's Department under the administration of my hon. friend. He has proved himself very capable, and is still at the head of that department. Colonel Ross, who is at the head of the Pay Department, and is a very capable man, was also selected by my hon. friend. Colonel Foster had a long record in the permanent force, and was regarded by my hon. friend as a man worthy of an important position. I do not think he filled

his present position under my hon. friend's administration, but I understand that he filled some position of importance in France. Colonel Thacker, I think, retains practically the same position he had before, that of Adjutant General. As regards General Turner, who is the head of the military organization in England, I think it is universally agreed that in the discharge of his new duties he has proved himself very diligent and very efficient. These, I think, are the most important changes that have been made.

There really has not been any friction in carrying out the work of the two departments. They co-operate with each other very harmoniously. There are doubtless suggestions from one department to the other from time to time, but there has been no friction, and no difficulty.

Sir SAM HUGHES: That fly-sheet, I understand, was prepared in England, or at least it is very similar to one that was in use in England. I do not know whether the Minister of Militia for Canada is anxious to claim the fatherhood of the thing or not, but I take the ground—I have taken it for a quarter of a century, and I shall take it for a quarter of a century more—that with all due regard to my hon. friend the Minister of Justice (Mr. Doherty), and the proposition he has made to-day, I will not communicate with the Minister of Militia, or with any other gentleman occupying the position of minister, through any subordinate on matters affecting my constituency, or any of my constituents. The proper plan, when any member has anything to do with any department, is to notify the minister of the department. I notify the Minister of Militia and get back in return this notice: "You will be kind enough to read this over and see which section refers to the case in point; then notify your friend in the country that she is to apply to the P. W. X. Y. officer in her district, who will in turn report the matter to the Militia Department here; in due time it will reach England and France, and in the course of the next quarter of a century or more a reply will come back. That is not the manner in which things were done when I was in charge of the department. I recognized members of Parliament had the right to come to me and ask me questions, and I, as Minister of Militia, looked after these things and saw that their requests were properly attended to, and as far as we could we gave them the data. I could give an instance to this House where a mother had tried for over two months to find out what had happened to her son. I am not blaming the present Minister of Militia, because he had nothing to do with it, although he is taking the blame as a gentleman and trying to look happy. Finally, that poor mother appealed to me. Through the sources of information which I had, I found out in less than two days that her son was dead and had been buried in France last January, he having been wounded in the latter part of November. Three weeks after that mother had received my message, she received—I do not blame this office here—an intimation from that concern in London that this young man was dangerously ill at a hospital in France, when, as a matter of fact, her poor boy was dead and buried on the 5th of January. The mother again appealed to me, and upon making further inquiries the information which I had received was verified. I am merely pointing out what this system does. It is bureaucracy, and it is against proper administration and action. That is the only point I am making in regard to the matter. As to the officers in London, I venture to say that the number is twenty times as great as it was formerly. I am not speaking of the senior officers. They could not get rid of a good many of the senior officers over there if they tried.

Sir ROBERT BORDEN: In which department has there been an increase?

Sir SAM HUGHES: In the Adjutant General's department and in others. I do not know how they employ all the men there are to be found in the Argyle building. My right hon. friend the Prime Minister was over there and he saw them. There are six buildings filled with these gentlemen, whereas General Carson had only fifty and that included the clerical service and the Quarter-master General's staff.

Mr. MARCIL: Are these gentlemen civilians or soldiers? If they are soldiers why do they not go to the front?

Sir SAM HUGHES: I do not know, but I understand they are mostly soldiers. I would suggest to my right hon. friend the Prime Minister that he might inquire as to the number of men who are employed in that building alone. The information I have is largely obtained from gentlemen of high standing who have been over there, and who have returned to Canada, as well as some officers who have returned. I have not made any enumeration whatever, as I did not think it was part of my function to

do so. I have assisted the minister in Canada in every legitimate way, and I have refrained from meddling in the work at all. But my information is that there are six buildings full of gentlemen in London doing the work which was formerly done by General Carson and his fifty men. I would ask any officer in the minister's department to speak up frankly and say how the thing is going. The department here has been wiped out of existence in so far as control of the Record office work or any other work is concerned. I believe that a change has come about in the last few months whereby Canada is recognized to a certain extent as being entitled to her rights. But all the service that I can find that Sir George Perley was rendering to this country was simply putting obstacles in the way and in bringing these V.A.D. hospitals under the patronage of some distinguished people in England, and in that way making them appendages to the British machine, rather than independent entities under the direction of the great nation which Canada is to-day.

Mr. LEMIEUX: I wish to register my protest against this resolution. I speak for those who think that as Canada is spending about $900,000 a day, or not far from the million dollar mark, we should not fail to remind the Government that there is such a word as economy in Webster's dictionary. I am opposed to the principle of the resolution because I believe that all offices of emolument that can be dispensed with might well be dispensed with at the present time. My right hon. friend the Prime Minister stated a moment ago that those who will be the recipients of these emoluments may evade the election which always takes places when a new minister is created. He says that there are precedents for that position. My precedent to the contrary is the election of Mr. Churchill not two weeks ago. After he had been called by the Prime Minister of Great Britain to join the British Cabinet, he had to go before his electors at Dundee for election. The British constitution is still our model, and I do not see why we in Canada should deviate from that time-honoured principle. Sir George Perley was elected for the county of Argenteuil in 1911, and made minister without portfolio, and he has been acting as High Commissioner in London since the death of Lord Strathcona. I do not see why, now that he is in receipt of the salary of a minister, he could not do as the Prime Minister did, as any member of the House would do if he were called to the Cabinet, go back to his county, appear before his electors, and let this country know whether or not he still has the confidence of his Canadian electors, because, after all, he is primarily responsible to his electors, to the farmers of the county of Argenteuil. As regards the under-secretaries, I have much respect for my hon. friend from Bruce (Mr. Hugh Clark), and also for my hon. friend from Queen and Shelburne (Mr. McCurdy).

But this is only a temporary provision in their case. If I read the resolution aright, these under-secretaries are going to act just during the present Parliament. The positions are not permanent. Some years ago, at the request of the Prime Minister, Sir George Murray, an English authority on civil service, came to Canada to investigate the whole of our Civil Service and our Government organization. Sir George Murray reported favouring the establishment of under-secretaryships. The Government has thought fit to ignore the report of Sir George Murray, and it is during the dying days of this Parliament that the right hon. gentleman comes before this House with a resolution which carries recommendations thus made. I think that, with the army, the thousands of civil servants, appointed in all departments since 1911, the under-secretaries are not needed for the time being.

Sir SAM HUGHES: Why should not an under-secretary of the Militia Department, for instance, relieve the minister of a great deal of work?

Mr. LEMIEUX: Let us take the under-secretary of External Affairs, and I say, without fear of being contradicted, that, with the Prime Minister as head of that branch of the service and with Sir Joseph Pope, who works night and day for his country, who attends to his duty as no other officials in the Government attend to their duties, an under-secretary is not needed—unless it is to prepare campaign literature. I do not say that the hon. gentleman does that, but I repeat that, with Sir Joseph Pope at the head of the department, no under-secretary is needed, and nobody in Ottawa will believe he is needed. My hon. friend says: What about the Department of Militia? If he will accept that bouquet from me, I will say that, as long as the hon. member (Sir Sam Hughes) was at the head of the Militia Department, the hon. member for Shelburne was not needed as under-secretary. The ex-minister could do his work and do it well.

Sir SAM HUGHES: I must say that I would have been only too delighted, and was delighted after he was appointed, to have the services of this worthy member. He was certainly of great assistance to me in the department.

Mr. LEMIEUX: Coming back to Sir George Perley, I say that the new office of Overseas Minister is not at all needed. We have the right to appoint a High Commissioner in London, and if a successor to Lord Strathcona had been appointed four or five years ago, the High Commissioner for Canada in London to-day would not have needed by his side an Overseas Minister. Australia is playing its part in the present war; New Zealand also; but I do not know that any Overseas Ministers have been appointed for those two Dominions. For what reason is Sir George Perley put in that position? The High Commissioner for Canada should be the channel of communication between the British authorities, the Canadian general, the Canadian troops and the Canadian Government. For my part, I do not want to see the day when a Canadian minister will be residing in London. I want to see the Canadian ministers in the Canadian House of Commons, and not in London. They are responsible to Canada and to Canada only, and I am glad to find my hon. friend (Sir Sam Hughes) taking the stand that the Minister of Militia is primarily responsible to the Parliament of Canada and to the Canadian people. The atmosphere of London is uncongenial to some of our Canadian statesmen. Not very long ago, I read in the Canadian Courier of Toronto the following, on the subject of Canadian autonomy:

> Sir Robert is imperialistic. Autonomy is rapidly disappearing and, ominously, the losses are being outrun by imperialistic phraseology. Sir Robert declares that he is a member of "The Imperial War Cabinet," although there is no such thing. He has agreed that Canadian resources shall be considered "Empire resources" and Canadian assets "Imperial assets." He has agreed to "concerted action" in the development of "the Empire's resources," and to the establishment of an "Imperial Development Board" to devise methods, to advise and to guide. He has agreed to the creation of the "Imperial Mineral Resources Bureau" to consider how our resources may be "made available to meet the total requirements of the Empire." He has bound up our economic interests with all parts of the King's dominions. He has associated us with all the Allies in a "common economic policy," as against all outsiders, including the United States. Sir Starr Jameson's Committee proposes making Imperial profit out of our lands. The Earl of Dunraven declares that our fisheries "must be viewed as an Imperial not as a local asset." Sir Robert agrees that "our natural resources ought to be conserved for the general national benefit." Canada has ceased to be autonomous. She has become a British sphere of influence.

Whilst I do not object to Canada being a British sphere of influence in the broad sense, I much prefer to have her one of the Overseas Dominions, possessing her full autonomy and living up to the precedents and the principles which are laid down in the British constitution.

Sir EDWARD KEMP (Minister of Militia): I wish to refer to only one phase of the discussion and that is in regard to what has been described as a fly sheet. I object to this document which I hold in my hand, a circular letter dated February 11, 1917, and for which I am responsible, being called by such an undignified name. It has been found that the more troops we send overseas and the more that arrived in France and the more casualties that occurred, the more inquiries reach the department from the relatives of the soldiers.

That is quite natural, and as the inquiries have increased in number, running sometimes into thousands a day, we have endeavoured to classify them. After careful study we classified them under ten different heads, and I think we have pretty nearly covered the ground. It is impossible for the Minister of Militia to personally see all the friends and relatives who make these requests, and it is impossible for the Minister of Militia to conduct all the correspondence in connection with them. Nevertheless a letter is dictated and sent to every relative and friend of the soldier at the front, or in England or in Canada, who makes inquiry. On the 1st February, 1917, we embodied these requests under ten different headings, and I shall take up a moment of the time of the House to read what was intended by the issue of this circular. I think the committee will agree with me that such action was necessary. In fact, I may say that the circular which I hold in my hand was found to be so popular that we have had several different editions printed since that time, and have had them circulated amongst members of provincial legislatures, members of Parliament, members of the Government, the judges, and prominent people from one end of the Dominion to the other. These circulars have done great service in giving information in respect to the conditions and the surroundings of soldiers with respect to whom requests were made that they should be sent out to Canada on furlough.

The circular reads:

Department of Militia and Defence
Canada.

Memorandum Regarding Methods of Dealing With Personal Requests Concerning Soldiers Serving Overseas With the Canadian Expeditionary Force.

A large number of requests of a personal nature with reference to soldiers serving overseas with the Canadian Expeditionary Force are daily received by this department and by the Canadian military authorities in England. It is, therefore, considered desirable to explain the methods which, in the interests of fair and equitable treatment to all concerned, are followed in each case.

The policy adopted with respect to these requests has been formulated with every possible regard for the personal interests of the soldiers concerned and the natural anxiety and interest on their behalf of their relatives and friends. It should be remembered, however, that, at this stage of the war the brave men of our own Canadian army and those of the British and Allied armies require all the support that can be given them in their heroic fight for liberty, justice and civilization. To this end the services of every available man in whatever capacity his physical and other capabilities fit him to occupy are urgently required both in England and at the front. It should, therefore, be clearly understood that the exigencies of the military situation must be the primary consideration in dealing with such requests.

The following statement explains the procedure adopted in dealing with the various cases mentioned.

A. E. Kemp,
Minister of Militia and Defence.

Ottawa, February 1, 1917.

Sir SAM HUGHES: Is that the circular which says that Sir George Perley objects to having these questions thrust upon us?

Sir EDWARD KEMP: No.

Sir SAM HUGHES: You have taken that out, have you?

Sir EDWARD KEMP: I do not find any statement of that kind in it. I will not take up the time to read the rest of the circular; I shall simply read the general headings, which are:

1. Requests for commissions for men serving overseas.
2. Requests for the return of men to take out commissions in Canada.
3. Requests for the return of officers for duty in Canada.
4. Requests for promotions.
5. Requests for transfer of soldiers overseas from one unit to another.
6. Requests for leave or discharge on medical grounds.
7. Requests for leave or discharge on "compassionate grounds."
8. Requests for leave to Canada during convalescence, after being wounded or after sickness.
9. Requests for return to Canada on the grounds that the soldier has been found medically unfit for service in the trenches.
10. Requests for discharge of soldiers overseas who are said to be under military age.

These are the general classifications under which we can fairly class the thousands upon thousands of requests that came from soldiers and friends of soldiers overseas in France or England, and it has been of great service to the friends of the soldiers, and has proved, in my opinion to be a great success.

Mr. BURNHAM: The hon. gentleman from Rouville (Mr. Lemieux) has made a statement which will go from one end of this country to the other, and appear as an uncontradicted statement, to the effect that the newly-created office of Under-Secretary for External Affairs was for campaign purposes. Surely it must be patent to anybody that such a charge against the integrity of this Government is an exceedingly serious one. If either ought to be backed up or withdrawn, and it most distinctly ought to be promptly contradicted. The people of this country are more than alive to charges of any description, particularly at this time, and I cannot rest content without protest, if such a charge as this, made by a distinguished front bencher of the Opposition, is not at least disputed, or, in some way, required to be confirmed. The hon. gentleman from Rouville knows perfectly well that what he said will go with tremendous weight to the people of this country. An election is impending. The justification for the creation of the position has not been set out; no doubt it will be. The salary, I am free to confess, being $7,500 a year—that is the Sessional indemnity and the salary—is to my mind excessive at this time. I will vote for it, because we are on the eve of an election.

Some hon. MEMBERS: Hear, hear.

Mr. BURNHAM: I feel that we have got to vote for it.

Mr. PUGSLEY: You want all you can get.

Mr. BURNHAM: I think it is too much. I am willing to go it blind and vote for it, but I am not willing to go it blind with a charge uncontradicted, like that made by the hon. gentleman from Rouville. That statement is an absolute insult to this House, if it is not true, and if it is not true it most distinctly requires explanation of the most serious kind. If we can sit in this House and listen to charges of that

kind and they do not disturb our equanimity, we are on the brink of a moral catastrophe, to put it mildly. I do not wonder the people are shocked at partyism and partisanship, which applies, of course, to both parties. I cannot resume my seat without reiterating the statement that such a charge as that should be promptly withdrawn as an ignominious exaggeration, made for party purposes at an opportune time, without one tittle of proof or reason, or that it should be substantiated. I hear nothing from the hon. gentleman from Rouville during the course of my humble remarks to indicate that he has the slightest intention of taking it back. It is a very sad commentary, indeed, upon the state of affairs in this country, if such a statement can be made with impunity.

Sir ROBERT BORDEN: I doubt very much whether the language which has fallen from the hon. gentleman from Rouville (Mr. Lemieux) will produce anything like the impression which my hon. friend from Peterborough seems to imagine. We hear very often from the hon. gentleman from Rouville in a somewhat exaggerated way.

I do not know that any one takes his remarks very seriously. As a matter of fact, he is profoundly ignorant of the subject which he undertook to discuss. I know what the duties of the Prime Minister as Secretary of State for External Affairs have been during the past two or three years. I know those duties better, perhaps, than any other hon. member of the House, and I venture to say that they have been twenty times as great as they were under normal conditions. The correspondence with the Mother Country, on matters frequently of the greatest importance, has been as much in a month as under ordinary conditions it would be in a year; I believe that I am understating the fact in that respect. The Under-Secretary of State for External Affairs has been occupied with the duties of his office during very long hours. He has rendered very important assistance; he has done good work, relieving me from very many matters which previously occupied my attention. My only regret is that I did not take steps early in the war to have an Under-Secretary of State for External Affairs appointed; it would have been better for the interests of the country had I done so. I would have had more time to give to general considerations; my attention would not have been so much taken up with matters which, though important, were nevertheless of a somewhat routine character. As to the necessity that Parliamentary secretaries in Great Britain should go back to their constituents, on their appointment, the hon. member is as baldy informed as about other matters of which he has spoken. If he had seen fit to inform himself before speaking, he would have known that when the Government of the United Kingdom was reconstituted nearly a year ago, an Act was passed which made it unnecessary for the members taking office to be elected again to Parliament. The period over which that law took effect was two or three months, a sufficient length of time to enable the Government to be reorganized and the ministers to assume their duties. We are doing on a very small scale indeed in respect of these three gentlemen what was done in Great Britain in December and January last on a very large scale. When my hon. friend speaks of British precedent, he puts the best possible argument into my mouth because I need only refer to British precedent to establish thoroughly the position which I have taken. It is perfectly true that Mr. Churchill had an election recently in Dundee. I am speaking, however, of the period when the British Government was reorganized, a period of two or three months, over which the statute to which I allude extended. The statute ceased to have operation after the time mentioned; in the meantime, the Government had been reorganized. I am citing that as an instance where, upon a very large scale indeed, Parliament made provision for members accepting offices of emolument under the Crown without the necessity of being returned again as members of Parliament.

Mr. MARCIL: Does this salary of the Overseas Minister date from the time of his appointment?

Sir ROBERT BORDEN: It dates from the time he commenced to discharge his duties. I have already explained that Sir George Perley has written a letter to me in which he expresses a desire not to receive any salary. The hon. member for Rouville (Mr. Lemieux) has made remarks with regard to Sir George Perley that I think are not in very good taste. For six years Sir George Perley has discharged the duties of a minister of the Crown without any remuneration whatever. During that time he has continually undertaken the discharge of duties for other ministers, sometimes for three, four or five months at a time. He has worked hard and inde-

fatigably in the discharge of the duties so confided to him, sometimes during the long summer months administering here in Ottawa three or four departments when the heads of those departments were taking needed rest. I venture to say that he has given more service to the people of this country without remuneration than a dozen like the member for Rouville ever did or are ever likely to. He has discharged the duties of High Commissioner for three years in London without any remuneration whatever. I think, therefore, that it is perhaps not in the best taste to comment in the tone which my hon. friend from Rouville saw fit to assume with regard to the salary which I now propose to ask Parliament to vote for that office.

Sir WILFRID LAURIER: My right hon. friend has said that the remarks of the member for Rouville were not in the best of taste; I would suggest that my right hon. friend's remarks in answer to the member for Rouville are far from being in the best of taste. The member for Rouville had good reason to speak as he did; he showed that he knew as much about the subject with which he was dealing as my right hon. friend did. Last year, or the year before, when the British Government was reorganized, a special Act was passed for a special occasion, dispensing with the necessity of the ministers going before their electors before accepting office. But this Act was only temporary, and they have now reverted to the old practice of requiring a member of the House of Commons to go before his electors before accepting an office of emolument under the Crown. The latest instance of this was the election of Mr. Churchill. In this respect, therefore, my hon, friend (Mr. Lemieux) was well advised in speaking as he did. I think that we had better approach the discussion of this matter not with our tempers, but with frankness and as becomes members of Parliament. I am prepared to believe what my right hon. friend says with regard to the work of the Department of External Affairs. I knew the work when I was in office, and I am sure that during the war it has increased immensely. That the inside work has increased, and that the member for North Bruce (Mr. Hugh Clark)—with whom nobody has any quarrel; whom everybody in this House respects—has done a good deal to relieve the Prime Minister of the discharge of duties which would otherwise have fallen upon him, I am prepared to believe. But in what respect has the Prime Minister been relieved upon the floor of this House by the member for North Bruce? Whatever the member for North Bruce may have done in his office, so far as the work of this House is concerned he has not earned the salary which it is proposed to give him as Parliamentary Under-Secretary of State. Whether or not he is entitled to the secretaryship we need not discuss now; we will come to that when the second reading of the Bill is reached.

With regard to the Parliamentary Secretary of the Department of Militia and Defence, I say the same; I leave it to every man in this committee whether he has been of any assistance to the Minister of Militia. The member for Rouville referred to the work done by Sir Joseph Pope. Sir Joseph Pope is a very good officer; he may have equals, but certainly he has no superior in activity, energy, integrity and all the qualities required of one in his position. If he requires a larger staff, it is proper that he should get it. However, we will defer the discussion of these matters until we reach the second reading of the Bill.

Sir ROBERT BORDEN: I rise only to say that I disagree with the right hon. gentleman in his belief that in Great Britain the duties of Parliamentary Under-Secretary are confined to answering questions in Parliament.

Sir WILFRID LAURIER: Not confined.

Sir ROBERT BORDEN: Or to doing work of that kind.

Sir WILFRID LAURIER: I did not say so.

Sir ROBERT BORDEN: If they are not confined to that, then my hon. friend's argument falls absolutely to the ground. Does he mean to say that Sir George Murray suggested the appointment of undersecretaries in this country merely for the purpose of having them answer questions in Parliament? Any such idea as that is out of the question. They were suggested for the purpose of relieving, to a certain extent, the ministers in discharge of their official duties, not only in Parliament, but in respect to the work of their office. The work of the office is much more burdensome and serious than the work in Parliament, because the former extends throughout all the year. So far as that is concerned, the new under secretaries may not, up to the present time, have taken up a very large share of the work in Parliament. They are

new to the duties of their office, and it is beyond question that in other sessions they will, more and more, assume a larger share of parliamentary duties in addition to the work which they perform in connection with office routine.

Mr. LEMIEUX: I do not resent what my right hon. friend has stated in regard to the remarks I made, but I would like to know from him what he finds in those remarks which is out of taste concerning Sir George Perley. I have said nothing against Sir George Perley. He is a personal friend of mine, but if Sir George Perley chooses to be High Commissioner for Canada in London, as there is a salary attaching to that function, let him resign as a member of the Government and then let him accept that position, and nobody will find fault with him. But if he chooses to be acting High Commissioner in London and at the same time be overseas Minister of Militia and Defence, to accept emolument as such and not seek re-election, I say, as a Canadian, and as a student of British institutions and the Canadian constitution, that Sir George Perley is evading one of the cardinal principles of our Canadian constitution and of the British institution. I cited the example of Mr. Churchill, who is just as important a man in the British Government as Sir George Perley is in the Canadian Government. Mr. Churchill has had, for a young man, a long and brilliant career in public life, and yet when he is called upon by his Sovereign to join the British Government, he resigns his seat; he goes before his electors in Dundee; he gets re-elected, and he joins the Government and can receive the emoluments of office. By what divine right should Sir George Perley—who, it is true, has been acting High Commissioner in London without any emolument, but on whose head honours have been showered, he has been knighted for that very object—now join the Government, receive emolument and not seek re-election from the farmers of the county of Argenteuil? He must not expect the electors of Argenteuil to look upon him as their representative in the Government if he does not adhere to the principles of the Canadian constitution. By what right, I repeat, can Sir George Perley (after having been away from Canada for five years), become a minister of the Crown and not seek re-election from his electors in the county of Argenteuil? High as is Sir George Perley, knighted as he may be, I say that the plain farmer, Mr. McGibbon, who is a candidate against him in Argenteuil, will defeat him to-morrow if he runs in that county.

Sir SAM HUGHES: Is it the intention that Sir George Perley or any other person accepting the office of Minister of the Overseas Military Forces shall not seek re-election?

Mr. LEMIEUX: Yes.

Sir WILFRID LAURIER: There is a provision in the Bill for that.

Sir ROBERT BORDEN: It is not in the resolution; it will be in the Bill. It is the same provision as was enacted in Great Britain last December or January.

Mr. MARCIL: In the British Bill the appointment was not made retroactive; here it is made retroactive, and Sir George Perley will draw his salary from the date of his appointment, not from the date of the passage of this Bill.

Sir SAM HUGHES: I object to there being two Ministers of Militia both on account of the dual control and on constitutional grounds. What we should have in England is an officer responsible to the Minister of Militia or some other member of the Government here, but that officer should not have ministerial functions. What has happened shows that my contention is justified. We should have some officer who will be in a position similar to that of General Carson. Let Sir George Perley be responsible to the Minister of Militia here.

Mr. LEMIEUX: And responsible to his electors here.

Sir SAM HUGHES: That goes without saying.

Mr. LEMIEUX: Not according to the Prime Minister.

Sir SAM HUGHES: I would not have a minister in England at all, so that the officer appointed would not require to be responsible to any electors. The manner in which the appointment is provided for in the Bill would place in the hands of the party in power an autocratic authority that should not be exercised by any Government, and it would have a tendency to take away from the people certain rights, which, under the constitution, they are entitled to exercise.

The Minister of Militia in Canada does not understand my objection to his circular. If my recollection serves me aright, the first circular that came out distinctly

stated that Sir George Perley objected to being troubled with those letters. He objected to having those questions asked of him. The poor people throughout the length and breadth of the country do not know that the country is divided into military districts, and who these red tab and brass tab people in the Militia Departments are. I understood that the people were not posted on the petty details of the department, and when a mother from any part of the Dominion wrote a letter to the department, I instructed that it be handed to a clerk who had as many brains and as much capacity to act as any red tab officer in London, Kingston, Toronto, or other military district. Whenever a member of Parliament came into the department the instructions were that he was to be shown into my room at once; that when he sent a communication, that communication was to be acted on as though it was an order from the people's representative, and we did what we could to meet the people's wishes, so that any request which a member made, even although it was in regard to a poor, common soldier, should be looked after immediately. The reason I take exception to this appointment is that this is not meeting the people's representatives with the dignity, the courtesy and the business treatment to which they are entitled. Let me give a specific instance. A poor woman from London, Ontario, wrote to the Minister of Militia, asking some questions. An officer under the minister here sent the letter back to her with one of these circulars, telling her to read the circular and to apply under the proper heading. She did not know to whom she should apply. She did not know that London was a military district, although she lived in London. That is only one instance out of tens of thousands throughout the country. I took the case up and put it through for her myself.

The point I want to impress upon the Minister of Militia is that members of Parliament, in making requests or asking for information from the minister, should not be placed in the same position as an unofficial citizen, but should be treated with that courtesy and dignity to which a member of Parliament is entitled. So far as the under-secretaries are concerned, I think they can be of very great service, especially during war time, and I purpose with all my heart supporting that section of the resolution. But as regards the other part of the resolution, it is constitutionally wrong, it is wrong from the standpoint of our success in the war, and it is wrong upon a great many other grounds that I do not care to enter into here to-day.

[Sir Sam Hughes.]

Mr. PROULX: Will the salaries of these under-secretaries date from their appointment or be retroactive?

Sir ROBERT BORDEN: They will begin from the date of their appointment.

Mr. NESBITT: I should like to ask the Prime Minister what authority, if any, the Minister of Militia here will have over the Minister of Militia in England, and if he has none, to whom is the Minister of Militia in England responsible? I was also going to ask why it is necessary to appoint an Under-Secretary of State for External Affairs, but the Prime Minister has explained that it was necessary, and I am quite willing to accept his explanation. I might remind him, however, that we vastly increased the office expense of that department by a vote last night. However, if the Prime Minister still thinks the appointment is necessary I have no objection, because he ought to know best. Nor have I any objection to the persons he proposes to appoint to these positions. With regard to the other part of the resolution, I have never seen any great department, whether in private business or otherwise, prove a success under dual management. If the Minister of Militia here has no control whatever over the Minister of Militia in England, I hope it will work out successfully, but I seriously doubt it.

Sir ROBERT BORDEN: The Minister of Militia Overseas is responsible, just as any other minister of the Crown is responsible, in respect of the duties which are confided to him by the order in council which has been passed. He reports to the Governor in Council through the Prime Minister, and a copy of his recommendation or report is sent to the Minister of Militia and Defence here, in order that there may be perfect co-operation and co-ordination between them.

Mr. NESBITT: He reports to the minister here?

Sir ROBERT BORDEN: He reports to the Governor in Council through the Prime Minister, but a copy of his recommendation or report is also sent to the Minister of Militia and Defence in order that there may be perfect co-ordination of action and effort between them. No practical difficulty has been found in that arrangement.

Mr. NESBITT: Would that necessarily follow, simply because a copy of his re-

port was sent to the Minister of Militia and Defence?

Sir ROBERT BORDEN: It has been found to follow. My hon. friend will understand that the duties of the Minister of Militia Overseas are concerned with the expeditionary force in Great Britain and France. As soon as an officer or man is returned to Canada, he comes under the jurisdiction of the Minister of Militia in this country. In respect of the organization which the Minister of Militia Overseas establishes, and in respect of the action which he takes, he is responsible, just as is any other minister of the Crown, to Parliament and to the Prime Minister also.

Mr. NESBITT: I wish to add that I have written a great many letters to the Militia Department since the war started, and have received nothing but courteous treatment.

Sir SAM HUGHES: The Prime Minister states that the Minister of Militia Overseas is responsible, just as is any other minister of the Crown. But there is this difference. Suppose the Minister of Public Works, for instance were to build one story of a building, and another minister then took charge and put up a second story and furnished the building. That is analagous to what it is proposed to do here. The Minister of Militia in Canada does a certain portion of the work; he arranges for the letting of contracts, gets all the equipment ready, makes appointments and promotions, and the troops are then sent over to the Old Country and put under entirely different management. We should have the same control, the same exercise of administrative authority and discipline over our troops in England as we have in Canada, but we have not got that to-day. I do not propose going into that just now, but I am prepared to go into it if necessary.

Mr. MARCIL: I do not wish to say anyting against Sir George Perley, because I have had the pleasure of his acquaintance for several years. He has been an active and successful business man, we must admit, but he has certainly undertaken to do too much during the war. If he had remained content with being a member of Parliament, and a member of the present Administration, and devoted himself to the duties devolving upon him in connection therewith, he would have not been criticised. But in addition to those duties he has undertaken the work of the High Commissioner, and on top of this, it is now proposed to make him Overseas Minister of Militia. On the formation of the present Administration five Cabinet seats were allotted to the province of Quebec. One was the minister now under discussion, without portfolio; the others were the Minister of Justice, the Postmaster General, the Minister of Inland Revenue, and the Secretary of State. The result is that to-day the Minister of Justice is administering his own department and the Post Office Department, and the Minister of Inland Revenue is administering his own department and the Department of Secretary of State. Hon. Mr. Blondin being on active service, and Mr. Patenaude having resigned, the province of Quebec finds itself with but two representatives in the Cabinet. What would the people of Ontario think if Ontario had only two representatives in the Cabinet?

5 p.m.

I think a word should also be said for the electors of Argenteuil. Sir George Perley—he was plain Mr. Perley then—was given a seat in the Cabinet on being elected by a large majority for the county of Argenteuil. Being an English Protestant, and representing one of the thirteen Protestant constituencies in the province of Quebec, he became by that fact a representative of the Protestant minority in the province of Quebec. We have always had such representative in every Cabinet. But since Sir George Perley went to England the Protestant minority of Quebec has been without a representative in the Cabinet, and the electors of Argenteuil without a representative in this House. We are now asked to vote a salary to Sir George Perley and make it retroactive. Next week we shall probably be asked to vote him a salary as High Commissioner. And during all this time he has not had to go back to his electorate, as Winston Churchill in England, and the Minister of Inland Revenue in this country did only a short while ago. The whole thing is false from top to bottom. Any fair-minded man will admit that the whole thing is a mess, and contrary to constitutional practice in this country.

Mr. KYTE: Is Mr. Christie, for whom a salary of $5,000 was voted some time ago, an employee of the Department of External Affairs.

Sir ROBERT BORDEN: He is legal advisor for the Department of External Affairs. He was appointed at a salary of $3,000, I think.

Mr. KYTE: Mr. J. P. Bill was taken into the same department, was he not, about the same time?

Sir ROBERT BORDEN: He is in the Department of Justice.

Mr. McCURDY: On the question of the need of establishing parliamentary under secretaryships I do not intend to offer any observations at the present time, but, in order that there may be no misapprehension in regard to the circumstances under which I assumed and occupy the office of Parliamentary Secretary of the Department of Militia and Defence, I think it is right that I should make a statement to the House.

Every hon. member in this House knows of the large number of cases throughout the country in which public-spirited citizens are willingly and gladly giving vountary service in connection with war work. Therefore, I think it is not surprising that a member of Parliament should wish to share in this public service.

I received in July last an intimation from my right hon. friend the Prime Minister (Sir Robert Borden) that further assistance was required in the Department of Militia and Defence. The correspondence disclosed the fact that the burden cast by the war upon all departments had become increasingly onerous, and particularly so in the case of the Department of Militia and Defence. Perhaps I cannot do better than read the correspondence. It is as follows:

Ottawa, 9th July, 1916.

Dear Mr. McCurdy:—

As you are aware, the burdens cast by the war on all departments having to do with its prosecution have become increasingly onerous.

In particular, the work of the Minister of Militia and Defence has become very great. The nature of his duties also constantly call him away from his department. To assist him, and to provide for continuity in the conduct of the department's business and business policy, the minister, Major General Sir Sam Hughes, has requested the Governor in Council through me to establish an office to be known as Parliamentary Secretary of the Department of Militia and Defence, and to select a member of the House to perform the duties above referred to.

In connection with your offer to serve in any capacity, the Minister of Militia has, recognizing your business qualifications, experience, and attention to public duties, suggested your appointment, and I am pleased to say that my colleagues gladly concur in his nomination.

It is proposed that the Governor in Council shall forthwith establish the office referred to, and until Parliament has made provision, the appointment cannot carry any salary, allowance, or fees of any kind. The Government will be prepared, however, to recommend any reasonable request in that connection.

My colleagues and I realize the demands already made on your time in connection with your parliamentary duties and appreciate that, if you accept this position of public service, necessarily you will be called upon to make further sacrifice in connection with your business affairs.

If, however, you can see your way clear to accede to their request, we shall be pleased to have your appointment completed at once.

Yours very truly,

R. L. Borden.

Mr. F. B. McCurdy, M.P.,
Halifax, N.S.

To which I replied on July 14, 1916.

July 14, 1916.

Right Hon. Sir Robert Borden,
President of the Privy Council,
Ottawa.

Dear Sir Robert:—

Replying to your favour of the 9th inst., I desire to record my appreciation of your attitude and that of your colleagues towards me. I am gratified that the Honourable the Minister of Militia himself should suggest me for the appointment referred to by you.

In connection with the prosecution of the war, I am still desirous of serving in any capacity for which I may be considered competent by the minister. It, therefore, affords me pleasure to concur in the suggestion made in your letter, and to say that if the appointment is made, the duties attaching to the post will have the best attention of which I am capable.

With regard, however, to remuneration, I desire to say that my acceptance is made conditional upon the understanding that I shall not receive in connection therewith any salary, fee, or allowance of any kind. I shall be only too pleased to place in this regard my services and whatever capacity and business experience I possess freely at the disposal of the State while the war lasts.

Yours faithfully,

F. B. McCurdy.

That was my feeling at the time, that is my feeling to-day, and I wish to make it clear that should Parliament in its discretion see fit to vote a salary for the Parliamentary Secretary of Militia and Defence I have no intention myself of retaining that salary.

Sir SAM HUGHES: That is the only point of difference between your humble servant and my hon. friend from Queens and Shelburne (Mr. McCurdy) I positively object to any person in the employ of this Government working for nothing, when there is a salary attached to the job. My good friend, I presume, is blessed with this world's goods. Many of us are not. Why should a man, of possibly as great ability as my hon. friend from Queens and Shelburne, be debarred by having the precedent set that he must not take office because there are young men, whose fathers had money, or who have money themselves, and who are willing to do the work for

nothing? I claim that when a man offers his services to the Government he is entitled to his pay, and that he should take it. It is all right to hand it over to the Red Cross or to any other fund if he likes. That is another matter. My hon. friend from Queens and Shelburne knows that I never could harmonize with him on that point. Let every man be paid a fair wage, and then if he chooses to hand it over to some worthy object, let him do so. I maintain that this business of giving jobs to gentlemen because they are in a position to do the work for nothing is wrong. You have no control of, or hold upon, them, and after all it is the question of responsibility for which we must have regard. If the hon. member for Queens and Shelburne will accept the salary of the office, and then hand the money back to the treasury, or to the Red Cross, he should do so and not establish a precedent whereby some other worthy member of Parliament equally as capable as himself, and equally entitled to get the job, is subjected to the contrast that for one office a salary is paid and for another there is no salary.

Mr. KYTE: It is perfectly apparent from the statement of the hon. member for Queen's and Shelburne (Mr. McCurdy) that he is not disposed to accept any salary for his services. That declaration will be received by many of his friends in Nova Scotia with a great deal of gratification. But the hon. member for Victoria and Haliburton (Sir Sam Hughes) says that it must be insisted upon that the hon. member for Queens and Shelburne shall accept his salary and dispose of it in whatever way he thinks proper. I think it would be well in the interests of the hon. member for Shelburne himself that the matter should be cleared up. If he is working for a salary, and if he is going to accept that salary, I think it would be well that the general public should know it. If he is going to work without any salary he should get the credit that his sacrifice entitles him to. There seems to be several gentlemen who are willing to give their services to this Government for nothing. The other evening, when we were discussing the appointment of Mr. Henderson as chairman of the committee to inquire into the operations of the William Davis Company, it was said that he was going to work for nothing. I am bound to say, quite apart from the case of the hon. member for Queens and Shelburne, that I am extremely suspicious when gentlemen outside of this House offer their services to the country free of charge. I might enumerate several others who are offering their services, and I could only repeat what has been said by my hon. friend (Sir Sam Hughes). I think that this Government is in a position to fairly compensate any citizen for valuable services rendered. I do not think that it makes for confidence in the work of these gentlemen, or for the reputation of the Government that they should offer and give their services free of charge. Whenever services are accepted, there should be proper compensation for them.

Mr. EDWARDS: I appreciate, as I am sure every member of this House appreciates, the motive behind the words of the hon. member for Queens and Shelburne (Mr. McCurdy), but I object, as one member of this House, and one of the citizens of this country who was not born with a silver spoon in his mouth, to any such practice as the hon. member for Queens and Shelburne suggests.

If I have any criticism to offer in regard to the conduct of public business in this country it is that there seems to be rather too much a tendency for jobs to go to men who have any amount of money, men who are in the millionaire class. It is all right for a man who can count his money by the millions and who is patriotic enough to offer to perform certain duties which he can perform without drawing any salary. I have not a word to say against his motives; the motives of that gentleman are just as good and sound as mine would be in offering to perform those duties. But the amount of this world's goods that I possess would make it impossible for me to do what he is willing to do for nothing. Now, Mr. Chairman, it strikes me that in a country like Canada, which is, and I hope will always be, a democratic country,—notwithstanding that we seem to be piling up a number of knights and barons, rather more than I like to see—I say that it is subversive of democracy and against its best interests that men should be allowed to take offices, no matter how faithfully they perform the duties of those offices, and not accept reasonable pay for the work so performed. If you followed that out to its logical conclusion, you would encourage the general public to believe that that is the right thing to do and you would soon have a demand in this country that, in order to save a few thousand dollars here or there, we should appoint to these import-

ant positions only millionaires and people of that class, able to do the work without remuneration. I object to that most strongly. It seems to me that the creation of these three positions that have been mentioned here is a matter that should be considered by us on its merits. So far as the work of Sir George Perley is concerned, Sir George Perley is a wealthy man and has shown himself from 1911 up to the present to be a true and patriotic Canadian, willing, although a man of large business interests, to devote his time without remuneration to the service of his country. He is engaged in work over there, and what I said a few moments ago in regard to paying the under secretaries applies also to him. We as members of this House, should consider whether this position overseas is necessary or is not necessary. I for one believe that the appointment of an Overseas Minister of Militia was a wise appointment to make and I believe further that, since we have appointed a gentleman to that position, he should be paid for the work he does in it.

We have also to consider, it seems to me, whether it was a wise thing to appoint the hon. member for Queens and Shelburne (Mr. McCurdy) and the hon. member for Bruce (Mr. Hugh Clark) to the positions they occupy. I am disposed, as is my friend who spoke a few minutes ago, to accept the statement of the Prime Minister that he has been greatly relieved by the work done by the hon. member for Bruce (Mr. Hugh Clark). These hon. gentlemen have been appointed to certain positions to do certain work. It is for us to consider whether those positions were necessary. If we consider or agree that those positions were necessary, then it is up to us to consider how much should be paid as remuneration for filling those positions.

I want to say to some hon. gentlemen on the opposite side of the House—who are mighty saving of dollars sometimes when those dollars are being expended from this side of the House, that they had better look over their own history. We have not the hon. member for Edmonton (Mr. Oliver) here to-day. If we had, I suppose he would be objecting on the ground of economy to the paying out of a few thousands of dollars to these under-secretaries. And yet in what position is that gentleman? He is in the position of having taken royalties and put them in his own pocket, royalties that belonged to the treasury of this country, and he has kept them there, and there has been no condemnation of that practice on his part by his leader or by any other hon. gentleman opposite. That is a fact, there is no getting around it, a fact which he admitted himself on the floor of the House; that he took royalties on coal lands or mines in the West, that he has that money in his pocket at the present time—unless he returned it before starting for Winnipeg just lately—and I want to say to hon. gentlemen, when they are talking about economy and saving a few dollars here or there, that they should get after their own member, the member for Edmonton, and ask him to put back into the treasury the money which he took wrongfully, which he is not entitled to, and for taking which, any man who was not a member of this House would be criticised in language which I am not permitted to use.

Mr. LEMIEUX: I am not surprised at the attitude taken by the hon. member for Shelburne (Mr. McCurdy). Anyone might have expected that from him. We all know that he is favoured with a large fortune, and so is Sir George Perley, who is in the millionaire class. For me it is not a question of money, although I say that at the present moment it has not been demonstrated that these new offices are needed; more particularly I urge that we should not create new offices when we have to make the sorry admission that Canada to-day is borrowing at usurious rates of interest in New York, when we consider that the bonds of Canada are selling at 98, bearing 6 per cent interest. Surely it is time for Canadians to cry halt. When we are spending nearly one million dollars a day it is no time for the Government to create new offices, the necessity for which is not demonstrated.

But this is not the point which I raise this afternoon. It is not a question of money; it is not a question of dollars and cents; there is a principle which is far above dollars and cents. I say that Sir George Perley, millionaire as he is, Overseas Minister as he has been created, receives emoluments from his office, and because of such emoluments should come back before the people of Canada and be re-elected, as all ministers of the Crown in Canada are re-elected. I was made Solicitor General a few years ago, a subordinate position in the Government. I had to seek re-election in the county of Gaspé. Two years afterwards I became a minister of the Crown, but as I had been re-elected as Solicitor General it was not necessary for me to return before the people. But every new minister of the Crown must seek re-

election at the hands of his electors. I want to know by what divine right should we be creating to-day that new family compact, because this departure is nothing else but a new edition of the old family compact. To-day it is Sir George Perley; to-morrow it will be Sir Joseph Flavelle; the day after to-morrow it will be Sir Clifford Sifton—all those millionaires will be given offices in the Government to save the country and to save the Empire without re-election. Canada is being dominated by a caste of war profiteers, by a coterie of millionaires and plutocrats.

Mr. MURPHY: It is evident that the hon. member for Frontenac (Mr. Edwards) had read the reports from the Winnipeg Convention before he addressed the House, because I cannot understand how otherwise the milk of human kindness would have become so curdled in the hon. gentleman's noble breast. I will not allude further to his extraordinary attack upon an hon. gentleman who is not here present in his seat to defend himself, but who, before those who know him best, evidently requires no defence.

I listened with real interest to what my hon. and genial friend from West Peterborough (Mr. Burnham) had to say. He expressed himself as shocked at one charge which he seemed to find in the language my hon. friend from Rouville levelled against the Government. Observing that immediately in front of my hon. friend from Peterborough the hon. member for Victoria (Sir Sam Hughes) is sitting, and recalling that that hon. gentleman has made, not one charge but a whole series of most damaging charges against the Government ever since he wrote his famous letters to the Prime Minister last fall, I cannot understand how the hon. gentleman from West Peterborough would be so shocked at one charge made by the hon. member for Rouville, and overlook completely all the charges made by the hon. member for Victoria.

Mr. BURNHAM: Who said I overlooked them?

Mr. MURPHY: If he has not overlooked them, we have not heard any protest from him.

Mr. BURNHAM: That is another thing.

Mr. MURPHY: Yes, that is quite another thing, and I am glad to find by the hon. gentleman's intimation that he has not overlooked them. We shall expect to hear from him on that subject. Up to the present, the Government completely overlooked them, and these charges remain, not only unrefuted, but uncontradicted in every particular.

I desire to refer to a question that my hon. friend from Victoria addressed to the Prime Minister, and which remains unanswered. He asked what kind of structure we should put up if one minister built one story and another minister built another story, and the hon. gentleman received no reply to that question. There is historic precedent for such an inquiry. That is precisely the same question as was addressed on a famous occasion by Hennessey to Dooley, the philosopher of Archey Road, with whom my hon. friend, the member for Victoria will be familiar. They were discussing the construction of the national edifice in the United States, and Hennessey asked Dooley what kind of building would be put up if he had one kind of man at one story and another kind of man at another story, and Dooley said, "The outer walls would resemble the homeward tracks from a wake." That is the answer to my hon. friend's question. The Prime Minister told us that he had received a letter from Sir George Perley stating that he did not intend to accept any salary as overseas Minister of Militia. My hon. friend from Shelburne and Queens (Mr. McCurdy) stated a short time ago that he also had declined to accept any salary in the position which he has been filling for some time, and to which it is now proposed to appoint him by the resolution under consideration. In view of these two statements, I submit to the Prime Minister in all seriousness that neither of these salaries should be voted. What is the sense in voting salaries which gentlemen say they will not accept? On the other hand, if they are voted, the effect of voting them is to place these two hon. gentlemen under an unjust suspicion. Either those salaries should be dropped, or if voted, they should be accepted; and from that point of view I entirely agree with what has been said by my hon. friend from Frontenac (Mr. Edwards). I think the position he took with regard to these salaries, and with regard to the creation of similar positions with salaries attached, is entirely the correct and constitutional position to take.

That brings me to another matter which was briefly referred to by the Prime Minister, but which is of transcendent importance to the people of Canada. In criticising the objections offered by the leader of the Opposition to this resolution, the

Prime Minister drew an analogy between what is proposed under this resolution, in so far as the position of Minister of Militia Overseas is concerned, and what had been done by Mr. Lloyd George in creating an authority outside Parliament. In his reference to that authority created outside Parliament in Great Britain, I submit with great respect, the Prime Minister was hardly correct. He said that, owing to the pressure of his war duties, Mr. Lloyd George had found it necessary to divest himself of certain duties as Prime Minister within Parliament, and to depute the performance of those duties to Mr. Bonar Law. That, I submit, is not exactly what occurred in Great Britain. Mr. Lloyd George, in conjunction with Lord Curzon and Lord Milner has, in the opinion of some of the best thinkers of Great Britain, taken away from Parliament a number of its constitutional privileges and liberties, and has set up outside Parliament an autocratic council or committee which, if it has any analogy at all, is analogous to the position of affairs in the United States, where the cabinet is not elected, but is selected, and where the President does not sit in the House, but only goes to the House on certain occasions and addresses that Chamber. I have read articles protesting against the denuding of Parliament in Great Britain, written by some of the best thinkers and most eminent men in England, and pointing out that while this condition of affairs lasts Parliament is a mere registering body, and is not a legislative or administrative body in the sense that it was before this autocratic council of four was created practically outside the jurisdiction of Parliament. So that, agreeing with that view of the functions and duties and responsibilities of this small council in Great Britain, I do not think the analogy which my right hon. friend sought to draw with reference to the present resolution was a very happy one, or, indeed, an appropriate one. As the leader of the Opposition pointed out, this resolution is divided into three parts, one relating to the Minister of Militia Overseas, and the others to the two undersecretaries. I do not intend to criticise the creation of these offices further than I have already done, nor to refer to the gentlemen who, it is proposd, shall fill these offices; but I entirely agree with what has been said by the hon. member for Victoria and other hon. gentlemen, that the creation of this second Minister of Militia is entirely unnecessary. If there are duties to be performed overseas, they can be performed by an official who would be responsible to the Minister of Militia here, who would have a seat in this House, and who would be responsible to Parliament. Already we have practically two Ministers of Justice. I cannot at the moment recall that that has operated to the public disadvantage, but it is an anomaly which did not present itself heretofore. Now, we have two Ministers of Militia. As the hon. gentleman from Rouville (Mr. Lemieux) intimated, who can say but to-morrow we shall have two ministers of another department, and the day after two ministers of a third department, and so on? I think it is a dangerous innovation, and does not make for the benefit of representative institutions as we understand them in this country, and will not be approved by those who are apprehensive, and naturally apprehensive, regarding the gradual diminution of democratic government, not only in this country, but in several of the Allied countries engaged in this war. My hon. friend from West Peterborough has criticised the salaries of the under secretaries and disapproved of them, but, curiously I thought with all respect to him, he said, he would shut his eyes and vote for the salary, because we were near an election. I submit to my hon. friend and to my other colleagues in this House on both sides that that is scarcely a good reason for supporting a resolution of this kind.

Mr. BURNHAM: I do not want to start a row at the last moment.

Mr. MURPHY: I know that my hon. friend is a man of peace. I also am a man of peace, and desire to proceed with the business of the House harmoniously. Still, we must not lose sight of the representative character of the measures that are submitted for our consideration, and it is from that point of view that I offer these observations.

Mr. EDWARDS: I do not want the impression to go out that I said what I did in reference to the member for Edmonton (Mr. Oliver) in his absence, and was afraid to say it in his presence. The member for Russell (Mr. Murphy) was not in the House when, on two previous occasions, in the presence of the member for Edmonton, I alluded to the matter to which I referred this afternoon. The hon. gentleman characterizes my statement as extraordinary; I assume that he refrains from characterizing the member for Edmonton because of his lack of a suitable adjective

Sir ROBERT BORDEN: With regard to what the member for Russell (Mr. Murphy) has said, I think that salaries ought to be attached to these offices whether they are accepted or not, and whether being accepted, they are devoted to some patriotic purpose. Other gentlemen might occupy these offices at a later date; it is proper, therefore, that salaries should be attached to the offices. As far as the amount of the salary is concerned, that of the Overseas Minister is exactly in accordance with the salary which is fixed for ministers of the Crown. The salaries of the parliamentary secretaries are precisely the same as those of the permanent heads of departments, $5,000. I do not desire to enter into a discussion as to the constitutional changes in Great Britain. I alluded to the attitude taken by the Prime Minister of Great Britain only for the purpose of indicating that a minister might find more appropriate exercise for his energies in duties outside of Parliament than in duties in Parliament. It is merely in that connection that I used the illustration.

Mr. LEMIEUX: Has Sir George Perley made any report since he has been overseas?

Sir ROBERT BORDEN: Many reports.

Mr. LEMIEUX: Have they been laid on the Table?

Sir ROBERT BORDEN: No.

Mr. LEMIEUX: Are they in the hands of the Prime Minister?

Sir ROBERT BORDEN: They are in the hands of the Prime Minister and of the Minister of Militia and Defence.

Mr. LEMIEUX: Will they be printed?

Sir ROBERT BORDEN: I have not considered that.

Mr. LEMIEUX: As minister of the Crown, I suppose he administers a department, or part of a department, on the other side of the Atlantic. He has official correspondence; he has reports made to him by his chief officials; therefore he has an account to render to this Parliament. Before voting money to that minister, we should know what are his activities on the other side. We should have an assurance from the Prime Minister that his report will be printed; we would then be able to discuss it.

Sir ROBERT BORDEN: As far as any report has been embodied in orders in council, I think a good many of them have been brought down. I do not know that all have been brought down.

Mr. McKENZIE: There is a good deal of confusion in the minds of the common people as to the supervision and control over our troops when they reach the other side. Before the department was divided it was understood that once the troops got on the other side they were practically under the control of the British Government and the War Office. Whether they were sent to the front as a unit or as drafts, that was a matter over which our own department had no control. Has that condition changed, now that we have a minister of War on the other side?

Sir ROBERT BORDEN: While the troops are in Great Britain, they are under the disposition of the Minister of Militia and Defence, and to a certain extent, of course, in France. In France, they are under the immediate direction of their own officers. The Canadian Army Corps is under the immediate command of General Sir Arthur Currie. In common with all the British forces, the military operations are under the supreme direction of Sir Douglas Haig, Commander in Chief of the British forces.

Resolution reported, read the first and second times, and concurred in.

Sir ROBERT BORDEN thereupon moved for leave to introduce Bill No. 122 respecting the Minister of the Overseas Military Forces, the Parliamentary Secretary of the Department of Militia and Defence and the Parliamentary Under-Secretary of State for External Affairs.

Motion agreed to, and Bill read the first time.

At six o'clock the House too recess.

After Recess.

The House resumed at eight o'clock.

THE CANADIAN RAILWAY SITUATION.

CONSIDERATION IN COMMITTEE OF RESOLUTION RESPECTING CANADIAN NORTHERN RAILWAY COMPANY.

On the motion of Sir Thomas White (Minister of Finance) that the House go into Committee of the Whole to consider the following proposed resolution:

Resolved, that it is expedient to provide:

1. That His Majesty may acquire on such terms and conditions satisfactory to the Governor in Council as may be set out in the agreement to be made with the owners and pledgees of not less than five-sixths thereof,

and for a price to be determined as hereinafter provided, the six hundred thousand shares of capital stock of the Canadian Northern Railway Company (par value sixty million dollars), not now held by the Minister of Finance in trust for His Majesty.

2. That the Governor in Council shall appoint one arbitrator, the said owners and pledgees shall appoint another, and the two so appointed shall appoint a third, or failing agreement as to such appointment, the third arbitrator shall be appointed by the senior judge of the Exchequer Court.

3. The said arbitrators shall determine the value of the said six hundred thousand shares as of the date of the said agreement and the said arbitrators shall proceed in a summary way and may apply their own judgment in determining such value and may receive with respect thereto, such reports and statements authenticated in such way as they may decide and such evidence as they may deem necessary or helpful, examine witnesses under oath and hear the parties by counsel or representatives and that the unanimous determination of the arbitrators shall be final, but should the determination not be unanimous an appeal from such determination shall lie to the Supreme Court of Canada on behalf of the Governor in Council, or if the owners or pledgees, upon any question of law or fact, such appeal to be made within thirty days from the rendering of the determination.

4. That the amount of the value so determined shall be paid out of the Consolidated Revenue Fund, or otherwise secured in accordance with the terms of the said agreement.

5. That upon the making of said agreement, at least five-sixths of the said six hundred thousand shares shall be transferred to the Minister of Finance in trust for His Majesty, and if there be any of said six hundred thousand shares not transferred as aforesaid, the Governor in Council may declare said shares to be the property of the Minister of Finance in trust for His Majesty, and the same shall thereupon become the property of His Majesty and shall be paid for pro rata with the shares so transferred.

6. That so soon as said five-sixths of said shares has been transferred as aforesaid, the Governor in Council may assist the Canadian Northern Railway Company, or any company included in the Canadian Northern Railway system, in paying and settling any indebtedness of such company or postponing the payment thereof on such terms as may be agreed upon, and for such purposes may make advances out of the Consolidated Revenue Fund, may guarantee payment in whole or in part, and may give the obligation or securities of the Government in connection therewith.

7. That the Canadian Northern Railway Company, and each company included in the Canadian Northern Railway system, shall from time to time do such acts and things, make and issue such agreements, obligations and securities in connection with the payment or settlement or postponement of payment of the said claims as the Minister of Finance may require.

8. That the necessary qualification shares for directors may be transferred to or allowed to remain in their names by the Minister of Finance on such conditions as he may determine.

[Sir Thomas White.]

Sir WILFRID LAURIER: Mr. Speaker, this is a very important resolution, important for our whole country and especially so for the western part of the Dominion. It will be observed that there is a very slight attendance in the Chamber. I do not see on this side of the House, nor at the moment on the other side of the House, more than one hon. member from west of lake Superior. The hon. members who represent that section of the country are, at the present time, engaged in a very important meeting elsewhere. Would it not be preferable, instead of going into Committee of the Whole, to refer this resolution to a small special committee to secure information which we must thresh out in Committee of the Whole? So far as the financial position of the company is concerned, we have only a statement entitled "Financial statements respecting the Canadian Northern Railway company and the Grand Trunk Pacific Railway company." We have no information whether this is the whole of the liability of the Canadian Northern Railway company or whether there are other liabilities. I understand there are other liabilities beyond those mentioned in that statement, being balances due by the company to contractors and so forth. We have no statement at all as to the actual condition of the road, how much is needed for immediate expenses, what are the prospects of the company, or what was the business transacted last year, except in a very general way. If the resolution were referred to a small special committee, the general manager could be summoned, and a good deal of information acquired which it would otherwise be difficult to obtain. I make that suggestion to my hon. friend in the hope that it may be favourably considered.

Sir ROBERT BORDEN: I would suggest to my right hon. friend that we might go into committee on the resolution and perhaps pass it, and then, before the second reading takes place, we could consider my right hon. friend's suggestion. It is desirable, of course, that all information that is relevant should be afforded, but whatever discussion could take place upon the resolution could also take place in committee after the second reading of the Bill. There is no difficulty either in the one case or in the other. Perhaps we had better go into committee on the resolution. My right hon. friend could then let us know what information is needed, and we could

discuss the resolution, and perhaps, if there is no objection, pass it.

Mr. LEMIEUX: Might I suggest to the Minister of Finance that it would be well that a list of the shareholders and bondholders be added to the documents which have been printed. I assume the list is not so long that it cannot be easily printed and distributed.

Sir THOMAS WHITE: I am afraid that would be quite impracticable. The securities of the companies are bonds and debenture stock, which have been issued largely in Great Britain. It would be quite impossible to ascertain the bondholders, because they must be thousands in number The securities pass from hand to hand, and an owner to-day might not be an owner to-morrow. The Canadian Northern made some short term loans in New York, and the same remark would apply to those. I think there is full information in the printed document as to the financial position of the company. The securities outstanding, the amount of the floating loan and other liabilities, are all shown in the statement certified by the auditors of the company. If there is any other special information that would seem necessary in order that the committee might come to a determination upon the matter, we should, of course, endeavour to obtain it. I do not see what bearing the matter of the owners of the securities has upon the question. The transaction, although one of magnitude, is in reality a very simple one, namely, to acquire the outstanding stock of the Canadian Northern Railway company which controls all the underlying companies. We have pretty full information as to all matters relevant to a consideration of the resolution.

Motion agreed to, and the House went into committee on the resolution, Mr. Rainville in the Chair.

Mr. GRAHAM: This question is of such vital importance to the people of Canada, particularly at the present time, that it is wise that we should make progress slowly and be sure of every step. It is important, not only from the standpoint of the liabilities to be assumed, but on account of the departure being made in removing from private to public ownership one of the great transcontinental highways of the country and its various branches and subsidiary companies.

The policy of public ownership is one that has been tried in many countries of the world, including our own, and the principle itself, as well as the details of this proposition, ought to be viewed from all aspects. As I said the other day, I am not so sure that a government monopoly would be a very great improvement upon a private monopoly, so far as the real details of operation and the benefits to be derived by the public are concerned. Railway managers the world over, like the managers of every other concern, are naturally most anxious to have a good showing for their enterprises, and once the incentive to service, which is brought about by competition, is removed it is not so sure that a monopoly, even if it be a public monopoly, would be the best thing for the public. In this case, however, the question of a monopoly does not arise to any great extent, as two of the great railway systems of Canada are not included.

The Government has decided to embark upon a policy of public ownership of the Canadian Northern system. Friends of that policy—and there are many throughout Canada—want to be assured that public ownership is not being burdened with such a colossal financial load at the outset as to hamper materially the success of the undertaking. We ought to view fairly, I think, the amount of money that has been expended upon the Canadian Northern railway system, and its present value as well, and then ask ourselves the question: Could the Government construct this system for the amount presented to us as the future liability of the country on account of taking over the Canadian Northern? If we pay altogether too much for the property some person may arise in a few years and blame government ownership for a failure, which, might not be the fault of government ownership at all, but the fault of an improvident bargain. I am not saying that such is the case, but am pointing out that in making this departure the members of the House ought to make sure, so far as possible, that the Government is getting full value for the liability which it proposes to assume, or the project cannot be the success it might otherwise be.

The fixed charges have a great deal to do with the success or failure of any business enterprise. If the fixed charges be altogether too high, then, although the enterprise may be a fairly good, paying concern, it is hampered to the extent of these excess fixed charges.

In this connection let me point out that there are three ways in which the Canadian Northern could become the property of the country. First, by allowing it to go

into a receiver's hands, and the Government becoming the owners of the system by process of law. It is true, as I view it, that in that case the Government as purchaser would perhaps have as its competitors other interests that might desire this line and would be willing to pay a fairly good price for it. But, on the other hand, if a private corporation were prepared to pay a certain amount for this system it would be fairly good evidence that the road was worth that amount, because a private concern would not be willing to pay a sum on which it could not realize a fair return. As I said the other day, personally I am rather disinclined to favour the idea of a receivership for the reasons which I then gave, and which I think will be obvious to all the members of the House. The Dominion and the provinces have guaranteed a large amount of the securities of this system. Having guaranteed those securities, it has struck me that if the project which the Government has backed with these guarantees were allowed to go into a receiver's hands, it might be injurious to our financing in the markets of the world as a government, because as a parliament we have practically endorsed the notes of this concern. Speaking for myself, I do not view the idea of allowing the road to go into the hands of a receiver in the same light in which such a proceeding might be viewed if financial conditions in Canada at the present time were not strained on account of the great burdens we have assumed and must assume by reason of the war.

Another method of taking over the road would be by expropriation, just as the Government can acquire any other property, and allowing the Exchequer Court to decide the value. That method is debatable, and I will not deal with it.

The other method is the one proposed by the Government, that the Government should become the possessor of the common stock of the enterprise, and thus really become the owner of the system. In doing that, if the company be allowed to retain its entity and idenity as a corporation, the Canadian Northern railway, with the Government the owner of the stock, would be liable for all the bonds, guaranteed and unguaranteed, and other liabilities as well. While at present the Government is liable for the securities which it has guaranteed, when it becomes the owner of the property it will have to assume liability for all the securities that have not been guaranteed, as well as the floating liabilities.

Let us see what we are assuming, for I take it that before we proceed far with this Bill we must know what our entire liabilities will be when we become the owner of all this stock. The statement placed before us does not, I submit, give us all the information required. The Finance Minister will remember that when aid was last given to the Canadian Northern, it was agreed that there should be a continuous audit, the Government being part owner of the system. This report contains an audit, but it has only been brought down to June 30, 1916, over a year ago. In order to know exactly what the conditions are, the House ought to be possessed of a certified audit of the Canadian Northern accounts up to June 30, 1917, with any additional information that could be given for the period intervening between June 30, 1917, and the present date.

As to the value, it would not be amiss if I were to call the attention of the committee to a portion of the majority report of the Royal Commission, the gentlemen assenting to this report being Sir Henry Drayton and Mr. Acworth. On page XII of that report I find reference to the Canadian Northern Railway system which bears on the point to which I have been directing my observations:

> Value of Canadian Northern Undertaking.
>
> 1. Cash Investment.
>
> The property investment of the Canadian Northern Railway system is stated in the balance sheet of June 30, 1916, at $494,112,489.34. This figure admittedly has been written up to include $100,000,000 of capital stock. And this stock, as we have already said, was issued without any cash consideration. We have endeavoured to ascertain the actual cost of the system. From the company's official reports and special statements supplied to us, we have ascertained that the maximum cash investment that can have been made in the property is $383,302,451.33.

That is the statement. Then follow tables which I need not give to the Committee. After making some calculations, including the amount of stock held in subsidiary companies, not held by the Canadian Northern, the Drayton-Acworth Report concludes:

> We find then $370,000,000 to be the maximum possible cost of the Canadian Northern system as at present existing. In other words, as indeed is frankly admitted by Canadian Northern witnesses, the Canadian Northern shares represent no cash investment.

If the House will bear with me I want read one or two other paragraphs. There

is another one dealing with the physical basis. The report proceeds.

2. Physical Basis.

But money cost is not all. We decided also to ascertain the approximate value, on the basis of reproduction cost, of the property as it exists to-day. And we rely on Professor Swain's valuation for this purpose. This valuation is, in his opinion, a liberal estimate of the fair cost of reproducing new, at pre-war prices of labour and material, the system at present existing. It includes property belonging to the system at its estimated cost, if it had to be acquired or constructed to-day. And therefore it not only gives the company credit for lands which it in fact owns, even though it obtained them as a grant; but it also credits the company with the increment of land values since the date of the original acquisition. And these two items are quite large.

It will be noted that in making this statement the Royal Commission is endeavouring to get at what it would cost to reproduce the Canadian Northern Railway system at the prices and values ranging just before the war, as it would not be fair to take the scale of wages and prices of everything at the present time, because after the war is over these will drop again. In making its valuation it gives the system credit for the land values, and the increase of these land values since they were acquired by the Canadian Northern Railway company from the Parliament of Canada. Then it proceeds:

Professor Swain's method of arriving at his results are fully explained in his report, which is printed as an appendix hereto. He makes the total cost of reproduction new, $397,441,567. From this he deducts for depreciation $40,031,889, making the cost of reproduction of the property in its present condition $357,409,678. This, however, does not include equipment. The equipment was inspected by Mr. Buchanan and, on the basis of his report as to quantities and condition, a valuation has been made by Mr. W. H. Chadbourn, C.E., chief engineer of our valuation staff. He finds the cost of reproduction new at pre-war prices to be $56,590,418, and the depreciation to be $11,250,433, making the present value $45,339,985. Putting the two valuations together, we have $402,749,663 as the fair cost of reproducing the entire physical Canadian Northern system in its present condition. Now the outstanding liabilities (bonds, debentures, notes, and bank and other loans) of the company exceed $400,000,000.

Reckoning on this basis, it appears that the liabilities are practically equal to the reproduction cost of the physical property. But the physical property does not all belong to the Canadian Northern shareholders. There are minority holdings in several of the subsidiary undertakings. And the Canadian Northern interest in these undertakings only corresponds to its percentage proportion of their respective share capitals. This implies a reduction of more than $10,000,000 in the estimate of the assets belonging to the Canadian Northern shareholders.

We find then that, on the physical basis, the value of the property of the Canadian Northern shareholders is distinctly less than the amount of the liabilities against it. On this basis the equity of the shareholders must be regarded as non-existent.

Now I propose to read a paragraph referring to the Canadian Northern as a going concern. It is as follows:

3. Going Concern.

A third basis of estimate is the value of the property for sale as a going concern. A purchaser would not consider either original cost or reproduction cost as of much importance. The price he would pay would be based on earning power, present and potential. On this basis he would consider how far the Canadian Northern is at present short of covering its fixed charges, how long it will take to reach equilibrium, how much new capital will have to be spent, how soon a dividend may be expected and at what rate. Calculating on this basis, in the light of the figures set out above, it is evident that no purchaser would offer for the property a sum amounting to the total of its liabilities.

The commissioners conclude in these words:

Conclusion As to Canadian Northern.

We conclude, therefore, that the shareholders of the company have no equity either on the ground of cash put in, or on the ground of physical reproduction cost, or on the ground of the saleable value of their property as a going concern.

If then the people of Canada have already found or assumed responsibility for the bulk of the capital; if they must needs find what further capital is required; and if they must make up for some years to come considerable deficits in net earnings, it seems logically to follow that the people of Canada should assume control of the property. We return later to the Canadian Northern Company in order to set out our recommendations as to its ownership and management in the future and as to the returns to be offered to the existing shareholders.

I have read that to give the committee the viewpoint of the Royal Commission, on the value of the property, and the intrinsic value of the physical assets of the company as well as the lack of value of the shares. They say that the shareholders have no equity, or that the equity is not worth anything.

Let me take up the figures as set out in the financial statement of the Canadian Northern system, audited, as I pointed out to the minister, only to June 30, 1916.

Sir THOMAS WHITE: The annual accounts of a system such as this are not usually closed for six weeks or two months after the end of the fiscal year. It is not possible to obtain at the present time the

financial statement to the 30th June, 1917. I do not think it will be possible to obtain it for three or four weeks. I have a statement as to the earnings, gross and net, down to June 17, 1917, which I shall place upon Hansard. My hon. friend will observe also in the statement which was laid on the Table the other day, that a statement is given as to the securities outstanding as on June 30, 1917. In other words, I have brought down all official documents that I think are extant and authenticated to date. The audit to which my hon. friend refers, by the Government auditors, was a continuous running monthly audit, and they have reported from month to month.

Mr. GRAHAM: The company's financial year ends on June 30. If, with the information we have, the minister could give us the net earnings or the gross earnings and the expenditure, and the liabilities, if any, incurred during the year, it would perhaps answer the purpose.

I find that in the statement laid on the Table of the finances of the company up to June 30, 1916, the company, as stated by the Royal Commission, placed their property investment, including their equipment, acquired securities, etc., at $494,112,489.34. Taking the whole statement, I find that they place their assets at $578,747,291.25 and the liabilities, which include a surplus on land account and railway account of about $40,000,000, at the same amount.

But let me take up just for a moment the securities guaranteed by the Federal and Provincial Governments. I find on page 5 of this report that the Dominion and Provincial Governments have guaranteed bonds, debenture stock, to the extent of $104,613,247.83.

The bonds guaranteed by the provinces are as follows:

Ontario	$ 7,859,997 59
Manitoba	25,662,545 51
Saskatchewan	14,884,213 32
Alberta	18,950,361 99
British Columbia	40,157,523 86
Total provincial guarantees.	$107,514,642 27

In addition to this list of securities guaranteed by federal or provincial authorities, we find, on pages 6 and 7, that there are unguaranteed securities to the extent of $147,803,745.54, or a total of $359,931,635.64. In addition to these amounts it must be remembered that nearly all these lines were subsidized over and above the guarantees given, so that what we have now guaranteed together with the provinces and what we have given in subsidies constitutes a very large portion of the money that has gone into the Canadian Northern system. I have gone over this hurriedly, just to draw attention to two or three points; first, we ought to know absolutely what all our liabilities will be when we take possession of this system—all the liabilities. I have outlined the guaranteed securities. Then I think it will be admitted that, in addition to our own guaranteed securities of $104,000,000, we will eventually have to see that the provinces are protected in their $107,000,000 guaranteed bonds as the property becomes ours, and, in addition, we will have to assume liability for $147,000,000 unguaranteed securities. But, in addition to this, there is a large floating indebtedness. I am of the opinion that, in addition to any amount included in this statement, it will be found that there are various bills payable throughout the Dominion to contractors and others, which the Government will have to assume if they become owners of this system.

Before very much progress is made we ought to have before us the amount of these other liabilities. Instances have been called to my attention, contractors have visited me, to see if the Government was likely to take over this line, and what I knew about it. And they asked, if the road were taken over would they be sure of having their bills settled. The Government could take the position, it is true, with regard to these outstanding accounts, that the liability was that of the Mackenzie-Mann company, and that when we take over the property we will not assume the liability. Legally, I suppose they could take that position. But the Government would not argue—and the people would not allow it to argue, and Parliament would not consent to the proposition that the country should take over, say, a bridge for which the contractors had not been paid, and leave that account unpaid. If the contractors can substantiate their accounts, I take it for granted the Government will have to assume liability in respect for them.

Then there is another matter to which the Drayton report refers, for which I am not going to take their figures, but will just make a general statement, because I have not had time to go into it. There are many enterprises in which the Canadian Northern is engaged at the present time. There are the terminals at Montreal, the Vancouver terminals, betterments all along the line, improvements yet to be finished in the city of Quebec, some probably in the

city of Toronto—in fact, in a great many towns, the Canadian Northern is making betterments, as well as along their line. We ought to have a statement before we proceed to purchase this property, not only as to the value of the line itself and as to the liabilities, but as to how much money it will take to complete the undertakings which the system has launched; because, without the completion of these undertakings the system will not at all be perfect according to the view of the present proprietors and managers. In addition to that, I think it is fair to assume that millions of dollars will be needed for betterments along the line of the Canadian Northern—the strengthening of bridges, the improvement, not of grades, but in ballasting and improvements in a great many ways which the Finance Minister understands, and which the Minister of Railways understands perhaps better. That will take millions of dollars. Then, it is admitted on all sides that the Canadian Northern, like all other railways, is short of rolling stock. The Canadian Pacific railway is equipped with, I think, seven freight cars to the mile, while the Canadian Northern has three. The fair proportion at least for the Canadian Northern business would be five freight cars to the mile. This will cost millions of dollars, too. Roughly speaking we are entering upon a scheme of purchase, the value of which we do not know, with a liability for completion the figures for which we ought to have in our hands, with a further liability for betterment the amount of which we ought to know, and with a still further necessary liability for rolling stock and motive power. These things we must know before we can tell just how far we are going, or what investment we intend to make in this great project of public ownership. Another point that comes to my mind is that in some portions of the main line, and particularly in the subsidiary companies, the securities have been disposed of at a very small rate. Their face value is par. The moment the Government becomes the owner of this road, unless legislation be introduced to prevent it, the value of these securities is likely to approximate par, perhaps not go to par, but it will be enhanced in value very materially, and this will open the door for an immense stock-jobbing process, out of which those who are sufficiently fortunate to be on the inside will be able to make fortunes compared with which anything gotten out of the Canadian Northern will be a bagatelle. During the past five years, if any of the investors in the unguaranteed securities had been assured that they would receive the principal invested in these securities, with the interest up to date, they would have been happy individuals. I think it is feasible, when the Government is proposing to take over this property and become responsible for all these securities, to take steps to provide against the country becoming liable for par value for securities, the proceeds of which, in some instances, have been very much below par value. If on the other hand, no steps of that kind be taken, and these bonds become enhanced in value as they will, and the Government be obliged eventually to pay par, then we shall be compelled to pay millions upon millions of money for this road for which there is no value in the road itself, because no one pretends that par value has gone into the construction of the road. Just what that would amount to I am not prepared to say, but the Finance Minister would have an idea, if he has access to these securities—and they are all quoted to-day, I think. The question of the valuation of the shares is one that is very important. No one can accuse me of endeavouring to deal unfairly with any men of enterprise who have put their labour and money into these public concerns, but at the present time I am rather inclined to think that whatever might be given to Messrs. Mackenzie and Mann or the holders of the common stock of the Canadian Northern would be in the way of a recognition of the work they had performed in the development of Canada, rather than of any value as attached to the shares of the company. The Drayton-Acworth report comes out very strongly as to the lack of value in these shares. I am not going to discuss that, but in view of the fact that this system could now be taken possession of by the Government, either by allowing it to go into the hands of a receiver or by expropriation and a valuation placed upon it by the Exchequer Court, I am inclined to think that the value to be placed upon these 600,000 shares should not be made by a board of arbitrators at all.

But if the Government believe that something ought to be given to Mackenzie and Mann on account of other considerations, the amount proposed to be given ought to be stated in the legislation; then we shall see whether or not Parliament will accept the proposal. I have not the most implicit confidence in what might be done by a board of arbitrators. If I had to leave a matter of this kind to any body at all, I

would rather leave it to the Exchequer Court, the body that ought to deal with such things. Under present conditions, therefore, I am rather inclined to think that if any method is to be adopted of placing a value on these shares, it should not be that of arbitration; the matter should be sent to the Exchequer Court. If the Royal Commission be right and the shareholders have no equity of any value, we ought to say so distinctly, rather than imply by referring the matter to any body that the contrary is the case. On the other hand, if the Government see fit to recommend that an amount be given to the proprietors of the Canadian Northern Railway system in recognition of the development of the country through their work and in consideration of the Government's taking over their handiwork, I would suggest that the Government make up their mind what the amount is to be and, as I have said, have the amount stated in the legislation brought before the House. In any case, we ought to know what this enterprise is going to cost us before we go into it. Even if we have before us all the information in regard to the other items, a board of arbitrators might place upon these shares a valuation that would not be approved by the Exchequer Court. The country will not know what we are going to pay for this enterprise unless we state in definite terms what we propose to spend, if anything, for these shares. Full information should be brought down in reference to the proposed cost for betterments, for completion, for liability to contractors, so that we shall know just what we are assuming. I suggest that the Government abandon the idea of leaving to arbitration the valuation of these shares; that they rather make a concrete proposal so that we shall know what we are doing.

When aid was granted on a previous occasion to the Canadian Northern Railway system, there was a trust deed under which these securities were dealt with, carrying with it certain obligations on behalf of the company. I think it was called the new trust deed; its terms, are not to be found in the statute. In order that we may be informed whether the company have complied with the obligations embraced in that trust deed, it is fair that a copy of it should be placed before us.

Sir THOMAS WHITE: My hon. friend has covered a good deal of ground and has asked for considerable information, much of which, I think, is already before the committee. I will take up his arguments as he proceeded. I think he fully outlined the three courses that are open to us in respect of this railway system. The first was that the Government might allow the Canadian Northern railway system to go into the hands of a receiver. It has been common ground on both sides of this House, and it was the opinion of all the members of the Royal Commission appointed last year to deal with the problem of railways and transportation, that the Canadian Northern system and the Grand Trunk Pacific system should not be allowed to go into the hands of a receiver. That was the position taken on both sides of the House—there may have been some exceptions—in 1914. For example, we find the right hon. leader of the Opposition in 1914—Hansard, page 3681—making the following statement:

> I said a moment ago, and I repeat, that this enterprise must go on. It has been conceived for the benefit of the Canadian people. We require this railway. My right hon. friend said he would not let it go into liquidation. It must not go into liquidation.

So that my hon. friend, in expressing the view that he did against allowing the Canadian Northern railway system to go into liquidation, merely agreed in the views which have been expressed on both sides of the House and by the members of the Royal Commission. My hon. friend adverted to a further consideration in that connection—the guarantees by the provinces and by the Dominion Government. I stated when giving notice of these resolutions that the credit of the Dominion Government and of nearly all the provincial Governments of Canada, especially of the western provinces, are inextricably involved with the credit of this great railway enterprise. That is an additional reason why the system should not be allowed to go into the hands of a receiver.

9 p.m.

My hon. friend next mentioned the alternative of taking proceedings of expropriation and acquiring physical possession of the Canadian Northern Railway system. But one good reason why that should not be done is that the corporate entities of the several corporations embraced in the Canadian Northern Railway system would then be lost. The Dominion Government would then own the physical properties of the Canadian Northern Railway system just as it to-day owns the physical property of the Intercolonial and of the National Transcontinental from Moncton to Winnipeg. Upon these two latter railways there are no obligations. If the Government foreclosed and

took possession of all the physical properties of the system it would find itself in immediate ownership and also in immediate privity of obligation. Undoubtedly as a result there might be a great deal of litigation, because the Government's foreclosing under the $45,000,000 mortgage, or under the mortgage which was taken last year, would constitute default under most of the trust mortgages securing the underlying issues, with the result that receivers and liquidators might be appointed. I do not say that that result would necessarily follow, because if the Government foreclosed the holders of these securities would probably assume that the Government would take care of the whole situation; consequentiy they would not resort to litigation. But there seems no doubt as to their legal right to do so, and there might be a considerable amount of litigation. But that is not the main consideration why the Government should not foreclose and take over the physical properties in this system, although it is a very strong reason for our not doing so.

The chief advantage of preserving the corporate identity of all the companies embraced in the system is that it maintains the financing which is already being done and it facilitates future financing; that is to say, by acquiring—and that is the third alternative, of which my hon. friend spoke —the entire $100,000,000 of the capital stock of the Canadian Northern Railway company, which in turn controls the stock of all the underlying companies, the Government is enabled to asist the corporate financing of that system. In other words, the system of finance which has been adopted and which is now being employed will continue to be employed, the Government giving such assistance as may, from time to time, be necessary.

My hon. friend spoke of the liabilities which the Dominion Government would assume in acquiring the stock of this road. Legally, the Government does not immediately become in privity with the holders of the outstanding securities and indebtedness on the road, but I should not be frank with the committee if I did not say that a Government taking over the capital stock and controlling an enterprise such as this would, of course, have the intention of continuing the system as a going concern. I might, however, point out that by acquiring the stock, we are in no materially different position from that in which we are to-day by reason of the guarantees which the Dominion has given in the past. The $45,000,000 guarantee given in 1914 and the advance of $16,000,000 which we made last year are both secured by mortgages which come next after the mortgages securing the underlying bonds, debenture stock and other issues. The Government is, therefore, in this position, that, having regard to the guarantees given in the past—that is to say, the first mortgage guarantees and the guarantees given in 1914 and 1916 —unless we decide to forego the value of the equity which we hold under those mortgages, we practically must pay the interest on the underlying securities. That is also a very strong reason against a receivership, because if a receivership of the Canadian Northern Railway system took place, the Dominion Government and several of the provincial Governments would really be the receivers, because, being guarantors of the securities, they are liable. That is a very strong argument, as I think my hon. friend intimated, against placing these roads in liquidation.

I stated that most of the information for which my hon. friend asked was before the committee, and in order that we may see what we have and in order then that we may learn what further information is required, and that we may obtain it, I would like to refer to the information we have which was placed upon the Table the other day.

Mr. PUGSLEY: This was brought down only to considerably more than a year ago.

Sir THOMAS WHITE: Before my hon. friend came in, I explained the reason for that. The Canadian Northern Railway system is so large, like indeed other railway systems such as the Canadian Pacific or the Grand Trunk, that it is not possible to obtain a balance sheet immediately at the close of the fiscal year. It usually requires four or six weeks to obtain a balance sheet.

Mr. PUGSLEY: At last session, when the loan of $16,000,000 was authorized, the minister made a very strong point of the fact that there was to be a continuous audit by auditors appointed by the Government, and it seems to me it follows from the fact that an audit is made from time to time that the information ought to be presented to this committee for the consideration of the resolution.

Sir THOMAS WHITE: My hon. friend was out of the Chamber when I adverted to that matter, but I will repeat what I said.

Mr. PUGSLEY: I will learn it from another source. The minister need not take

up the time of the committee in repeating what he said.

Sir THOMAS WHITE: We did make that announcement, and we did, forthwith, after the legislation was enacted, appoint Messrs. Marwick, Mitchell & Company, a very reputable firm of chartered accountants, to carry on a continuous audit of the revenues and expenditures of the Canadian Northern Railway system. That continuous audit is a different thing from the yearly balance sheet. That audit has been duly performed, and reports have, from time to time, been made to the Railway Department.

Mr. PUGSLEY: Does the minister not think we should have those reports?

Sir THOMAS WHITE: I have no objection. I will make inquiry and see if they are available, as I believe they are, and there is no reason why my hon. friend should not have them. It is my desire to give the committee as full information as possible. A statement was placed in my hands by the Secretary of the Canadian Northern dealing with the items of gross earnings, operating expenses and net earnings, corresponding with the audit made by the auditors appointed by the Government. For the year from June 30, 1916, to June 30, 1917, the gross earnings amounted to $42,071,086.66, the operating expenses to $30,623,732.08, and the net earnings to $11,447,354.58. Those net earnings, being subject to certain adjustments when the balance sheet is finally completed, are in excess of the net earnings shown by the balance sheet of last year, the net earnings being then $9,500,000. In other words, according to the statement submitted by the Canadian Northern Railway company and verified by the auditors appointed by the Government, there appears to be an increase in net earnings for the past year of some $2,000,000.

Mr. GERMAN: Has the Canadian Northern Railway company, or any person on their behalf, applied to the Government for financial aid, or why is this proposition being suggested? Having net earnings to the amount of $9,000,000 to $11,000,000, are they applying to the Government now for financial aid?

Sir THOMAS WHITE: That is a very proper question. But perhaps my hon. friend was not in the House the other day when I made a speech on this subject. I thought I had attended to that point very fully. I shall, however, be glad to give my hon. friend the information. The explanation is a very simple one. A railway company like the Canadian Northern—in fact, any railway company—is continually required to make betterments, to provide rolling stock, and to make instalment payments upon equipment secured.

Mr. GERMAN: I heard what the minister said the other day.

Sir THOMAS WHITE: The reason why the Canadian Northern requires aid at the present time is found conclusively in the financial statements which I have mentioned.

Mr. GERMAN: Have they asked for aid?

Sir THOMAS WHITE: I hope my hon. friend does not think that the Government is without any intimation from the Canadian Northern that they need aid, and is going out of its way to provide aid, or to take over the system. If the Canadian Northern was able to finance itself this matter would not be before the House; the Canadian Northern would be paying interest upon its underlying securities, would be financing its betterments, paying for its rolling stock, floating all its temporary loans, and not putting in an appearance at Ottawa at all. It is because they find themselves in a position where they cannot go on and where Government aid is imperatively necessary or default must occur, that this measure is before the House.

Mr. GERMAN: How much do they ask for?

Sir THOMAS WHITE: The Canadian Northern have presented their situation to the Government, and this situation is disclosed in the statement which I have laid before Parliament. The Government, instead of bringing in a Bill to afford aid as they did last year, have taken the ground that they will acquire the stock interests of the Canadian Northern owners, so that such aid as they afford will be aid to an enterprise which will be owned by the people of Canada instead of by the present proprietors.

Mr. PUGSLEY: Does the minister state that the Canadian Northern have made no written application for assistance which can be submitted to the House?

Sir THOMAS WHITE: They have made no written application for assistance.

Mr. PUGSLEY: What verbal application have they made, what amount have they asked for, and for what purpose?

Sir THOMAS WHITE: The Canadian Northern officials presented their financial statement to the Government. They have certain short-term liabilities maturing during the present year, which they may be able to renew—probably will be able to renew.

Mr. PUGSLEY: Are they not all secured by Government guaranteed bonds?

Sir THOMAS WHITE: Nearly all of them are. I believe they will be able to renew most of them, if not all. It must be borne in mind that we are in war time, and that it is not possible to speak with certainty as to whether loans secured, as my hon. friend has said, by the highest kind of collateral, can be renewed, although I believe myself that they will be renewed. But apart from that, by reason of the fact that the Canadian Northern has to take its net earnings to provide for betterments, for principal payments on rolling stock already required, and for new rolling stock, it is not possible for them to pay the interest on their underlying securities. Apart from the question of the renewal of short-term obligations, and the question of liability upon open account, which I believe is considerable, the Canadian Northern would require in the neighbourhood of $20,000,000 to pay interest obligations incurred and to be incurred in respect of securities taking priority over the $45,000,000 mortgage of the Dominion Government.

That was the position brought to our attention, and that being the position, instead of bringing down a Bill to give aid to the extent of $20,000,000 or $25,000,000, which would, I think, be the minimum that would be required for the purpose of enabling the Canadian Northern to continue during the coming year as a solvent, going concern, the Government determined to take over the road for the people of Canada, so that any aid we might be called upon to furnish would inure to the benefit of the people of Canada.

Mr. PUGSLEY: Would the minister state what is the amount of these short-term notes, where they are held—I presume either in London or New York, or both—and what are the guaranteed securities which have been hypothecated as security for these short-term notes?

Sir THOMAS WHITE: That is the point to which I was about to advert. I think my hon. friend will find all that information in the document which has been laid on the Table. I want to find out just what we have before the House, because a great deal of the information asked for by the hon. member for South Renfrew (Mr. Graham) has already been placed on the Table; and when we have ascertained definitely what there is before the House, we can see what further information may reasonably be required, and endeavour to obtain it for the information of the members of the committee. My hon. friend from South Renfrew referred to the securities some of which he thought had been issued at a rate very much below par. That is not my understanding of the situation.

Mr. PUGSLEY: Will my hon. friend answer my question?

Sir THOMAS WHITE: I intended first to deal with the long-date securities, and then come to the short-term securities, as I thought I could cover the ground better in that way. As I was saying, I am not aware that the securities of the Canadian Northern system have been sold at a heavy discount. On the contrary, in 1914, when a complete statement was made to this House as to the securities which had been issued and as to the amount which they had realized, the entire House was surprised that they had been so successful in placing at low interest rates their securities by successive issues in London.

Mr. GRAHAM: Some of the subsidiary companies are pretty low.

Sir THOMAS WHITE: They did not issue the securities of the subsidiary companies. What they did was this: The parent company would take the debenture stock or other securities of the subsidiary company, and against that issue their own debenture stock, and that debenture stock was issued at a very low rate of interest indeed, even at that time, but exceedingly low as compared with the rates prevailing now.

Mr. PUGSLEY: That does not apply to the $147,000,000 of their securities against which there is no debenture stock.

Sir THOMAS WHITE: I am speaking of the securities, and in passing, I want to make this observation. If ever there was a proper time to acquire a railway system whose securities have been put out at a comparatively low rate of interest this is the time, because this is the time of high interest rates, and it will be many years indeed before it will be possible even for the Government of Canada to issue securities on the basis on which these securities

were issued by the Canadian Northern. The same argument applies to the Grand Trunk. It is surprising at what a low rate of interest they put out their securities in view of the rates which prevail to-day for securities of the Imperial Government in London, and of the Dominion Government here.

Mr. LEMIEUX: This is a time when the Government is paying a very high rate of interest—an abnormal rate.

Sir THOMAS WHITE: I agree that it is a high rate. My hon. friend has made several speeches in the House about the increasing public debt and the rate of interest paid, and while I did not interrupt him the thought was in my mind whether he fully realized that this country has been engaged for the last three years in the greatest war of all history. What kind of rates does he expect the Government would be paying at a time like this? Does he expect that we would not have an increasing public debt, and that we could finance on the same basis as in the piping days of peace? My hon. friend should realize that we have been engaged for three years in the greatest struggle of all history, and in that struggle we have played a great part. It is not to be wondered at, that the national debt is increasing, or that, in common with all other nations, we are called upon to pay an abnormal, war-time rate of interest.

I want to point out the extremely favourable situation which exists in so far as these securities are concerned. In looking over the statement I am agreeably surprised to find that the financing has been such that the payment of the principal of the obligations is for the most part extended away into the future at comparatively low rates of interest. If my hon. friend will look at page 5 he will find the following:

Statement of Securities Outstanding, showing: Securities guaranteed by Dominion Government, Securities guaranteed by provincial governments, Securities unguaranteed, Maturities of all issues, Annual Fixed charges, June 30, 1917.

In passing, let me point out that this statement is to June 30, 1917. For these securities, being securities guaranteed by the Dominion Government, the dates of maturities are 1953, 1958, and 1934, and the interest rates at three per cent, three and a half per cent, and four per cent. You have these extraordinarily low rates of interest for a debt funded for all that time. Take the Canadian Northern Alberta railway; you have three and a half per cent debenture stock maturing in 1962 and 1960, and Canadian Northern Ontario three and a half per cent debenture stock maturing in 1961. Taking these altogether, you get a total of Dominion guaranteed stock of $104,613,247.83 most of it maturing from thirty-five to more than forty years from now. Looking over the balance sheet, one is immediately impressed by the fact that this debt is funded for thirty or forty years at lowest rates of interest. It would not pay the Dominion Government to substitute other securities at par because the Government to-day could not issue securities at as low a rate of interest as these bear. Guaranteed by Ontario, you have maturities in 1938 and 1936, and guaranteed by Manitoba you have securities maturing in 1929 and 1930. I shall not go over the entire list, but the committee will see that most of the debt of the road is well funded at rates of interest exceedingly low having regard to the prevailing rates of to-day.

Now, let us take the unguaranteed securities. The largest issue of the lot is an issue of $61,837,788.96 four per cent perpetual consolidated debenture stock. This statement also shows the dates of maturity of all the other unguaranteed securities. The land securities are shown at the top of page 7. Then there is the Canadian Northern railway four per cent Dominion Government guarantee debenture stock under the legislation of 1914, amounting to $44,866,667.33; and there is the Canadian Northern Ontario three and a half per cent debenture stock amounting to $35,770,000. These are all long-date issues. There are also the securities guaranteed by the province of British Columbia.

So far as the long-date securities are concerned, the situation is a very simple one, and one in regard to which the sole question that arises is: will the interest be earned? The debt is so well funded and matures so far away in the remote future, that it can then be paid or extended if necessary.

Now, we come to the question very properly raised by the hon. member for St. John (Mr. Pugsley) as to the short-term securities. My hon. friend will find a memorandum on page 8, and he will find particulars as to the collateral on page 11. Taking up page 8 first, we find that the short-date loans amount to $98,276,883. Those loans mature over the next two years. The way that situation would be handled would be this: as the loans are practically all well secured, the officers of the Canadian Northern—for the Canadian Northern is still to be preserved as a railway

company—would approach the issuing houses and arrange to retire these loans from the proceeds of new short-term issues. They would take the collateral and make new short-date loans of a year, or two years, or three years. They might have to pay off a few hundred thousand dollars in the transaction but by making new loans they would be put in funds to retire the existing loans. Supposing that by reason of the war it was not possible, in the case of any given security, notwithstanding the high class of collateral lodged against it at the present time, to renew the loan, the Dominion Government might have to assist in paying off the loan; but in assisting in paying it off it would have, of course, the collateral lodged against it, which is a substantial percentage in excess of the amount which is borrowed. The committee, therefore, is in possession of full information with regard to current liabilities. They are all shown on page 8.

Mr. GERMAN: Are the figures given under "obligations" current liabilities?

Sir THOMAS WHITE: I am glad that my hon. friend has mentioned that. He has in mind, no doubt, what my hon. friend from South Renfrew said as to whether there was any indebtedness to contractors. I made careful inquiry about that, and I am getting a statement respecting it for the information of the committee. But I am told that all obligations to contractors are practically cleaned up. The secretary of the Railway Department tells me that there is not on record with the department at the present time $100,000 of claims against the Canadian Northern Railway system. The situation has been cleared up since 1914 when there were large amounts outstanding due to contractors. There may be some outstanding liabilities, but if there are they are comparatively small.

Mr. MURPHY: There was an action commenced for a large amount some two years ago.

Sir THOMAS WHITE: By Foley-Welch?

Mr. MURPHY: Yes.

Sir THOMAS WHITE: The claim with regard to the Sudbury-Port Arthur branch has been settled.

Mr. PUGSLEY: On the question of short-term notes, would the minister give the committee some information? From the statement on page 12 it would appear that the amount borrowed in New York is $21,750,000. As collateral for that, there are $30,648,247.33 of Government securities. Those would be guaranteed securities and there would be a margin of nearly nine millions. Is it open to the Canadian Northern Railway company to dispose of those guaranteed bonds that are now simply up as collateral? Is there anything in their agreement with the Government which would prevent them from selling them outright?

Sir THOMAS WHITE: There is no arrangement. If, when these notes matured—and it could not be done before—the Canadian Northern paid them off, the collateral would go to the Canadian Northern and would become part of the assets of that company.

Mr. PUGSLEY: On the New York loans there is a margin of 50 per cent.

Sir THOMAS WHITE: Not of real value; that is of face value. I have shown the committee that we have a complete statement as to Government guaranteed loans and as to unguaranteed funded debt; also a complete statement as to the short-term loans and current liabilities, and also a complete statement as to the collateral held as security for the latter. I have said that there is practically no indebtedness outstanding to contractors.

I come now to the last point made by the hon. member for South Renfrew (Mr. Graham), as to the mode of acquiring these shares, and also as to what would be the prospective requirements of this road for the next two years. The amount of money which may be spent upon any road is variable. There is no doubt that very large sums might be spent upon the Canadian Northern to equip it properly in order that it may render the maximum of public service. On the other hand, a road can be operated so as to give a reasonable public service with an expenditure that falls short of the amount which would be required to give an ideal service. Therefore, the amount which would be required upon the Canadian Northern for the next five years is a matter, necessarily, of estimate, and, not only that, but it is one which may depend upon the amount of money available. In the report which is before the House, made by Sir Henry Drayton and Mr. Acworth, the matter is gone into very fully. There is an immense amount of information in this report. Nearly all the information asked for by the hon. member for South Renfrew (Mr. Graham) will be found in it. On page XL there is a paragraph headed "Prospective Requirements of Canadian Northern." They say:

The Canadian Northern estimate submitted to us further calculated that, in course of the

next five years, the company will need to spend $12,500,000 of new capital for additions and betterments, and $25,000,000 for new equipment. We consider these estimates entirely inadequate, and especially so in relation to the estimate of 90 per cent increase in gross receipts. The company has acknowledge that its equipment is inadequate to take care of its existing business. That equipment stands in the company's books at $59,000,000. If the business were to increase 90 per cent, it would seem to need not $25,000,000 but over $50,000,000 spent on new equipment to handle it.

That is to say, if $50,000,000 is spent the business will increase 90 per cent, and, of course, if the business increased 90 per cent the expenditure would be more than justified and to a considerable extent liquidated by the earnings. The amount that will be spent upon the Canadian Northern in the future is not susceptible of accurate estimate, but if the Dominion Government is acquiring, as it is, a system such as this, it should be its object, consistently with the financial position from time to time, to so improve the facilities of the road as to render the best service to the public. The railway companies of Canada, with the exception of the Canadian Pacific, are all short of rolling stock. The fact that the Government of Canada will have to expend a certain amount on the Canadian Northern line and large amounts for rolling stock for the road is, of course, no argument against the acquisition of that system, because the rolling stock is required to carry our agricultural products to the seaboard and to render service generally to the commercial community. I do not know of any greater need in this country than that of rolling stock. The shops are working to their utmost capacity. The Minister of Railways is, I believe, willing to place orders for rolling stock practically to the maximum of the capacity of the industrial establishments of the Dominion, to the end that the railways of Canada, the Intercolonial, the National Transcontinental, the Canadian Northern, may be equipped to render the best service to the public.

The hon. member for South Renfrew spoke of having a valuation made by the Exchequer Court. I may say that in reaching a determination to have the value of these shares fixed by an arbitration we were influenced by several considerations. I shall mention only two main considerations.

Mr. GERMAN: Why not give us all?

Sir THOMAS WHITE: The two principal considerations. The Drayton-Acworth report recognizes that there should be equitable consideration for the owners of the stock of the Canadian Northern railway, and they suggest, in a plan which they propose, that arbitrators should determine the amount of stock which the Canadian Northern Railway owners and pledgees should be allowed to retain, and further the amount of the earnings of the Dominion Railway company which would be properly attributable to these shares. They recommend arbitration, and the mode which we have adopted in the resolution is precisely on all-fours with the recommendation of the Drayton-Acworth report; that is to say, that the owners of the stock should name one arbitrator, the Dominion Government should name another, and the two so appointed should name a third, or if they cannot agree that the third should be named by the senior judge of the Exchequer Court. There is another principal consideration. A legal controversy as to values, based upon all the factors that might enter into it, of a great railway system could extend quite conceivably over a year and a half or two years. I refer to the various factors entering into the valuation of the shares of a railway. They are all indicated by Professor Swain and are set out in the Drayton-Acworth report. In the first place, there is the question of physical value. I need not say to this House that if we had as able a lawyer on our side as the hon. gentleman from St. John, and the owners and pledgees had on the other side as equally able a lawyer, if he could be found in Canada—

Mr. PUGSLEY: And both sides interested in making a strong case?

Sir THOMAS WHITE: and both sides interested in making as strong a case as possible as to the value of the physical properties of a railway system of 9,500 miles, my hon. friend can see the vista opened to the legal imagination, as to the element of original value and all interest upon that, and the reproduction value. All that would be talked about by the lawyers, and all that would be dealt with by the expert witnesses who would be called by legion.

Mr. PUGSLEY: Marvellous possibilities in arbitrations.

Sir THOMAS WHITE: No, before the court.

Mr. PUGSLEY: I have been on arbitrations. Give me an arbitration every time.

Sir THOMAS WHITE: That is only one factor of cost, and by no means a con-

clusive factor in the case. The least conclusive factor as to value is the matter of the physical property. It is a factor, as pointed out in the report, but it is by no means conclusive as to value. You may have a book value in which the assets are very much greater than the liabilities, but that is by no means a conclusive factor as to what is a fair value for the shares, because the question arises as to what is the actual earning power, the potential earning power, and, apart from that, the financial position of the system. All those factors would have to be taken into consideration. Now, with the procedure before the court, I could well conceive an inquiry on expropriation lasting over a couple of years. My view is that the Board of Arbitrators, selected as set out in this resolution, would be able to deal with the situation very much more expeditiously and just as fairly as before the Exchequer Court.

Mr. MURPHY: Would that not depend on the scope of the reference of submission to arbitration?

Sir THOMAS WHITE: The scope of the reference is a simple one. It reads as follows:

3. The said arbitrators shall determine the value of the said six hundred thousand shares as of the date of the said agreement and the said arbitrators shall proceed in a summary way and may apply their own judgment in determining such value and may receive with respect thereto, such reports and statements authenticated in such way as they may decide and such evidence as they may deem necessary or helpful, examine witnesses under oath and hear the parties by counsel or representatives and that the unanimous determination of the arbitrators shall be final, but should the determination not be unanimous an appeal from such determination shall lie to the Supreme Court of Canada on behalf of the Governor in Council, or of the owners or pledgees, upon any question of law or fact, such appeal to be made within thirty days from the rendering of the determination.

Mr. PUGSLEY: What is meant by "summary"? In what way could they proceed?

Sir THOMAS WHITE: I do not know any one who knows better than my hon. friend the meaning of the word "summary." I have a good memory, and so has he. I remember one occasion in the House, when I was called upon to define the word "summary," my hon. friend came to my assistance, as he sometimes does, and he defined the word "summary" in a very satisfactory way. No doubt he will recollect, because no one knows better than he does what it means.

Mr. PUGSLEY: I know what it means in criminal proceedings, but I don't know about this matter.

Sir THOMAS WHITE: I think it denotes freedom from the rigid proceedings of a court, dealing with a matter in a summary or direct commonsense way, the idea being to obtain an award in a reasonable time.

Mr. GERMAN: "Summary" in legal phraseology sometimes means that only one party is heard.

Sir THOMAS WHITE: Here we give the power to deal with it in a summary way. My hon. friend from South Renfrew thinks that, instead of determining the value of the shares we should approximate a lump sum in recognition of the services of Messrs. Mackenzie and Mann. I do not agree with that view at all. I do not believe that it is part of the duty of the Government of Canada, or of Parliament, to recognize the services of men working for their own interests in the building of a transcontinental road or otherwise. I think the proper way to deal with it, if we determine to acquire the shares—as we have to acquire the shares— is to have their fair and reasonable value fixed by arbitration, or by such other procedure as may be determined upon by Parliament.

I think I have traversed the entire ground covered by the hon. member from South Renfrew. I believe that the only information that is not before us and that is required is a statement as to any outstanding liabilities to contractors, and, if possible, a balance sheet for 1917. A balance sheet got out now will not be quite accurate for the reason I have given; it will be a matter of estimate as to the last month or so if the position of the Canadian Northern Railway system is to be shown as of June 30, 1917. It is pointed out to me by he Financial Controller of the Railway Department that on page 8 the amount due contractors is set out as follows:

Due to construction contractors at April 30, 1917, $1,277,323.

These, he tells me, are nearly all holdbacks.

Mr. GERMAN: Would the minister give us the names of the pledgees of this stock, particularly of the one-sixth which, it is said, is not immediately obtainable?

Sir THOMAS WHITE: I may be able to obtain that information. The majority of the stock, that is to say, 51 or 52 per cent—I am not in a position to state the

precise percentage—is held by Sir William Mackenzie and Sir Donald Mann and their pledgees. The one-sixth, about which my hon. friend has inquired, is held, I believe, in England. From time to time in past years certain amounts of that stock were sold or transferred to parties with whom the owners were doing business. I am not positive as to that, however. No doubt the books of the company would show the names of the shareholders, although in the case of scrip stock, the names appearing in the books of the company are not necessarily the names of the owners of the scrip. For instance, Canadian Pacific stock might stand in the name of my hon. friend, but might be transferred by his endorsement to another party. However, I shall endeavour to obtain that information for the House.

Mr. PUGSLEY: On page 12 of the financial statement the gross earnings of the Canadian Northern Railway system are given as $42,319,000. Part of that consists of miscellaneous earnings of some subsidiary companies, including interest on investments, etc. Would that include interest upon land stock?

Sir THOMAS WHITE: The financial comptroller of the Railway Department tells me that the interest on the lands is not included in that.

Mr. PUGSLEY: Why does the Government propose to take over certain stock in the Canadian Northern Prairie Lands company and assume thereby liability for the mortgages against the lands amounting to over $21,000,000?

Sir THOMAS WHITE: The lands of this company were mortgaged to secure a debenture issue in London. The proceeds of that issue were used in the construction of the road. As the lands were sold, their proceeds are available to reduce the mortgage. As the lands are of greater value than the mortgage debt, there would be a substantial equity in those lands when the transaction is complete.

Mr. PUGSLEY: These lands to which I refer are unproductive; they are bringing no interest whatever, and they are subject to heavy municipal taxes. They are lands the cream of which was selected during the boom days. It is doubtful whether it is advisable to ask this country
10 p.m. to assume a debenture liability of $21,000,000 for something which is in no way connected with the Canadian Northern Railway system. To leave it in the hands of the present proprietors, the Canadian Northern Prairie Lands company, would be no injustice to them.

[Sir Thomas White.]

Sir THOMAS WHITE: The appraisal of the company is $29,000,000.

Mr. PUGSLEY: That is the book value.

Sir THOMAS WHITE: In one sense it is the book value, but it is also the value placed upon the lands by the company.

Mr. PUGSLEY: Is the Government going to take their valuation?

Sir THOMAS WHITE: I will come to that in a moment. I do not agree that these lands are not valuable; the best evidence that my hon. friend is wrong is the fact that the land mortgage debentures were floated against them. The land mortgage debentures aggregate some $17,000,000; as against that there is the value of these lands, $29,000,000. My hon. friend says: Why does the Government take over those?

Mr. PUGSLEY: It is more than $17,000,000; it is $21,000,000.

Sir THOMAS WHITE: We do not take them over directly. On the one side of the balance sheet of the Canadian Northern Railway company are these lands, although they are pledged. On the other side is the liability of the stock issued in respect of them. It would be a very foolish thing for the Government, if they are to become proprietors, to allow the equity in those lands to be lost to the company. My hon. friend would not suggest that the Government should waive the equity in the lands held as security under these land mortgages.

Mr. PUGSLEY: Why not?

Sir THOMAS WHITE: Some years ago I knew a good deal about the land grants of the Canadian Northern, and they sold to good advantage. There are deferred payments and accrued interest on sales amounting to $7,140,000; there is cash, $2,400,000, as against a liability of——

Mr. PUGSLEY: Of $21,000,000.

Sir THOMAS WHITE: of $17,000,000.

Mr. PUGSLEY: Of $21,000,000—$17,000,000 and $2,000,000 and $1,850,000.

Sir THOMAS WHITE: Twenty-one millions. There are lands unsold to the amount of over $19,000,000.

Mr. PUGSLEY: Unproductive lands are not of much value. If you have an agreement of sale and your purchasers are good

and substantial amounts are paid, your agreements are valuable. They might not all be paid up.

Sir THOMAS WHITE: But the point is that there is a substantial equity.

Mr. PUGSLEY: What is the par value, not the actual value of the land company's stock which the Government is to take over under this arrangement?

Sir THOMAS WHITE: The Canadian Northern Railway company have put out these securities that my hon. friend has mentioned, and they are liable for them as is shown on the balance sheet. An asset which they have on the other side against that is these prairie lands. How could we take over the Canadian Northern Railway company and have that company relieved from debenture liabilities? If that is so, why should we give away to some one else the lands which the Canadian Northern has pledged?

Mr. PUGSLEY: That is one very good argument why you should expropriate the railway and rolling stock instead of placing upon the shoulders of the people of this country a liability of $21,000,000 in respect of lands they do not desire.

Sir THOMAS WHITE: I think that is one of the best assets the company has, except the Government guaranteed stock, because I believe in the lands of the West.

Mr. PUGSLEY: With the taxes, the surtaxes and the interest running up, nonproductive prairie land in the West is not a very valuable security. The minister ought to be able to give us some information as to these lands, because under the guise of taking over a railway and rolling stock for the purpose of operating it for what is purported to be the interest of Canada, there is included in the liability which this company will necessarily assume $21,000,000, and all the Government will have to represent that will be whatever shares of stock they hold in the Prairie Lands company. The minister is not able to tell us whether that is much or little. I have seen it stated somewhere that the par value of the stock which is held directly by the Canadian Northern Railway company is only about $50,000. That may be true or not, but the minister ought to be able to give us the information.

Sir THOMAS WHITE: The chances are that the capitalization is small.

Mr. PUGSLEY: That may be. On the one hand there is the uncertainty as to the value of this unproductive land, but on the other there is the absolute certainty of the liability of this country to make good those debentures to the amount of $21,000,000. That is not fair to the people of Canada. If you want to take over this railroad because you think it will be in the public interest to improve the line and the roadbed, and to increase the rolling stock, that is one thing, but to take a lot of unproductive real estate and to assume in respect of it a bond obligation of $21,000,000 is wholly unjustifiable. The minister says: Oh, well, we cannot take the stock and leave the company with a liability upon those bonds. There might possibly be something in that were it not for the fact that in the next breath he says that the Canadian Northern Railway company is practically bankrupt. If that be so, then all the security which those debenture holders could have would be the liens upon the lands. If the Government did not assume the liability, the debenture holders would still have the security. I assume the titles for the lands are vested in the Empire Trust company. They would still hold those lands for the debenture holders, and that is the security which those gentlemen who took the debentures understood they were getting, and it is the security which they will still continue to have. If there is nothing else in this proposition, that fact alone ought to prevent this resolution from having the approval of the committee. Twenty-one millions of dollars is a very large amount of money. While the minister says there are assets upon the other side consisting of over $2,000,000 in cash, that would not much more than pay the interest for two years on those debentures. While he says they are deferred payments and accrued interest upon sales, it does not at all follow that those agreements of sale are good security; that depends upon how much has been paid on them by the purchasers, whether the purchasers have made improvements on the land, whether there are good crops in the locality in which those lands are situated, whether the crops are liable to be burned up by drought or destroyed by hail, and so on. The minister, before he asks the country to assume such an enormous liability in respect of those lands ought surely to give us some information as to where the lands are situated, how many payments have been made upon those agreements of sale, and he ought to have a statement made by an expert of the actual value of the land and how many acres have been sold. The

book value of the unsold lands is put in at about $19,000,000. Where are the lands situated? Are they close to the railway, in good, productive country, in a country which is well settled? Or are they in a country which is liable to frequent drought, or in which there are other conditions which would practically destroy the value of the land? I happen to know that the energetic firm of Davidson, McRae and company, during the boom days running along prior to 1913, brought in large numbers of people from the United States, and they sold what we have a right to assume was the cream of the land grants of this company; and to-day the lands which they hold are what have been left by the people who came in from the United States. Can my hon. friend tell me what were the sales last year by this company, and what was the average value of the sales? If he could do that, it would give us an idea of how long it would take us to dispose of these lands after the Government acquired them and we should also have some idea as to whether the interest on the debentures during that time would not very largely exhaust the value of the land. I quite agree with the minister that lands well situated in the West are quite an asset, but they are not nearly as good an asset as many people think they are, because in the provinces of the West to-day there is not only a pretty heavy tax against farm lands, but also a surtax on farm lands that are not under cultivation and that surtax adds very largely to the burden of the holders of those properties. During the time the land would remain unsold, which would likely extend over a number of years, the interest has to be paid, and when you consider it all a pretty big hole is made in the value of this unproductive real estate. I, for one, no matter what I may do with regard to the general proposition of the railway, would not consent to take over these lands at all, and I think Parliament ought not to be asked to take them over, except upon the most satisfactory evidence of their having value commensurate with the enormous liability which would be assumed by the Government. To my mind, the issue of debentures to the enormous sum of $21,000,000 against unproductive land grants of this company is something beyond reason, and yet this country is actually asked to assume this liability, to make good these debentures. I think the minister should give the committee more information on this subject than he has yet afforded, and should also find out the amount of stock in this prairie land company, where the lands are situated, and what is their appraised value. I know plenty of people who have been holding lands for fifteen or twenty years because they are unable to dispose of them. A good deal depends upon the locality and upon the settlement around these lands, because settlers necessarily give a value which is not possessed by land in localities that are not settled.

Mr. J. E. ARMSTRONG: My hon. friend was asking for the location of these lands. If he will turn to page XV of the Drayton-Acworth report, he will find the following figures:

Land Grants to Canadian Northern.

Location.	Received.	Of which sold.
Nova Scotia	150,000	150,000
Quebec	402,860	
Ontario	2,000,000	
Manitoba, Saskatchewan, Alberta	4,002,848	3,159,720
	6,555,708	3,309,720

In round figures the amount realized from the land sales was $16,000,000, and the company appraises its unsold lands at $19,000,000 present value. That does not appear to be an unfair value placed upon the land in comparison with the amount of money they have received, because the land will naturally be close to the railway.

Mr. PUGSLEY: The statement of my hon. friend shows his faith in human nature. He says that because the company has estimated its unsold lands at $79,000,000 and because it has already realized $16,000,000 in round figures, that that would show that the price was not unreasonable.

Mr. J. E. ARMSTRONG: That is only half the acreage sold.

Mr. PUGSLEY: Does not my hon. friend realize that in the West there are lands and lands? If he would examine the reports of the surveyors of the Interior Department he would find that there is first-class land, second-class land, and third-class land. Some is good for agricultural purposes; some is easily capable of being cultivated—

Mr. J. E. ARMSTRONG: I understand that these lands are carefully selected.

Mr. PUGSLEY: My hon. friend may rely upon it that these shrewd settlers who came in from the United States when the late Colonel Davidson was actively managing that company, selected the best lands which they could find in the tract. I do

not want to disparage the lands at all, but I do say that this country does not want to buy back these lands at this very high price. This country does not want to assume a bonded indebtedness of $21,000,000 against these lands. There is no necessity for it; it does not improve the railway system, and it will be of no benefit whatever to the country to have them.

Sir ROBERT BORDEN: Before the hon. gentleman leaves that point I should like to understand just what he means. It may be all very clear to himself, but he has not made his argument intelligible to me at all. As I understand it, the moneys derived from the sale of these bonds have gone into the road. Does not my hon. friend understand that? If he does understand that, what does he suggest? Does he suggest that we should not take the lands as an asset? The liability is there. Does he suggest that we should not take the asset with it?

Mr. PUGSLEY: I would abandon both the asset and the liability.

Sir ROBERT BORDEN: We are not taking the lands except in so far as we are taking the stock. We are acquiring the stock of the Canadian Northern system, and we are acquiring it by the very method he himself suggested a few years ago, namely, by arbitration. Perhaps my hon. friend has forgotten that.

Mr. PUGSLEY: Not at all.

Sir ROBERT BORDEN: We are following out precisely the path which he indicated at that time. I really am unable to appreciate the argument of my hon. friend on that basis. The money has gone into the construction of the road; therefore, the liability on these bonds is a liability on the road. Does he mean that we should accept that liability and not take the asset which it represents?

Mr. PUGSLEY: I did not say that.

Sir ROBERT BORDEN: If my hon. friend's argument means anything at all it means that. If it has not that meaning it is not very intelligible to me, however intelligible it may be to him. Perhaps my hon. friend would define precisely what he is driving at.

Mr. PUGSLEY: I am afraid my right hon. friend was paying more attention to his own thoughts than to what I was endeavouring to say. If he was paying attention to me he must have understood that what I was saying was that neither with the liability nor with the lands should Parliament have anything to do. We should neither assume the liability nor take the lands.

Sir THOMAS WHITE: How could the Canadian Northern, whose stock the Government is acquiring, divest itself of its bonded indebtedness upon securities issued against this land?

Mr. PUGSLEY: My argument is based upon the fact that the Government should expropriate the railway and rolling stock of the company and nothing more. Leave the company in existence, leave it the stock, and leave it the liabilities.

Sir ROBERT BORDEN: Why does my hon. friend depart from the method which he suggested a few years ago, when he said that we should acquire the stock by arbitration?

Mr. PUGSLEY: I did not suggest it. I opposed the transaction at that time, but as a last resort when we, being in the minority, found the Government determined to carry this measure through, I said that at all events before making a loan of some $45,000,000, the Government should make it obligatory upon the Canadian Northern that we should have the opportunity of acquiring the stock and that either by arbitration, or by the Exchequer Court, or by the Governor in Council, the amount should be fixed not to exceed a certain sum—

Sir THOMAS WHITE: Thirty million dollars.

Mr. PUGSLEY: That is the argument I endeavoured to make. Not that I approved of it, but I said that if it was to be forced through, there should be that condition attached to it.

Sir ROBERT BORDEN: My hon. friend said much more than that.

Mr. PUGSLEY: I could not have said more.

Sir ROBERT BORDEN: My hon. friend said that:

> It is fair, fair to Mackenzie and Mann and Company and it is a fair and reasonable proposition on behalf of the people of this country.

Mr. PUGSLEY: The amount mentioned was not more than $30,000,000. If it was going to be acquired at all, I suggested that that stipulation should be made. The same argument was made last year. It was argued that, the country having during

past years from time to time come to the rescue of the Canadian Northern, an agreement should be made that, if deemed desirable, it might acquire the stock at an amount not exceeding $30,000,000. Now what I said is that the fact that there is this enormous liability outstanding is a practical argument against taking the property in such a way that the Government would not only acquire the railway and rolling stock, but would acquire this liability also.

Sir ROBERT BORDEN: Was not that enormous liability outstanding then?

Mr. PUGSLEY: I do not know as to that. I take it for granted that the question did not come up. My attention was not called to it at that time, because it was not proposed to take over the stock of the company. It was only proposed to make a loan or give a guarantee. But now it is proposed that the Government shall take over all the stock of the company, and become, in equity and to all intents and purposes, the Canadian Northern Railway company, and, therefore become, ipso facto, liable for all the obligations of the company, including these land grant bonds of $21,000,000.

There is another very strong argument against this proposal for taking over the stock, and it is that it is proposed to do it by arbitration. Perhaps that would be a proper way to proceed if you are simply going to take the stock; but I would ask why, if it is desirable to acquire the Canadian Northern railway and rolling stock, it should not be taken by expropriation in the ordinary way. It used to be the law in this country that whenever the Government expropriated property the valuation was determined by arbitration. That was found to be a very unsatisfactory means of arriving at the value of the property which was expropriated. Favoritism and sympathy entered into the question of arbitration. The claimant against the Government always had the sympathy of his own arbitrator, because, of course, with respect to him, he would not only have his sympathy but his actual support, and as his arbitrator he would naturally endeavour to get the most he could for the man on whose behalf he was appointed. But it was likewise the case that on the part of the arbitrator appointed to act for the Government there was a feeling of sympathy for the claimant. Then, in the appointment of the third arbitrator, a shrewd clever arbitrator appointed on behalf of the claimant would use his best endeavours to get a third arbitrator who would likely be favourable to the claimant. An arbitrator acting for the Government, having the whole nation behind him, is not likely to have the same sympathy for the Government that an arbitrator acting for the claimant would have for the claimant. The reason why that plan was changed was that there was a feeling that arbitrators allowed to claimants against the Government more than ought to have been allowed. That is why the Exchequer Court was established. With a gentleman possessing a knowledge of the law, with experience as to the valuation of property, and utterly impartial—because it was felt that from his judicial position he would be likely to be impartial—and having no sympathy for either the claimant or the Government, it was thought that the Exchequer Court would be a tribunal which would decide these questions equitably as between the individual and the Government. The Exchequer Court has been for many years in operation in Canada, and I have yet to learn that there has been any public dissatisfaction with the manner in which the different judges who have presided over that tribunal from time to time have discharged their duties. Why has that course been departed from in this case? If it is desirable in the public interest to take over the railway property of this company and nothing else—its rolling stock, elevators, and perhaps its hotels—why has the Exchequer Court been passed over? Why have we reverted to what was the practice forty or fifty years ago, why have we gone back to the proceeding by arbitration as between the claimant and the Government instead of adhering to the practice of submitting a claim of this nature to the Exchequer Court?

There is another objection to this resolution. It does not propose to have the property of this railway system valued. It is not proposed simply to pay for this railway system what it is fairly worth, but the resolution in effect declares that this stock has a value over and above the securities which are against the road. Arbitrators are to be appointed to determine what that value is. Whatever the value is found to be, when the Government takes over the stock at that valuation, it becomes liable for all the securities which are outstanding against this system and for all the liabilities, whether these liabilities are secured or not.

We find, Sir, that there is another motive which might influence the arbitrators who may be appointed by the Government and induce them to take a friendly view of the

claim which the Canadian Northern, or Mackenzie and Mann, may put forward for the stock.

It is this. When the bonds of the company to the extent of $45,000,000 were guaranteed under the legislation of 1915, this Government sought to make this House and this country believe that, in taking over $40,000,000 of its common stock, they were getting an asset which would be of value to the country. Else why did they take it? They were not getting a controlling interest; Mackenzie and Mann were left to continue to operate the line and to have its management just as before. They put it forward that it was a stock that might be of very considerable value to the people of this country. In what position would an arbitrator appointed by this Government be if he found that the $60,000,000 of stock was of no value? The reproach would be made against the Government which appointed him and whose representatives he would be that the Government of 1915 had simply taken over waste paper as a consideration for entering upon the enormous liability, and that that which the Government then put forward as likely to have a very great value in the future was practically of no value at all. On the other hand, if the Government arbitrator were to recognize that the Government were right in assuming that the stock of the company had a value in 1915, he would enable this Government, whose appointee he would be, to say: What foresight we had in 1915; we took over, as a consideration for our guarantee, $40,000,00 of stock, and see the three arbitrators have valued $60,000,000 of stock at par, showing that we, in 1915, with that prescience and foresight for which at all times we are prepared to claim credit, got a security worth $40,000,000 as consideration for entering upon this liability.

Sir THOMAS WHITE: My hon. friend, I understand, admitted that he had suggested $30,000,000 as a figure for the whole amount of stock. Let me ask him whether, on his own assumption ,the obtaining of $40,000,000 out of $100,000,000 in 1914 was not of advantage to the people of Canada?

Mr. PUGSLEY: Provided I was right or would have been right. But my hon. friend is doing me an injustice. What I said was that as a condition of giving this guarantee, the Government would have to contract to take over this stock at the valuation fixed under law.

Sir ROBERT BORDEN: By arbitration.

Mr. PUGSLEY: Did I say by arbitration? If you like, by arbitration, but not to exceed the sum of $30,000,000. Does my hon. friend think I am always right?

Sir ROBERT BORDEN: No, no, no; we do not claim that at all.

Mr. PUGSLEY: Has he introduced this legislation because of that amendment which I suggested—forced and driven to the last ditch in resisting the proposition put forward, a proposition which the country at large did not approve, and which I did not approve?

Sir THOMAS WHITE: Oh no.

Mr. PUGSLEY: If he does so, I am prepared to admit that if a proposition had been made then as it is to-day to take over the entire system, I would have said: Take it over by expropriation and let the Exchequer Court determine its value.

Sir THOMAS WHITE: My hon. friend did not say that.

Mr. PUGSLEY: If you took it by expropriation what would be the result? The country would have to pay what the Exchequer Court would find to be the actual value of the property. If you take it by arbitration, take it in the way you propose, no matter whether the country has to pay $10,000,000 or $60,000,000 for the stock, the country becomes liable for all the outstanding liabilities of the company, amounting to over $380,000,000. That is the position in which you are going to place this country. The hon. member for Welland (Mr. German) says it is something over $400,000,000. At all events, it is in that vicinity, and whether the road to-day is worth $200,000,000 or $400,000,000 under this proposition the moment the arbitration is made, the moment the arbitrators finish their work, the Government, under this resolution and under the Bill that is to be founded upon it, will be obliged in law to take it over and become responsible for all outstanding liabilities of the company. That is the result which will follow the arbitration and, as I have said, if the finding of the arbitrators, is unanimous, whether it is $10,000,000 or $60,000,000 or more than that, this Government will be bound to pay that amount, without any further authority from this Parliament; they are providing by this resolution that the Government must pay the amount and charge it against the consolidated revenues of this country.

My hon. friend has said that there are guaranteed liabilities, that the Dominion has guaranteed $104,000,000 and the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, have also guaranteed debentures of this company. What are those guaranteed debentures? Those guaranteed by the Dominion amount to $104,000.000, and those guaranteed by the provinces to $107,000,000, a total of $211,-000,000. Assuming that it would be in the public interest that these liabilities should be entered into by the Dominion and that Ontario, Manitoba, Saskatchewan, Alberta and British Columbia should all be saved from their liabilities, what reason or what excuse is there for passing legislation which will compel this country to assume $147,-000,000 of liabilities which are unguaranteed, of liabilities to which the public faith has been in no way pledged? What reason is there for that? The investors who took the unguaranteed bonds upon the various sections of the Canadian Northern system had no promise from this Government or from the provincial governments that the securities would be made good. And yet, irrespective of the value of the securities, this Government is asking Parliament to become liable for this enormous additional sum of $147,000,000 of unguaranteed securities, and that without any regard whatever to what amount the investor paid, or to the market value of its securities. If my hon. friend will take up the financial journals, he will find these unguaranteed securities have no value in the markets of the world of much over fifty per cent, taking one with another. He will find, if he studies the financial journals, and the markets of England, Canada and New York, that he could go and buy these $147,000,000 of securities for somewhere in the vicinity of $70.000,000 to $80,000,000, according to the quoted market value to-day. And of course the securities are based, to a very considerable extent, upon the view which the investors take of the value of the property by which their securities are so secured. Yet to those securities, which I have said are not quoted in the financial market at very much over fifty cents on the dollar, ranging from fifty to sixty, and in some cases seventy per cent, it is proposed to at once give an absolute value, by the Government going behind them and taking the place of the Canadian Northern. I do not think that is a fair proposition. It seems to me that what ought to be done is for the Government to expropriate this property, to have the various portions of the system, so far as these portions are covered by independent securities, valued by the Exchequer Court, have them disposed of, and, if the holders of the securities will not make the necessary arrangement, dispose of the property, and divide the assets according to the priorities and according to the claims of the various security holders. But, without any evidence whatever of the actual cost, and knowing that the actual value as represented by the earnings is not sufficient to cover what it is proposed to pay, why the Government should undertake to pledge the credit of the country, not only for what may be awarded to Mackenzie and Mann as the holders of the common stock, but also to meet the necessary liabilities up to their face value, passes my comprehension. It seems to me it is a proposal which should not commend itself to the people of this country. And it is proposed to assume this enormous liability, which will run up to somewhere in the vicinity of $500,000,000, at a time when, in consequence of this war and in consequence of the markets of England being closed to the Canadian Government, Canada is obliged to strain every nerve to borrow the money for the purpose of doing her part in connection with the world conflict. The minister proposes to do this at a time when he is obliged to forget his determination and the determination of the people with whom he was acting not long ago, when they cried out: "No truck or trade with the Yankees," and to go to the New York money market and pay the very high rate of interest of six per cent for a short-term loan extending over a period of two years. This Government's credit has been strained to such a point that Canada, with all its vast resources, with its wonderful possibilities of future development, with its enormous riches, is compelled to pay two and a half per cent more in the markets of the United States than the United States Government was obliged to pay in connection with the flotation of its Liberty Loan, amounting to some $3,000,000,000. Is that a good record for this Government, and is this a good time in which to further strain the credit of the country, and to incur this enormous obligation, of, as I have said, in the vicinity of half a billion dollars?

Sir THOMAS WHITE: How would my hon. friend suggest tnat we should escape the financial liability and the necessity for providing a large sum of money, if we expropriated the system? If we expropriated the system, should we not have to pay a very much larger sum of money than by

acquiring the stock and running the road at the present time?

Mr. PUGSLEY: Not at all.

Sir THOMAS WHITE: My hon. friend wants us to expropriate it.

Mr. PUGSLEY: If we expropriate and the Government only has to pay $300,000,000 for this property, which I believe is all the Exchequer Court would fix as the value, surely it would be better to do so and wipe off all the liabilities.

Sir THOMAS WHITE: When?

Mr. PUGSLEY: At once.

Sir THOMAS WHITE: I do not follow that.

Mr. PUGSLEY: It would not mean paying $300,000,000, because there are $104,000,000 of obligations running for a long time, guaranteed by this Government, for which we would not have to pay the cash. There are $107,000,000 guaranteed by the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, which we would not have to pay provided we were prepared to guarantee those provinces against any liability in respect of bonds.

Sir THOMAS WHITE: We know that those securities are in the hands of investors, and not in the hands of the provinces of Alberta, Saskatchewan and Manitoba. They are outstanding. The hon. gentleman suggests that we expropriate this property, pay $300,000,000, and pay off all the liabilities which would then become due. The way we are suggesting is to acquire the stock and allow the securities which are outstanding to remain outstanding and the matter will be financed in that way. If my hon. friend's point is that it is difficult to raise money now, he must realize our difficulties would be treble what they are at present if we had to expropriate and find $300,000,000.

Mr. PUGSLEY: The position of the Minister of Finance is that of a desperate debtor, who is willing to pay double the value of a property in order to get extended credit —who is willing to pay $500,000,000 to-day for a property that I do not believe the Exchequer Court would value at a figure upwards of $300,000,000.

Mr. CURRIE: The hon. gentleman from St. John (Mr. Pugsley) suggests taking over this property at $300,000,000. If we took it over at that figure, we could not get the money at less than six per cent, which would be $18,000,000 a year. As it stands now the security of the company will average about three and a half per cent on $400,000,000. The reason that these securities are only worth half their face value today—

Mr. PUGSLEY: Is the hon. gentleman asking a question, or making a speech?

Mr. CURRIE: I am asking a question.

Mr. PUGSLEY: I will be glad to answer any question, but if the hon. gentleman wants to make a speech, he can do that later.

Mr. CURRIE: The hon. gentleman has made two or three speeches on every subject this session, except where the rules of the House won't let him, and where the rules won't permit him to make a speech he generally interrupts during the speeches of everybody else.

Mr. PUGSLEY: It is particularly trying to my hon. friend, who speaks so little and is so very free in his remarks, to have to wait till I get through, having made up his mind he ought to speak on this question.

Mr. CURRIE: I thought the hon. gentleman had given me his place.

Mr. PUGSLEY: I am not through yet. I did not say that we would pay $300,000,000 for the property by expropriation, but what I say is that, having reference to the system, to the mileage, the mode in which it has been constructed, and the report of these commissioners, I doubt very much whether the Exchequer Court will allow more than $300,000,000, for this entire property.

When you consider the valuation put upon the property of the Canadian Pacific and the superiority of its construction over that of the Canadian Northern, you realize that the Exchequer Court would hardly value the Canadian Northern property at upwards of $300,000,000. But the Minister of Finance says: Even though the property may be worth only $300,000,000; even though there are $147,000,000 of unguaranteed debentures outstanding which in the markets of the world are not worth more than fifty or sixty cents on the dollar, these bonds have quite a long time to run and it is better for us to buy than to be obliged to pay cash for the property. I was pointing out, when my hon. friend interrupted me, that in all probability, no cash would have to be paid so far as the securities guaranteed by the Dominion or the provinces are concerned,

because the holders would be willing to exchange the securities which they had for any new securities which might be issued. But the matter might be dealt with in another way—the way that was pointed out by the member for Calgary (Mr. R. B. Bennett) at the last session, when in very strong language he took the ground that this Parliament ought not to assume—until it was obliged to do so—liability with respect to these unguaranteed securities. The Minister of Finance sought at that time to make it clear that under the mortgage of 1914 the Government had amply provided for taking entire control of this property in case any default were made. The Finance Minister made a very strong point of the fact that the moment there was any default all the mortgages became ipso facto foreclosed; the equity of redemption would ipso facto be completely wiped out, and the Government would be able to take action without foreclosure proceedings—which would amply protect the public. But the member for Calgary was not satisfied with what was proposed. I would like to read some of the views which that hon. gentleman presented with regard to the proposal to take over the unguaranteed liabilities of the Canadian Northern system. I do this because the member for Calgary devoted a great deal of attention to this subject. He is a gentleman whose views are generally listened to by hon. gentlemen opposite with a great deal of respect. Coming as he does from one of the western provinces, and having had large experience in railway matters, his views are entitled to consideration. On page 3952 of Hansard of 1916, that hon. gentleman is reported as follows:

> Then I ask this question: how are you going to adjust that $147,000,000 of unguaranteed securities? You have your federally-guaranteed securities, your provincially-guaranteed securities; now you have your unguaranteed securities. I, for one, will protest as long as I have a seat in this House against the substitution of the Canadian taxpayer for the Canadian Northern with relation to these unguaranteed securities. I will not become a party to the people of this country being told that they must insure and guarantee unguaranteed securities. If men in England bought $25,000,000 of income certificates of the Canadian Northern and paid par and more for them; if they bought $147,000,000 of unguaranteed 4 per cent perpetual debenture stock and paid par for it, that is their business. But I do protest against the subsitution of 8,000,000 Canadian people behind an unguaranteed security of any railroad company. I go further. Not only is it unsound business, unsound in principle and in detail; I say further that it puts a premium upon watering railroad securities and stocks. A point to which I shall presently direct attention is this: If we are to take over the Canadian Northern railroad, or if we are to prevent a receivership occurring; if we are to act the part of the receiver; if we are to reorganize the system, then we must proceed to reorganize even as the receivers of the Wabash reorganized that road two years ago; even as the receivers of the Frisco system are now endeavouring to reorganize that system; even as the receivers of the Rock Island system are now endeavouring to reorganize that system.

[Mr. Pugsley.]

He says further:

> I am not adverse to any system of reorganization by which these securities would have some value placed upon them; but I would deprecate greatly any endeavour to substitute for the Canadian Northern Railway system, which was the security upon which they were sold, the collective credit of the people of this Dominion. That is the reason why it seems to me that we must go further than we have gone; we must do that very shortly, in order that an opportunity may be afforded by the lodging of these securities with a trust company, or otherwise to bring about some scheme of reorganization, because I think the time is gone by when men of business and intelligence, sitting in this House, should be frightened by the word "receivership." It is a great bogey, this word "receivership." All it means is that you put somebody in who takes charge of the property to conserve it and save it for the people whose money built it.

With that statement of the member for Calgary I thoroughly agree. In naming $147,000,000 of unguaranteed securities, he was below the mark to the extent of this $21,000,000 of land grant bonds issued by the company. Neither the Dominion as a whole, nor the provinces are in any way behind those securities of $147,000,000 and $21,000,000. The people ought not to be called upon to assume liability in respect to unguaranteed securities for which they are in no way liable. The member for Calgary said that there were two ways in which this plan could be worked out: one by expropriation and the other by reorganization. Reorganization could, with very little trouble—with some delay, I admit—be brought about by this Government because of the fact that they have guaranteed bonds to the amount of $104,000,000. Still more easily could it be brought about if they would co-operate with Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, who have guaranteed bonds to the extent of $107,000,000. It would not be difficult to bring about reorganization which would do justice to all concerned and which would enable the Government to avoid paying more than the property is fairly worth. There is no reason why the people should be called upon to assume this enormous

liability in respect of a property which may or may not in the future render any return commensurate with the amount that has to be expended. The minister says that expropriation would cause delay; that the valuation of the property by the Exchequer Court would cause delay; that lawyers would have to be engaged. I am unable to appreciate that point. Under expropriation, the title would immediately vest in the Government.

The Government would have entire charge of the property and would be compelled to pay what the Exchequer Court would find it to be fairly worth. That is all. The delay would be only in the payment over of the money, and no great hardship would be inflicted upon those who would be entitled to it, because they would be entitled to get the money with interest as provided by law.

What reason is there for the Government taking this course at the present time? This is surely not the time to rush into a new investment of such a large character. What will the people of this country—who have been taxed very largely under the business profits tax, the income tax and the taxation by way of customs duties, in order to raise many millions of dollars for the purpose of carrying on the war—say when they find that this Government proposes assuming not only these enormous liabilities in connection with the property owned by the Canadian Northern, but an obligation which will compel them to pay many millions of dollars to Messrs. Mackenzie and Mann? Will they justify this Government in crippling the credit of the country at a time when that credit is being strained, when we shall have to go again, and perhaps again, into the markets of Canada and of New York for the purpose of raising money to carry on the war and to meet existing obligations? Will they say that this is a time to engage in new enterprises of a doubtful character, the necessity for engaging in which has not at all been shown?

Why is it necessary to do this? Is it that the Canadian Northern is not able to carry on its business? The Minister of Finance has not established that as a fact. We have asked him if the Canadian Northern has made any application for assistance. He has not answered that question directly. He says that they have not done it in writing, but he says that, from looking at the statement and from what they say, they will not have enough money to make large betterments to the road. He has also read to us a statement as to the amount the Canadian Northern require for betterments during the next five years, and that amount is only $12,000,000. How much will they require during the coming year? If they need only $12,000,000 during the next five years, the amount they will require during the coming year should be only about $2,000,000. For rolling stock during the next five years they estimate they will require $25,000,000, but the minister has not told us what they will require for rolling stock during the coming year.

Let us look at the position of the company if the figures are to be relied upon. According to the statement made up for the year ending June 30, 1917, the gross earnings are $42,319,686, the operating expenses, $30,794,332, leaving net earnings of $11,525,354. According to this statement, the total interest upon their securities is $14,405,643. Under the agreements made with the Dominion Government, the Government of Ontario and the Government of British Columbia, those different governments are to provide the interest for a certain period after the railway was concluded. The Dominion Government is bound to pay interest until September 1, 1918; the Ontario Government, until January 20, 1918; and the British Columbia Government for a certain period, I believe some two or three years—the period is not stated in the report, but there is the general statement that during the first three years of operating, the company calls upon the British Columbia Government to pay the interest. The statement does not show just when the operating began, but I assume there would be at least two years for the agreement to run. That would deduct $4,514,507 from the interest, and would leave a little over $9,000,000 of fixed charges to be paid. If the estimate up to June of 1917 is correct, there would be about $11,000,000 with which to discharge that liability. In other words, there would be a surplus of about $2,000,000. That being so, is there any evidence upon which we can rely that if the Government does not take over the system, it will go into the hands of receivers? Is there any evidence before this committee upon which the slightest reliance can be placed that with those large earnings amounting to upwards of $42,000,000, the company will not be able to carry on until times become somewhat better? Their earnings are increasing. During the last three years their earnings have increased from $30,000,000 to $42,000,000, with, as I have said, a surplus, after providing for the interest

they are called upon to pay, of about $2,000,000. We ought to have much stronger evidence than merely the verbal statement of Messrs Mackenzie and Mann as to the equipment and betterments required in the near future in order to convince the committee that it is necessary to assume this great obligation. The minister stated I think in 1916 that the Canadian Northern during the preceding year had carried at least 40 per cent of the entire grain of the Northwest. If they were able to do that a year ago, what is to hinder them, with their present rolling stock and equipment, from handling the grain business of the West fairly well during the coming year? Nothing that I can see. I am told that the Canadian Northern has given a very satisfactory service in the West, and there are many parts of this country where the service given by the railroads is not at all as satisfactory to the people who ought to be served by those roads as the service given by the Canadian Northern and the various branches of the system in the section of the country through which it runs. As long ago as the year 1911, the Prime Minister authorized Mr. Fowler, who has until lately represented the constituency of Kings and Albert, and who is now a member of the Senate, to declare to the people of New Brunswick in effect that if the Conservative party came into power, it would take hold of all the branch lines of the Intercolonial and make them a part of the Intercolonial system.

That message was communicated to the people of New Brunswick, who were deeply interested in this question of railway accommodation, and no doubt it had considerable effect upon the people, because they relied on the statements which were made. Yet from that day to this, with only two exceptions, the people have seen those promises unfulfilled; they have seen nothing done to ensure better accommodation for the people of the province so far as the branch lines connecting with the Intercolonial are concerned. What am I to say to these people, and what are the representatives of that province to say to them, when this enormous liability is imposed upon the country?—a burden which they are to bear in common with the rest of the people. They will say: Before incurring these new obligations the Government ought to carry out the pledges which they have made to the people of a section of Canada which is not less important than the sections of the country through which the Canadian Northern system runs.

[Mr. Pugsley.]

Just a word with regard to what my hon. friend says as to the fact that now is the best time to buy the railroad because the securities were floated at a low rate of interest. All other things being equal, that might be so, but I would point my hon. friend to the remark which he made in 1916 when it was proposed to lend to the Canadian Northern the sum of $15,000,000. My hon. friend then referred to the facts that in this war, which had been going on much longer than was ever anticipated, Canada had been obliged to borrow large sums of money, and that our expenditure was running up to about $900,000 per day. He said that that was not the time to engage upon new liabilities. I ask him to remember that statement to-day. Surely the time is no more opportune to-day than it was a year ago. I think that the people of this country will regard this proposal as a most improvident one. There may be a question whether any time it would be desirable to enter upon the system of government ownership; but this is not the occasion when the country should be committed to an obligation so vast in its character and so uncertain in its results as this proposal involves, nor is this the mode in which so great a change should be presented.

Sir ROBERT BORDEN: My hon. friend has been engaged for about an hour and a half in showing that he did not know what he was talking about in 1914 and 1916. He distinctly advocated on three or four occasions in 1914 the acquisition of the stock of the Canadian Northern railway by arbitration, and in no other way. He is proceeding to demonstrate now, to his own satisfaction if not to the satisfaction of any one else, that to acquire that stock by arbitration is a most improvident method, and absolutely against the best interests of the people of this country. He has told us that arbitration was discarded forty or fifty years ago. Might I ask him, then, why he advocated it in 1914 and in 1916 for this very purpose? Were those considerations which he has so eloquently expressed at very great length this evening entirely absent from his mind on that occasion? What is the reason that he regarded the proposal to acquire the stock by arbitration as an eminently wise and reasonable one in 1914 and again in 1916, and that he spends an hour and a half this evening in demonstrating that any such proposal is absolutely absurd and entirely opposed to the public interest? My hon.

friend has taken a long time to explain himself, and I think he will require a much longer time before he convinces the committee that there is really anything in his explanation.

Then he says that the mere suggestion of arbitration puts a value upon the stock. He did much more than that in 1914, when he suggested a value of $30,000,000 for the stock. We have done no such thing on this occasion. We have simply left it to the arbitrators to determine what the value of the stock is. If they consider it of no value, they will find accordingly; if they consider it of some value, they will find accordingly. We do not suggest to the arbitrators, as he proposed to do, and did do in 1914, that the stock might have a maximum value of $30,000,000.

Then he says that a proposal of this kind gives value to the unguaranteed bonds. If the value is affected by this proposal did not his proposal of 1914 and of 1916 effect precisely the same purpose? What is the distinction which the hon. gentleman draws in his own favour between a proposal to acquire by arbitration the stock of this railway at a maximum value of $30,000,000, and a proposal to acquire $60,000,000 now without suggesting any such value as he then named? I am bound to say that I have followed the hon. gentleman with a great deal of attention, and I still adhere to the opinion I expressed a little while ago, that it will be necessary for him to occupy the time of this committee and of this House at a very much greater length than he has done this evening if he wishes to make us understand the supposed distinction between the arbitration which he proposed in 1914, and the proposal which the Government makes at this time.

As far as the additional cost of completing the road, is concerned, and as far as the liabilities outstanding against the road are concerned, it must be perfectly obvious to any one that the arbitrators, when they come to determine the value of the stock, will have to take into account those considerations, and therefore it seems to me that he is merely wasting the time of the committee when he dwells at great length upon such matters. He started out with a proposal respecting the land bonds. Up to the present I am not at all clear as to what he means. The proceeds of the land bonds went into the construction of this road, and therefore they are properly to be taken into account, I suppose, as part of the cost of this road. Does he suggest, as I inquired before—although I have not obtained any satisfactory answer—that that part of the cost of the road should be omitted? If he agrees that it should not be omitted, why does he suggest that the land against which these bonds were issued should be eliminated from the assets of this system?

Mr. PUGSLEY: What I say is this. The investor who put his money in those bonds had nothing to do with what was done with the proceeds. The investor lent his money on the security of the land. I would eliminate both. I would neither assume the liability nor take the land.

Sir ROBERT BORDEN: That is a most extraordinary proposition. The proceeds of these bonds have gone into the construction of the road. If there had not been any lien to secure them at all how could you omit them from the cost of the road? The money was spent, and is represented in the road to-day. What he suggests, if he suggests anything at all, is that we should omit from the assets of this system, the land upon which those bonds are secured. Surely he must realize upon reflection that that is not a suggestion which is in the interests of the people of this country. Further than that, so far as all these assets and liabilities are concerned, they must be taken into account by the arbitrators when they come to determine the value of the stock, if it has any value. Therefore all the argument which my hon. friend has poured forth in such volume to the committee this evening does not seem to have any relevancy to the debate at all. The money went into the road, and therefore must be taken into account. Why, in the name of all that is reasonable, should we omit the land upon which that money was raised?

I must confess, although I followed my hon. friend with the greatest possible attention, that I am utterly unable to see any common sense—if I may be permitted to say so without any desire to be offensive—in the suggestion he made.

However, it is perfectly obvious that we cannot get the resolution through to-night. My hon. friend will have an opportunity of making any further explanation that he desires to-morrow, and I shall move now that the committee rise, report progress, and ask leave to sit again.

Mr. GERMAN: There is a provision for default in the statute of 1914, section 21. I would like to ask the Minister of Finance if the Canadian Northern has made default and if the penalty provided by

subsection (a) of section 21 of the statute of 1914, under the provisions of the new trust deed, has been exacted. I would ask the minister if he would produce the trust deed.

Sir THOMAS WHITE: Yes.

Mr. GERMAN: Has there been any default under the provisions of that trust deed.

Sir THOMAS WHITE: The Canadian Northern has not, so far as I am aware, defaulted on any of its securities. But my hon. friend knows that financial aid is required, and will be required each year, to prevent default. We will be glad to bring down a copy of the trust mortgage, which was executed in 1914—and which I think has been laid on the Table once or twice during the last two years—and any other information that my hon. friends desire.

Progress reported.

On motion of Sir Robert Borden, the House adjourned at 11.30 p.m.

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Abbreviations.—1r., 2r., 3r.=first, second, or third reading. Amdt.=Amendment. Com.=Committee. Con.=Consideration. Div.=Division. M.=Motion. Ref.=Reference. Rep.=Report. Res.=Resolution. Sec.=Section.

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